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DANIEL KAYS, and VERMICCO DAVIS, on
behalf of themselves and all others similarly situated
and aggrieved

[Additional Counsel on Following Page]

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE

SASHA MARTY NAVARRO, an individual,
and on behalf of all others similarly situated
and aggrieved,

Plaintiffs,

v.

LINCOLN TRAINING CENTER AND
REHABILITATION WORKSHOP, a
California corporation; and DOES 1 through
100, inclusive,

Defendants.

CASE NO.: 21STCV04685

[Assigned to the Hon. David S.
Cunningham in Dept. 11]

**FIRST AMENDED CLASS AND PAGA
SETTLEMENT AGREEMENT**

ACTION FILED: February 5, 2021

TRIAL DATE: None set

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REHABILITATION WORKSHOP

1 This “First Amended Class Action and PAGA Settlement Agreement” (“Agreement”) is
2 made by and between Plaintiffs, Sasha Marty Navarro (“Plaintiff Navarro”), Daniel Kays
3 (“Plaintiff Kays”), and Vermicco Davis (“Plaintiff Davis”) (collectively, “Plaintiffs”), on the one
4 hand, and Defendant, Lincoln Training Center and Rehabilitation Workshop (“Defendant”), on
5 the other hand. The Agreement refers to Plaintiffs and Defendant collectively as “Parties,” or
6 individually as “Party.”

7 **1. DEFINITIONS**

8 1.1. “Action” or “Actions” means the Plaintiffs’ lawsuits alleging wage and hour violations
9 against Defendant, filed in Los Angeles County Superior Court, captioned *Navarro v. Lincoln*
10 *Training Center and Rehabilitation Workshop*., Case No.21STCV04685, initiated on February
11 5, 2021 (“Navarro Action”), *Cooper, et al., v. Lincoln Training Center and Rehabilitation*
12 *Workshop*, Case No. 23STCV15809, initiated on July 6, 2023 (“Kays Action”), and *Davis v.*
13 *Lincoln Training Center and Rehabilitation Workshop*, Case No. 24NNCV01062, initiated on
14 April 18, 2024 (“Davis Action”). The Kays Action and Davis Action are to be consolidated with
15 the Navarro Action by the filing of a second amended complaint in the Navarro Action, wherein
16 Plaintiffs Kays and Davis will be added as named plaintiffs and class representatives, as
17 described in paragraph 2.8 below.

18 1.2. “Administrator” means Phoenix Class Action Administration Solutions (“Phoenix”), the
19 neutral entity the Parties have agreed to appoint to administer the Settlement.

20 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid
21 from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance
22 with the Administrator’s “not to exceed” bid submitted to the Court in connection with
23 Preliminary Approval of the Settlement.

24 1.4. “Aggrieved Employee” means all persons currently or formerly employed by Defendant,
25 either directly or through any subsidiary, staffing agency, or professional employer organization,
26 as a non-exempt or hourly-paid employee during PAGA Period in the State of California.

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1 1.5. “Class” means all persons currently or formerly employed by Defendant, either directly
2 or through any subsidiary, staffing agency, or professional employer organization, as non-exempt
3 or hourly-paid employees during the Class Period in the State of California.

4 1.6. “Class Counsel” means David D. Bibiyan and Vedang J. Patel of Bibiyan Law Group,
5 P.C., and Joanna Ghosh and Ryan Slinger of Lawyers *for* Justice, P.C.

6 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean
7 the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and
8 expenses, respectively, incurred to prosecute the Action.

9 1.8. “Class Data” means Class Member identifying information in Defendant’s custody,
10 possession, or control, including the Class Member’s (1) name; (2) last known address(es); (3)
11 last known telephone number(s); (4) last known Social Security Number(s); and (5) the dates of
12 employment (i.e., hire dates, and, if applicable, re-hire date(s) and/or separation date(s)).

13 1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either
14 a Participating Class Member or Non-Participating Class Member (including a Non-Participating
15 Class Member who qualifies as an Aggrieved Employee).

16 1.10. “Class Member Address Search” means the Administrator’s investigation and search for
17 current Class Member mailing addresses using all reasonably available sources, methods and
18 means including, but not limited to, the National Change of Address (“NCOA”) database, skip
19 traces, and direct contact by the Administrator with Class Members.

