

DANIEL F. GAINES, ESQ. SBN 251488
daniel@gaineslawfirm.com
ALEX P. KATOFISKY, ESQ. SBN 202754
alex@gaineslawfirm.com
EVAN S. GAINES, ESQ. SBN 287668
evan@gaineslawfirm.com
GAINES & GAINES, APLC
4550 East Thousand Oaks Boulevard, Suite 100
Westlake Village, CA 91362
Telephone: (818) 703-8985
Facsimile: (818) 703-8984

Attorneys for Plaintiff Renee Lopez

TIMOTHY C. TRAVELSTEAD, ESQ. SBN 215260
SCOTT C. KU, ESQ. SBN 314970
NARAYAN TRAVELSTEAD P.C.
7901 Stoneridge Drive, Suite 230
Pleasanton, CA 94588
Telephone: (650) 403-0150
Attorneys for Defendant Covenant Living West

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF STANISLAUS

RENEE LOPEZ, on behalf of herself and all
“aggrieved employees” pursuant to Labor
Code § 2698 *et seq.*

Plaintiff,

v.

COVENANT LIVING WEST, a California
domestic nonprofit corporation, and DOES
1 through 10, inclusive,

Defendants.

CASE NO: CV-21-001160

*Assigned to the Hon. Stacy Speiller, Department
22*

CLASS ACTION

**SETTLEMENT AGREEMENT AND
RELEASE OF CLAIMS**

Complaint Filed: March 5, 2021

1 **SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS**

2 This Settlement Agreement and Release of Claims (“Settlement Agreement,” “Stipulation,”
3 or “Stipulation of Settlement”) is made and entered into by and between Plaintiff Renee Lopez
4 (“Lopez” or “Plaintiff” or “Class Representative”), individually and on behalf of the Settlement
5 Class and all others similarly situated, and Defendant Covenant Living West (“Defendant”), subject
6 to the terms and conditions herein and the Court’s approval.

7 **A. Definitions.**

8 1. Plaintiff, the Settlement Class (as defined below), and Defendant are collectively
9 referred to herein as “the Parties.”

10 2. Daniel F. Gaines and Alex P. Katofsky of Gaines & Gaines, APLC are counsel of
11 record for Plaintiff. For purposes of this settlement only, the firm of Gaines & Gaines, APLC shall
12 be designated as “Class Counsel.”

13 3. The “Action” means the case entitled *Renee Lopez v. Covenant Living West*, Case
14 No. CV-21-001160, pending before the Superior Court of the State of California for the County of
15 Stanislaus.

16 4. The “Settlement Class” shall be defined as “all persons who are or were employed
17 in California by Defendant as non-exempt employees at any point from March 5, 2017 through
18 September 30, 2022” (the “Class Period”).

19 5. The Aggrieved Employees are defined as “all persons who are or were employed in
20 California by Defendant as non-exempt employees at any point from December 8, 2019 through
21 September 30, 2022” (“the “PAGA Period”). No Aggrieved Employee may opt out of the PAGA
22 portion of the settlement, and each Aggrieved Employee shall be bound by the PAGA Release and
23 be paid a share of the PAGA allocation, even if they opt out of the class settlement.

24 6. Members of the Settlement Class shall collectively be referred to as a “Class
25 Member” or “Class Members.” Any Class Member who files a timely Request for Exclusion, as
26 detailed below, will be excluded from the final Settlement Class.

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1 **B. General.**

2 1. On December 8, 2020, Plaintiff exhausted the pre-filing requirements of the Labor
3 Code Private Attorneys General Act of 2004 (“PAGA”).

4 2. On or about March 5, 2021, Plaintiff initiated the Action by filing a Representative
5 Action Complaint for Penalties, pursuant to PAGA, on behalf of herself and all other aggrieved
6 employees. The First Amended Complaint, filed on or about August 27, 2021, asserts class and
7 PAGA representative action claims against Defendant for (1) failure to pay all minimum and
8 overtime wages due (Labor Code §§ 510, 1194, and 1194.2); (2) failure to provide rest periods or
9 compensation in lieu thereof (Labor Code §§ 226.7, 510, and 1194; IWC Wage Order 5-2001); (3)
10 failure to comply with itemized employee wage statement provisions (Labor Code § 226(a), (e),
11 (h)); (4) failure to timely pay wages due at separation of employment (Labor Code §§ 201-203);
12 (5) violation of Business and Professions Code §§ 17200, *et seq.*; and (6) civil penalties pursuant
13 to Labor Code §§ 2698, *et seq.* for violations of Labor Code §§ 201-202, 226(a), 226.3, 226.7, 510,
14 558 and 1194 (the “First Amended Complaint”).

15 3. Defendant denies any liability or wrongdoing of any kind associated with the claims
16 alleged in the Action, and further denies that the Action is appropriate for class treatment for any
17 purpose other than this settlement. Defendant contends that it has complied at all times with the
18 California Labor Code, Industrial Welfare Commission Wage Orders, and all other applicable
19 federal, state, and local laws and regulations. It is Defendant’s position that, if this case were to be
20 litigated, class certification would be inappropriate because Plaintiff is not an adequate class
21 representative, Plaintiff’s claims are not typical of putative class members, and individual issues
22 predominate over class issues. The Action, the negotiation and execution of this Settlement
23 Agreement, and all acts performed or documents executed pursuant to or in furtherance of the
24 Settlement Agreement (i) shall not be used as an admission or evidence of wrongdoing on behalf
25 of Defendant; (ii) shall not be an admission or evidence of fault on behalf of Defendant in any
26 action before a civil, criminal, or administrative agency; and (iii) shall not be deemed to be, and
27 may not be used as, an admission or evidence of the appropriateness of these or similar claims for
28 class certification in the Action or with respect to any other proceeding. The Parties also agree that

1 in the event the Court does not grant final approval of the Settlement, the First Amended Complaint
2 shall be deemed withdrawn. The parties further agree that Defendant does not waive any defense
3 to the First Amended Complaint and the PAGA claim contained therein. The parties further
4 acknowledge that the filing of the First Amended Complaint is for settlement purposes only.

5 4. The Class Representative contends that Defendant violated the California Labor
6 Code and Industrial Welfare Commission Wage Order(s), and that this case is appropriate for class
7 certification.

8 5. Class Counsel represent that they have conducted a thorough investigation into the
9 facts and law during the prosecution of this class action case, including the exchange of extensive
10 informal discovery and the review and verification of statistical data and other facts and information
11 provided by Defendant. Counsel for the Parties also represent that they have investigated the
12 applicable law as applied to the facts discovered regarding the alleged claims of Plaintiff and
13 potential defenses thereto, and the damages and other losses claimed by Plaintiff.

