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[ADDITIONAL COUNSEL LISTED AFTER CAPTION]

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE

LAURA HERRERA, VALERIE
CHAVEZ, individually and on behalf of
others similarly situated and other
aggrieved employees,

Plaintiffs,

v.

CASCADE LIVING GROUP
MANAGEMENT, LLC, an active
Washington Limited Liability Company;
BPM SENIOR LIVING COMPANY, an
active Delaware Corporation; and DOES
1 through 10,

Defendants.

Case No.: 20STCV48606 (related to
21STCV35724)

CLASS AND REPRESENTATIVE
ACTION

*[Assigned to Hon. Stuart M. Rice
in Dept. SS-1]*

**DECLARATION OF HAIK
HACOPIAN WITH EXHIBITS IN
SUPPORT OF MOTION FOR
PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

[FILED CONCURRENTLY WITH
NOTICE OF MOTION AND MOTION
FOR PRELIMINARY APPROVAL;
DECLARATION OF ZORIK
MOORADIAN; DECLARATION OF
JAMES R. HAWKINS;
DECLARATION OF LAURA
HERRERA; DECLARATION OF
VALERIE CHAVEZ; AND
[PROPOSED] ORDER]

Date: August 14, 2023

Time: 10:30 a.m.

Dept.: SS-1

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7 Attorneys for Plaintiff, VALERIE CHAVEZ
on behalf of herself and all others similarly situated
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Vacations Worldwide/8:18-cv-00685-JVS-JPR (appointed as class counsel); Balaguer v. Eminent, Inc/19STCV16803 (appointed as class counsel); Gonzalez v. FMS Management/30-2019-01065563-CU-OE-CXC (appointed as class counsel); Ramos v. Liberty Container Corp./20STCV06560 (appointed as class counsel); Mendoza v. Savage Services Corporation/18STCV04798 (appointed as class counsel); Moreno v. DCX-Chol Enterprises/19STCV19105; Villacana v. Crothall Laundry Services/19STCV16330.

4. I am familiar with California wage and hour law including the laws governing the alleged violations and the Orders of the Industrial Welfare Commission, and the Private Attorneys General Act.

5. I know of no conflicts as to why I, or Mr. Mooradian, could not serve as Class Counsel in this matter and I am fully aware of the responsibilities I would owe as Class Counsel to the proposed class in this action. I also know of no conflicts that would preclude Ms. Herrera from serving as a Class Representative in this matter.

6. As a result of my prior experience, including as class counsel in other wage and hour class actions, I am fully aware of the responsibilities I owe as Class Counsel to the proposed class in this action. Based on my experience as Class Counsel, I believe, in light of the criteria identified in *Dunk v. Ford Motor Co.* (1996) 48 Cal. App. 4th 1794, 1801, that the proposed settlement is fair to the class, reasonable and more than adequate in view of (i) the strength of Plaintiffs' claims and Defendant's defenses, (ii) the risk, expense, complexity and likely duration of further litigation, (iii) the risk and difficulty of obtaining class certification and maintaining class action status through trial, (iv) the total settlement amount of \$850,000 offered in settlement allowing for significant individual recoveries by employees, (v) the discovery conducted by the Parties in this case, (vi) my experience with similar settlements in wage and hour class actions that have received court approval, and (vii) the fact that the settlement was the result of arms' length negotiations between experienced counsel facilitated by Mr. Scott S. Markus, a respected neutral mediator.

7. Defendant Cascade Living Group Management, LLC (Cascade) is based in Washington State and is the owner and operator of 30 assisted living facilities in western

1 States (CA, WA, OR, WY, AZ, NV). This lawsuit covers four facilities operated by Cascade
2 in California as follows: (1) Desert Hills Memory Care Center (acquired April 1, 2007); (2)
3 Cascade of Grass Valley (acquired Dec. 16, 2013); (3) Magnolia Grand (acquired June 13,
4 2019); and (4) Regency Grand (acquired from Defendant BPM on June 13, 2019). Plaintiff
5 Herrera was employed at the Regency Grand upon Cascade's acquisition of that facility on
6 June 13, 2019 until her separation on March 7, 2020.

7 8. The class count, per the roster produced by Cascade, reflects 709 employees
8 (509 of whom have termination dates) who worked at the four California locations during the
9 Class Period. Class Members worked 44,861 workweeks during the Class Period. The average
10 shift length calculates to 7.4 hours and the average hourly rate to \$14.86.

11 9. On June 15, 2023, pursuant to the Settlement and stipulation of the Parties, the
12 operative Second Amended Complaint was filed in the Herrera Action which added Valerie
13 Chavez, plaintiff in the related Chavez Action, as an additional named plaintiff and amended
14 the class definition to be consistent with the Settlement Class definition. The Second Amended
15 Complaint asserts the following causes of action: (1) Failure to Provide Meal Periods; (2)
16 Failure to Provide Paid Rest Periods; (3) Failure to Pay Wages; (4) Failure to Timely Pay
17 Wages at Termination/Separation; (5) Failure to Timely Pay Vacation Wages at
18 Termination/Separation; (6) Failure to Provide Accurate Wage Statements; (7) Violation of
19 Unfair Business Practices Act – Bus. & Prof. Code §§ 17200, et seq.; and (8) Penalties
20 Pursuant to Private Attorneys General Act ("PAGA").

21 10. The Parties have conducted investigation of the operative facts and applicable
22 law during the pendency of the case through both formal and informal discovery. Plaintiff
23 Herrera has reviewed and examined class data and has retained the services of an expert who
24 has analyzed the damages and evaluated the potential class wide exposure. Prior to mediation,
25 Plaintiff Herrera conducted formal written discovery that yielded three sets of verified
26 responses. In addition to Plaintiff's file and employee handbook, Defendant produced
27 complete electronic class time and payroll records for 2018-2021 for two locations and for
28 2019-2021 for the two facilities acquired during the Class Period. Plaintiff Herrera had the

benefit of time and payroll analysis across 27,958 of the 44,861 total workweeks (62.3%). Plaintiff also received an electronic employee roster that included hire and termination dates for 709 employees.

11. On December 13, 2022, Plaintiff Herrera and Cascade participated in a full-day mediation before Mr. Scott S. Markus. The Parties were able to reach a resolution at the mediation and executed a Memorandum of Understanding (“MOU”). The Parties ultimately entered into their Stipulated Settlement Agreement that incorporated the terms of their MOU, a true and correct executed copy of which is attached hereto as **Exhibit “A”**.

12. Defendant BPM Senior Living Company was the owner of the Regency Grand facility where Plaintiff Herrera was employed until sale and transfer to Cascade on June 13, 2019. Employees at the facility, including Plaintiff Herrera, were all terminated by BPM and rehired by Cascade upon the transfer. A significant part of the Herrera litigation focused on whether Cascade assumed liability for claims against BPM prior to the sale. It was ultimately established that there was no such assumption.

13. Moreover, Plaintiff Herrera executed an enforceable arbitration agreement with BPM which BPM intended to enforce and would have resulted in the dismissal of class allegations against BPM. As such, the matter would have bifurcated into an arbitration for Plaintiff Herrera’s individual claims against BPM prior to June 13, 2019 and class/PAGA litigation against Cascade (Plaintiff Herrera’s PAGA claim was only asserted against Cascade). As Plaintiff Chavez was hired on or about August 2019, after the transfer on June 13, 2019, she would not have any claims against BPM.

14. BPM did not participate in the class mediation. BPM is neither a signatory to the Settlement Agreement nor is BPM being provided with a release for any class or PAGA claims. The Settlement Agreement expressly provides that “Defendant BPM Senior Living is expressly excluded from the definition of Released Parties.” S.A. at §1.19. Further, Plaintiff Herrera and BPM have agreed to a confidential individual settlement for Ms. Herrera’s claims prior to June 13, 2019 and are currently awaiting its full execution. Notably, Cascade is not a party to the individual settlement between Plaintiff Herrera and BPM, nor is Cascade being

1 released through that agreement. Plaintiff Herrera will seek dismissal of her individual claims
2 against BPM with prejudice and dismissal of class allegations against BPM without prejudice.
3 No consideration is being received by Plaintiff Herrera for the dismissal of class allegations
4 against BPM as said dismissal is being sought based on an enforceable arbitration agreement
5 barring class claims against BPM.

6 15. If the Court approves this settlement, Cascade will pay the gross sum of
7 \$850,000 ("Settlement Amount") which will be used to fund this Settlement and make
8 payments to Class Members, who will be paid on an all-in non-reversionary opt-out basis. The
9 Settlement Amount excludes the employer share of taxes on the wage component of the
10 Settlement which will be separately funded by Defendant..

11 16. The Net Settlement Amount to be distributed to Settlement Class Members
12 calculates to \$464,500 after deductions from the Settlement Amount for: (1) \$297,500 (35%
13 of the Settlement Amount) for attorneys' fees, (2) \$25,000 for litigation costs, (3) \$20,000 for
14 Service Awards to Plaintiffs, (4) \$13,000 in settlement administration costs, (5) a \$22,250
15 payment to the LWDA as its 75% share of the \$30,000 allocated to settlement of Plaintiff's
16 PAGA claims, and (6) a \$7,500 distribution to Aggrieved Employees for their 25% share of
17 the PAGA allocation. The approximate estimated simple average class settlement payment,
18 assuming maximum awards and participation by 725 individuals, calculates to \$640.69.
19 (\$464,500 ÷ 725).

20 17. I am unaware of any other cases or claims that would be impacted by this
21 Settlement, except for the related Chavez Action, that will be dismissed as Plaintiff Valerie
22 Chavez has been added to this lawsuit and settlement. I am unaware of any other pending
23 wage and hour lawsuits against Defendant Cascade, Defendant BPM, or lawsuits implicating
24 wage and hour claims of the proposed settlement class here. Defendants have not filed any
25 Notice of Related Cases or informed my office of any overlapping or related lawsuits, pending
26 or otherwise. Moreover, a search for other PAGA notices filed against Defendant Cascade on
27 the LWDA's online database shows only Plaintiff Herrera's and Plaintiff Chavez's PAGA
28 notices. No PAGA notices exist as to Defendant BPM. Attached hereto as **Exhibit "B"** are

1 true and correct copies of the PAGA Notices communicated on behalf of Plaintiffs to Cascade
2 and the LWDA on December 19, 2020 and on September 28, 2021, which have also been
3 appended to the operative Second Amended Complaint.

4 18. Plaintiffs' requested incentive payments of \$10,000 each are intended to
5 recognize their contributions on behalf of the Class and are fair in relation to the total
6 settlement, their efforts, and standing alone.

7 19. The Parties have agreed to an attorneys' fees award of \$297,500.00, which is
8 thirty-five percent (35%) of the Settlement Amount of \$850,000, and payment of documented
9 litigation costs and expenses up to \$25,000. Mooradian Law, APC and James Hawkins APLC
10 will submit detailed support for their request for a fee award along with Plaintiffs' motion for
11 final approval of the settlement. For now, I submit that the requested fee is fair compensation
12 for undertaking a complex, risky, expensive, and potentially time-consuming litigation
13 involving these cases on a purely contingent fee basis. Here, my office has incurred
14 substantial attorneys' fees independently conducting pre-filing investigations, analyzing the
15 claims, litigating the case, conducting legal research and analysis, reviewing significant
16 documentary and electronic records produced by Defendant, performing data analysis of
17 employee timekeeping data and payroll records, preparing for and attending a full-day
18 mediation, negotiating the settlement, preparing and amending the long-form Stipulated
19 Settlement Agreement, Class Notice, and preparing this Motion for Preliminary Approval,
20 and otherwise aggressively pursuing the interests of the putative class.

21 20. I submit that the request for attorneys' fees is reasonable when viewed as an
22 overall percentage of the settlement as well as with reference to counsel's loadstar. In light of
23 the risks and significant work undertaken by my office and James Hawkins APLC, the results
24 obtained for the class, and the efficiency with which the Parties collaborated to conduct the
25 litigation, the fee and cost request is fair and reasonable.

26 21. Cascade's handbook mandated accurate employee timekeeping including
27 recordation of meal breaks. Cascade, however, implemented quarter hour rounding at the start
28 and end of shifts. Based on the time and payroll data, 2,784 underpaid hours are calculated

1 across 76,726 shifts. The total amount owed calculates to \$52,951.

2 22. Cascade pays various non-discretionary payments identified as bonus
3 supplemental pay, referral pay, commission pay, rewards pay, and bonus regular pay which
4 Plaintiffs tally to \$309,520 paid during the class period. The overtime paid to employees,
5 however, was based on an employee's base hourly rate without recalculation to determine the
6 regular rate to the extent any of the above payments were paid. The total overtime differential
7 owed calculates to less than \$20,053.

8 23. The total exposure tallies to \$73,004 and as these are straightforward
9 calculation issues, this is the value ascribed to the unpaid wage claim.

10 24. Cascade's California specific meal break policies went into effect as of
11 December 2019 and are compliant. Analysis of the data reflects 77,624 unique meal period
12 violations consisting of at least one of the following: (1) recorded 1st meal break after the end
13 of the 5th hour for shifts greater than 5 hours; (2) 1st meal break less than 30 minutes for shifts
14 greater than 5 hours; (3) no 1st meal break for shifts greater than 5 hours, or (4) no 2nd meal
15 break for shifts greater than 10 hours.

16 25. Cascade started paying meal premiums in 2021 and the data reflects 751
17 instances of premium pay, reducing unique violations to 76,873. Further, the policy designates
18 premium pay at "one hour of pay" with no reference to "regular rate of pay." That said, any
19 differential owed across the 751 premium payments would be negligible. Exposure for the
20 unique meal period violations calculates to \$1,129,614. In light of a compliant policy,
21 substantial individual inquiry would be necessary to determine whether a non-compliant meal
22 period was due to employee choice and craft some theory that will lend itself to certification
23 across the multiple locations, managers, and job circumstances. Based on the foregoing, a
24 meal break claim is not valued in excess of 30% of the assessed exposure, or \$338,884.20.

25 26. Cascade maintained a compliant written rest period policy that authorized paid
26 and uninterrupted 10-minute rest periods. Plaintiff Herrera contends, however, that rest breaks
27 were never provided and to the extent any break was provided, it would be a meal break. The
28 time record reflects tracking of rest breaks for 2% of total shifts. To the extent a rest break

1 violation is assumed across 98% of the 179,462 rest break qualifying shifts, exposure for rest
2 period violations calculates to \$2,688,775. As there is no legal requirement that rest breaks be
3 tracked nor did Cascade require tracking, this sum overstates potential exposure. A more
4 reasonable exposure assessment may be assessed across 50% of rest break eligible shifts, or
5 \$1,334,387.50.

6 27. Substantial individual inquiry would be necessary to determine if and why any
7 rest breaks were not taken on specific occasions and craft some theory that will lend itself to
8 certification across the multiple locations, managers, and job circumstances with the backdrop
9 of a compliant written policy. Based on the foregoing, a rest break claim is not valued in
10 excess of 25% of the assessed exposure, or \$398,558.88.

11 28. Cascade maintains a PTO benefit that allows for accrual upon hire at rates and
12 caps consistent with an employee's length of service. Per the handbook, however, payment of
13 accrued but unused PTO upon separation is conditioned on employees providing "a minimum
14 of three to four weeks' notice prior to resignation" and that "[f]ailure to provide adequate
15 notice will result in the loss of vacation payout at termination (unless prohibited by state law)
16 and may make you ineligible for rehire." No California requirements are otherwise articulated.

17 29. Plaintiff Herrera accrued PTO at a rate of 0.04 hours per hour worked. At her
18 separation, she had accrued 26.42 hours of PTO that were never paid. At her final hourly rate
19 of \$13.00, she would be entitled to a \$343.46 payment.

20 30. Plaintiff identifies 220 employees who never received PTO (either at
21 termination or at any point during their employment). This may be explained by the
22 handbook's notice and forfeiture provision outlined above. Plaintiff calculates 11,744 hours
23 of PTO that would be owed to former employees, which calculates to \$176,425 in unpaid
24 PTO. There are factual issues that will need to be resolved including whether and how the
25 PTO policy with its forfeiture provision was interpreted and applied and how PTO was
26 handled prior to the December 2019 Handbook. Based on these issues, a 25% discount to
27 stated exposure May be applied to arrive at a valuation of \$132,318.75 for the PTO claim.

28 31. The handbook makes no reference to the payment and timing of final wages at

1 separation. In Plaintiff Herrera's instance, her last day worked was March 7, 2020 but she
2 received her final wages the next pay day on March 23, 2020. At 509 terminated employees
3 from Dec. 21, 2017 through the mediation date, the maximum waiting time penalties at 30
4 days calculates to \$1,683,066. There are expected to be significant factual variations relating
5 to individual employee's separation and receipt of final pay that would undermine any
6 unifying certification theory. But putting aside a substantive waiting time claim, the rounding
7 claim would capture \$1,054,809 of the maximum exposure on a derivative basis on account
8 of substantial spread across former employees of the \$52,951 owed. Similarly, the regular rate
9 claim captures \$396,794 of the maximum exposure. Significantly, this claim is also subject to
10 the good faith dispute defense under Cal. Code Regs. § 13520, and as such a 30% discount is
11 applied to assess a value range from \$277,755.80 to \$738,366.30 for the waiting time penalties
12 claim.

13 32. The regular wage statements issued to employees were facially compliant with
14 the requirements of Labor Code Section 226. As with waiting time penalties, this claim is
15 derivative of unpaid wage, meal, and rest break violations. Although maximum exposure
16 calculates to \$1,083,550 for the 560 employees during the wage statement penalty period for
17 12,269 wage statements from December 21, 2019 through December 13, 2022, a more
18 realistic valuation scenario would be on a derivative basis for the strong rounding and regular
19 rate claims, as with the waiting time claim. The former captures \$569,250 of the maximum
20 exposure and the latter captures \$112,500, and such represents the value range attributable to
21 the wage statement claim.