20 1.11. “Class Notice” means the “NOTICE OF PROPOSED CLASS ACTION SETTLEMENT
21 AND DATE FOR FINAL APPROVAL HEARING”, to be mailed to Class Members in English,
22 without material variation, attached as Exhibit A and incorporated by reference into this
23 Agreement.

24 1.12. “Class Period” means the period from August 23, 2017 through December 18, 2025.

25 1.13. “Class Representatives” means the named Plaintiffs in the Operative Complaint in the
26 Action seeking Court approval to serve as Class Representatives.

27 1.14. “Class Representative Service Payment” means the payment to the Class Representatives
28 for initiating the Actions and providing services in support of the Actions.

1 1.15. "Court" means the Superior Court of California, County of Los Angeles.

2 1.16. "Defendant" means named Defendant Lincoln Training Center and Rehabilitation

3 Workshop.

4 1.17. "Defense Counsel" means Kathleen Carter and Jeff Gillette from Messner Reeves LLP.

5 1.18. "Effective Date" means the later of: (a) the Court enters a Judgment on its order granting

6 Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the

7 latest of the following occurrences: (a) if no Participating Class Member objects to the

8 Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members

9 objects to the Settlement, the day after the deadline for filing a notice of appeal from the

10 Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court

11 affirms the Judgment and issues a remittitur.

12 1.19. "Final Approval" means the Court's order granting final approval of the Settlement.

13 1.20. "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval

14 of the Settlement.

15 1.21. "Final Judgment" means the Judgment entered by the Court based upon the Final

16 Approval.

17 1.22. "Gross Settlement Amount" means \$527,550.00 (Five Hundred Twenty-Seven Thousand

18 Five Hundred Fifty Dollars and Zero Cents) which is the total amount Defendant agrees to pay

19 under the Settlement, except as provided in Paragraph 8.1 below and any and all employer payroll

20 taxes owed on the Wage Portions of the Individual Class Payments. The Gross Settlement

21 Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA

22 PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment,

23 Class Representative Service Payment, and Administration Expenses Payment.

24 1.23. "Individual Class Payment" means the Participating Class Member's pro rata share of the

25 Net Settlement Amount calculated according to the number of Workweeks worked during the

26 Class Period.

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1 1.24. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of
2 the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA
3 Period.

4 1.25. “Judgment” means the judgment entered by the Court based upon Final Approval.

5 1.26. “LWDA” means the California Labor and Workforce Development Agency, the agency
6 entitled under Labor Code section 2699, subd. (i).

7 1.27. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA
8 under Labor Code section 2699, subd. (i).

9 1.28. “Net Settlement Amount” means the Gross Settlement Amount, less the following
10 payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA
11 Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel
12 Litigation Expenses Payment, and Administration Expenses Payment. The remainder is to be
13 paid to Participating Class Members as Individual Class Payments.

14 1.29. “Non-Participating Class Member” means any Class Member who opts out of the
15 Settlement by sending the Administrator a valid and timely Request for Exclusion.

16 1.30. “Operative Complaint” means the second amended complaint to be filed in the Navarro
17 Action, as described in paragraph 2.8 below.

18 1.31. “PAGA Pay Period” means any pay period during which an Aggrieved Employee worked
19 for Defendant and clocked in and out on at least one occasion during the PAGA Period.

20 1.32. “PAGA Period” means the period from February 1, 2020, through December 18, 2025.

21 1.33. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. *et seq.*).

22 1.34. “PAGA Notice” means Plaintiff Navarro’s February 1, 2021 letter to Defendant and the
23 LWDA, providing notice pursuant to Labor Code section 2699.3 subd. (a).

24 1.35. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the
25 Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$13,188.75) and the 75%
26 to the LWDA (\$39,566.25) in settlement of PAGA claims.

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1 1.36. "Participating Class Member" means a Class Member who does not submit a valid and
2 timely Request for Exclusion from the Settlement.

3 1.37. "Plaintiffs" means Sasha Marty Navarro, Daniel Kays, and Vermicco Davis, the named
4 Plaintiffs in the Actions.

5 1.38. "Preliminary Approval" means the Court's order granting preliminary approval of the
6 Settlement.

7 1.39. "Preliminary Approval Order" means the proposed order granting preliminary approval
8 of the PAGA Settlement.

9 1.40. "Released Class Claims" means the claims being released as described in Paragraph 5.2
10 below.

11 1.41. "Released PAGA Claims" means the claims being released as described in Paragraph 5.4
12 below.