14 6. On April 18, 2022 and again on August 2, 2022, following their exchange of
15 information and documents regarding the Settlement Class and Aggrieved Employees and the
16 claims and defenses asserted by the Parties, the Parties engaged in arm's-length negotiations with
17 the assistance of mediator Steven Pearl, Esq. At the conclusion of the August 2, 2022 mediation
18 session, the Parties were able to reach the resolution of the Action set forth herein.

19 7. Based on their own independent investigation and evaluation, Class Counsel are of
20 the opinion (and will so represent to the Court) that settlement for the consideration and on the
21 terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best
22 interest of the Settlement Class in light of all known facts and circumstances, including the risk of
23 significant delay, the risk the Settlement Class will not be certified by the Court, and the defenses
24 asserted by Defendant. Defendant and its counsel also agree (and will so represent to the Court)
25 that this settlement is fair and in the best interest of the Settlement Class.

26 8. The Parties agree that the Settlement Class described herein may be certified for
27 settlement purposes only and that any motion for approval seeking, *inter alia*, certification of the
28 Settlement Class is for purposes of the settlement only. If for any reason the settlement is not

1 approved, the certification will have no force or effect and will immediately be revoked. The
2 Parties further agree that certification for purposes of the settlement is in no way an admission that
3 class certification is proper under the more stringent standard applied for litigation and that
4 evidence of this limited Stipulation for settlement purposes only will not be admissible for any
5 purpose in this or any other proceeding.

6 **C. Terms of Settlement.**

7 1. The financial terms of the settlement are as follows:

8 (a) **Maximum Settlement Amount:** The Parties agree to settle this Action for
9 a Maximum Settlement Amount of One Million Nine Hundred Thousand U.S. Dollars (\$1,900,000)
10 (the "Maximum Settlement Amount"), subject to any increase based on the escalator provision in
11 paragraph H(16) herein. The Maximum Settlement Amount includes the attorneys' fees of Class
12 Counsel; litigation costs and expenses (which includes, without limitation, all such fees and costs
13 incurred to date, as well as such fees and costs to be incurred in documenting the settlement,
14 providing any notices required as part of the settlement, securing Court approval of the settlement,
15 and obtaining judgment in the Action); the Enhancement Payment to the Class Representative, as
16 approved by the Court; the payment to the California Labor and Workforce Development Agency
17 ("LWDA"); and all costs of administration, including, without limitation, settlement administration
18 fees and expenses. All employer payroll tax obligations due on wage payments made from the Net
19 Settlement Proceeds shall be paid by Defendant separate and apart from the Maximum Settlement
20 Amount.

21 (b) **Net Settlement Proceeds:** "Net Settlement Proceeds" is defined as the
22 Maximum Settlement Amount less the amounts approved and awarded by the Court for: attorneys'
23 fees and documented litigation costs and expenses incurred or advanced by Class Counsel; the
24 Enhancement Payment to the Class Representative; the payment to the LWDA pursuant to PAGA;
25 and the costs of administering the settlement.

26 (c) **Individual Payment Amounts:** "Individual Payment Amount" means the
27 portion of the Net Settlement Proceeds distributable to each Class Member who participates in the
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1 class settlement (i.e., who does not submit a valid request for exclusion) and each Aggrieved
2 Employee, whether or not they participate in the class settlement.

3 i. The class portion of the Individual Payment Amounts will be
4 calculated by dividing the Net Settlement Proceeds, less the \$20,000 allocation to the Aggrieved
5 Employees, by the total weeks worked by all participating Class Members in California in a non-
6 exempt position during the Class Period, which will yield the applicable class workweek rate. The
7 class workweek rate shall be multiplied by the number of workweeks each individual participating
8 Class Member worked for Defendant in California in a non-exempt position during the Class Period
9 to yield the class portion of their Individual Payment Amount. Each Participating Settlement Class
10 Member who does not opt out will receive an Individual Payment Amount for the class settlement
11 equal to their individual workweeks worked in California in a non-exempt position during the Class
12 Period multiplied by the class workweek rate.

13 ii. The PAGA portion of the Individual Payment Amounts will be
14 calculated by dividing the \$20,000 of the Net Settlement Proceeds allocated to the Aggrieved
15 Employees, by the total workweeks worked by all Aggrieved Employees in California in a non-
16 exempt position during the PAGA Period, which will yield the applicable PAGA workweek rate.
17 The PAGA workweek rate shall be multiplied by the number of workweeks each individual
18 participating Aggrieved Employee worked for Defendant in California in a non-exempt position
19 during the PAGA Period to yield the PAGA portion of their Individual Payment Amount. Each
20 Aggrieved Employee will receive an Individual Payment Amount for the PAGA allocation of the
21 settlement equal to their individual workweeks worked in California in a non-exempt position
22 during the PAGA Period multiplied by the PAGA workweek rate.

23 iii. For tax purposes, each non-PAGA portion of the Individual Payment
24 Amounts will be apportioned (a) 20% as wages (reported on an IRS Form W-2 and subject to
25 applicable withholdings); and (b) 80% to penalties and interest (reported on an IRS Form 1099, if
26 required by law). The PAGA portion of the Individual Payment Amounts will be apportioned
27 100% to penalties (reported on an IRS Form 1099, if required by law). All Individual Payment
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1 Amounts paid to Class Members will be subject to any applicable wage garnishments, liens, or
2 other legally mandated treatment as required by law.

3 (d) **PAGA Payment:** The Parties agree that Eighty Thousand Dollars (\$80,000)
4 shall be allocated to settle Plaintiff's claims brought pursuant to PAGA. Of this amount, Seventy-
5 Five percent (75%), or Sixty Thousand Dollars (\$60,000), shall be paid to the LWDA, and the
6 remaining Twenty-Five percent (25%), or Twenty Thousand Dollars (\$20,000), shall be included
7 in the Net Settlement Proceeds for payment to Aggrieved Employees.

8 (e) **Enhancement Payment to Class Representative:** The amount awarded to
9 the Class Representative as an Enhancement Payment will be set by the Court in its discretion, not
10 to exceed Fifteen Thousand Dollars (\$15,000). This amount will be deducted from the Maximum
11 Settlement Amount. An IRS Form 1099 will be issued to the Class Representative for her
12 Enhancement Payment. Defendant agrees not to dispute or otherwise object to the Enhancement
13 Payment if Plaintiff requests \$15,000 or less.