22 33. The data analysis reflects 12,269 PAGA Pay Periods. Assuming Plaintiffs are
23 to identify a predicate violation for every pay period across the unpaid wage, meal break, and
24 rest break claims and assessing a \$100 penalty for each and every pay period, results in
25 \$1,226,900 in maximum penalties. Applying an 80% reduction to maximum penalties results
26 in a potential exposure of \$245,380. Moreover, a court may readily conclude that a lower
27 penalty assessment will suffice for this particular Defendant, including due to Defendant
28 starting to pay meal premiums in 2021, ostensibly as a consequence of this lawsuit and

Plaintiff's PAGA claim. Plaintiff does not believe that any mid-to-high six figure PAGA penalty recovery is very realistic in this case. There is also the risk that all or part of the PAGA claim may be rejected on trial manageability grounds. Based on the foregoing, and also because of potential defenses to the substantive claims that would bear on PAGA liability, the Parties' \$30,000 allocation for release of the PAGA claims reflects a very fair compromise and is extremely reasonable.

34. The settlement is fair and adequate when compared to the total potential exposure and the risks inherent in Plaintiffs' claims. I consider the settlement to be significantly more than a "fraction" of potential recovery, particularly considering the various potential complications, dangers and pitfalls that proceeding would entail. This proposed settlement provides a fair and reasonable monetary recovery for the Settlement Class in the face of disputed claims and significant hurdles. The \$850,000 Gross Settlement Amount captures 37.8 to 63.8% of the \$1,333,021.63 to \$2,250,382.13 assessed case value on viable class claims, which is extremely favorable given the significant risk factors described above.

Claim	Exposure	Discount Applied	Value
Unpaid Wages	\$73,004	0%	\$73,004
Meal Period	\$1,129,614	70%	\$338,884.20
Rest Period	\$1,334,387.50	75%	\$398,558.88
Unpaid PTO	\$176,425	25%	\$132,318.75
Waiting Time	\$396,794 to \$1,054,809	70%	\$277,755.80 to \$738,366.30
Wage Statement	\$112,500 to \$569,250	0%	\$112,500 to \$569,250
	\$3,222,724.50 to \$4,337,489.50		\$1,333,021.63 to \$2,250,382.13

35. The parties had engaged in formal discovery with significant review and assessment of the asserted claims which included expert assistance. Defendant could have moved for summary adjudication on all or some of the claims. Moreover, preparation for class

1 certification and trial remained for the Parties as well as the prospect of appeals in the wake
2 of a disputed class certification ruling for Plaintiffs and/or summary judgment ruling. As a
3 result, the parties would incur considerably more attorneys' fees and costs through trial. This
4 settlement avoids those risks and the accompanying expense.

5 36. To the extent any claims were certified, Defendant would certainly seek to
6 decertify them. Absent settlement, there was a risk that there would never be a certified class.

7 37. I submit that the proposed settlement is within the range of possible approval
8 for communication of a notice in conformity and consideration thereof by the Settlement
9 Class. The Court will have the opportunity to again assess the reasonableness of the settlement
10 after the Class has had the opportunity to opt-out or object.

11 38. The alternative method of resolution of the claims asserted here would be
12 multiple individual lawsuits, challenging the same alleged wage and hour policies and
13 practices of Defendant Cascade, and each seeking a small amount of damages. Such
14 duplicative litigation would be extremely inefficient and costly for the courts and wasteful for
15 judicial forums that would otherwise devote resources to other matters.

16 39. Attached hereto as “**Exhibit C**” is a true and correct copy of the administration
17 quote for \$11,000 provided by the proposed settlement administrator, CPT Group, which is
18 less than the \$13,000 maximum contemplated by the settlement.

19 I declare under penalty of perjury under the laws of the State of California that the
20 foregoing is true and correct.

21 Executed this 15th day of June 2023, in Calabasas, California.

22
23 /s/Haik Hacopian
Haik Hacopian, Declarant

EXHIBIT “A” – Settlement Agreement

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LLC

[Additional counsel listed following caption]

SUPERIOR COURT OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE

LAURA HERRERA, individually and on
behalf of others similarly situated and
other aggrieved employees,

Plaintiffs,

v.

CASCADE LIVING GROUP
MANAGEMENT, LLC, an active
Washington Limited Liability Company;
BPM SENIOR LIVING COMPANY, an
active Delaware Corporation; and DOES
1 through 10,

Defendants.

Case No.: 20STCV48606 (related to
22STCV16298)

CLASS AND REPRESENTATIVE ACTION

[Assigned to Hon. Stuart M. Rice in Dept.
SS-1]

**STIPULATED SETTLEMENT
AGREEMENT**

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Attorneys for Plaintiff, VALERIE CHAVEZ
on behalf of herself and all others similarly situated

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1 IT IS HEREBY STIPULATED AND AGREED, by and among the undersigned parties,
2 subject to the approval of the Court pursuant to Section 382 of the California Code of Civil Procedure
3 and Rule 3.769 of the California Rules of Court, that the settlement of this captioned action shall be
4 effectuated upon and subject to the following terms and conditions. Capitalized terms used herein shall
5 have the meanings set forth in Section I or elsewhere in this Agreement.

6
7 **I.**

8 **DEFINITIONS**

9 Unless otherwise defined herein, the following terms used in this Agreement shall have
10 the meanings ascribed to them as set forth below:

11 1.1 “Action” means the lawsuit entitled *Laura Herrera, individually and on behalf*
12 *of others similarly situated and similarly aggrieved employees v. Cascade Living Group Management,*
13 *LLC, et al., and Does 1 to 10, Los Angeles County Superior Court Case No. 20STCV48606 and the*
14 *related lawsuit entitled Valerie Chavez on behalf of herself and all others similarly situated v. Cascade*
15 *Living Group Management, LLC, and Does 1 through 50, Los Angeles County Superior Court Case*
16 *No. 21STCV35724.*

17 1.2 “Agreement” or “Settlement Agreement” or “Settlement” means this Stipulated
18 Settlement Agreement, including any Exhibit(s) attached hereto.

19 1.3 “Aggrieved Employees” means all non-exempt employees who are or
20 previously were employed by Defendant Cascade Living Group Management, LLC in California
21 during the PAGA Period.

22 1.4 “Class List and Data Report” means a list of the names, last known mailing
23 address, and Social Security number of each Settlement Class Member, number of Workweeks
24 Worked by each Settlement Class Member during the applicable Class Period, and employment status
25 of each Settlement Class Member as of December 13, 2022.

26 1.5 “Class Period” means the period starting December 21, 2016 to December 13,
27 2022.

1.6 “Class Notice” or “Notice of Class Action Settlement” means the notice approved by the Court in the Order of Preliminary Approval in the form substantially similar to Exhibit 1, attached hereto. The Class Notice attached as Exhibit 1 shall be provided to Settlement Class Members. The Class Notice to Settlement Class Members will contain the respective Settlement Class Member’s individual information, including name, address, number of Workweeks Worked during the Class Period, and the estimated amount each Settlement Class Member may receive in the Settlement. The Class Notice to be sent to Settlement Class Members will include a Spanish translation; provided, however, that in case of any disagreement or question regarding the translation, the English language version of the Class Notice shall control.

1.7 “Complaint” or “Complaints” mean each and every Complaint filed at any time in the Action.

1.8 “Court” means the Superior Court for the County of Los Angeles.

1.9 “Defendant” or “CASCADE” means Defendant Cascade Living Group Management, LLC, Cascade Living Group, Inc., Cascade Living Group – Hemet, LLC, and Cascade Living Group – Grass Valley, LLC, unless otherwise indicated.

1.10 “Defense Counsel” means: Diane Marie O’Malley and Warren Hodges of Hanson Bridgett LLP, 425 Market Street, 26th Floor, Los Angeles California, 94105.

1.11 “Effective Date” means and refers to the date when all of the following events have occurred: (1) this Settlement Agreement has been executed by all Parties; (2) the Court has given preliminary approval to this Settlement Agreement; (3) the Class Notice has been sent to Settlement Class Members, providing them with an opportunity to object to the terms of this Settlement Agreement or to opt out of the Settlement; (4) the Court has held a formal fairness hearing and entered a final Order and Judgment certifying the Settlement Class, and approving this Settlement Agreement; (5) ten (10) calendar days have passed since the Court has entered a Final Approval Order and Judgment certifying the Settlement Class, and approving the Stipulated Settlement Agreement; and (6) in the event there are written objections filed prior to the final fairness hearing which are not later withdrawn or denied, the later of the following events: fifteen (15) days after the period for filing any

1 appeal, writ, or other appellate proceeding opposing the Court’s final Order approving the Settlement
2 has elapsed without any appeal, writ, or other appellate proceeding having been filed; or, if any appeal,
3 writ or other appellate proceeding opposing the Court’s final Order approving the Settlement has been
4 filed, fifteen (15) days after any appeal, writ, or other appellate proceedings opposing the Settlement
5 has been finally and conclusively dismissed with no right to pursue further remedies or relief.

6 1.12 “Net Settlement Amount” means the portion of the Settlement Amount
7 available for distribution to Participating Settlement Class Members under this Agreement after
8 payment of (1) the attorneys’ fees and costs award to be paid to Settlement Class Counsel; (2) the
9 service payment to Plaintiffs; (3) all payments to or withholdings for governmental authorities for the
10 employee portion of any payroll taxes or other required taxes or withholdings; (4) all payments to the
11 Aggrieved Employees and the California Labor Workforce Development Agency (“LWDA”) for
12 PAGA penalties; and (5) all costs and fees incurred by and awarded to the Settlement Administrator.
13 One hundred percent (100%) of the Net Settlement Amount, less tax withholdings on the portion
14 characterized as wages, shall be distributed to Participating Settlement Class Members with no
15 reversion to Defendant.

16 1.13. “PAGA Period” means the period starting December 19, 2019 to December 13,
17 2022.

18 1.14 “Participating Settlement Class Member” means a Settlement Class Member
19 who has not timely opted-out of the Settlement.

20 1.15 “Parties” means Defendant and Plaintiffs.

21 1.16 “Plaintiffs” means named Plaintiff Laura Herrera and named Plaintiff Valerie
22 Chavez.

23 1.17 “Released Claims” means: all class claims alleged in the operative complaint
24 which are based upon alleged actions that occurred during the Class Period, and those claims that
25 could have been based on the same factual allegations and legal assertions made in the operative
26 complaint, and expressly excluding all other claims, including claims for vested benefits, wrongful
27 termination, unemployment insurance, disability, social security, workers’ compensation, and claims
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1 outside of the Class Period.

2 1.18 "Released PAGA Claims" means all PAGA claims alleged in the operative
3 complaint and Plaintiffs' PAGA notices to the LWDA which occurred during the PAGA Period, and
4 expressly excluding all other claims, including claims for vested benefits, wrongful termination,
5 unemployment insurance, disability, social security, workers' compensation, and PAGA claims based
6 upon alleged actions that are outside of the PAGA Period.

7 1.19 "Released Parties" means Defendant, including each of Defendant's respective
8 past, present, and/or future, direct and/or indirect, officers, directors, members, managers, employees,
9 agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent
10 companies, subsidiaries, related entities, affiliates, divisions, predecessors, successors, assigns, and
11 joint venturers. Defendant BPM Senior Living Company is expressly excluded from the definition of
12 Released Parties.

13 1.20 "Settlement Administrator" means CPT Group, Inc.

14 1.21 "Settlement Amount" means and refers to the maximum amount of money
15 Defendant will be required to pay pursuant to this Agreement. The Settlement Amount is Eight
16 Hundred Fifty Thousand Dollars and No Cents (\$850,000.00). The Settlement Amount shall be
17 inclusive of: (1) all payments to Participating Settlement Class Members; (2) the attorneys' fees and
18 costs award to be paid to Settlement Class Counsel; (3) the service awards to Plaintiffs; (4) all
19 payments to or withholdings for governmental authorities for the employee portion of any payroll
20 taxes or other required taxes or withholdings; (5) all payments to the LWDA for PAGA penalties; (6)
21 all penalty payments to the aggrieved employees; and (7) all costs incurred by and awarded to the
22 Settlement Administrator. In addition to the Settlement Amount, Defendant shall also be responsible
23 for employer taxes, including the employer FICA, FUTA and SDI contribution, on the wage portion
24 of the Settlement paid to Participating Settlement Class Members. The Settlement Amount is premised
25 on a class size not to exceed 750 individuals and to the extent the class size exceeds this number, the
26 Settlement Amount shall increase on a pro-rata basis for each additional Class Member, or \$1,133.33
27 for each additional class member. Except as so provided, the parties agree, covenant and represent that
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Defendant shall be required to pay no more than the Settlement Amount of \$850,000.00 plus employer taxes as described above.

1.22 “Settlement Class” and “Settlement Class Members” means shall refer to the following: All current and former non-exempt employees employed by Cascade Living Group, Inc., Cascade Living Group Management, LLC, Cascade Living Group – Hemet, LLC, or Cascade Living Group – Grass Valley, LLC, in California during the Class Period.

1.23 “Settlement Class Counsel” means the following:

Zorik Mooradian
Haik Hacopian
Mooradian Law, APC
24007 Ventura Blvd., Suite 210
Calabasas, California 91302
Telephone: (818) 487-1998
Facsimile: (888) 783-1030

James R. Hawkins
Isandra Fernandez
James Hawkins APLC
9880 Research Drive, Suite 200
Irvine, California 92618
Telephone: (949) 387-7200
Facsimile: (949) 387-6676

1.24 “Individual PAGA Settlement Payment” means the proportional share of the 25% portion of the PAGA Payment (as defined in Paragraph 3.9) allocated and paid to the Aggrieved Employees, as calculated by the Settlement Administrator according to the terms of this Agreement.

1.25 “Individual Settlement Payment” means the proportional share of the Net Settlement Amount to be paid to Participating Class Members, as calculated by the Settlement Administrator according to the terms of this Agreement.

1.26 “Workweek Worked” means any calendar week during the applicable Class Period in which a Settlement Class Member performed any work, as reflected in Defendant’s time and payroll records.

II.

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2.7 On May 26, 2022, the operative First Amended Complaint was filed in the Herrera Action which added a cause of action for PAGA violations. The First Amended Complaint asserts the following causes of action: (1) Failure to Provide Meal Periods; (2) Failure to Provide Paid Rest Periods; (3) Failure to Pay Wages; (4) Failure to Timely Pay Wages at Termination/Separation; (5) Failure to Timely Pay Wages at Termination/Separation; (6) Failure to Provide Accurate Wage Statements; (7) Violation of Unfair Business Practices Act – Bus. & Prof. Code §§ 17200, et seq.; and (8) Penalties Pursuant to Private Attorneys General Act (“PAGA”). The Herrera PAGA Action (Case No. 21STCV07475) was thereafter dismissed. On June 28, 2022, Cascade filed its Answer to the First Amended Complaint.

2.8 On December 13, 2022, Plaintiff Laura Herrera and Defendant participated in a full-day mediation before Scott Markus and were able to reach a settlement on that date and executed a Memorandum of Understanding (“MOU”). Thereafter, the Parties agreed to this Settlement, fully incorporating the terms of their MOU.

2.9 Proceedings. This Action has been vigorously litigated between the Parties, including formal discovery and production of documents and electronic records for Plaintiff Herrera and the putative class. The Parties specifically and mutually intend to settle the claims for all theories of liability alleged in the foregoing Action with respect to the Settlement Class herein. No class has been certified. The Parties agree to amend the Action to add Plaintiff Chavez as a named plaintiff and will separately enter into a stipulation in accordance.

2.10 Reasons for Settlement. Plaintiffs and Settlement Class Counsel have concluded, after taking into account disputed factual and legal issues involved in the Action, the risks attending further prosecution, and the benefits received and to be received pursuant to the compromise and settlement of the Action, that settlement on the terms hereinafter set forth is in the best interest of Plaintiffs and the Settlement Class. Defendant and Defense Counsel have concluded, after taking into account the disputed factual and legal issues involved in the Action, the risks attending further defense and litigation, the substantial expense and burden of protracted litigation, and their desire to put the controversy to rest, that settlement on the terms hereinafter set forth is in the best interest of Defendant.

2.11 Defendant's Denial of Wrongdoing. Defendant has denied and continues to deny each of the claims and contentions alleged by Plaintiffs in the Action. Defendant has repeatedly asserted and continues to assert defenses thereto, and has expressly denied and continues to deny any wrongdoing or legal liability arising out of any of the facts or conduct alleged in the Action. Neither this Agreement, nor any document referred to or contemplated herein, nor any action taken to carry out this Agreement, is, may be construed as, or may be used as an admission, concession, or indication by or against Defendant of any fault, wrongdoing, or liability whatsoever. The Settling Parties understand and agree that this Settlement Agreement is the result of a good faith compromise settlement of disputed claims, and Defendant enters into this agreement solely to resolve disputed matters. No part of this Settlement Agreement or any conduct or written or oral statements made in connection with this Settlement and this Settlement Agreement, whether or not the Settlement is finally approved and/or consummated, may be offered as, or construed to be, an admission or concession of any kind by Defendant or any of the Releasing or Released Parties, or anyone else. In particular, but without limiting the generality of the foregoing, nothing about this Settlement Agreement shall be offered or construed as an admission that Defendant has failed to pay any Class Member in accordance with its obligations set forth in the California Labor Code, or of liability in general, or any wrongdoing, impropriety, responsibility, or fault whatsoever on the part of Defendant and/or the Released Parties. Similarly, nothing about this Settlement Agreement shall be construed as or deemed to be evidence of, or an admission or concession by Defendant, that the Class Representatives or any Class Member have suffered any damage. In addition, this Settlement Agreement shall not be offered or be admissible in evidence against Defendant or any Released Party, except in any action or proceeding brought by or against Plaintiffs, the Class, Class Members, or Defendant to enforce its terms, or by Defendant in defense of any claims brought by Plaintiffs, the Class, Class Members, or any member of the general public, including any and all individuals who opted out of the Class.

2.12 Settlement. This Settlement was agreed to after, and as a result of arms-length negotiations between the Parties facilitated by an experienced and neutral mediator. This Settlement contemplates: (1) the discharge of liability for all claims raised in the Action and for those claims

1 released in this Agreement; and (2) the entry of an Order and Judgment of Final Approval granting
2 monetary relief to Participating Settlement Class Members as set forth in this Agreement.