13 1.42. "Released Parties" means: Defendant and each of its former and present directors,
14 officers, owners, members, board members, attorneys, insurers, predecessors, successors,
15 assigns, subsidiaries, affiliates and agents (including, without limitation, any investment bankers,
16 accountants, insurers, reinsurers, attorneys and any past, present or future officers, directors and
17 employees).

18 1.43. "Request for Exclusion" means a Class Member's submission of a written request to be
19 excluded from the Class portion of the Settlement signed by the Class Member.

20 1.44. "Response Deadline" means sixty (60) days after the Administrator mails Class Notice to
21 Class Members, and shall be the last date on which Class Members may: (a) mail Requests for
22 Exclusion from the Class portion of the Settlement, or (b) mail his or her objection to the Class
23 portion of the Settlement. Class Members to whom the Class Notices are resent after having been
24 returned undeliverable to the Administrator shall have an additional 15 days beyond the
25 Response Deadline has expired.

26 1.45. "Settlement" means the disposition of the Actions effected by this Agreement and the
27 Judgment.

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1.46. “Workweek” means any week during which a Class Member worked for Defendant and clocked in and out on at least one occasion during that workweek.

2. RECITALS

2.1. On February 1, 2021, Plaintiff Navarro filed with the LWDA and served on Defendant a notice under Labor Code section 2699.3, stating Plaintiff Navarro intended to serve as a proxy of the LWDA to recover civil penalties, on behalf of Aggrieved Employees, for alleged Labor Code violations (“Navarro PAGA Notice”).

2.2. On February 4, 2021, Plaintiff Navarro commenced the Navarro Action, Los Angeles Superior Court Case No. 21STCV04685, by filing a complaint alleging causes of actions against Defendant for: failure to pay overtime wages; failure to pay minimum wages; failure to provide meal periods, failure to provide rest periods; waiting time penalties; wage statement violations; failure to timely pay wages; and unfair competition.

2.3. On April 26, 2021, after sixty-five (65) days had passed without any communication from the LWDA, Plaintiff Navarro filed a first amended complaint adding a cause of action for civil penalties under the PAGA in connection with the allegations made in the Navarro PAGA Notice.

2.4. Thereafter, the Parties agreed to exchange informal discovery and attend mediation.

2.5. Prior to mediation Plaintiff Navarro obtained, through informal discovery: (a) time and payroll records for 100% of Class Members through mediation; (b) a class list of hire dates, termination dates, and rates of pay for all Class Members; (c) wage and hour policy documents; (d) contact information for 957 Class Members; and (e) all documents pertaining to Plaintiffs available to Defendant.

2.6. Plaintiffs’ investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).

2.7. On February 5, 2024, the Parties participated in an all-day mediation presided over by Nikki Tolt, Esquire, a well-regarded mediator experienced in complex labor and employment

1 matters. The mediation was successful, and the Parties agreed to globally resolve all class and
2 PAGA claims in the Actions.

3 2.8. On February 9, 2024, Plaintiff Davis filed with the LWDA and served on Defendant a
4 notice under Labor Code section 2699.3, stating Plaintiff Davis intended to serve as a proxy of
5 the LWDA to recover civil penalties, on behalf of Aggrieved Employees, for all alleged Labor
6 Code violations (“Davis PAGA Notice”).

7 2.9. On March 5, 2024, Plaintiff Kays was added by first amended complaint to a class action
8 lawsuit in the Superior Court of California for the County of Los Angeles, *Cooper v. Lincoln*,
9 Case No. 23STCV15809 (“Kays Action” herein), against Defendant alleging similar wage and
10 hour claims.

11 2.10. On April 18, 2024, Plaintiff Davis filed a PAGA complaint against Defendant in the
12 Superior Court of California for the County of Los Angeles, Case No. 24NNCV01062 (“Davis
13 Action” herein), alleging similar claims under PAGA.

14 2.11. By Minute Order dated July 2, 2024, the Kays Action and the Davis Action were deemed
15 related to the Navarro Action with the Navarro Action designated as the lead case, and all three
16 cases assigned to the Honorable David S. Cunningham III in Department 11 of the Court for all
17 purposes.

18 2.12. On August 29, 2024, Plaintiff Ellis Cooper was dismissed from the Kays Action leaving
19 Plaintiff Kays as the sole named plaintiff and alleged class representative in the Kays Action.