14 (f) **Attorneys' Fees:** An award to Class Counsel of attorneys' fees will be
15 deducted from the Maximum Settlement Amount in an amount to be set by the Court taking into
16 account the settlement award that has been made available for the Settlement Class by the efforts
17 of Class Counsel. The amount awarded shall not exceed 35% of the Maximum Settlement Amount
18 (i.e., Six Hundred Sixty-Five Thousand Dollars (\$665,000)). An IRS Form 1099 will be issued to
19 Class Counsel with respect to its award of attorneys' fees. Defendant agrees not to dispute or
20 otherwise object to the attorneys' fee award requested by Class Counsel so long as the request does
21 not exceed 35% of the Maximum Settlement Amount.

22 (g) **Attorneys' Costs and Expenses:** Class Counsel will be reimbursed from
23 the Maximum Settlement Amount in an amount to be set by the Court for documented out-of-
24 pocket litigation costs and expenses, not to exceed Twenty Thousand Dollars (\$20,000). An IRS
25 Form 1099 will be issued to Class Counsel with respect to its award of costs and expenses.
26 Defendant agrees not to dispute or otherwise object to the attorneys' cost award requested by Class
27 Counsel so long as the request does not exceed \$20,000.

1 (h) **Settlement Administration Costs:** The fees and other charges of the
2 Settlement Administrator to administer the Settlement are expected to total no more than Twenty-
3 Five Thousand Dollars (\$25,000), and will be paid from the Maximum Settlement Amount. These
4 fees shall include any costs associated with the required tax reporting on any Individual Payment
5 Amounts, and the issuing of any and all W-2 and 1099 forms. Subject to approval of the Court, the
6 Parties have agreed that Phoenix Class Action Administration Solutions will serve as a neutral
7 third-party claims' administrator ("Settlement Administrator") to perform all acts related to
8 providing notice to the Settlement Class. Settlement Administrator shall be responsible for (a)
9 printing and distributing the Court-approved Notice of Class Action Settlement ("Class Notice") to
10 all Class Members; (b) administering the settlement; (c) processing exclusions, objections, and field
11 inquiries from Class Members; (d) resolving disputes; (e) calculating the Individual Payment
12 Amount each Participating Class Members is eligible to receive; (f) distributing the Maximum
13 Settlement Amount as directed by the Court and set forth herein; (g) tax reporting; (h) providing
14 necessary weekly status reports; and (i) other duties and responsibilities set forth herein.

15 (i) **No Warranty by Defendant:** Plaintiff understands and agrees that
16 Defendant is not providing Plaintiff or Class Members with tax or legal advice and that Defendant
17 makes no representations regarding tax obligations or consequences, if any, related to this
18 Settlement Agreement.

19 **D. Release of Claims.**

20 1. Upon the Effective Date, and subject to Defendant's full payment of the Maximum
21 Settlement Amount and all employer payroll taxes due hereunder, Plaintiff and all Settlement
22 Class Members who do not timely opt-out will be deemed to have fully released and discharged
23 Defendant Covenant Living West and its respective present and former parents, owners, assigns,
24 executors, administrators, transferees, affiliates, divisions, subsidiaries and any affiliated or related
25 persons or entities and each of their respective officers, directors, employees, partners,
26 shareholders, directors, attorneys and agents and any other successors, assigns or legal
27 representatives ("Released Parties") from any and all Released Claims which arose during their
28 employment in a non-exempt position in California during the Class Period.

1 2. The “Released Claims” include any and all claims and/or causes of action, known
2 or unknown, which accrued during the Class Period during employment in a non-exempt position
3 in California, that are alleged in the First Amended Complaint on file in the Action, or that could
4 have been alleged in the Action based on the facts set forth in the First Amended Complaint.

5 3. Upon the Effective Date, and subject to Defendant’s full payment of the Maximum
6 Settlement Amount and all employer payroll taxes due hereunder, Plaintiff and Aggrieved
7 Employees (including those who opt out of the Settlement Class) will be deemed to have fully
8 released and discharged the Released Parties from any and all PAGA claims and/or causes of
9 action, known or unknown, which accrued during the PAGA Period during employment in a non-
10 exempt position in California, that are alleged in the First Amended Complaint on file in the
11 Action, or that could have been alleged in the Action based on the facts set forth in the First
12 Amended Complaint. No Aggrieved Employee may opt out of the PAGA portion of the
13 Settlement.

14 3. Upon the Effective Date and subject to Defendant’s full payment of the Maximum
15 Settlement Amount and all employer payroll taxes due hereunder, Plaintiff Lopez shall be deemed
16 to have fully, finally, and forever released the Released Parties from any and all claims, obligations,
17 demands, actions, rights, causes of action, and liabilities against the Released Parties, of whatever
18 kind and nature, character, and description, whether in law or equity, whether sounding in tort,
19 contract, federal, state and/or local law, statute, ordinance, regulation, common law, or other source
20 of law, whether known or unknown, and whether anticipated or unanticipated, including unknown
21 claims covered by Civil Code Section 1542, arising through the date of her signature hereon, for
22 any type of relief, including, without limitation, claims for wages, damages, unpaid costs, penalties,
23 liquidated damages, punitive damages, interest, attorneys’ fees, litigation costs, restitution, or
24 equitable relief. These claims include, but are not limited to, the Released Claims, as well as any
25 other claims under any provision of the California Labor Code or any applicable California
26 Industrial Welfare Commission Wage Orders, and claims under local, state, or federal
27 discrimination statutes, including, without limitation, the California Fair Employment and Housing
28 Act, California Government Code §§ 12940 et seq.; the Unruh Civil Rights Act, California Civil

Code §§ 51 et seq.; the California Constitution; Title VII of the Civil Rights Act of 1964, 42 U.S.C. §§ 2000 et seq.; the Americans with Disabilities Act, 42 U.S.C. §§ 12101 et seq.; the Employee Retirement Income Security Act of 1974, 29 U.S.C. §§ 1001 et seq.; and all of their implementing regulations and interpretive guidelines. With respect to these Released Claims as described in this Section, Plaintiff Lopez shall be deemed to have expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights, and benefits she may otherwise have had pursuant to Section 1542 of the California Civil Code, which provides as follows:

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

Notwithstanding Section 1542, Plaintiff understands and agrees that this Agreement shall act as a release of all future claims that may arise from Plaintiff Lopez's employment or separation from employment with Defendant, or any other matters that existed between Plaintiff Lopez and the Released Parties up to the date of this Agreement, whether such claims are currently known or unknown, and that Plaintiff intentionally waives any rights she may have under the provisions of Section 1542, as well as under any other statutes or common law principles of similar effect in the State of California or in any other state.