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4 **III.**

5 **TERMS OF THE SETTLEMENT**

6 3.1 ***NOW, THEREFORE, IT IS HEREBY STIPULATED***, by and among
7 Plaintiffs, on their own behalf and on behalf of the Settlement Class Members, and Defendant on the
8 other hand, and subject to the approval of the Superior Court, that the Action is hereby being
9 compromised and settled pursuant to the terms and conditions set forth in this Agreement, subject to
10 the definitions and recitals set forth hereinabove which by this reference become an integral part of
11 this Agreement and subject to the following terms and conditions:

12 3.2 **Full Investigation**. Plaintiff Herrera has fully investigated the factual and legal
13 bases for the causes of action asserted in the Action and the claims being released by this Settlement.

14 3.3 **Conditional Certification of the Settlement Class**. No class has been certified
15 in the Action. The Parties hereby consent and agree, solely for purposes of the Settlement set forth in
16 this Agreement, to the conditional certification of the Settlement Class, to the conditional appointment
17 of Settlement Class Counsel, and to the conditional approval of the Representative Plaintiff Laura
18 Herrera and the Representative Plaintiff Valerie Chavez.

19 3.4 **Contingent Nature of the Settlement**. The agreement to conditionally certify the
20 Settlement Class is contingent upon final approval of this Agreement by the Court and is made for
21 settlement purposes only. If the Settlement fails to be approved or otherwise fails to be consummated
22 for any reason whatsoever, including but not limited to the Judgment not becoming final, then the
23 Parties retain all rights previously available to them, and any provisional certification of any class, or
24 the adoption of any procedure herein, shall be undone and the Parties restored to their pre-settlement
25 status as if no settlement had been reached and no decisions were made pursuant to it, except as
26 otherwise expressly provided herein. In that event, no evidence presented or statement made as part
27 of this Settlement, including the Class Notice, shall be admissible in subsequent proceedings to support
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1 or oppose class certification by either side.

2 3.5 Settlement Amount. Subject to entry of a Final Approval order by the Court and
3 the additional conditions specified in this Agreement, and in consideration of the mutual covenants
4 and promises set forth herein, Defendant agrees to make payment under this Agreement totaling Eight
5 Hundred Fifty Thousand Dollars and No Cents (\$850,000.00) (the “Settlement Amount”) in full and
6 final settlement of this matter and the Released Claims, as contemplated by the schedule set forth in
7 Paragraph 4.12 below. Defendant shall also pay employer taxes on the wage portion of the Individual
8 Settlement Payments made to Participating Class Members. In no event shall Defendant be required
9 to pay any amount above the Settlement Amount and employer taxes except as otherwise set forth
10 herein.

11 3.6 Attorneys’ Fees and Cost Award. Defendant agrees not to oppose or impede
12 any application or motion by Settlement Class Counsel for attorneys’ fees not in excess of Two
13 Hundred Ninety Seven Thousand Five Hundred Dollars and No Cents (\$297,500), or thirty-five
14 percent (35%) of the Settlement Amount. Defendant further agrees not to oppose any application or
15 motion by Settlement Class Counsel for the reimbursement of any costs associated with Settlement
16 Class Counsel’s prosecution of this Action not in excess of Twenty Five Thousand Dollars and No
17 Cents (\$25,000.00). Any amount awarded for costs to Settlement Class Counsel less than \$25,000.00
18 will result in the non-awarded amount of costs being distributed to Participating Settlement Class
19 Members in this matter in an amount proportionate to the amount of their Individual Settlement
20 Payment. Any amount awarded for attorneys’ fees to Settlement Class Counsel of less than \$297,500
21 will result in the non-awarded amounts of attorneys’ fees being distributed to Participating Settlement
22 Class Members in this matter in an amount proportionate to the amount of their Individual Settlement
23 Payment unless Settlement Class Counsel appeals the attorneys’ fee award. The attorneys’ fees can be
24 appealed by Settlement Class Counsel without affecting the remainder of this Agreement. If an appeal
25 on a reduced attorney fee award is taken and is unsuccessful or only partially successful, each
26 Participating Settlement Class member shall be entitled to receive a second distribution of the
27 difference between the amount requested and the amount awarded, which second distribution shall be
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distributed in an amount proportionate to the amount of each Participating Settlement Class Member's Individual Settlement Payment within thirty (30) days of a final ruling on the appeal. Settlement Class Counsel will be responsible for any second distribution, if necessary. Settlement Class Counsel shall be solely and legally responsible to pay all applicable taxes on the payment(s) made pursuant to this Paragraph. Forms 1099 – MISC, Box 14 shall be provided to Settlement Class Counsel for the payments made pursuant to this Paragraph. The attorneys' fees awarded under this paragraph shall be paid seventy-five percent (75%) to Mooradian Law, APC and twenty-five percent (25%) to James Hawkins APLC.

3.7 Settlement Administrator. The Settlement Administrator shall be paid for the costs of administration of the settlement from the Settlement Amount. The estimate of such costs of administration is Thirteen Thousand Dollars and No Cents (\$13,000.00), and which is based on 750 Settlement Class Members. Any amount awarded for costs of administration to the Settlement Administrator less than \$13,000.00 will result in the non-awarded amount to be awarded to Participating Settlement Class Members in an amount proportional to the amount of their Individual Settlement Payment. This estimate includes the required tax reporting on the settlement amounts, including but not limited to the issuing of W2 and 1099 forms (if any), as well as calculation of employee withholding taxes and the employer payroll taxes for Defendant to be remitted to the tax authorities by the Settlement Administrator. A Form 1099 – MISC, Box 7 shall be issued to the Settlement Administrator.

3.8 Service Award. Subject to Court approval, in exchange for the release of all Released Claims, a General Release of all claims, and for their time and effort in bringing and prosecuting this matter, Plaintiff Herrera and Plaintiff Chavez shall be paid up to a total of Ten Thousand Dollars and No Cents (\$10,000.00) each, or such lower amount as the Court may order. The Parties agree that a decision by the Court to award Plaintiff Herrera and/or Plaintiff Chavez amounts less than the amount stated above shall not be a basis for Plaintiff Herrera, Plaintiff Chavez, or Settlement Class Counsel to void this Agreement. The Settlement Administrator shall issue a Form 1099 – MISC, Box 3 for the service awards. Any amount awarded for the service awards to

Plaintiff Herrera or Plaintiff Chavez less than \$10,000.00 each will result in the non-awarded funds being awarded to Participating Settlement Class Members in this matter in an amount proportionate to the amount of their Individual Settlement Payment. Plaintiff Herrera and Plaintiff Chavez shall be solely and legally responsible to pay any and all applicable taxes on their service awards and shall hold harmless Defendant from any claim or liability for taxes, penalties, or interest arising as a result of the payment. This service awards shall be in addition to Plaintiff Herrera's and Plaintiff Chavez's share of the Settlement Amount as Settlement Class Members.

3.9 PAGA Payment. The total amount of the Settlement Amount allocated to PAGA claims being settled by this Agreement shall be Thirty Thousand Dollars and No Cents (\$30,000.00). Of this amount, Twenty-Two Thousand Five Hundred Dollars and No Cents (\$22,500.00) shall be paid to the LWDA as part of this Settlement. This PAGA Payment is made pursuant to PAGA's penalty provisions. The balance of Seven Thousand Five Hundred Dollars and No Cents (\$7,500.00) shall be included in the Net Settlement Amount for distribution to Aggrieved Employees who were employed during the PAGA Period. The sum attributable to each Aggrieved Employee shall be allocated based on the proportionate number of pay periods worked by the individual Aggrieved Employee during the PAGA Period relative to the total number of pay periods worked by all Aggrieved Employees during the PAGA Period. Settlement Class Members who are entitled to a PAGA share and who exclude themselves from the Settlement will still be paid their PAGA share under this paragraph and will still release the PAGA Released Claims.

3.10 Tax Liability. Defendant makes no representations as to the tax treatment or legal effect of the payments called for hereunder, and Plaintiffs are not relying on any statement or representation by Defendant in this regard. Plaintiffs understand and agree that Plaintiffs will be solely responsible for the payment of any taxes and penalties assessed on the payments described herein.

IV.

SETTLEMENT PROCEDURES

4.1 Preliminary Settlement Hearing. Plaintiffs shall file a motion for preliminary

1 approval of the proposed Settlement and setting a date for a Final Approval Hearing. In conjunction
2 with the hearing on the motion for preliminary approval of the Settlement, Plaintiffs will submit this
3 Stipulated Settlement Agreement and the attached Notice, and a preliminary approval order which sets
4 forth the terms of this Settlement Agreement. The Order shall provide for Notice of the Settlement and
5 related matters to be sent to Settlement Class Members as specified herein.

6 4.2 Settlement Administration/Management. This Settlement shall be managed and
7 administered as follows:

- 8 a. CPT Group, Inc. shall be retained to serve as Settlement Administrator. The Parties
9 each represent they do not have any financial interest in the Settlement
10 Administrator or otherwise have a relationship with the Settlement Administrator
11 that could create a conflict of interest.
- 12 b. Defendant will diligently and in good faith compile and provide to the Settlement
13 Administrator the Class List and Data Report within fourteen (14) calendar days of
14 Preliminary Approval of the Settlement. The report shall be provided to the
15 Settlement Administrator in a computer-readable format.
- 16 c. Within fourteen (14) calendar days of receipt of the Class List and Data Report, the
17 Settlement Administrator shall determine the approximate amount of each
18 Settlement Class Member's Individual Settlement Amount and will prepare and
19 mail the appropriate Class Notice to each Settlement Class Member.
- 20 d. All Settlement Class Members who do not timely opt-out of the Settlement will
21 receive Individual Settlement Payments as Participating Settlement Class Members
22 without having to submit any claim.
- 23 e. Ten (10) business days following the expiration of the period to opt-out or submit
24 objections, the Settlement Administrator shall provide Defendant and Settlement
25 Class Counsel a report and declaration indicating: (i) the names and number of
26 Settlement Class Members who have objected to the Settlement; (ii) the names of
27 the Settlement Class Members who have opted out of the Settlement; (iii) the names
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1 of each Participating Settlement Class Member and the Individual Settlement
2 Amount for each Participating Settlement Class Member; and (iv) the total amount
3 of employer-side taxes on the Wage Component of the Participating Settlement
4 Class Members' Individual Settlement Payments.

5 f. The Parties agree to cooperate in the settlement administration process and to make
6 all reasonable efforts to control and minimize the costs and expenses incurred in
7 administration of the Settlement.

8 g. The Settlement Administrator shall be responsible for: calculating the approximate
9 amount of the Individual Settlement Amount for each Settlement Class Member;
10 printing and mailing the Class Notice to Settlement Class Members; resolving
11 Settlement Class Member disputes regarding the number of Workweeks Worked
12 by the Settlement Class Member during the applicable Class Period; receiving and
13 reporting the objections and Requests for Exclusion submitted by Settlement Class
14 Members; notifying Defendant of the total amount to be paid to fully fund the
15 Settlement; calculating, preparing and mailing Individual Settlement Payments to
16 Participating Settlement Class Members; distributing the Attorney's Fees and Costs
17 Award, PAGA Payment, service award to Plaintiff Herrera, and service award to
18 Plaintiff Chavez; creating all required tax and reporting forms and remitting
19 appropriate monies to the taxing authorities; and otherwise performing all tasks
20 required to properly administer the Settlement. The Settlement Administrator shall
21 keep Defendant's Counsel and Settlement Class Counsel timely apprised of the
22 performance of all Settlement Administrator responsibilities.

23 h. The Settlement Administrator, on Defendant's behalf, shall have the authority and
24 obligation to make payments, credits, and disbursements, including payments and
25 credits in the manner set forth herein, to Participating Settlement Class Members
26 and taxing authorities calculated in accordance with the methodology set out in this
27 Agreement, and any refunds to which Defendant is entitled for the employer taxes
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1 paid on uncashed checks, and orders of the Court.

- 2 i. Any tax return filing required in conjunction with the payments to be made pursuant
3 to this Agreement shall be made by the Settlement Administrator. Any expenses
4 incurred in connection with such filing shall be a cost of administration of the
5 Settlement.
- 6 j. No person shall have any claim against Defendant or Defendant's Counsel, Plaintiff
7 Herrera, Plaintiff Chavez, Settlement Class Members, the Settlement Class,
8 Settlement Class Counsel or the Settlement Administrator based on distributions
9 and payments made in accordance with this Agreement.
- 10 k. If the number of valid opt-outs exceeds 10 percent of the total of Settlement Class
11 Members, Defendant may, but is not required to, elect to withdraw from the
12 Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be
13 void ab initio, have no force or effect whatsoever, and that neither Party will have
14 any further obligation to perform under this Agreement; provided, however,
15 Defendant will remain responsible for paying all Settlement Administrator
16 expenses incurred to that point. Defendant must notify Class Counsel and the Court
17 of its election to withdraw not later than seven business days after the Administrator
18 sends the final list of opt outs to Defense Counsel. Late opt-outs shall have no effect.

19 4.3 Calculation of Individual Settlement Amounts. To determine the Individual
20 Settlement Amount to be included in the Class Notice sent to Settlement Class Members, the
21 Settlement Administrator will:

- 22 a. Determine the total number of Workweeks Worked by the Settlement Class during
23 the Class Period as provided in the Class List and Data Report, including the
24 additional Workweeks Worked generated by subsection (c) below.
- 25 b. Divide the Net Settlement Amount, by the total number of Workweeks Worked by
26 the Settlement Class and the additional Workweeks Worked generated by
27 subsection (c) below to determine the Per Workweek Settlement Amount. The Per
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1 Workweek Settlement Amount shall then be multiplied by the number of
2 Workweeks Worked by each Settlement Class Member during the applicable
3 Class Period to determine each Settlement Class Member's Individual Settlement
4 Amount. All Settlement Class Members will be entitled to payment for at least one
5 (1) workweek.

- 6 c. Settlement Class Members whose employment ended at any point between
7 December 21, 2017 and December 13, 2022 will be allocated an additional 0.25
8 Workweeks Worked for each Workweek Worked, up to a maximum of 6
9 additional Workweeks Worked credit to compensate them for their waiting time
10 claim. These credited Workweeks Worked shall not increase or decrease the
11 determined total number of Workweeks Worked by the Settlement Class.

12 4.4 Notice to Settlement Class Members. Notice of the Settlement shall be
13 provided to all Settlement Class Members using the following procedures:

- 14 a. Notice By First-Class Mail. Within fourteen (14) calendar days after receipt of
15 the Class List and Data Report, the Settlement Administrator shall mail the
16 Class Notice to the Settlement Class Members via first-class regular U.S. mail.
17 The Class Notice to Settlement Class Members shall substantially be in the form
18 attached hereto as Exhibit 1. Prior to mailing, the Settlement Administrator
19 will perform a search based on the National Change of Address Database
20 information to update and correct for any known or identifiable address
21 changes. If a new address is obtained by way of a returned Notice, then the
22 Settlement Administrator shall promptly forward the original Class Notice and
23 to the updated address via first-class regular U.S. mail indicating on the original
24 Class Notice packet the date of such re-mailing.
- 25 b. Opt Out/Objection Deadline Date. Settlement Class Members will have Sixty
26 (60) days from the mailing of the Class Notice to submit a Request for
27 Exclusion or object to the Settlement.

1 c. Disputes Regarding Individual Settlement Amounts. The Parties agree that if
2 any Class Member disputes the number of Workweeks Worked attributed to
3 him or her during the applicable Class Period, absent clear evidence submitted
4 by the Settlement Class Member establishing otherwise, Defendant's records
5 shall presumptively control. The Parties further agree that any dispute shall be
6 resolved by the Settlement Administrator with the assistance of Settlement
7 Class Counsel and Defense Counsel. Class Members shall have Sixty (60) days
8 from the mailing of the Class Notice to submit their dispute under this
9 paragraph, inclusive of all documentation that they wish to have considered. To
10 the extent the Settlement Administrator is unable to resolve the dispute to the
11 satisfaction of the Settlement Class Member, the Parties will submit the dispute
12 with all supporting evidence to the Court for final adjudication at the Final
13 Approval Hearing.

14 d. Procedure for Undeliverable Notices. Any Notice returned to the Settlement
15 Administrator as non-delivered on or before the expiration of the Opt Out and
16 Objections Deadline Date shall be sent to the forwarding address affixed thereto
17 within five (5) business days. If no forwarding address is provided, then the
18 Settlement Administrator shall promptly attempt to determine a correct address
19 using a single skip-trace, computer, or other search using the name, address,
20 and/or Social Security number of the individual involved, and shall then
21 perform a single re-mailing within five (5) business days. Those Settlement
22 Class Members that receive a re-mailed Class Notice shall have their deadline
23 for submitting an opt-out, objection, or disputes regarding Individual
24 Settlement Amounts to the Settlement extended by seven (7) calendar days
25 from the post mark date of re-mailing. In the event the procedures in this
26 Paragraph are followed and the intended recipient of a Class Notice still does
27 not receive the Notice, the Settlement Class Member shall be bound by all terms
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of the Settlement and any final order entered by the Court if the Settlement is approved by the Court.

4.5 Procedure for Requesting Exclusion (“Opt Out”) from the Class Action Settlement. The Class Notice shall inform all Settlement Class Members that they may exclude themselves from the Settlement, but that they may not exclude themselves from the settlement of the PAGA claims.

a. Requesting Exclusion. If a Settlement Class Member elects to exclude herself/himself from the Settlement (“opt out”), the Settlement Class Member must submit a written Request for Exclusion requesting exclusion from the Action on or before the expiration of the Opt Out Period (60 days after the date that the Class Notice is mailed). Such Request for Exclusion must contain the name, address, telephone number, and the last four digits of the Social Security number of the person requesting exclusion. The Request for Exclusion must be returned to the Settlement Administrator as instructed in the Class Notice and must be postmarked on or before the date specified in the Class Notice. The date of the postmark on the return mailing envelope shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted.

b. No Solicitation of Opt-Outs. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Settlement Class Members to opt out of the Settlement.

c. Effect of Exclusion. Any Settlement Class Member who requests exclusion from the Settlement by timely submitting a valid Request for Exclusion will not be entitled to an Individual Settlement Payment (but will be entitled to an Individual PAGA Settlement Payment if she or she is an Aggrieved Employee), will no longer be a Settlement Class Member and will not be bound by the Agreement or have any right to object, appeal, or comment thereon, except that

1 he or she will still be bound by the release of the PAGA Released Claims if he
2 or she is an Aggrieved Employee. Settlement Class Members who fail to submit
3 a valid and timely Request for Exclusion on or before the expiration of the Opt
4 Out Period shall be bound by all terms of the Agreement and the Final Approval
5 Order and/or Order and Final Judgment.

6 4.6 Procedure for Objecting to the Class Action Settlement. Any Settlement Class
7 Member wishing to object to the Settlement must submit an objection to the Settlement using the
8 following procedures:

- 9 a. Procedure for Objecting. The Class Notice shall provide that those Settlement
10 Class Members who wish to object to the Settlement may mail a written
11 statement of objection (“Notice of Objection”) to the Settlement Administrator
12 no later than the deadline to opt out or object. Settlement Class Members who
13 timely opt out of the Settlement cannot submit an objection to the Settlement.
14 The postmark date of the mailing shall be deemed the exclusive means for
15 determining that a Notice of Objection is timely. Only Settlement Class
16 Members who do not opt out of the Settlement may object to the Settlement.
17 The written objection must include the Settlement Class Member’s name,
18 address and phone number and the name of this case. Settlement Class Members
19 who do not opt out of the Settlement and who submit a timely Notice of
20 Objection may, at their option, include with their objection any legal briefs,
21 papers or memoranda the objecting Settlement Class Member wishes to submit
22 to the Court, or file such legal briefs, papers or memoranda directly with the
23 Court no later than fifteen (15) days prior to the Final Approval Hearing. The
24 Settlement Administrator shall send all objections by .pdf to counsel for
25 Defendant and Class Counsel, and also include the objections in its declaration
26 which is to be submitted to the Court in support of final approval of the
27 Settlement. Settlement Class Members who fail to submit a timely Notice of
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1 Objection to the Settlement Administrator will not be barred from making an
2 appearance at the Final Approval Hearing to orally present their objection for
3 consideration by the Court.

4 b. Copies of Objections to the Parties. No later than ten (10) business days after
5 the deadline to opt out or object, the Settlement Administrator shall
6 electronically provide to counsel for the Parties complete copies of each Notice
7 of Objection received, including the postmark dates for each Notice, and any
8 legal briefs, papers or memoranda in support of objections received by the
9 Settlement Administrator.

10 c. No Solicitation of Objections. The Parties agree to use their best efforts to carry
11 out the terms of this Settlement. At no time shall any of the Parties or their
12 counsel seek to solicit or otherwise encourage Settlement Class Members to
13 submit written objections to the Settlement or appeal from the final order and/or
14 judgment.

15 d. Settlement Class Members who object to the Settlement shall be conclusively
16 bound by the Release contained in this Agreement to the extent final approval
17 of this Settlement is granted whereby any objection is overruled or denied.

18 4.7 Failure to Respond to the Notice. Any Settlement Class Member who does not
19 request to be excluded from the Settlement shall continue to be a Settlement Class Member and be
20 conclusively bound by the Release contained in this Agreement and shall be entitled to his or her
21 Individual Settlement Payment.

22 4.8 Procedure for Payment of Individual Settlement Payments: All Settlement
23 Class Members who do not timely opt out of the Settlement will receive an Individual Settlement
24 Payment, to be distributed through the Settlement Administrator pursuant to Section 4.13 below.
25 Individual Settlement Payments for Participating Settlement Class Members shall be paid pursuant to
26 the settlement formula set forth herein. Should any question arise regarding the determination of
27 eligibility for, or the amounts of, any Individual Settlement Payment under the terms of this
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1 Agreement, Settlement Class Counsel and Defendant's Counsel shall meet and confer, with the
2 assistance of the Settlement Administrator, in an attempt to reach agreement. If they cannot agree, the
3 Court shall make the final determination, and that determination shall be conclusive, final and binding
4 on all Parties, including all Settlement Class Members.

5 4.9 Calculation of Individual Settlement Payments and Individual PAGA
6 Settlement Payments. The Individual Settlement Payment to each Participating Class Member and
7 Individual PAGA Settlement Payment to each Aggrieved Employee shall be determined by the
8 Settlement Administrator as follows:

9 a. Only Participating Settlement Class Members shall be entitled to payment
10 under the Settlement. Participating Settlement Class Members shall be entitled
11 to the payment of the Individual Settlement Amount calculated as set forth
12 above in Paragraph 4.3. Any portion of the Net Settlement Amount not payable
13 to Settlement Class Members shall be distributed to Participating Settlement
14 Class Members on a basis proportional to the number of Workweeks Worked
15 by each Participating Settlement Class Member, including Workweeks Worked
16 enhancements. The total payout to each Participating Settlement Class Member
17 shall be known as the Individual Settlement Payment.

18 b. Twenty Percent (20%) of each Participating Settlement Class Member's
19 Individual Settlement Payment shall be apportioned to wages ("Wage
20 Component"). The Wage Component shall be reduced by any required legal
21 deductions for each Participating Settlement Class Member. Standard employee
22 payroll deductions shall be made for state and federal withholding taxes and
23 any other applicable payroll deductions owed by the Participating Settlement
24 Class Members as a result of the Wage Component. The Settlement
25 Administrator will issue a check and W-2 Form to each Participating Settlement
26 Class Member for the Net Wage Component.

27 c. Eighty Percent (80%) of each Participating Settlement Class Member's
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Individual Settlement Payment shall be apportioned to interest and penalties. No withholding shall be made on the interest and penalty portion of the Individual Settlement Payment. The Settlement Administrator will issue a second check and IRS Form 1099 for the interest and penalty component paid to each Participating Settlement Class Member.

- d. All Aggrieved Employees shall be entitled to a payment of the PAGA Payment. One Hundred Percent (100%) of each Aggrieved Employee's Individual PAGA Settlement Payment shall be apportioned to penalties with an IRS Form 1099 to be issued accordingly.
- e. The Settlement Administrator shall be responsible for issuing the payments and calculating and withholding all required state and federal taxes.
- f. Defendant will be responsible for paying all employer tax liabilities on the Wage Component separate and apart from the Settlement Amount which shall be conclusively determined upon final approval once the final number of Participating Class Members and Individual Settlement Payment Amounts are known.
- g. Defendant makes no representation as to the tax treatment or legal effect of the payments called for hereunder, and the Class Representatives and Class Members are not relying on any statement, representation, or calculation by Defendant or by the Settlement Administrator in this regard. The Class Representatives and Class Members understand and agree that except for Defendant's payment of the employer's portion of any employment and payroll taxes and contributions, they will be solely responsible for the payment of any taxes and penalties assessed on the payments described herein and will defend, indemnify, and hold Defendant free and harmless from and against any claims resulting from treatment of such payments as non-taxable damages.
- h. Participating Settlement Class Members shall be conclusively bound by the

1 Release contained in this Agreement.

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3 4.10 Nullification of Settlement Agreement. In the event: (i) the Court does not enter
4 the Preliminary Approval Order specified herein; (ii) the Court does not finally approve the Settlement
5 as provided herein; (iii) the Court does not enter a Final Judgment as provided herein, which becomes
6 final as a result of the occurrence of the Effective Date; (iv) the Settlement or Final Judgment is
7 reversed on appeal; (v) the Effective Date does not occur; or (vi) the Settlement does not become final
8 for any other reason, this Settlement Agreement shall be null and void, any order or judgment entered
9 by the Court in furtherance of this Settlement shall be treated as void from the beginning, and the
10 stipulations and recitals contained herein shall be of no force or effect, and shall not be treated as an
11 admission by any parties or their Counsel. In such a case, the Parties shall be returned to their
12 respective statuses as of the date and time immediately prior to the execution of this Agreement, and
13 the Parties shall proceed in all respects as if this Settlement Agreement had not been executed, except
14 that any fees already incurred by the Settlement Administrator shall be paid by Defendant.

15 4.11 Final Approval Hearing and Entry of Final Judgment. At least thirty (30)
16 business days after expiration of the Opt-Out/Objection Period, the Final Approval Hearing shall be
17 conducted to determine final approval of the Settlement along with the amount properly payable for
18 (i) the attorney's fees and costs award, (ii) any service awards for Plaintiff Herrera and Plaintiff
19 Chavez, and (iii) settlement administration costs. In advance of said hearing, Settlement Class Counsel
20 shall timely file and serve their motion seeking final approval of the Settlement, an award of attorneys'
21 fees and costs consistent with the terms of this Agreement, and service awards for Plaintiff Herrera
22 and Plaintiff Chavez. Upon final approval of the Settlement by the Court the Parties shall present a
23 final judgment to the Court for its approval. After entry of the final judgment, the Court shall have
24 continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the
25 terms of the Settlement, (ii) Settlement administration matters, and (iii) such post-Final Judgment
26 matters as may be appropriate under court rules or as set forth in this Agreement.

27 4.12 Creation of the Qualified Settlement Fund and Administration of the
28 Settlement. Defendant shall deliver the Settlement Amount to the Settlement Administrator who shall

1 deposit said funds into a Qualified Settlement Fund created by the Settlement Administrator pursuant
2 to Internal Revenue Code Section 1.468B-1 (“QSF”). Within thirty (30) days after the Effective Date,
3 Defendant shall deliver the Settlement Amount and the corresponding share of employer taxes to the
4 Settlement Administrator. All payments that Defendant is required to make pursuant to the Settlement
5 Agreement shall be made from this Fund. To the extent Defendant fails to deliver payments by the
6 deadlines contemplated herein, interest shall accrue on the balance at the legal rate of interest until
7 funding is completed. Plaintiffs may seek entry of judgment on an *ex parte* basis for any balance owed
8 and be entitled to recovery of reasonable fees and costs should any such effort be undertaken.
9 Payments from the Qualified Settlement Fund shall be made for (1) any service awards to Plaintiff
10 Herrera and Plaintiff Chavez, as specified in this Agreement and approved by the Court; (2) the
11 attorneys’ fees and costs award paid to Settlement Class Counsel, as specified in this Agreement and
12 approved by the Court; (3) the Settlement Administration Costs, as specified in this Agreement and
13 approved by the Court; (4) the amount allocated to the LWDA for its portion of the PAGA Payment;
14 (5) all payments to Participating Settlement Class Members; and (6) payment of both the employee
15 and employer portions of tax withholdings on the portions of the Net Settlement Amount characterized
16 as wages.

17 4.13 Distribution by the Settlement Administrator. The Settlement Administrator
18 shall make a distribution from the Qualified Settlement Fund not later than fourteen (14) days after
19 receiving the Settlement Amount from Defendant. Prior to distribution, the Settlement Administrator
20 will perform a search based on the National Change of Address Database information to update and
21 correct for any known or identifiable address changes. If a new address is obtained by way of a returned
22 distribution payment, then the Settlement Administrator shall promptly forward the distribution
23 payment to the updated address via first-class regular U.S. mail indicating on the original mailing the
24 date of such re-mailing. With the distribution, the Settlement Administrator is to make distribution to
25 the appropriate parties for payments due under this Agreement as follows:

- 26 a. Settlement Class Counsel’s attorneys’ fees and costs as awarded by the Court
27 under Paragraph 3.6 herein.

b. The service awards to Plaintiff Herrera and Plaintiff Chavez as awarded by the Court under Paragraph 3.8 herein.

c. The PAGA payments to the LWDA and Aggrieved Employees as set forth in Paragraph 3.9 herein.

d. Payment to the Settlement Administrator for the costs of settlement administration as set forth in Paragraph 3.7 herein and approved by the Court.

e. Individual Settlement Payments to Participating Class Members as set forth in Paragraph 4.3 and 4.9 herein.

4.14 Undeliverable Individual Settlement Payments. Should any Individual Settlement Payment checks be returned as undeliverable to the Settlement Administrator, the Settlement Administrator shall use reasonable efforts to identify a correct address for the Participating Class Member, and cause the Individual Settlement Payment check to be delivered to the correct address.

4.15 Uncashed Individual Settlement Payment Checks. All checks for Individual Settlement Payments shall remain valid and negotiable for 180 days from the date of their issuance. Funds associated with any checks not cashed during the 180 day period shall be void, and the Participating Settlement Class Member's release set forth herein shall remain valid. After the 180 day period following distribution, all remaining funds shall be transferred to the State Controller's Office in accordance with California's Unclaimed Property Law in the names of Participating Class Members whose Individual Settlement Payments were not cashed.

4.16 Certification By Settlement Administrator. Upon completion of administration and upon the distribution set forth in Section 4.15 above, the Settlement Administrator shall provide written certification of such completion, including any administration summary, to the Court and counsel for all Parties.

V.

RELEASES

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1 5.1 Release As To All Participating Class Members. Upon the Effective Date and
2 funding in full of the Settlement Amount by Defendant, all Settlement Class Members who do not
3 timely opt out of the Settlement (“Participating Class Members”), including their heirs, assigns,
4 estates, and representatives, shall be deemed to fully forever, irrevocably, and unconditionally release
5 and discharge the Released Parties from the Released Claims. The Settlement Agreement shall be in
6 full settlement, compromise, release, and discharge of the Released Claims and each of them, and the
7 Released Claims by the Class Representatives, and the Released Parties shall have no further liability
8 or obligation to any Class Member and/or the Class Representatives with respect to the Released
9 Claims and Class Representatives’ Released Claims, except as expressly provided herein.

10 Release As To All Aggrieved Employees. Upon the Effective Date and funding in full
11 of the Settlement Amount by Defendant, Plaintiffs, Aggrieved Employees, and the State of California
12 shall be deemed to fully forever, irrevocably and unconditionally release and discharge the Released
13 Parties from the Released PAGA Claims.

14 Labor Code Sections 206.5 and 2804 Do Not Apply to Releases. The Parties agree that
15 California Labor Code §§ 206.5 and 2804 do not invalidate any provision of this Agreement, because
16 among other things, the claims and Released Claims are disputed and contested, and the Settlement
17 was bargained for at arms' length and approved by the Court.

18 5.2 General Release By Named Plaintiffs Only. In addition to the release made by
19 the Participating Class Members as set forth in Paragraph 5.1 hereof, Plaintiff Herrera and Plaintiff
20 Chavez, in their individual capacities and with respect to their individual claims only, agree to release
21 the Released Parties from all claims, demands, rights, liabilities and causes of action of every nature
22 and description whatsoever, known or unknown, asserted or that might have been asserted, whether in
23 tort, contract, or for violation of any state or federal statute, rule or regulation arising out of, relating
24 to, or in connection with any act or omission by or on the part of any of the Released Parties committed
25 or omitted prior to the execution hereof including a waiver of Civil Code §1542.

26 5.2.1. The General Release includes any unknown claims that Plaintiff Herrera and
27 Plaintiff Chavez do not know or suspect to exist in their favor at the time of the General
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1 Release, which, if known by them, might have affected their settlement with, and release of,
2 the Released Parties or might have affected their decision not to object to this Settlement or
3 the General Release.

4 5.2.2. The Class Representatives hereby fully and finally release and discharge the
5 Released Parties from any and all of the Released Claims and from any and all claims, charges,
6 complaints, liens, demands, causes of action, obligations, damages and liabilities, known or unknown,
7 suspected or unsuspected, that the Class Representatives had, now have, or may hereafter claim to
8 have against the Released Parties arising out of, or relating in any way to, the Class Representatives'
9 hiring by, employment with, separation of employment with the Released Parties ("Class
10 Representatives' Released Claims"), arising or accruing from the beginning of time up through the
11 date the Court preliminarily approves this Settlement. The Class Representatives' Released Claims
12 include, but are not limited to, claims arising from or dependent on the California Labor Code; the
13 Wage Orders of the California Industrial Welfare Commission; California Business and Professions
14 Code section 17200 *et seq.*; the California Fair Employment and Housing Act, Cal. Gov't Code §
15 12900 *et seq.*; the California common law of contract and tort; Title VII of the Civil Rights Act of
16 1964; the Americans with Disabilities Act, 42 U.S.C. § 12101 *et seq.*; the Employee Retirement
17 Income Security Act of 1974, 29 U.S.C. § 1001 *et seq.*; the Fair Labor Standards Act, 29 U.S.C. § 201
18 *et seq.* and the Portal to Portal Act, 29 U.S.C. § 251 *et seq.* This release expressly excludes any
19 Worker's Compensation claims the Class Representatives currently may have pending against
20 Defendant.

21 The Class Representatives further warrant that they understand that Section 1542 gives them
22 the right not to release existing claims of which they are not now aware, unless they voluntarily choose
23 to waive this right. Having been so apprised, the Class Representatives shall nevertheless voluntarily
24 waive the rights described in Section 1542, which states:

25 A general release does not extend to claims that the creditor or releasing party does not know
26 or suspect to exist in his or her favor at the time of executing the release and that, if known by him or
27 her, would have materially affected his or her settlement with the debtor or released party.

5.2.3. Plaintiff Herrera and Plaintiff Chavez may hereafter discover facts in addition to or different from those they now know or believe to be true with respect to the subject matter of the General Release, but they shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever settled and released any and all of the claims released pursuant to the General Release whether known or unknown, suspected or unsuspected, contingent or non-contingent, which now exist, or heretofore have existed upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct that is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts.

Plaintiffs and Class Counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or rights herein released and discharged, except as set forth herein.

VI.

MISCELLANEOUS

6.1 No Public Comment. All Parties and Class Counsel agree they will not make any public disclosure of the Settlement or the previously-signed Memorandum of Understanding until after this Stipulated Settlement Agreement is filed with the Court. Class Counsel will take all steps necessary to ensure all Parties are aware of, and will encourage them to adhere to, the restriction against any public disclosure of this Stipulated Settlement Agreement until after this Stipulated Settlement Agreement is filed with the Court. Following the filing of this Stipulated Settlement Agreement, all Parties and Class Counsel agree they will not have any communications with the media, other than to direct the media to the public records of the Action on file with the Court. Class Counsel will take all steps necessary to ensure all Parties are aware of, and will adhere to, the restriction against

1 any media comment on this Stipulated Settlement Agreement and its terms.