E. Notice and Exclusion Process.

1. Within ten (10) calendar days after entry of the order granting preliminary approval of this Settlement, Defendant shall provide to the Settlement Administrator a list of all Class Members, including their last known addresses, telephone numbers, social security numbers, and their dates of employment in a non-exempt position in California during the Class Period ("Settlement Class Information"). The names, addresses, telephone numbers, and Social Security numbers will only be disclosed to the Settlement Administrator and not to Plaintiff's Counsel. All information provided to the Settlement Administrator will be marked CONFIDENTIAL. This information shall be kept confidential and shall not be disclosed, either in writing or orally, by the Settlement Administrator. The Settlement Administrator shall use due care with respect to the

1 storage, custody, use, and/or dissemination of the confidential information. Such information must
2 be stored in a secure fashion and all persons who access the data must agree to keep it confidential.

3 2. A notice of pendency of class action, proposed settlement, and hearing date for
4 Court approval ("Class Notice") in the form attached hereto as **Exhibit 1**, and as approved by the
5 Court, shall be sent by the Settlement Administrator to the Class Members, by first class mail,
6 within twenty (20) calendar days after entry of the order granting preliminary approval. The Class
7 Notice will include instructions to request exclusion from the Settlement.

8 3. The Settlement Administrator will make reasonable efforts to ensure that the Class
9 Notice is sent to all Class Members. It will conclusively be presumed that if an envelope has not
10 been returned within thirty (30) days of the mailing that the Class Member received the Class
11 Notice. In the event of returned or non-deliverable notices, the Settlement Administrator will make
12 reasonable efforts to locate Class Members and re-send the notices.

13 4. Each Class Member will be fully advised of the settlement, the ability to object to
14 the settlement, and the ability to submit a request for exclusion. The Class Notice will inform the
15 Class Members of the Court-established deadlines for filing objections and submitting requests for
16 exclusion.

17 5. Each Class Notice will contain personalized information setting forth the number of
18 workweeks each Class Member worked for Defendant in California in a non-exempt position
19 during the Class and PAGA Periods and their estimated Individual Payment Amounts. To the
20 extent a Class Member disputes any of the information listed on his or her Class Notice, the Class
21 Member may produce evidence to the Settlement Administrator showing such information the
22 Class Member contends should be reflected in the Class Notice. Defendant's records will be
23 presumed determinative, however, and the Settlement Administrator's decision on these matters
24 will be final. The Class Notice will also set forth IRS W-9 information if required.

25 6. All Class Members who do not submit a request for exclusion and all Aggrieved
26 Employees will be eligible to receive an Individual Payment Amount which shall be mailed to them
27 if and when the Effective Date occurs.
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1 7. In order to elect not to participate in the Settlement, a Class Member must submit a
2 request for exclusion, and mail it to the Settlement Administrator no later than forty-five (45)
3 calendar days after the initial mailing of the Class Notice to Class Members, unless the Court
4 requires a longer period, in which case the Court ordered exclusion period will apply. The date of
5 the postmark shall be deemed the date of submission. The timeliness of submitted requests for
6 exclusion will be determined by valid postmark. If the 45th day falls on a Sunday or federal
7 holiday, the time to request exclusion will be extended to the next day on which the U.S. Postal
8 Service is open. To be valid, a request for exclusion must (i) state the Class Member's name,
9 address, telephone number, and social security number (last four digits) or employee ID number,
10 (ii) be signed and dated, and (iii) included an express request to be excluded from the class.

11 8. The deadline for submission of exclusion requests shall be extended once by 30 days
12 for those Class Members whose Class Notice is returned as "undeliverable." If the 30th day falls
13 on a Sunday or federal holiday, this deadline will be extended to the next day on which the U.S.
14 Postal Service is open.

15 9. The Settlement Administrator will search for additional addresses on returned mail
16 and will re-mail the Class Notice to an updated address (if any) within 15 days of receipt of the
17 returned mail. The 30-day extended time limit will run from the date of the second mailing for
18 those Class Members. To the extent a Class Notice from the initial mailing is not returned within
19 30 days, it shall be deemed to have been sent to a valid address even if it is thereafter returned. It
20 is the intent of the Parties that reasonable, but not extraordinary, efforts be used to locate Class
21 Members. If the initial Class Notice is returned, the Settlement Administrator will search using the
22 social security number for a more current address. If no address is found within 10 days, no further
23 action is required.

24 10. The Settlement Administrator will notify the Parties of the total number of valid
25 requests for exclusion within ten (10) calendar days after the deadline for receipt of the requests
26 (fifty-five (55) days following the initial mailing of the Class Notice to Class Members).

27 11. In order to object to the settlement, a Class Member must mail his or her objection
28 to the Settlement Administrator no later than forty-five (45) calendar days after the mailing of the

1 Class Notice and Request for Exclusion Form to Class Members., unless the Court requires a longer
2 period, in which case the Court ordered objection period will apply. If the 45th day falls on a
3 Sunday or federal holiday, the time to object to the settlement will be extended to the next day on
4 which the U.S. Postal Service is open. Under no circumstances shall the objection deadline be
5 extended for any reason.

6 12. The Settlement Administrator shall provide to the Parties, at least twelve (12)
7 calendar days prior to the final approval hearing, or as otherwise ordered by the Court, a declaration
8 of due diligence and proof of mailing with regard to the mailing of the Class. The Settlement
9 Administrator will also provide to the Parties, at least twelve (12) calendar days prior to the final
10 approval hearing, or as otherwise ordered by the Court, a report listing the amount of all payments
11 to be made to each Class Member without names or personal identifying information.

12 13. The Effective Date of this Settlement Agreement (“Effective Date”) is the date of
13 the later of: (a) final approval by the Court; or (b) if there are objections to the settlement which are
14 not withdrawn, and if an appeal, review, or writ is not sought from the judgment, the sixty-fifth
15 (65thst) day after service of notice of entry of judgment; or (c) the dismissal or denial of an appeal,
16 review, or writ, if the Judgment is no longer subject to judicial review, provided that the Settlement
17 has not been modified by any court of appeal.

18 14. Class Members and Aggrieved Employees must cash each of their Individual
19 Payment Amount checks within one hundred eighty (180) calendar days after they are mailed by
20 the Settlement Administrator. The value of any checks uncashed more than one hundred eighty
21 (180) days after mailing shall be paid to the California’s State Controller’s Office to held in trust
22 for such class and Aggrieved Employees pursuant to California’s Unpaid Property Law.