2 6.2 No Additional Benefits. All Individual Settlement Payments paid to
3 Participating Settlement Class Members shall be deemed to be paid to such Participating Settlement
4 Class Members solely in the year in which such payments actually are received by Participating
5 Settlement Class Members. It is expressly understood and agreed that the receipt of such payments
6 will not entitle any Participating Settlement Class Member to any additional compensation or benefits
7 under any bonus, contest, or other compensation or benefit plan or agreement currently in place and/or
8 that was in place during the applicable Class Period or thereafter, nor will receipt of such payments
9 entitle any Participating Settlement Class Member to any increased retirement, 401k benefits or
10 matching benefits, deferred compensation benefits, or any other type of benefit. It is the intent of this
11 Settlement that the Individual Settlement Payments provided for in this Agreement are the sole
12 payments to be made by Defendant to the Participating Settlement Class Members, and that the
13 Participating Settlement Class Members are not entitled to any new or additional compensation or
14 benefits as a result of having received the payments, notwithstanding any contrary language or
15 agreement in any benefit or compensation plan document currently in place and/or that was in place
16 during the applicable Class Period or thereafter.

17 6.3 Dispute Resolution. Except as otherwise set forth herein, all disputes
18 concerning the interpretation, calculation or payment of settlement claims, or other disputes regarding
19 compliance with this Agreement shall be resolved as follows:

- 20 a. If Plaintiff Herrera or Plaintiff Chavez, or Settlement Class Counsel, on behalf
21 of Plaintiff Herrera or Plaintiff Chavez, or any Settlement Class Member, or
22 Defense Counsel at any time believe that the other Party has breached or acted
23 contrary to the Agreement, that Party shall notify the other Party in writing of
24 the alleged violation.
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- 1 b. Upon receiving notice of the alleged violation or dispute, the responding Party
2 shall have ten (10) business days to correct the alleged violation and/or respond
3 to the initiating Party with the reasons why the party disputes all or part of the
4 allegation.
- 5 c. If the response does not address the alleged violation to the initiating Party's
6 satisfaction, the Parties shall negotiate in good faith for up to ten (10) business
7 days to resolve their differences.
- 8 d. If the Parties are unable to resolve their differences after twenty (20) business
9 days, either Party may file an appropriate motion for enforcement with the
10 Court. The briefing of such motion should be in letter brief form and shall not
11 exceed five (5) single-spaced pages (excluding exhibits).
- 12 e. Reasonable attorney's fees and costs for work done in resolving a dispute under
13 this Section may be recovered by any party that prevails under the standards set
14 forth within the meaning of applicable law.

15 6.4 Exhibits and Headings. The terms of this Agreement, including the terms set
16 forth in the attached Notice, which is incorporated by this reference as though fully set forth herein,
17 shall be the only terms of this Agreement. The descriptive headings of any paragraphs or sections of
18 this Agreement are inserted for convenience of reference only and do not constitute a part of this
19 Agreement.

20 6.5 Interim Stay of Proceedings. The Parties agree to the Court staying and holding
21 all proceedings in the Action, except such proceedings necessary to implement and complete the
22 Settlement, in abeyance pending the Final Settlement Hearing to be conducted by the Court.

23 6.6 Amendment or Modification. This Agreement may be amended or modified
24 only by a written instrument signed by counsel for all Parties or their successors-in-interest and subject
25 to the Court's approval.

26 6.7 Entire Agreement. This Agreement and any attached exhibits constitute the
27 entire agreement among these Parties, and no oral or written representations, warranties or
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1 inducements have been made to any Party concerning this Agreement or its exhibits other than the
2 representations, warranties and covenants contained and memorialized in such documents.

3 6.8 Extensions of Time. Without further order of the Court, the Settling Parties
4 hereto may agree in writing to reasonable extensions of time to carry out any of the provisions of the
5 Settlement.

6 6.9 Waivers. The waiver by any party of any breach of this Settlement Agreement
7 shall not be deemed or construed as a waiver of any other breach, whether prior, subsequent, or
8 contemporaneous, of this Settlement Agreement.

9 6.10 Authorization to Enter Into Settlement Agreement. Counsel for all Parties
10 warrant and represent they are expressly authorized by the Parties whom they represent to negotiate
11 this Agreement and to take all appropriate action required or permitted to be taken by such Parties
12 pursuant to this Agreement to effectuate its terms, and to execute any other documents required to
13 effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other
14 and use their best efforts to effect the implementation of the Settlement. In the event the Parties are
15 unable to reach agreement on the form or content of any document needed to implement the
16 Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of
17 this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement. The
18 person signing this Agreement on behalf of Defendant represents and warrants that he/she is
19 authorized to sign this Agreement on behalf of Defendant.

20 6.11 Binding on Successors and Assigns. This Agreement shall be binding upon, and
21 inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

22 6.12 California Law Governs. All terms of this Agreement and the exhibits hereto
23 shall be governed by and interpreted according to the laws of the State of California.

24 6.13 Counterparts. This Agreement may be executed in one or more counterparts. A
25 facsimile or scanned signature shall have the same effect as an original signature and shall not affect
26 the enforceability of this Agreement. All executed counterparts and each of them shall be deemed to
27 be one and the same instrument provided that Counsel for the Parties to this Agreement shall exchange
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1 among themselves signed counterparts.

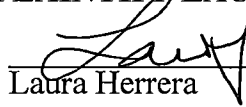
2 6.14 Jurisdiction of the Court. Pursuant to California Rules of Court, rule 3.769(h)
3 and California Code of Civil Procedure Sec. 664.6, the Court shall retain jurisdiction with respect to
4 the interpretation, implementation and enforcement of the terms of this Agreement and all orders and
5 judgments entered in connection therewith, and the Parties and their counsel hereto submit to the
6 jurisdiction of the Court for purposes of interpreting, implementing and enforcing the settlement
7 embodied in this Agreement and all orders and judgments entered in connection therewith.

8 6.15 Cooperation and Drafting. Each of the Parties has cooperated in the drafting
9 and preparation of this Agreement. Hence, in any construction made to this Agreement, the same shall
10 not be construed against any of the Parties.

11 6.16 Invalidity of Any Provision. Before declaring any provision of this Agreement
12 invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible
13 consistent with applicable precedents so as to define all provisions of this Agreement valid and
14 enforceable.

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16 **PLAINTIFF LAURA HERRERA**

17 Dated: 05/31/2023

18 
Laura Herrera

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20 Represented By:

21 MOORADIAN LAW, APC

22 By: 

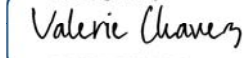
23 Zorik Mooradian, Haik Hacopian

24 Dated: MAY 31, 2023

25 Attorney for Plaintiff Herrera and the Settlement Class
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27
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PLAINTIFF VALERIE CHAVEZ

Dated: 5/31/2023

DocuSigned by:

63C3F7147F894B8...
Valerie Chavez

Represented By:

JAMES HAWKINS, APLC

By: 
James R. Hawkins, Isandra Fernandez

Dated: 06/01/2023

Attorney for Plaintiff Chavez and the Settlement Class

**DEFENDANT CASCADE LIVING GROUP
MANAGEMENT, LLC**

Dated: _____

By: _____

Its: _____

Represented By:

HANSON BRIDGETT LLP

Dated: _____

By: _____
Diane Marie O'Malley, Warren Hodges

Attorney for Defendant

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PLAINTIFF VALERIE CHAVEZ

Dated: _____
Valerie Chavez

Represented By:
JAMES HAWKINS, APLC

By: _____
James R. Hawkins, Isandra Fernandez

Dated: _____
Attorney for Plaintiff Chavez and the Settlement Class

**DEFENDANT CASCADE LIVING GROUP
MANAGEMENT, LLC**

Dated: _____
By: Will P
Its: Manager

Represented By:
HANSON BRIDGETT LLP

Dated: _____
By: Diane Marie O'Malley
Diane Marie O'Malley, Warren Hodges

Attorney for Defendant

Laura Herrera, Valerie Chavez, et al. v. Cascade Living Group Management, LLC, et al.
Los Angeles County Superior Court Case No. 20STCV48606

As a current or former hourly non-exempt employee of Cascade Living Group Management, LLC, Cascade Living Group, Inc., Cascade Living Group – Hemet, LLC, and Cascade Living Group – Grass Valley, LLC (“CASCADE”) in California at any time from December 21, 2016 through December 13, 2022, you may be entitled to receive money from a proposed class action settlement.

*The California Superior Court, County of Los Angeles authorized this Class Notice.
This is not a solicitation from a lawyer. This is not a lawsuit against you. You have not been sued.*

**PLEASE READ THIS CLASS NOTICE CAREFULLY.
YOUR LEGAL RIGHTS ARE AFFECTED BY IT.**

- A proposed class action settlement of \$850,000 has been reached between Plaintiff Laura Herrera, Plaintiff Valerie Chavez, and Defendant Cascade Living Group Management, LLC on behalf of Settlement Class Members who were employed by Cascade Living Group Management, LLC, Cascade Living Group, Inc., Cascade Living Group – Hemet, LLC, and Cascade Living Group – Grass Valley, LLC (hereinafter “**CASCADE**” or “**Defendant**”) at four separate locations in California: (1) Desert Hills Memory Care Center in East Hemet, (2) Cascade of Grass Valley in Grass Valley, (3) Magnolia Grand in Riverside, and (4) Regency Grand in West Covina.
- The settlement resolves the class and representative action lawsuit entitled *Laura Herrera, Valerie Chavez, individually and on behalf of other persons similarly situated and similarly aggrieved employees, v. Cascade Living Group Management, LLC, et al.*, Los Angeles County Superior Court Case No. 20STCV48606 (“**Lawsuit**”), wherein Plaintiffs allege various wage and hour violations. The Settlement also avoids the costs and risks from continuing the Lawsuit, pays money to persons like you, and releases CASCADE from alleged liability.
- The Court has not made a determination of the validity of the claims in the Lawsuit. CASCADE denies any and all liability arising from any of the claims and contends that at all relevant times it complied with applicable laws.
- This Settlement will be used to settle claims of all Settlement Class Members. The amount of Settlement Class Members’ individual settlements will be determined by the number of weeks they worked for CASCADE (“**workweeks**”) during the period from December 21, 2016 through December 13, 2022.
- Lawyers for the Settlement Class Members will be asking the Court to award up to \$297,500.00 to be paid out of the settlement (35%) as attorneys’ fees for investigating the facts, litigating the case, and negotiating the settlement, as well as litigation costs and expenses, not to exceed \$25,000, incurred during the case. They also will ask the Court to approve: (1) a \$10,000 incentive award to Plaintiff Laura Herrera and a \$10,000 incentive award to Plaintiff Valerie Chavez (“**Plaintiffs**” or “**Representative Plaintiffs**”) who assisted in litigating this case for the benefit of all Settlement Class Members; (2) a \$22,500 payment to the California Labor and Workforce Development

Agency (“LWDA”); and (3) up to a maximum of \$13,000 to the Settlement Administrator for costs incurred in administering this Settlement.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	You will automatically receive payment from the Settlement and you will give up any right you may have to sue for alleged violations and related claims released by the Settlement. You get a payment and release your claims. (See Sections 10, 11 and 19, below). If you do not agree with the number of workweeks presented to you in this Class Notice, you will have until [INSERT DATE] to submit any dispute regarding your individual workweek calculations. (See Section 10, below).
OPT OUT OR EXCLUDE YOURSELF	If you do not want to participate in the settlement you can opt-out. To opt-out, you must submit a written request for exclusion to the Settlement Administrator stating your intent to not be part of the settlement and sign and date the statement. The written statement must be postmarked on or before [INSERT DATE]. If you opt-out, you will not release any claims against CASCADE and you will receive no benefit from this settlement, except your share of PAGA civil penalties to the extent you are entitled to them. (See Sections 10 and 13, below).
OBJECT	If you do not think the settlement is fair and do not opt out, then you may write to the Settlement Administrator about why you do not like the settlement and they will forward your concerns to the attorneys who will then provide it to the court. Your objection must be postmarked on or before [INSERT DATE]. (See Section 16, below). You may not object if you have opted out.

BASIC INFORMATION

1. Why did I get this Class Notice package?

The records of CASCADE indicate that you were employed by CASCADE in California as an hourly non-exempt employee at some point during the period of time from December 21, 2016 through December 13, 2022 (“**Settlement Class**”) (See Section 6, below).

You were sent this Class Notice because you have a right to know about a proposed settlement involving this lawsuit and about all of your options before the Court decides whether to finally approve the settlement. If the Court approves the settlement and after any objections and appeals are resolved, a “**Settlement Administrator**” appointed by the Court will make the payments that the settlement allows. This package explains the Lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of this case is the California Superior Court for the County of Los Angeles. The persons who sued are called the Plaintiffs, and the organization they sued is called the Defendant.

2. What is this Lawsuit about?

On December 21, 2020, Plaintiff Laura Herrera filed a class action complaint in the Los Angeles County Superior Court (20STCV48606) against Cascade Living Group Management, LLC and BPM Senior Living Company, on her own behalf and on behalf of other persons. On September 28, 2021, Plaintiff Valerie Chavez filed a separate class action lawsuit against Cascade Living Group Management, LLC and later agreed to join the case filed by Plaintiff Herrera.

On **May 26, 2022**, the operative Second Amended Complaint was filed which asserts the following class causes of action: (1) Failure to Provide Meal Periods; (2) Failure to Provide Paid Rest Periods; (3) Failure to Pay Wages; (4) Failure to Timely Pay Wages at Termination/Separation; (5) Failure to Timely Pay Vacation Wages at Termination/Separation; (6) Failure to Provide Accurate Wage Statements; and (7) Violation of Unfair Business Practices Act – Bus. & Prof. Code §§ 17200, et seq. The Second Amended Complaint also includes a representative cause of action for civil penalties under the Private Attorneys’ General Act (“PAGA”) in accordance with the required notice communicated by Plaintiffs to the LWDA and CASCADE.

CASCADE has vigorously denied and defended against the allegations in the Lawsuit, asserting that it has paid its employees properly and has no liability for any of the alleged claims under any statute, wage order, common law, or equitable theory.

3. Why is this a class action?

In a class action, one or more people called Class Representatives or Representative Plaintiffs sue on behalf of people who have similar claims. All these people comprise a Class and are referred to as Class Members, except those who decide to exclude themselves from the Class. One court resolves the issues for all Class Members.

4. Why is there a settlement?

Since the Lawsuit was filed, there has been an ongoing investigation, and information exchanged. The parties have participated in mediation with a highly respected neutral mediator. Subsequently, after further negotiations, the parties reached this Settlement to avoid the cost and risk of further litigation.

The Superior Court of California, County of Los Angeles, has not made a ruling on the merits of Plaintiffs’ claims or CASCADE’s defenses. However, the Court has preliminarily approved the proposed Settlement. The Court will decide whether to give final approval to the Settlement at the Final Approval hearing scheduled for **[INSERT DATE]** at **[REDACTED]**. The Court is located at 312 North Spring Street, Los Angeles, CA, 90012, in Department SS-1, Judge Stuart M. Rice presiding.

The settlement does not mean that any law was broken. The proposed Settlement is a compromise of disputed claims and does not mean that CASCADE violated any legal wage requirements or is liable for any of the charges made by Plaintiffs. CASCADE denies all of the legal claims in the case, and also asserts that a class action is improper for any purpose other than this settlement. Plaintiffs and Class Counsel believe that this settlement is fair and reasonable and is in the best interest of all Settlement Class Members.

5. What is a class action settlement?

The Court must approve the terms of the settlement described below as fair and reasonable to the class. Once approved, the settlement will affect all Settlement Class Members except those who have opted out (*i.e.* excluded themselves). This Class Notice explains your legal rights, the terms of the settlement, what you must do to participate, and the amount of money you may get. Please read this entire Class Notice carefully.

WHO IS IN THE SETTLEMENT?

To see if you will get money from this settlement, you first have to decide if you are a Settlement Class Member.

6. How do I know if I am a Settlement Class Member?

The parties have agreed, subject to Court approval, that the Settlement Class is made up of the following group:

The **Settlement Class** is defined as:

All current and former non-exempt employees employed by Cascade Living Group, Inc., Cascade Living Group Management, LLC, Cascade Living Group – Hemet, LLC, or Cascade Living Group – Grass Valley, LLC, in California during the period of December 21, 2016 through December 13, 2022 (“**Class Period**”).

If you received this Class Notice, you are considered to be a Settlement Class Member.

7. Are there exceptions to being included?

You can elect to be excluded from this settlement by opting out of this settlement and you will not be a Settlement Class Member.

8. I’m still not sure if I am a Settlement Class Member. What should I do?

You are receiving this Class Notice because CASCADE’s records indicate that you are a Settlement Class Member. If you believe you have received this Class Notice in error, please notify the Settlement Administrator immediately.

If this Class Notice was sent to a different address from where you now reside, you need to contact the Settlement Administrator and provide updated information so that any future correspondence or the settlement payment itself reaches you.

In order to receive payment under this Settlement, you do not have to take any action.