23 **F. Duties of the Parties Prior to Court Approval.**

24 1. Promptly after execution of this Settlement Agreement, Plaintiff shall move the
25 Court for preliminary approval of this settlement and entry of an order accomplishing the
26 following:

27 (a) scheduling a fairness hearing on the question of whether the proposed
28 settlement should be finally approved as fair, reasonable and adequate as to the Class Members;

- 1 (b) approving as to form and content the proposed Class Notice;
2 (c) preliminarily certifying the Settlement Class for purposes of settlement;
3 (d) preliminarily approving the PAGA payment of \$60,000 to the LWDA;
4 (e) preliminarily setting attorneys' fees and costs payable to Class Counsel;
5 (f) preliminarily setting the enhancement payment to the Class Representative;
6 and
7 (g) preliminarily approving Phoenix Class Action Administration Solutions as
8 the Settlement Administrator and its estimated fees and costs of \$25,000.

9 The Parties shall submit this Settlement Agreement to the Court and the LWDA in support
10 of Plaintiff's unopposed motion for preliminary approval of the settlement.

11 **G. Duties of the Parties in Connection with and Following Final Court Approval.**

12 1. In connection with the hearing on final approval of the settlement provided for in
13 this Settlement Agreement, the Parties will submit a proposed final order no later than ten (10)
14 calendar days prior to the scheduled date of the hearing on final approval (unless otherwise ordered
15 by the Court):

16 (a) approving the settlement, adjudging the terms thereof to be fair, reasonable
17 and adequate, and directing consummation of its terms and provisions;

18 (b) approving Class Counsel's application for an award of attorneys' fees and
19 reimbursement of documented litigation costs and expenses, the Enhancement Payment to the
20 Class Representative, the PAGA Payment to the LWDA and the Aggrieved Employees, and the
21 costs of administering the settlement; and

22 (c) entering judgment in this Action in accordance with this Stipulation,
23 pursuant to Cal. Rules of Court, Rule 3.769(h).

24 2. Class Counsel shall file an application for attorneys' fees and reimbursement of
25 costs and expenses no later than ten (10) calendar days prior to the scheduled date of the hearing
26 on final approval (unless otherwise ordered by the Court).

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1 **H. Miscellaneous Provisions:**

2 1. **Voiding the Agreement.**

3 A failure of the Court to approve any material condition of this Settlement Agreement which
4 effects “a fundamental change of the Parties’ settlement,” or if the settlement is reversed or
5 materially modified on appellate review, shall render the entire Stipulation of Settlement voidable
6 and unenforceable as to all Parties herein at the option of any Party. Defendant, at its option, may
7 withdraw from the Settlement if 5% or more of the Class Members opt-out of the Settlement. If
8 Defendant chooses to withdraw it will be responsible for all costs incurred by the Settlement
9 Administrator in administering the Settlement up through the date of withdrawal.

10 2. **Parties’ Authority.**

11 The signatories hereto represent that they are fully authorized to enter into this Settlement
12 Agreement and bind the Parties hereto to the terms and conditions hereof.

13 3. **Mutual Full Cooperation.**

14 The Parties agree to fully cooperate with each other to accomplish the terms of this
15 Stipulation of Settlement, including but not limited to, execution of such documents and such other
16 action as may reasonably be necessary to implement the terms of this Settlement Agreement. The
17 Parties to this Settlement Agreement shall use their best efforts, including all efforts contemplated
18 by this Settlement Agreement and any other efforts that may become necessary by order of the
19 Court, or otherwise, to effectuate this Settlement Agreement and the terms set forth herein. As
20 soon as practicable after execution of this Settlement Agreement, Class Counsel shall, with the
21 assistance and cooperation of Defendant and its counsel, take all necessary steps to secure the
22 Court’s preliminary and final approval of the settlement.

23 4. **No Prior Assignments.**

24 The Parties hereto represent, covenant, and warrant that they have not directly or indirectly,
25 assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or
26 entity any portion of any liability, claim, demand, action, cause of action or rights released and
27 discharged by this Stipulation of Settlement.

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1 **5. No Admission.**

2 Nothing contained herein, nor the consummation of this Stipulation of Settlement, is to be
3 construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part
4 of Defendant or any of the other Released Parties. Each of the Parties hereto has entered into this
5 Settlement Agreement with the intention of avoiding further disputes and litigation with the
6 attendant inconvenience and expenses. This Settlement Agreement is a settlement document and
7 shall, pursuant to California Evidence Code section 1152 and/or Federal Rule of Evidence 408
8 and/or any other similar law, be inadmissible in evidence in any proceeding, except an action or
9 proceeding to approve the settlement, and/or interpret or enforce this Settlement Agreement.

10 **6. Construction.**

11 The Parties hereto agree that the terms and conditions of this Settlement Agreement are the
12 result of lengthy, intensive arms' length negotiations between the Parties and that this Settlement
13 Agreement shall not be construed in favor of or against any Party by reason of the extent to which
14 any Party or her or its counsel participated in the drafting of this Settlement Agreement.

15 **7. Captions and Interpretations.**

16 Paragraph titles or captions contained herein are inserted as a matter of convenience and for
17 reference, and in no way define, limit, extend, or describe the scope of this Settlement Agreement
18 or any provision hereof. Each term of this Settlement Agreement is contractual and not merely a
19 recital.

20 **8. Modification.**

21 This Settlement Agreement may not be changed, altered, or modified, except in writing and
22 signed by the Parties hereto, and approved by the Court. This Settlement Agreement may not be
23 discharged except by performance in accordance with its terms or by a writing signed by each of
24 the Parties hereto on their attorneys.

25 **9. Integration Clause.**

26 This Settlement Agreement contains the entire agreement between the Parties relating to
27 the settlement and transactions contemplated hereby, and all prior or contemporaneous agreements,
28

1 understandings, representations, and statements, whether oral or written and whether by a Party or
2 such Party's legal counsel, are merged herein. No rights hereunder may be waived except in
3 writing.

4 **10. Binding on Assigns.**

5 This Settlement Agreement shall be binding upon and inure to the benefit of the Parties
6 hereto and their respective heirs, trustees, executors, administrators, successors, and assigns.

7 **11. Governing Law.**

8 All terms of this Settlement Agreement and its exhibits shall be governed by and interpreted
9 according to the laws of the State of California, without giving effect to any conflict of law
10 principles or choice of law principles.

11 **12. Signatures of All Class Members Unnecessary to be Binding.**

12 It is agreed that, because the members of the Settlement Class are numerous, it is impossible
13 or impractical to have each Class Member execute this Settlement Agreement. The Class Notice,
14 attached hereto as Exhibit 1, will advise all Class Members of the binding nature of the release
15 provided herein and such shall have the same force and effect as if this Settlement Agreement was
16 executed by each Class Member.

17 **13. Counterparts.**

18 This Settlement Agreement may be executed in counterparts, and when each Party has
19 signed and delivered at least one such counterpart, each counterpart shall be deemed an original,
20 and when taken together with other signed counterparts, shall constitute one fully-signed Settlement
21 Agreement, which shall be binding upon and effective as to all Parties.

22 **14. Confidentiality**

23 Until Plaintiff files her motion for preliminary approval of the class action settlement, the
24 Parties and their Counsel agree to maintain confidentiality as to the Settlement, including the
25 amount and terms of the Settlement, except as to spouses, tax or financial advisors, attorneys, taxing
26 agencies, or as otherwise required by law.

27 **15. No Publicity**

28 Plaintiff and her Counsel will not contact the media about the settlement or advertise the

1 settlement on their law firm promotional materials (including their law firm website) or respond to
2 any inquiries by the media regarding the Settlement, other than to state that the matter was amicably
3 settled, and the Court did not find Defendant liable. Plaintiff and her Counsel also will not post
4 any information about the settlement on social media or their firms' websites.

5 **16. Representation Regarding Class Size.**

6 Defendant has represented that Class Members worked approximately 238,076 workweeks
7 during the Class Period. Should this number increase by more than 5%, the Maximum Settlement
8 Amount will increase proportionately above the 5% threshold. For example, if there are 261,883
9 workweeks (i.e., a 10% increase), the Maximum Settlement Amount shall increase by 5%.

10 **17. Default; Notice; Cure; Acceleration; Time is of the Essence.**

11 Time is of the essence with respect to all provisions of this Agreement. If Defendant fails
12 to timely make any payment due hereunder, it shall be in default of its obligations. Plaintiff shall
13 thereafter give notice of default and Defendant must cure said default within five (5) business days
14 thereof. In the event of an uncured default, all unpaid amounts shall be accelerated and be all due
15 and payable together with interest at the legal rate from the date of default.

16 **18. Continuing Jurisdiction.**

17 The Parties agree that upon the occurrence of the entry of judgment in this case pursuant to
18 the terms of this Agreement, this Agreement shall be enforceable by the Court pursuant to Code of
19 Civil Procedure Section 664.6 and all other applicable law, and the Court shall retain exclusive and
20 continuing equity jurisdiction of this Action over all Parties and Class Members to interpret and
21 enforce the terms, conditions and obligation of the Agreement.

22 \\\n

23 \\\n

24 [SIGNATURES ON NEXT PAGE]

25 \\\n

26 \\\n

27 \\\n

1 Dated: November ^{11 / 17 / 2022}_____, 2022

2 By:



3 _____
4 RENEE LOPEZ
Plaintiff and Class Representative

5 Dated: November _____, 2022

COVENANT LIVING WEST

6 By:

7 _____
8 _____
9 _____

10 **APPROVED AS TO FORM AND CONTENT:**

11
12
13 Dated: November _____, 2022

GAINES & GAINES, APLC

14 By:

15 _____
Daniel F. Gaines, Esq.
16 Alex P. Katofsky, Esq.
Counsel for Plaintiff and Class
17 Representative

18 Dated: November _____, 2022

NARAYAN TRAVELSTEAD P.C.

19 By:

20 _____
Timothy C. Travelstead, Esq.
21 Scott C. Ku, Esq.
22 Counsel for Defendant

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15 Civil Procedure Section 664.6 and all other applicable law, and the Court shall retain exclusive and
16 continuing equity jurisdiction of this Action over all Parties and Class Members to interpret and
17 enforce the terms, conditions and obligation of the Agreement.

18
19 Dated: December ____, 2022

20 By:

21 _____
22 RENEE LOPEZ
 Plaintiff and Class Representative

23 Dated: December 5, 2022

24 COVENANT LIVING WEST

25 By: David G. Erickson
26 _____
27 David G. Erickson
28 General Counsel

1 **APPROVED AS TO FORM AND CONTENT:**

2
3 Dated: December ____, 2022

GAINES & GAINES, APLC

4
5 By: _____
6 Daniel F. Gaines, Esq.
7 Alex P. Katofsky, Esq.
8 Counsel for Plaintiff and Class
Representative

9 Dated: December 6, 2022

NARAYAN TRAVELSTEAD P.C.

10
11 By:  _____
12 Timothy C. Travelstead, Esq.
13 Scott C. Ku, Esq.
14 Counsel for Defendant

EXHIBIT 1

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF STANISLAUS**

RENEE LOPEZ, on behalf of herself and all
“aggrieved employees” pursuant to Labor Code
§ 2698 *et seq.*

Plaintiff,

v.

COVENANT LIVING WEST, a California
domestic nonprofit corporation, and DOES 1
through 10, inclusive,

Defendants.

CASE NO: CV-21-001160

Assigned to the Hon. Stacy Speiller, Dept. 22

**NOTICE OF PENDENCY OF PROPOSED
CLASS ACTION SETTLEMENT AND
FINAL HEARING**

**YOU MAY BE ENTITLED TO RECEIVE MONEY FROM A SETTLEMENT
PLEASE READ THIS NOTICE CAREFULLY. YOUR RIGHTS MAY BE AFFECTED.**

A California court authorized this notice. This is not a solicitation from a lawyer.

- A settlement will provide \$1,900,000 to pay claims to all individuals who worked for Covenant Living West (“Defendant”) as non-exempt employees in California at any time between March 5, 2017 and September 30, 2022.
- The settlement resolves a lawsuit alleging that Defendant failed to pay all minimum and overtime wages due; provide compliant rest periods or premium compensation in lieu thereof; timely issue final wages upon separation of employment; and issue accurate and complete itemized wage statements. The Settlement avoids costs and risks of continuing the lawsuit; pays money to employees; and releases Defendant from liability from the claims asserted in this lawsuit.
- Lawyers for the employees will ask the Court to award them up to \$665,000 as attorneys’ fees and \$20,000 as expenses for investigating the facts, litigating the case, and negotiating the settlement. This will be paid from the settlement amount.
- Defendant denies liability and believes all appropriate wages were paid and that it otherwise complied with any Labor Code obligations. The Parties disagree on how much money could have been awarded if employees won at trial.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing	You do not need to take any action if you wish to receive your settlement payment. If the settlement is approved by the Court, you will automatically be mailed a settlement check at the address on file with the Settlement Administrator. If your address has changed, you must notify the Settlement Administrator of your new address. In exchange for the settlement payment, you will release claims against the Defendant, as detailed below.
Exclude Yourself	To exclude yourself, you must send a written Request for Exclusion to the Settlement Administrator by the applicable deadline, as detailed below. If you request exclusion, you may receive no money from the Settlement . This is the only option that allows you to ever be part of any other lawsuit against Covenant Living West about the legal claims that were brought in this case. You may not exclude yourself from the PAGA portion of the settlement.
Object	Write to the Settlement Administrator about why you don't like the settlement by the applicable deadline, as detailed below, and/or appear at the Final Approval Hearing to make an oral objection.
Go to a Hearing	Ask to speak in Court about the fairness of the settlement, as detailed below.