THE SETTLEMENT BENEFITS—WHAT YOU GET

9. What does the settlement provide?

The Settlement Agreement provides that CASCADE will pay Eight Hundred Fifty Thousand Dollars (\$850,000) (the “**Settlement Amount**”) to fully resolve the claims being settled and released in the Lawsuit. After payment of the sums awarded by the Court (1) to the Settlement Administrator for its costs, up to a maximum of Thirteen Thousand Dollars (\$13,000); (2) to Settlement Class Counsel for their legal fees in the Action, including any work they do in the future, up to a maximum of Two Hundred Ninety Seven Thousand Five Hundred Dollars (\$297,500), which is thirty five percent (35%) of the Settlement Amount; (3) to Settlement Class Counsel for their litigation costs and expenses, up to a maximum of Twenty Five Thousand Dollars (\$25,000); (4) to Representative Plaintiff Laura Herrera and Representative Plaintiff Valerie Chavez, as service awards for services they provided on behalf of the Settlement Class,

risk of payment of costs in the event there had been an unfavorable outcome in the Action, and stigma, up to a maximum of Ten Thousand Dollars (\$10,000) each; (5) to the California Labor and Workforce Development Agency (“LWDA”), the sum of Twenty Two Thousand Five Hundred Dollars (\$22,500) as its share of PAGA penalties, and (6) the sum of Seven Thousand Five Hundred Dollars (\$7,500) to Aggrieved Employees for their share of PAGA penalties; the remaining sum, estimated at no less than Four Hundred Sixty Four Thousand Five Hundred Dollars (\$464,500) (the “**Net Settlement Amount**”) will be distributed entirely to Settlement Class Members who qualify to receive payment.

The actual and complete terms of the Settlement are set forth in the Stipulated Settlement Agreement (“Settlement Agreement”) filed with the Court. You can obtain a complete copy of the Settlement Agreement by calling Settlement Class Counsel, whose contact information is provided in Section 20, below.

10. How much will my payment be? How do I receive payment?

As a Settlement Class Member, you will automatically receive payment if you do not exclude yourself.

Based on CASCADE’s records, your total number of Workweeks during the Class Period is: **[NUMBER]**.

Your estimated settlement payment based on the number of Workweeks indicated above is: **[AMOUNT]**, less taxes.

Your estimated settlement payment is calculated pursuant to the method set forth below:

A Settlement Class Member’s estimated share of the Net Settlement Amount shall be determined based on each Settlement Class Member’s number of Workweeks Worked during the applicable Class Period. Each Settlement Class Member’s share of the Net Settlement Amount shall be determined by dividing the Net Settlement Amount by the total number of Workweeks Worked by all Settlement Class Members during the applicable Class Period, and the total of additional Workweeks Worked enhancements as set forth below, to determine the Per Workweek Settlement Amount. Each Settlement Class Member’s Individual Settlement Amount is then determined by multiplying the Per Workweek Settlement Amount by the number of Workweeks Worked by that Settlement Class Member, plus any additional Workweeks Worked enhancement. In the event that any Settlement Class Members opt out of the Settlement, any portion of the Net Settlement Amount that is not claimed shall be paid to Participating Settlement Class Members on a proportional basis determined by the number of Workweeks Worked by each Participating Settlement Class Member. The amount actually paid to each Participating Settlement class Member shall be known as the Individual settlement Payment.

Settlement Class Members whose employment ended at any point between December 21, 2017 and December 13, 2022 will be allocated an additional 0.25 Workweeks Worked enhancement for each Workweek Worked, up to a maximum of 6 additional Workweeks Worked credit to compensate them for their waiting time claim.

Taxation of your Individual Settlement Payment will be as follows:

Twenty Percent (20%) of each Participating Settlement Class Member’s Individual Settlement Payment shall be apportioned to wages. Standard payroll deductions shall be taken from the wage portion. The Settlement Administrator will issue a check and W-2 Form to each Participating Settlement Class Member for the Wage Component.

Eighty Percent (80%) of each Participating Settlement Class Member’s Individual Settlement Payment shall be apportioned to penalties and interest. No withholding shall be made on the interest and penalty portion. The Settlement Administrator will issue a second check and IRS Form 1099 for the interest and penalty component. Any taxes due on the portion of the Individual Settlement Payment reported on a Form 1099 shall be the responsibility of the individual Participating Settlement Class Member.

The Settlement Administrator shall be responsible for issuing the payments and calculating and withholding all required state and federal taxes.

CASCADE will be responsible for paying all employer tax liabilities separate and apart from the Settlement Amount.

What if I believe My Workweeks are Wrong? If you wish to challenge the number of Workweeks shown above, you must provide a written statement stating what you believe to be the correct number of Workweeks you worked during the Class Period. You must also include information and/or documents that support your claim that you worked a different number of Workweeks. CASCADE's records will control unless you submit documentation that establishes otherwise. If there is a dispute about which information is accurate, the Settlement Administrator will resolve the challenge with the assistance of Class Counsel and Defense Counsel. If the dispute remains unresolved, it will be submitted to the Court for final resolution.

Your share of PAGA civil penalties: Please note that if you were employed at any time from December 19, 2019 to December 13, 2022 ("**PAGA Period**"), you will additionally be entitled to a proportionate share of the \$7,500 allocated to PAGA civil penalties payable to employees. Your share will be reflected by the proportionate number of pay periods worked by you during the PAGA Period relative to the total number of pay periods worked by Settlement Class Members during the PAGA Period. Settlement Class Members who are entitled to a PAGA share and who exclude themselves from the Settlement will still be paid their PAGA share under this paragraph. You will be issued a Form 1099 for this payment.

Your estimated PAGA share based on the [NUMBER] pay periods you were employed during the PAGA Period indicated above is: [AMOUNT]. **You will receive a payment for this sum, even if you exclude yourself from this Settlement.**

11. When would I get my payment?

The Court will hold a hearing on [INSERT DATE], to decide whether to approve the settlement. If the Court approves the settlement, after that there may be appeals if anyone objects. It is always uncertain when these objections and appeals can be resolved, and resolving them can take time. To check on the progress of the settlement, call the Settlement Administrator at 1-800-542-0900 or Class Counsel. *Please be patient.*

If the Court approves the settlement and if you do not opt out, your individual payment set forth in Section 10 above is expected to be distributed thereafter.

Uncashed Checks: All checks for Individual Settlement Payments shall remain valid and negotiable for 180 days from the date of their issuance. Any checks not cashed during the 180 day period after distribution shall be void, and the Participating Settlement Class Member's release set forth herein shall remain valid. After the 180 day period following distribution, all funds will be transferred to the State Controller's Office in accordance with California's Unclaimed Property Law in the names of Participating Class Members whose Individual Settlement Payments were not cashed. Any such uncashed payments may be identified and claimed from the State Controller's Office at the following website: sco.ca.gov.

Your payment is expected to be mailed to the address where you received this Class Notice. **If your mailing address changes for any reason, you must promptly notify the Settlement Administrator to ensure that your payment is mailed to the correct address.**

12. What am I releasing?

Release As To All Participating Class Members: Upon the Effective Date and funding in full of the Settlement Amount by Defendant, all Settlement Class Members who do not timely opt out of the Settlement (“**Participating Class Members**”), including their heirs, assigns, estates, and representatives, shall be deemed to fully forever, irrevocably, and unconditionally release and discharge the Released Parties from the Released Claims. The Settlement Agreement shall be in full settlement, compromise, release, and discharge of the Released Claims and each of them, and the Released Claims by the Class Representatives, and the Released Parties shall have no further liability or obligation to any Class Member and/or the Class Representatives with respect to the Released Claims and Class Representatives’ Released Claims, except as expressly provided herein.

Release As To All Aggrieved Employees: Upon the Effective Date and funding in full of the Settlement Amount by Defendant, Plaintiffs, Aggrieved Employees, and the State of California shall be deemed to fully forever, irrevocably and unconditionally release and discharge the Released Parties from the Released PAGA Claims.

“**Released Claims**” means: all class claims alleged in the Lawsuit which are based upon alleged actions that occurred during the Class Period, and those claims that could have been based on the same factual allegations and legal assertions made in the Lawsuit, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers’ compensation, and claims outside of the Class Period.

“**Released PAGA Claims**” means: all PAGA claims alleged in the Lawsuit and Plaintiffs’ PAGA notices to the LWDA which occurred during the PAGA Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers’ compensation, and PAGA claims based upon alleged actions that are outside of the PAGA Period.

“**Released Parties**” means: Defendant, including each of Defendant’s respective past, present, and/or future, direct and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, related entities, affiliates, divisions, predecessors, successors, assigns, and joint venturers. Defendant BPM Senior Living Company is expressly excluded from the definition of Released Parties.

HOW YOU OPT OUT

13. How can I opt out of this settlement?

If you do not want to remain a member of the Settlement Class, you may opt out of the class action Settlement by mailing a written request for exclusion to the Settlement Administrator, CPT Group, Inc., postmarked no later than **[INSERT DATE]**. The request for exclusion must be submitted in writing in any form you choose but must be signed by you and must include your name, address, telephone number, last four digits of your Social Security number and a statement that you wish to be excluded from the Settlement. If you timely opt out of the Settlement, you will no longer be a member of the Settlement Class and you will be barred from participating in this Settlement. You will not receive any settlement payment if you opt out of this Settlement, except for your share of PAGA civil penalties described in Section 10, above. By timely opting out of the Settlement, you will retain whatever rights or claims you may have, if any, against CASCADE, and you will be free to hire your own attorney to pursue those claims on an individual basis, or you may represent yourself, if you choose to do so.

If you do not opt out, you will be bound by all the terms of the Settlement Agreement, including the release of claims set forth above, meaning that you cannot separately sue CASCADE, their employees, or any other related persons or entities for the matters being settled in this case. You will also be releasing your ability to file or prosecute any claims, suits, or administrative proceedings (including filing claims with the California Division of Labor Standards Enforcement) regarding claims released by the Settlement.

THE LAWYERS REPRESENTING YOU

14. Do I have a lawyer in this case?

To represent you and other Class Members in this action, the Court has appointed Zorik Mooradian and Haik Hacopian of Mooradian Law, APC and James A. Hawkins and Isandra Fernandez of James Hawkins APLC. These lawyers are called Class Counsel. They will be compensated from the Settlement Amount as discussed in this Class Notice. If you want to be represented by your own lawyer, you may hire one at your own expense.

15. How will the lawyers be paid?

Class Counsel will ask the Court to approve payment of up to \$297,500 to them for attorneys' fees, or thirty five percent (35%) of the Settlement Amount. The fees will pay Class Counsel for investigating the facts, litigating the case and negotiating and finalizing the settlement. Class Counsel will also ask the Court to award litigation costs and expenses, not to exceed \$25,000. CASCADE has agreed not to oppose Class Counsel's application for these fees and costs. The Court may choose to award less than the amount requested by Class Counsel.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you do not agree with the settlement or some part of it.

16. How do I tell the Court that I do not like the settlement?

You may appear at the Final Approval Hearing to present any objection you may have to the settlement, regardless of whether you submit a written objection in advance. You may object to the Settlement either personally or through an attorney. To the extent you wish to submit a written objection, you are strongly encouraged to do so by timely mailing a written notice that you are objecting to the Settlement Administrator (CPT Group) postmarked no later than **INSERT DATE**. If you submit a written objection by the deadline and in compliance with this paragraph, you are not required to appear in person at the Final Approval Hearing for your objection to be considered by the Court. In order for your objection (written or otherwise) to be considered, you must not have opted out. The Final Approval Hearing is presently set for **[date]** at **[time]**. If you have not opted out, you may appear, personally or through an attorney, at the Final Approval Hearing to present your objection directly to the Court. If you wish to file any legal briefs, papers or memoranda in support of your objection, you may provide them to the Settlement Administrator with your written notice that you are objecting or you may file them directly with the Court no later than fifteen (15) days prior to the Final Approval Hearing.

All written objections must be signed and must contain the following information:

- Your name;
- Your address;
- Your telephone number;
- The name of the case (*CASCADE Class Action*); and
- A description of your objections.

If you object to the Settlement and if the Court approves the Settlement, you will be bound by the terms of the Settlement Agreement in the same way as a Settlement Class member who does not object. You will also receive a settlement payment.

THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the settlement. You may attend and you may ask to speak, but you do not have to. If you have submitted a written objection by the deadline and in compliance with this paragraph, you are not required to appear in person at the Final Approval Hearing for your objection to be considered by the Court.

17. When and where will the Court decide whether to approve the settlement?

The Court will hold a Fairness Hearing at [REDACTED] on [REDACTED], 2023, at the Los Angeles County Superior Court, Dept. SS-1, Judge Stuart M. Rice presiding, 312 North Spring Street, Los Angeles, CA 90012. At this hearing, the Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Judge will listen to people who have asked to speak at the hearing. At or after the hearing, the Court will decide whether to approve the settlement. We do not know how long this decision will take.

The date of the Fairness Hearing may change without formal notice to you and any change will be posted on the Settlement Administrator's general website at www.cptgroup.com, which you should check periodically.

18. Do I have to come to the hearing?

No. Class Counsel will represent the Participating Class Members at the hearing. But you are welcome to come at your own expense. If you sent an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not required.

Should you choose to appear at the Fairness Hearing, you may appear remotely. To do so, you must arrange an appearance at <https://my.lacourt.org/laccwelcome> through the "Civil" tab not sooner than thirty (30) days before the hearing. You will be asked to create a login and pass technical validations for your hardware. You must enter the case number (20STCV48606) when prompted and select the hearing date for the Final Fairness Hearing to schedule an appearance.

IF YOU DO NOTHING

19. What happens if I do nothing at all?

If you do nothing, you will receive your settlement payment. You will remain a member of the Settlement Class and will be bound by all the terms of the Settlement Agreement, including the release of claims set forth in Section 12 above, meaning that you cannot separately sue CASCADE, their employees, or any other related persons or entities for the matters being settled under this Settlement. You will also be releasing your ability to file or prosecute any claims, suits, or administrative proceedings (including filing claims with the California Division of Labor Standards Enforcement) regarding claims released by the Settlement.

GETTING MORE INFORMATION

20. Are there more details about the settlement?

This Class Notice summarizes the proposed settlement. You may call or contact Class Counsel or the Settlement Administrator if you would like more information about the case. If you would like a complete copy of the Settlement Agreement, please contact Settlement Class Counsel. You may also go to the Court's website at <http://www.lacourt.org/casesummary/ui/> and enter the case number (20STCV48606) to electronically access all publicly filed documents in the Lawsuit. Please note that fees may be charged by the Court for retrieval of any

documents. You may also access important case documents, including the Final Judgment if the Court grants final approval, on the Settlement Administrator's website at <https://www.cptgroup.com/case-access/>.

THE SETTLEMENT ADMINISTRATOR FOR THE SETTLEMENT IS:	SETTLEMENT CLASS COUNSEL	ATTORNEYS FOR DEFENDANT CASCADE LIVING GROUP MANAGEMENT, LLC ("DEFENSE COUNSEL")
CPT Group, Inc. 50 Corporate Park Irvine, CA 92606 Phone: (800) 542-0900 Fax: (949) 419-3446 www.cptgroup.com	Zorik Mooradian zorik@mooradianlaw.com Haik Hacopian haik@mooradianlaw.com Mooradian Law, APC 24007 Ventura Blvd., Suite 210 Calabasas, California 91302 Telephone: (818) 487-1998 Facsimile: (888) 783-1030 James R. Hawkins, Esq. james@jameshawkinsaplc.com Isandra Fernandez, Esq. isandra@jameshawkinsaplc.com JAMES HAWKINS APLC 9880 Research Drive, Suite 200 Irvine, CA 92618 TEL: (949) 387-7200 FAX: (949) 387-6676	Diane Marie O'Malley domalley@hansonbridgett.com Warren Hodges whodges@hansonbridgett.com HANSON BRIDGETT LLP 425 Market Street, 26th Floor San Francisco, CA 94105 Telephone: (415) 777-3200 Facsimile: (415) 541-9366

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, OR CASCADE WITH INQUIRIES.

The statements in this document are not findings by a court of law. These statements are not an expression of opinion or approval by a judge. This notice is based only on statements by the Parties to this Lawsuit. You received this notice to help you decide what steps, if any, to take about this Lawsuit.

EXHIBIT “B” – PAGA Notices

MOORADIAN LAW, APC

24007 Ventura Blvd., Suite 210

Calabasas, California 91302

Mooradianlaw.com

Telephone 1-818-487-1998

Facsimile 1-888-783-1030

HAIK HACOPIAN

E-mail: haik@mooradianlaw.com

DECEMBER 19, 2020

VIA USPS CERTIFIED MAIL

Cascade Living Group Management, LLC
19119 North Creek Pkwy, Suite 102
Bothell, WA 98011
7019 0140 0000 3343 6474

Cascade Living Group Management, LLC
Agent for Service of Process
2710 Gateway Oaks Dr., Suite 150N
Sacramento, CA 95833
7019 0140 0000 3343 6467

VIA ONLINE SUBMISSION

State of California
Labor & Workforce Development Agency
800 Capitol Mall, MIC-55
Sacramento, CA 95814
www.dir.ca.gov

Re: *California Wage & Hour Violations*
Cascade Living Management Group, LLC

To Whom It May Concern:

This office represents Laura Herrera with respect to Private Attorneys General Act (“PAGA”) claims that she intends to pursue against Cascade Living Management Group, LLC (hereinafter “CASCADE”) based upon its illegal wage and hour practices in the State of California as to its non-exempt employees. This letter constitutes the notice required by Labor Code Section 2699.3.

Facts

CASCADE is engaged in the business of owning and operating senior care and senior living facilities. Ms. Herrera worked as a non-exempt employee of CASCADE at the Regency Grand of West Covina Retirement Community located at 150 S. Grand Avenue in West Covina, California. CASCADE employs numerous non-exempt, hourly paid employees such as Ms. Herrera in California. Unfortunately, CASCADE has engaged in the following practices:

Failure to Pay Wages

CASCADE implemented the policy and practice of failing to pay employees for all hours worked. Notably, CASCADE implemented a rounding practice that rounded employee time punches to the nearest quarter hour which was detrimental for employees and which resulted in wage loss. For instance, Ms. Herrera punched in for work at 9:39 a.m. on January 26, 2020 and her time punch was rounded up to 9:45 a.m. resulting in 6 minutes of unpaid time on that date. Similarly, on January 31, 2020, Ms. Herrera clocked in at 2:59 p.m. and clocked out at 8:36 p.m., and these time punches were rounded to 3:00 p.m. and 8:30 p.m. respectively resulting in 7 minutes of unpaid time. Also, to the extent an employee worked two different positions, overtime would not be paid to the extent eight (8) or more total hours were worked during a single day across the two different positions. The foregoing practices resulted in underpayment of wages, including underpayment of overtime and double-time to the extent applicable.

Meal Breaks

CASCADE engages in the practice of not allowing mandated meal breaks and not compensating employees for any missed, late, or short meal breaks. Employees did not receive premium pay for any missed, late, or short meal period as CASCADE's policy did not allow for same. Notably, CASCADE maintained a policy of allowing thirty minute meal breaks only for shifts in excess of six (6) hours and allowed second meal breaks only for shifts in excess of fourteen (14) hours to the extent any meal breaks were allowed.

Rest Breaks

CASCADE engages in the practice of not allowing mandated rest breaks and not compensating employees for any missed, late, or short rest breaks. Specifically, employees were never afforded an opportunity to take rest breaks every four hours, or major fraction thereof, they worked. Moreover, employees did not receive premium pay for these missed rest breaks as CASCADE's policy did not allow for same.

Unpaid PTO:

CASCADE maintained a policy of providing PTO ("Paid Time Off") for non-exempt hourly employees but accrual rates were not consistent with an employee's years of service and/or the applicable accrual amount. For instance, although Ms. Herrera was hired on or about December 6, 2018, her PTO accrual rate as of March 23, 2020 was at a rate of 0.0400 when it should have been 0.0509 as Ms. Herrera would be classified as an employee with 1-5 years of service. Significantly, no vested and accrued PTO was ever paid to Ms. Herrera and potentially to other employees.

Waiting Time

At the time of an employee's separation (whether it be by termination or resignation) CASCADE has failed to provide the employee with all monies owed, including meal break premiums, rest break premiums, and unpaid wages for work performed, including overtime and double-time wages to the extent applicable.

Noncompliant Wage Statements

CASCADE has adopted a custom and practice of failing to provide wage statements which reflect all hours worked during any pay period, whether or not employees received all wages entitled to, including meal and rest break premiums.

Additional Penalties

Ms. Herrera and all other similarly aggrieved California employees intend to seek all available civil penalties for the violations described above.

Code Provisions Violated and Legal Theories

The specific provisions of the California Labor Code which CASCADE has violated, and applicable legal theories which establish the violations, are as follows:

Labor Code Section 201: CASCADE violated, and continues to violate, Labor Code Section 201 by failing to pay the employees it has discharged the complete and correct amount of all wages owing at the time of termination. The wages earned but not paid at termination include uncompensated work time, including overtime and double-time as applicable, and premium wages for missed meal and rest breaks.

Labor Code Section 202: CASCADE violated, and continues to violate, Labor Code Section 202 by failing to pay employees who quit the correct amount of all wages, within 72 hours of the termination. As already stated, the wages earned but not paid at termination include the above.

Labor Code Section 203: CASCADE violated, and continues to violate, Labor Code Section 203 by failing to pay 30 days of continuing wages to employees owed wages (explained above) whose employment ended.

Labor Code Section 204: CASCADE violated, and continues to violate, Labor Code Section 204 by failing to pay wages to employees for all hours worked as explained above.

Labor Code Section 226: CASCADE violated, and continues to violate, Labor Code Section 226(a) by failing to provide employees with accurate and compliant itemized wage statements.

Labor Code Section 226.7: CASCADE violated, and continues to violate, Labor Code Section 226.7 by failing to provide meal periods and/or rest periods that are in accordance and in compliance with the IWC's applicable wage order.

Labor Code Section 227.3: CASCADE violated, and continues to violate, Labor Code Section 227.3 by failing to pay vested vacation wages to employees upon their separation.

Labor Code Section 510: CASCADE violated, and continues to violate, Labor Code Section 510 by failing to pay minimum wage or overtime compensation required by law.

Labor Code Section 512: CASCADE violated, and continues to violate, Labor Code Section 512 by not providing aggrieved employees with legally compliant meal periods.

Labor Code Section 1194: CASCADE violated, and continues to violate, Labor Code Section 1194 by failing to pay employees minimum wage and overtime compensation required by law.

Conclusion

Please inform us if you intend to investigate this matter. We look forward to prompt administrative action so that the identified unlawful practices can be rectified. In the absence of such action, we intend to file an appropriate action pursuant to Labor Code Section 2698 *et seq.* Should you require any additional information, do not hesitate to contact the undersigned.

Very truly yours,

MOORADIAN LAW, APC

/s/ Haik Hacopian

HAIK HACOPIAN

7019 0140 0000 3343 6467

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☐ Adult Signature Required \$0.00
☐ Adult Signature Restricted Delivery \$0.00
 Postage \$0.55
 Total Postage and Fees \$4.10

Sent To Cascade Living Grp. Mgmt. LLC, Agent for Servant
 Street and Apt. No., or PO Box No. 2710 Gateway Oaks Dr. Suite 150N
 City, State, ZIP+4® Sacramento, CA 95833

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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☐ Return Receipt (electronic) \$0.00
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☐ Adult Signature Required \$0.00
☐ Adult Signature Restricted Delivery \$0.00
 Postage \$0.55
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Sent To Cascade Living Group Mgmt. LLC
 Street and Apt. No., or PO Box No. 19119 N. Creek Pky. Suite 102
 City, State, ZIP+4® Bothell, WA 98011

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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JAMES *JH* HAWKINS
A PROFESSIONAL LAW CORPORATION

9880 RESEARCH DRIVE, SUITE 200, IRVINE, CALIFORNIA 92618
TELEPHONE (949) 387-7200; FACSIMILE (949) 387-6676

September 28, 2021

Via LWDA Website:

Labor and Workforce Development Agency Attn: PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612
<http://www.dir.ca.gov/Private-Attorneys-General-Act>

Via Certified Mail:

CASCADE LIVING MANAGEMENT LLC
19119 North Creek Parkway
Bothell, WA 98011
Certified No. 7018 1130 0001 8270 2698

CASCADE LIVING MANAGEMENT LLC
Agent for Service of Process:
CSC LAWYERS INCORPORATING
SERVICE
2710 Gateway Oaks Drive, Suite 150N
Sacramento, CA 95833
Certified No. 7018 1130 0001 8270 2704

Re: NOTICE PURSUANT TO LABOR CODE SECTIONS 2699 et seq.

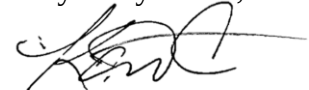
To Whom It May Concern:

PLEASE TAKE NOTICE that plaintiff, Valerie Chavez, on behalf of herself and all others similarly situated gives NOTICE to file and/or amend a civil action pursuant to Labor Code Sections 2699, *et seq.* Plaintiff hereby gives written notice by certified mail to the Labor and Workforce Development Agency (“LWDA”), Cascade Living Management, LLC. Plaintiff hereby attaches the Complaint as though fully set forth herewith, setting out the specific provisions of the Labor Code plaintiff alleges have been violated including the facts and theories. All labor provision violations alleged in the Complaint PERTAIN TO ALL ENTITIES AND INDIVIDUALS NAMED IN THE COMPLAINT even if not specifically specified.

Please advise by certified mail within sixty (60) days of the post mark on this letter if the LWDA intends to investigate these claims. Thank you.

If you have any questions, please do not hesitate to contact me.

Very Truly Yours,



Kacey E. Cook, Esq.

Enclosures: Complaint

EXHIBIT “C” – Administration Quote

CASE NAME: HERRERA V. CASCADE

Date: May 26, 2023

Requesting Attorney: Haik Hacopian

Plaintiff or Defense: Plaintiff

Firm Name: Mooradian Law

Telephone: (818) 439-3121

Email: haik.hacopian@gmail.com

All-In Settlement

Class Size: 760

Opt-Out Rate: 1.5%

No. of Checks Issued: 749

Postage Total: \$1,176.98

Grand Total: \$18,341.69

DISCOUNTED FLAT FEE: \$11,000.00

The services and numbers reflected herein are an estimate provided by counsel. If the actual services and number are different, our cost estimate will change accordingly.

The attached Terms and Conditions are included as part of our cost proposal. By accepting our costs proposal for this matter, you are thereby agreeing to the Terms and Conditions.

CASE SETUP

Upon Intake of the Data, CPT will Scrub all Records to a Useable Format to Reduce Duplicates, Anomalies and Increase the Success Rate of Deliverability of the Class Notice. Class Members will be Assigned a Unique Mailing ID which will be Used Throughout Administration. The Notice will be Translated into Spanish.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Project Manager: Case Intake & Review	\$95.00	7	\$665.00
Programming: Data Base Setup	\$150.00	7	\$1,050.00
Spanish Translation	\$1,200.00	1	\$1,200.00
TOTAL			\$2,915.00

DIRECT MAIL NOTICE

To Ensure Mailing to the Most Current Address Possible, CPT will Perform an Address Update via NCOA. CPT will Mail a Full-Length Notice & 1-Page Exclusion Form in English and Spanish.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Project Manager: Format Documents	\$95.00	2	\$190.00
National Change of Address Search (NCOA)	\$135.00	1	\$135.00
Print & Mail Notice Packets	\$1.50	760	\$1,140.00
First-Class Postage (up to 2 oz.)*	\$0.81	760	\$615.60
TOTAL			\$2,080.60

*Postage costs are subject to change at anytime. The final rate will be determined at the time of mailing.

PROCESS RETURNED UNDELIVERABLE MAIL

Based On CPT's Historical Data, 6% of the Notices will be Returned Undeliverable. Upon Receipt, CPT will Perform a Skip Trace in an Attempt to Obtain a Current Address; Thus, 91% of the Notice Packets are Remailled.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Clerical Staff	\$60.00	1	\$60.00
Update Undeliverable Mail Database	\$0.50	46	\$23.00
Skip Trace for Best Address	\$1.00	40	\$40.00
Print & Remail Notice Packets	\$1.50	36	\$54.00
First-Class Postage (up to 2 oz.)	\$0.81	36	\$29.16
TOTAL			\$206.16

OPT-OUT PROCESSING

CPT will Process and Validate all Opt-Outs and Other Responses from Class Members. Deficient Opt-Outs will Receive a Deficiency Notice by Mail and Provide an Opportunity to Cure. CPT will Scrub the Filed Opt-Outs to Eliminate Duplicates, Fraudulent, and Otherwise Invalid.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Programming: De-duplication/Scrubbing	\$150.00	1	\$150.00
Project Manager: Validate Opt-Out Requests	\$95.00	1	\$95.00
Clerical Staff	\$60.00	1	\$60.00
Opt-Out & Change of Address Processing	\$2.00	11	\$22.80
Print & Mail Deficiency/Dispute Notices	\$1.50	1	\$1.50
First-Class Postage (up to 1 oz.)	\$0.60	1	\$0.60
Review & Process Deficiency Responses	\$10.00	1	\$10.00
TOTAL			\$339.90

TELEPHONE SUPPORT

CPT will Maintain a Toll-Free Phone Number with IVR Capabilities and Live Class Member Support Representatives During Normal Business Hours, Monday-Friday, 9:00 AM - 5:30 PM, PT. The Dedicated Case Phone Number will Remain Active Up to 120 Days After Disbursement.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Toll-Free Number Establish/Setup	\$150.00	2	\$300.00
Live Call Center Support Reps.	\$3.00	152	\$456.00
		TOTAL	\$756.00

SSN VERIFICATION

Verify SSN for Validity with IRS / IRS Backup Withholdings

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Programming: SSN Selection	\$150.00	1	\$150.00
Department Manager: Analysis & Reporting	\$95.00	3	\$285.00
IRS SSN Verification	\$0.10	749	\$74.86
		TOTAL	\$509.86

DISTRIBUTION SERVICES

CPT will Establish and Manage the Qualified Settlement Fund (QSF) for up to One Year After Disbursement. Upon Approval, CPT will Perform all Necessary Calculations and Disburse Funds. CPT will Mail an 8.5"x11" MICR Check to Valid Class Members. CPT Uses a Payee Positive Pay System to Reconcile Checks Cash and Conducts Monthly Account Reconciliations for the QSF.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Programming: Calculation Totals	\$150.00	3	\$450.00
Project Supervisor: Review of Distribution	\$150.00	3	\$450.00
Project Manager: Correspondence w/Parties	\$95.00	2	\$190.00
Programming: Setup & Printing of Checks	\$150.00	3	\$450.00
Obtain EIN, Setup QSF/Bank Account	\$150.00	3	\$450.00
Print & Mail Notice, Checks & W2/1099	\$2.50	749	\$1,871.50
First-Class Postage (up to 1 oz.)*	\$0.60	749	\$449.16
		TOTAL	\$4,310.66

*Postage costs are subject to change at anytime. The final rate will be determined at the time of mailing.

POST-DISTRIBUTION & TAX REPORTING

Any Check Returned Undeliverable is Skip Traced to Locate a Current Address and Remailed Accordingly. CPT will Process Requests for Check Reissues Continuously. CPT Prepares Annual Tax Reporting on Behalf of the QSF and Federal and State Taxes in Accordance with Current State and Federal Regulations. Upon the Conclusion of the Settlement, a Final Report and Declaration will be Provided to all Parties.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Project Supervisor: Account Reconciliation	\$150.00	10	\$1,500.00
Update Undeliverable Checks Database	\$0.50	60	\$30.00
Skip Trace for Best Address	\$1.00	60	\$60.00
Remail Undeliverable Checks	\$2.50	55	\$137.50
First-Class Postage (up to 1 oz.)	\$0.60	55	\$33.00
Re-Issue Checks as Required	\$5.00	38	\$190.00
First-Class Postage (up to 1 oz.)	\$0.60	38	\$22.80
Project Supervisor: Reconcile Uncashed Chk	\$150.00	1	\$150.00
Programming: Weekly & Final Reports	\$150.00	2	\$300.00
Project Supervisor: Final Declaration	\$150.00	2	\$300.00
Project Manager: Account Files Sent to Atty	\$95.00	2	\$190.00
CA Tax Preparation*	\$600.00	1	\$600.00
Annual Tax Reporting to IRS*	\$1,000.00	1	\$1,000.00
QSF Annual Tax Reporting	\$500.00	1	\$500.00
		TOTAL	\$5,013.30

*CPT will file Federal and California taxes in accordance to current state and federal regulations. Additional charges will apply if the Settlement/Order/parties require(s) multiple state tax filings.

SCO ESCHEATMENT PROCESSING

Escheatment Processing to the State Controller Unclaimed Property Division / Uncashed Check Rate 21%			
ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
UPEnterprise Reporting Services	\$0.15	157	\$23.55
Project Manager: SCO Fall Reporting	\$95.00	2	\$190.00
Project Supervisor: Review of SCO Reports	\$150.00	1	\$150.00
Certified Mail Report to SCO	\$8.53	1	\$8.53
Check Reissues for Winter/Spring QTR	\$5.00	16	\$80.00
First-Class Postage (up to 1 oz.)	\$0.60	16	\$9.60
Project Supervisor: June Remittance	\$150.00	1	\$150.00
Project Manager: June Remittance	\$95.00	2	\$190.00
Certified Mail Report to SCO	\$8.53	1	\$8.53
Add'l Account Recons	\$150.00	6	\$900.00
Add'l QSF Annual Tax Reporting	\$500.00	1	\$500.00
		TOTAL	\$2,210.21
GRAND TOTAL			\$18,341.69

TERMS AND CONDITIONS

These Terms and Conditions are made a part of, and incorporated by reference into, any cost proposal or Bid presented by CPT Group, Inc. to Client

1. Definitions.

- a) **"Affiliate"** means a party that partially (at least 50%) or fully controls, is partially or fully controlled by, or is under partial (at least 50%) or full common control with another party.
- b) **"Approved Bank"** means a financial institution insured by the Federal Deposit Insurance Corporation with capital exceeding \$1 billion.
- c) **"Case"** means the particular judicial matter identified by the name of plaintiff(s) and defendant(s) on the applicable Order.
- d) **"Claims Administrator"** means CPT Group, Inc., a reputable third-party Claims Administrator selected by all the Parties (Plaintiff and Defense Counsel) to administer the Settlement or Notification Mailing.
- e) **"Client"** means collectively Plaintiff Counsel and Defense Counsel.
- f) **"Client Content"** means all Class Member written document communications relating to the Case, including claim forms, opt-out forms, and objections, which contain Client Data.
- g) **"Client Data"** means proprietary or personal data regarding Client or any of its Class Members under this Agreement, as provided by Client.
- h) **"Class Member"** means an individual who is eligible under the Settlement Agreement to receive a designated amount of the Settlement, including the named Plaintiff(s) in the Case and all other putative persons so designated or addressed therein.
- i) **"Confidential Information"** means any non-public information of CPT or Client disclosed by either party to the other party, either directly or indirectly, in writing, orally or by inspection of tangible objects, or to which the other party may have access, which a reasonable person would consider confidential and/or which is marked "confidential" or "proprietary" or some similar designation by the disclosing party. Confidential Information shall also include the terms of this Agreement, except where this Agreement specifically provides for disclosure of certain items. Confidential Information shall not, however, include the existence of the Agreement or any information which the recipient can establish: (i) was or has become generally known or available or is part of the public domain without direct or indirect fault, action, or omission of the recipient; (ii) was known by the recipient prior to the time of disclosure, according to the recipient's prior written documentation; (iii) was received by the recipient from a source other than the discloser, rightfully having possession of and the right to disclose such information; or (iv) was independently developed by the recipient, where such independent development has been documented by the recipient.
- j) **"Court Order"** means a legal command or direction issued by a court, judicial office, or applicable administrative body requiring one or more parties to the Case to carry out a legal obligation pursuant to the Case.
- k) **"Defendant"** means the named party and/or parties in the Case against whom action is brought.
- l) **"Defense Counsel"** means the attorney of record for the defendant(s) in the Case.
- m) **"Intellectual Property Right"** means any patent, copyright, trade or service mark, trade dress, trade name, database right, goodwill, logo, trade secret right, or any other intellectual property right or proprietary information right, in each case whether registered or unregistered, and whether arising in any jurisdiction, including without limitation all rights of registrations, applications, and renewals thereof and causes of action for infringement or misappropriation related to any of the foregoing.
- n) **"Order"** means a Product purchase in a schedule, statement of work, addendum, exhibit, or amendment signed by Client and CPT.
- o) **"Parties"** shall mean collectively Defendants, Defense and Plaintiff as defined in the Settlement Agreement or Court Order.
- p) **"Plaintiff"** means the named party and/or parties in the Case who are bringing the action.
- q) **"Plaintiff Counsel"** means the attorney of record for plaintiff Class Members in the Case.
- r) **"Products"** means any and all CPT Services, and work products resulting from Services.
- s) **"Qualified Settlement Fund"** means the entity as defined by Treasury Regulation section 4686-1 under which a bank account is established to receive settlement funds from the Defendant in the Case, which such funds are then disbursed by CPT according to the Settlement Agreement and pursuant to Court Order.