WHY DID YOU RECEIVE THIS NOTICE?

This notice explains a proposed settlement of a class action lawsuit, and informs you of your legal rights under that proposed settlement. You are receiving this notice because you may be a member of the Class on whose behalf this class action lawsuit has been brought.

WHAT IS THIS LAWSUIT ABOUT?

On June March 5, 2021, Plaintiff Renee Lopez ("Plaintiff"), a former employee of Covenant Living West, filed this lawsuit in the Stanislaus County Superior Court. The lawsuit alleges violations of the California Labor Code and California Business and Professions Code. The lawsuit seeks to certify a class of all current and former non-exempt California employees of Defendant at any time between March 5, 2017 and September 30, 2022 ("Class Period"). Specifically, the lawsuit alleges that members of the Class were not provided all minimum and overtime wages due; compliant rest periods or premium compensation in lieu thereof; were not timely issued final wages upon separation of employment; and were not issued accurate and complete itemized wage statements. The Settlement seeks recovery of wages, damages, interest, statutory and civil penalties, restitution, attorneys' fees and costs. Defendant denies all of the material allegations in the lawsuit and denies that it owes Class Members any remedies. The Court has not made a ruling on the merits of the case.

The lawyers for the parties are:

Plaintiff's Attorneys

Daniel F. Gaines, Esq.
Alex P. Katofsky, Esq.
Gaines & Gaines, APLC
4550 E. Thousand Oaks Blvd., Suite 100
Westlake Village, CA 91362
Phone: (866) 550-0855

Defendant's Attorneys

Timothy C. Travelstead, Esq.
Scott C. Ku, Esq.
Narayan Travelstead P.C.
7901 Stoneridge Drive, Suite 230
Pleasanton, CA 94588

SUMMARY OF THE SETTLEMENT

A. Why is there a Settlement?

The Court did not decide in favor of Plaintiff or Defendant. Plaintiff believes she would have prevailed on her claims at a trial. Defendant does not believe that Plaintiff would have won anything from a trial. There has been no trial. Instead, both sides agreed to a settlement, which is memorialized in the Settlement Agreement and Release of Claims ("Settlement" or "Settlement Agreement"), in order to avoid the further costs, risks, and uncertainty of a trial. Plaintiff and Plaintiff's Attorneys believe the settlement is fair, reasonable, adequate, and in the best interests of all Class Members.

B. Who is in the Settlement Class?

The Settlement encompasses a class composed of all individuals who worked for Covenant Living West as non-exempt employees in California at any time between March 5, 2017 and September 30, 2022.

C. What does the Settlement provide?

1. Maximum Settlement Amount.

The Settlement provides that Defendant will pay \$1,900,000 (the "Maximum Settlement Amount") to settle the lawsuit.

2. Net Settlement Proceeds.

The "Net Settlement Proceeds" is the portion of the Maximum Settlement Amount that will be available for distribution to Class Members who do not submit timely and valid requests for exclusion in exchange for the release of their class claims. The Net Settlement Proceeds is the Maximum Settlement Amount less the following amounts that will be requested at the Final Approval Hearing and are subject to comment or objection by Participating Class Members. The Court will fix these amounts at the Final Approval Hearing.

(a) **Class Counsel's Attorneys' Fees** in an amount set by the Court, not to exceed 35% of the Maximum Settlement Amount (i.e. \$665,000);

(b) **Class Counsel's Documented Litigation Costs/Expenses** in an amount set by the Court, not to exceed \$20,000;

(c) **Enhancement Payment to the Class Representative** in an amount set by the Court, not to exceed 15,000 for her service in the lawsuit;

(d) **Settlement Administration Costs** which are currently estimated to not exceed \$25,000, for administering the settlement; and

(e) **PAGA Payment** in the total amount of \$80,000 for the settlement of claims arising under the California Private Attorneys General Act (“PAGA”). 75% or \$60,000, shall be paid to the California Labor and Workforce Development Agency. The remaining 25% or \$20,000, shall be included in the Net Settlement Proceeds for payment to Aggrieved Employees, defined as all persons who are or were employed in California by Defendant as non-exempt employees at any point from December 8, 2019 through September 30, 2022. (“PAGA Period”).

3. Individual Payment Amount.

Your share of the Net Settlement Proceeds will be determined by the formula detailed in section E below.

D. What Are You Giving Up To Get A Payment Or Stay In The Class?

Upon the Effective Date, and subject to Defendant’s full payment of the Maximum Settlement Amount and all employer payroll taxes due hereunder, Plaintiff and all Settlement Class Members who do not timely opt-out will be deemed to have fully released and discharged Defendant Covenant Living West and its respective present and former parents, owners, assigns, executors, administrators, transferees, affiliates, divisions, subsidiaries and any affiliated or related persons or entities and each of their respective officers, directors, employees, partners, shareholders, directors, attorneys and agents and any other successors, assigns or legal representatives (“Released Parties”) from any and all Released Claims which arose during their employment in a non-exempt position in California during the Class Period.

The “Released Claims” include any and all claims and/or causes of action, known or unknown, which accrued during the Class Period during employment in a non-exempt position in California, that are alleged in the First Amended Complaint on file in the Action, or that could have been alleged in the Action based on the facts set forth in the First Amended Complaint.

Upon the Effective Date, and subject to Defendant’s full payment of the Maximum Settlement Amount and all employer payroll taxes due hereunder, Plaintiff and Aggrieved Employees (including those who opt out of the Settlement Class) will be deemed to have fully released and discharged the Released Parties from any and all PAGA claims and/or causes of action, known or unknown, which accrued during the PAGA Period during employment in a non-exempt position in California, that are alleged in the First Amended Complaint on file in the Action, or that could have been alleged in the Action based on the facts set forth in the First Amended Complaint. No Aggrieved Employee may opt out of the PAGA portion of the Settlement.

E. How Is My Share Of The Settlement Calculated?

Each participating Class Member (those who do not opt out of the Settlement) shall receive an “Individual Payment Amount,” which is distributable to each Class Member who participates in the Settlement (i.e., who does not submit a valid request for exclusion form) and all Aggrieved Employees.

The class portion of the Individual Payment Amounts will be calculated by dividing the Net Settlement Proceeds, less the \$20,000 allocation to the Aggrieved Employees, by the total weeks worked

by all participating Class Members in California in a non-exempt position during the Class Period, which will yield the applicable class workweek rate. The class workweek rate shall be multiplied by the number of workweeks each individual participating Class Member worked for Defendant in California in a non-exempt position during the Class Period to yield the class portion of their Individual Payment Amount. Each Participating Settlement Class Member who does not opt out will receive an Individual Payment Amount for the class settlement equal to their individual workweeks worked in California in a non-exempt position during the Class Period multiplied by the class workweek rate.

The PAGA portion of the Individual Payment Amounts will be calculated by dividing the \$20,000 of the Net Settlement Proceeds allocated to the Aggrieved Employees, by the total workweeks worked by all Aggrieved Employees in California in a non-exempt position during the PAGA Period, which will yield the applicable PAGA workweek rate. The PAGA workweek rate shall be multiplied by the number of workweeks each individual participating Aggrieved Employee worked for Defendant in California in a non-exempt position during the PAGA Period to yield the PAGA portion of their Individual Payment Amount. Each Aggrieved Employee will receive an Individual Payment Amount for the PAGA allocation of the settlement equal to their individual workweeks worked in California in a non-exempt position during the PAGA Period multiplied by the PAGA workweek rate.

For tax purposes, each non-PAGA portion of the Individual Payment Amounts will be apportioned (a) 20% as wages (reported on an IRS Form W-2 and subject to applicable withholdings); and (b) 80% to penalties and interest (reported on an IRS Form 1099, if required by law). The PAGA portion of the Individual Payment Amounts will be apportioned 100% to penalties (reported on an IRS Form 1099, if required by law). All Individual Payment Amounts paid to Class Members will be subject to any applicable wage garnishments, liens, or other legally mandated treatment as required by law.

According to the records of Defendant, you worked [REDACTED] workweeks while employed as a non-exempt employee in California from March 5, 2017 through September 30, 2022 and [REDACTED] workweeks while employed as a non-exempt employee in California from December 8, 2019 through September 30, 2022. Based on these weeks worked, you are entitled to an Individual Payment Amount from the class settlement of approximately \$[REDACTED] and an Individual Payment Amount from the PAGA settlement of approximately \$[REDACTED]. These amounts are subject to change based on the final ruling of the Court.

Please be advised that the individual data above is presumed to be correct unless you submit documentation proving otherwise. If you disagree with the data, please submit an explanation and evidence in support of your position to the Settlement Administrator no later than [REDACTED], 2022. In the event of a dispute, the Settlement Administrator will resolve the challenge with input from the Defendant and will make a final and binding determination without a hearing or right of appeal by you.

THE SETTLEMENT HEARING

The Court will conduct a final fairness hearing regarding the proposed settlement (the “Final Settlement Hearing”) on [REDACTED], at 8:30 a.m., in the Courtroom of Judge Stacy Speiller of the Stanislaus County Superior Court, Department 22, located at [COURT ADDRESS]. The Court will determine: (i) whether the lawsuit should finally be certified as a class action for settlement purposes; (ii) whether the settlement should be given the Court’s final approval as fair, reasonable, adequate and in the best interests of the Settlement Class Members; (iii) whether the Settlement Class Members should be bound by the terms of the settlement; (iv) the amount of the attorneys’ fees and costs to be awarded to Plaintiff’s Attorneys; and (v) the amount that should be awarded to Plaintiff as an enhancement payment. At the Final Settlement Hearing, the Court will hear all properly filed objections, as well as arguments for and against the proposed settlement. You have a right to attend this hearing, but you are not required to

do so. You also have the right to hire an attorney to represent you, or to enter an appearance and represent yourself.

WHAT ARE YOUR OPTIONS?

- **OPTION 1 – DO NOTHING AND PARTICIPATE IN THE SETTLEMENT**

IF YOU TAKE NO ACTION IN RESPONSE TO THIS NOTICE, YOU WILL AUTOMATICALLY RECEIVE YOUR SHARE OF THE SETTLEMENT IF IT IS APPROVED BY THE COURT. YOU ARE NEVER REQUIRED TO GO TO COURT OR PAY ANYTHING TO THE LAWYERS IN THIS CASE. If you move, you must update your address with the Settlement Administrator. If you disagree with pre-printed data indicated in section E above, you must submit an explanation and/or documentation to the Settlement Administrator to justify your position, postmarked no later than [REDACTED]. The Settlement Administrator's address is [Settlement Administrator address].

- **OPTION 2 – OBJECT TO THE SETTLEMENT**

If you wish to remain a Settlement Class Member, but you object to the proposed settlement (or any of its terms) and wish the Court to consider your objection at the Final Settlement Hearing, you may object to the proposed settlement in writing. You may also appear at the Final Approval Hearing, either in person or through an attorney at your own expense. All written objections, supporting papers, and/or notices of intent to appear at the Final Approval Hearing must clearly identify the case name and number and be mailed to the Settlement Administrator at [Settlement Administrator address]. Written objections must be postmarked no later than [REDACTED].

- **OPTION 3 – EXCLUDE YOURSELF FROM THE SETTLEMENT**

You have a right to exclude yourself ("opt out") from the Settlement Class, but if you choose to do so, you will not receive any benefits from the proposed settlement. You will not be bound by a judgment in this case (except that you will be bound by the PAGA release in section D above, whether you opt out or not) and you will have the right to file your own lawsuit against the Defendant and pursue your own claims in a separate suit. You can opt out of the Class by sending a letter to the Settlement Administrator at the above-stated address. The letter must include (i) your name, address, telephone number, and social security number (last four digits) or employee ID number, (ii) your signature and date, and (iii) an express request to be excluded from the class. Your exclusion request must be postmarked no later than [REDACTED] or it will be rejected.

ARE THERE MORE DETAILS ABOUT THE SETTLEMENT?

The above is a summary of the basic terms of the settlement. For the precise terms and conditions of the settlement, you should review the detailed "Settlement Agreement and Release of Claims" which is on file with the Clerk of the Court. The pleadings and other records in the Lawsuit may be examined at any time during regular business hours at the Office of the Clerk of the Stanislaus County Superior Court, located at [COURT ADDRESS].

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact the Settlement Administrator at [address], [telephone number], or Gaines & Gaines, APLC, Counsel for the Class, at (866) 550-0855.

PLEASE DO NOT TELEPHONE THE COURT FOR INFORMATION ABOUT THIS SETTLEMENT OR THE CLAIMS PROCESS.

**BY ORDER OF THE SUPERIOR COURT OF
THE STATE OF CALIFORNIA**