- t) **"Service"** means any service rendered by CPT specifically to Client, including, but not limited to: (i) notifications to Class Members; (ii) setting up a Qualified Settlement Fund with a financial institution; (iii) management of disbursement of funds from the Qualified Settlement Fund to applicable parties pursuant to the Settlement Agreement; (iv) provision of customer support relating to the Case; (v) management of Case claim forms and correspondence; and/or (vi) any administrative or consulting service.
- u) **"Software"** means any and all of CPT's proprietary applications, including, without limitation, all updates, revisions, bug-fixes, upgrades, and enhancements thereto.
- v) **"Settlement"** means the total dollar amount agreed to between parties to the Case, as negotiated by Plaintiff Counsel and Defense Counsel, to resolve the Case to mutual satisfaction.
- w) **"Settlement Agreement"** means the contract between parties to the Case to resolve the same, which specifies amounts to be disbursed from the Qualified Settlement Fund to attorneys, CPT, and individual Class Members.
- x) **"Term"** means the term of the Agreement, as set forth in the Order.
- y) **"Transmission Methods"** means the secure authorized manner to send Client Data and/or Wire Information as specified on a schedule or Order hereto.
- z) **"Wire Information"** means instructions for (i) Defense Counsel to transfer funds from Defendant to the Qualified Settlement Fund or (ii) CPT to transfer funds from the Qualified Settlement Fund to applicable parties pursuant to the Settlement Agreement.

2. Client Obligations.

Client will ensure that it has obtained all necessary consents and approvals for CPT to access Client Data for the purposes permitted under this Agreement and shall only transmit Client Data and/or Wire Instructions to CPT via the Transmission Methods. Client shall use and maintain appropriate administrative, technical, and physical safeguards designed to protect Client Data provided under this Agreement. Client shall not send, or attempt to send, Client Data and/or Wire Instructions via email, facsimile, unprotected spreadsheet, USB flash drive or other external or removable storage device, cloud storage provider, or any other method not specified in the Transmission Methods. Notwithstanding the foregoing, Client acknowledges and understands that the electronic transmission of information cannot be guaranteed to be secure or error free, and such information could be intercepted, corrupted, lost, and/or destroyed. Client further warrants that any Client Data and/or Wire Instructions it transmits shall be free of viruses, worms, Trojan horses, or other harmful or disabling codes which could adversely affect the Client Data and/or CPT. If Client is in breach of this section, CPT may suspend Services, in addition to any other rights and remedies CPT may have at law or in equity.

3. Security.

The Parties and CPT shall each use reasonable administrative, technical, and physical safeguards that are reasonably designed to: (a) protect the security and confidentiality of any personally identifiable information provided by Class Members and/or Client under this Agreement; (b) protect against any anticipated threats or hazards to the security or integrity of such personally identifiable information; (c) protect against unauthorized access to or use of such personally identifiable information that could result in substantial harm or inconvenience to any individual; and (d) protect against unauthorized access to or use of such personally identifiable information in connection with its disposal. Each Party will respond promptly to remedy any known security breach involving the personally identifiable information provided by you and/or Client under this Agreement and shall promptly inform the other Parties of such breaches.

4. CPT Obligations.

Provided that Client complies with all provisions of Section "Client Obligations", CPT will (i) maintain appropriate safeguards for the protection of Client Data, including regular back-ups, security and incident response protocols, and (ii) not access or disclose Client Data except (A) as compelled by law, (B) to prevent or address service or technical issues, (C) in accordance with this Agreement or the provisions of the Settlement Agreement, or (D) if otherwise permitted by Client.

5. Mutual Obligations.

- a) **Resources.** Each party agrees to: (i) provide the resources reasonably necessary to enable the performance of the Services; (ii) manage its project staffing, milestones, and attendance at status meetings; and (iii) ensure completion of its project deliverables and active participation during all phases of a Service project. The parties acknowledge that failure to cooperate during a Service project may delay delivery of the Service.

- If there is a delay, the party experiencing the delay will notify the other party as soon as reasonably practicable, and representatives of each party will meet to discuss the reason for the delay and applicable consequences. Changes beyond the scope of an Order and/or a party's delay in performing its obligations may require an amended Order.
- b) **Incident Notification.** Each party will promptly inform the other parties in the event of a breach of Client Data in their possession and shall utilize best efforts to assist the other parties to mitigate the effects of such incident.
 6. **Qualified Settlement Fund Account.** At Client's request, CPT shall be authorized to establish one or more bank accounts at an Approved Bank. The amounts held at the Approved Bank under this Agreement are at the sole risk of Client. Without limiting the generality of the foregoing, CPT shall have no responsibility or liability for any diminution of the funds that may result from the deposit thereof at the Approved Bank, including deposit losses, credit losses, or other claims made against the Approved Bank. It is acknowledged and agreed that CPT has acted reasonably and prudently in depositing funds at an Approved Bank, and CPT is not required to conduct diligence or make any further inquiries regarding such Approved Bank.
 7. **Fees and Payment.** Pricing stated within the proposal is good for 90 Days. All postage charges and 50% of the final administration charges are due at the commencement of the case and will be billed immediately upon receipt of the Client data and /or notice documents. Client will be invoiced for any remaining fees according to the applicable Order. Pricing stated within any proposal from CPT to Client is for illustrative purposes only and is only binding upon an Order executed by CPT and Client. Payment of fees will be due within 30 days after the date of the invoice, except where this Agreement expressly prescribes other payment dates. All fees set forth in an Order are in U.S. dollars, must be paid in U.S. dollars, and are exclusive of taxes and applicable transaction processing fees. Late payments hereunder will incur a late charge of 1.5% (or the highest rate allowable by law, whichever is lower) per month on the outstanding balance from the date due until the date of actual payment. In addition, Services are subject to suspension for failure to timely remit payment therefor. If travel is required to effect Services, Client shall reimburse CPT for pre-approved, reasonable expenses arising from and/or relating to such travel, including, but not limited to, airfare, lodging, meals, and ground transportation.
 8. **Term and Termination.**
 - a) **Term.** The Term is set forth in the Order. The Agreement may be renewed by mutual written agreement of the parties.
 - b) **Termination for Cause.** Either party may immediately terminate this Agreement if the other party materially breaches its obligations hereunder, and, where capable of remedy, such breach has not been materially cured within forty-five (45) days of the breaching party's receipt of written notice describing the breach in reasonable detail.
 - c) **Bankruptcy Events.** A party may immediately terminate this Agreement if the other party: (i) has a receiver appointed over it or over any part of its undertakings or assets; (ii) passes a resolution for winding up (other than for a bona fide scheme of solvent amalgamation or reconstruction), or a court of competent jurisdiction makes an order to that effect and such order is not discharged or stayed within ninety (90) days; or (iii) makes a general assignment for the benefit of its creditors.
 - d) **Effect of Termination.** Immediately following termination of this Agreement, upon Client's written request, Client may retrieve Client Data via Client's secure FTP site in the same format in which the Client Data was originally inputted into the Software, at no additional charge. Alternatively, Client Data can be returned in a mutually agreed format at a scope and price to be agreed. CPT will maintain a copy of Client Data and Client Content for no more than four (4) years following the date of the final check cashing deadline for Class Members under the Settlement Agreement, after which time any Client Data and Client Content not retrieved will be destroyed.
 - e) **Final Payment.** If Client terminates this Agreement due to Section "Termination", Client shall pay CPT all fees owed through the termination date. If CPT terminates the Agreement in accordance with Section "Termination," Client shall pay CPT all fees invoiced through the termination date, plus all fees remaining to be invoiced during the Term, less any costs CPT would have incurred had the Agreement not been terminated.

Confidentiality. Each of the parties agrees: (i) not to disclose any Confidential Information to any third parties except as mandated by law and except to those subcontractors of CPT providing Products hereunder who agree to be bound by confidentiality obligations no less stringent than those set forth in this Agreement; (ii) not to use any Confidential Information for any purposes except carrying out such party's rights and responsibilities under this Agreement; and (iii) to keep the Confidential Information confidential using the same degree of care such party uses to protect its own confidential information; provided, however, that such party shall use at least reasonable care. These obligations shall survive termination of this Agreement.

- a) **Compelled Disclosure.** If receiving party is compelled to disclose any Confidential Information by judicial or administrative process or by other requirements of law, such party shall (i) promptly notify the other party, (ii) reasonably cooperate with the other party in such party's efforts to prevent or limit such compelled disclosure and/or obtain confidential treatment of the items requested to be disclosed, and (iii) shall disclose only that portion of such information which each party is advised by its counsel in writing is legally required to be disclosed.
- b) **Remedies.** If either party breaches any of its obligations with respect to confidentiality or the unauthorized use of Confidential Information hereunder, the other party shall be entitled to seek equitable relief to protect its interest therein, including but not limited to, injunctive relief, as well as money damages.
10. **Intellectual Property.** As between the parties, CPT will and does retain all right, title and interest (including, without limitation, all Intellectual Property Rights) in and to the Products. Client retains all ownership rights to Client Data.
11. **Indemnification.** Client agrees to indemnify, defend, and hold harmless CPT, its Affiliates, and the respective officer, directors, consultants, employees, and agents of each (collectively, Covered CPT Parties") from and against any and all third party claims and causes of action, as well as related losses, liabilities, judgments, awards, settlements, damages, expenses and costs (including reasonable attorney's fees and related court costs and expenses) (collectively, "Damages") incurred or suffered by CPT which directly relate to or directly arise out of (i) Client's breach of this Agreement; (ii) CPT's performance of Services hereunder; (iii) the processing and/or handling of any payment by CPT; (iv) any content, instructions, information or Client Data provided by Client to CPT in connection with the Services provided by CPT hereunder. The foregoing provisions of this section shall not apply to the extent the Damages relate to or arise out of CPT's willful misconduct. To obtain indemnification, indemnitee shall: (i) give written notice of any claim promptly to indemnitor; (ii) give indemnitor, at indemnitor's option, sole control of the defense and settlement of such claim, provided that indemnitor may not, without the prior consent of indemnitee (not to be unreasonably withheld), settle any claim unless it unconditionally releases indemnitee of all liability; (iii) provide to indemnitor all available information and assistance; and (iv) not take any action that might compromise or settle such claim.
12. **Warranties.** Each party represents and warrants to the other party that, as of the date hereof: (i) it has full power and authority to execute and deliver the Agreement; (ii) the Agreement has been duly authorized and executed by an appropriate employee of such party; (iii) the Agreement is a legally valid and binding obligation of such party; and (iv) its execution, delivery and/or performance of the Agreement does not conflict with any agreement, understanding or document to which it is a party. CPT WARRANTS THAT ANY AND ALL SERVICES PROVIDED BY IT HEREUNDER SHALL BE PERFORMED IN A PROFESSIONAL MANNER CONSISTENT WITH PREVAILING INDUSTRY STANDARDS. TO THE EXTENT PERMITTED BY APPLICABLE LAW, CPT DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT AND ANY WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE OR TRADE PRACTICE.
13. **Liability.**
 - a) **Liability Cap.** EXCEPT FOR A PARTY'S WILLFUL MISCONDUCT, EACH PARTY'S MAXIMUM AGGREGATE LIABILITY ARISING OUT OF OR RELATING TO THIS AGREEMENT, REGARDLESS OF THE THEORY OF LIABILITY, WILL BE LIMITED TO THE TOTAL CLAIMS ADMINISTRATOR FEES PAID OR PAYABLE BY CLIENT TO CPT HEREUNDER. THE EXISTENCE OF MORE THAN ONE CLAIM SHALL NOT EXPAND SUCH LIMIT. THE PARTIES ACKNOWLEDGE THAT THE FEES AGREED UPON BETWEEN CLIENT AND CPT ARE BASED IN PART ON THESE LIMITATIONS, AND THAT THESE LIMITATIONS WILL APPLY NOTWITHSTANDING ANY FAILURE OF ANY ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. THE FOREGOING LIMITATION SHALL NOT APPLY TO A PARTY'S PAYMENT OBLIGATIONS UNDER THE AGREEMENT.
 - b) **Exclusion of Consequential Damages.** NEITHER PARTY WILL BE LIABLE FOR LOST PROFITS, LOST REVENUE, LOST BUSINESS OPPORTUNITIES, LOSS OF DATA, INTERRUPTION OF BUSINESS, OR ANY OTHER INDIRECT, SPECIAL, PUNITIVE, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATING TO THIS AGREEMENT, REGARDLESS OF THE THEORY OF LIABILITY, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
14. **Communications.** CPT may list Client's name and logo alongside CPT's other clients on the CPT website and in marketing materials, unless and until Client revokes such permission. CPT may also list the Case name and/or number, and certain Qualified Settlement Fund information, on the CPT website and in marketing materials, unless stated otherwise in the Settlement Agreement.

15. Miscellaneous Provisions.

- a) Governing Law; Jurisdiction. This Agreement will be governed by and construed in accordance with the laws of the State of California and the federal laws of the United States of America, without regard to conflict of law principles. CPT and Client agree that any suit, action or proceeding arising out of, or with respect to, this Agreement or any judgment entered by any court in respect thereof shall be brought exclusively in the state or federal courts of the State of California located in the County of Orange, and each of CPT and Client hereby irrevocably accepts the exclusive personal jurisdiction and venue of those courts for the purpose of any suit, action or proceeding.
- b) Force Majeure. Neither party will be liable for any failure or delay in its performance under this Agreement due to any cause beyond its reasonable control, including without limitation acts of war, acts of God, earthquake, flood, weather conditions, embargo, riot, epidemic, acts of terrorism, acts or omissions of vendors or suppliers, equipment failures, sabotage, labor shortage or dispute, governmental act, failure of the Internet or other acts beyond such party's reasonable control, provided that the delayed party: (i) gives the other party prompt notice of such cause; and (ii) uses reasonable commercial efforts to correct promptly such failure or delay in performance.
- c) Counterparts. This Agreement may be executed in any number of counterparts and electronically, each of which shall be an original but all of which together shall constitute one and the same instrument.
- d) Entire Agreement. This Agreement contains the entire understanding of the parties in respect of its subject matter and supersedes all prior agreements and understandings (oral or written) between the parties with respect to such subject matter. The schedules and exhibits hereto constitute a part hereof as though set forth in full herein.
- e) Modifications. Any modification, amendment, or addendum to this Agreement must be in writing and signed by both parties.
- f) Assignment. Neither party may assign this Agreement or any of its rights, obligations, or benefits hereunder, by operation of law or otherwise, without the other party's prior written consent; provided, however, either party, without the consent of the other party, may assign this Agreement to an Affiliate or to a successor (whether direct or indirect, by operation of law, and/or by way of purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of such party, where the responsibilities or obligations of the other party are not increased by such assignment and the rights and remedies available to the other party are not adversely affected by such assignment. Subject to that restriction, this Agreement will be binding on, inure to the benefit of, and be enforceable against the parties and their respective successors and permitted assigns.
- g) No Third-Party Beneficiaries. The representations, warranties, and other terms contained herein are for the sole benefit of the parties hereto and their respective successors and permitted assigns and shall not be construed as conferring any rights on any other persons.
- h) Statistical Data. Without limiting the confidentiality rights and Intellectual Property Rights protections set forth in this

Agreement, CPT has the perpetual right to use aggregated, anonymized, and statistical data ("Statistical Data") derived from the operation of the Software, and nothing herein shall be construed as prohibiting CPT from utilizing the Statistical Data for business and/or operating purposes, provided that CPT does not share with any third-party Statistical Data which reveals the identity of Client, Client's Class Members, or Client's Confidential Information.

- i) Export Controls. Client understands that the use of CPT's Products is subject to U.S. export controls and trade and economic sanctions laws and agrees to comply with all such applicable laws and regulations, including the Export Administration Regulations maintained by the U.S. Department of Commerce and the trade and economic sanctions maintained by the Treasury Department's Office of Foreign Assets Control.
- j) Severability. If any provision of this Agreement is held by a court or arbitrator of competent jurisdiction to be contrary to law, such provision shall be changed by the court or by the arbitrator and interpreted so as to best accomplish the objectives of the original provision to the fullest extent allowed by law, and the remaining provisions of this Agreement shall remain in full force and effect.
- k) Notices. Any notice or communication required or permitted to be given hereunder may be delivered by hand, deposited with an overnight courier, sent by electronic delivery, or mailed by registered or certified mail, return receipt requested and postage prepaid to the address for the other party first written above or at such other address as may hereafter be furnished in writing by either party hereto to the other party. Such notice will be deemed to have been given as of the date it is delivered, if by personal delivery; the next business day, if deposited with an overnight courier; upon receipt of confirmation of electronic delivery (if followed up by such registered or certified mail); and five days after being so mailed.
- l) Independent Contractors. Client and CPT are independent contractors, and nothing in this Agreement shall create any partnership, joint venture, agency, franchise, sales representative or employment relationship between Client and CPT. Each party understands that it does not have authority to make or accept any offers or make any representations on behalf of the other. Neither party may make any statement that would contradict anything in this section.
- m) Subcontractors. CPT shall notify Client of its use of any subcontractors to perform Client-specific Services. CPT shall be responsible for its subcontractors' performance of Services under this Agreement.
- n) Headings. The headings of the sections of this Agreement are for convenience only, do not form a part hereof, and in no way limit, define, describe, modify, interpret, or construe its meaning, scope or intent.
- o) Waiver. No failure or delay on the part of either party in exercising any right, power or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise or the exercise of any other right, power, or remedy.
- p) Survival. Sections of the Agreement intended by their nature and content to survive termination of the Agreement shall so survive.