20 2.13. As part of the Settlement, the Parties agree to stipulate to Plaintiff Navarro filing a second
21 amended complaint in the Navarro Action, adding the claims brought in the Kays Action and
22 Davis Action, adding Plaintiff Kays and Plaintiff Davis as named plaintiffs and class
23 representatives. Upon the acceptance of the second amended complaint in the Navarro Action,
24 Plaintiff Kays shall file a request for dismissal without prejudice of the Kays Action and Plaintiff
25 Davis shall file a request for dismissal of the Davis Action without prejudice, thereby effectively
26 consolidating the Kays Action and Davis Action with the Navarro Action (hereinafter
27 collectively the “Action” as defined in Section 1.1). The second amended complaint in the
28 Navarro Action will be the Operative Complaint in the Action. Defendant denies the allegations

in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint and denies any and all liability for the causes of action alleged.

2.14. The Court has not granted class certification.

2.15. The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8.1 below, Defendant promises to pay \$527,550.00 as the Gross Settlement Amount, unless increased pursuant to Paragraph 8.1 of this Agreement, and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

3.2.1. To Plaintiffs: Class Representative Service Payments of not more than \$7,500.00 to Plaintiff Navarro, Plaintiff Kays, and Plaintiff Davis, each, for a total of \$22,500.00, in addition to any Individual Class Payment and any Individual PAGA Payment Plaintiffs are entitled to receive as Participating Class Members. Defendant will not oppose Plaintiffs' request for Class Representative Service Payments that do not exceed these amounts. As part of the motion for Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment, Plaintiffs will seek Court approval for any Class Representative Service Payments prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the

1 Administrator will retain the remainder in the Net Settlement Amount. The
2 Administrator will pay the Class Representative Service Payment using IRS Form 1099.
3 Plaintiffs assume full responsibility and liability for employee taxes owed on their
4 respective Class Representative Service Payments.

5 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 33% of the
6 Gross Settlement Amount, which, unless escalated pursuant to Paragraph 8.1 of this
7 Agreement, is currently estimated to be \$174,091.50, and a Class Counsel Litigation
8 Expenses Payment of not more than \$30,000.00. Defendant will not oppose requests for
9 these payments provided that do not exceed these amounts. Plaintiffs and/or Class
10 Counsel will endeavor to file a motion for Class Counsel Fees Payment and Class
11 Counsel Litigation Expenses Payment prior to the Final Approval Hearing. If the Court
12 approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses
13 Payment less than the amounts requested, the Administrator will allocate the remainder
14 to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel
15 or any other Plaintiffs' counsel arising from any claim to any portion any Class Counsel
16 Fees Payment and/or Class Counsel Litigation Expenses Payment. The Administrator
17 will pay the Class Counsel Fees Payment and Class Counsel Litigation Expenses
18 Payment using one or more IRS 1099 Forms. Class Counsel assume full responsibility
19 and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel
20 Litigation Expenses Payment and holds Defendant harmless, and indemnifies
21 Defendant, from any dispute or controversy regarding any division or sharing of any of
22 these payments. There will be no additional charge of any kind to either the Settlement
23 Class Members or request for additional consideration from Defendant for such work
24 unless, Defendant materially breaches this Agreement, including any term regarding
25 funding, and further efforts are necessary from Class Counsel to remedy said breach,
26 including, without limitation, moving the Court to enforce the Agreement. Should the
27 Court approve Class Counsel Fee Payments and/or Class Counsel Litigation Expenses
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Payments in amounts that are less than the amounts provided for herein, then the unapproved portion(s) shall be a part of the Net Settlement Amount.

3.2.3. To the Administrator: An Administration Expenses Payment not to exceed \$13,750.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses Payment is less or the Court approves payment less than \$13,750.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4. To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.

3.2.4.1. Tax Allocation of Individual Class Payments. 20% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The 80% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$52,755.00 to be paid from the Gross Settlement Amount, with 75% (\$39,566.25)

1 allocated to the LWDA PAGA Payment and 25% (\$13,188.75) allocated to the
2 Individual PAGA Payments.

3 3.2.5.1. The Administrator will calculate each Individual PAGA
4 Payment by (a) dividing the amount of the Aggrieved Employees' 25% share
5 of PAGA Penalties (\$13,188.75) by the total number of PAGA Pay Periods
6 worked by all Aggrieved Employees during the PAGA Period and (b)
7 multiplying the result by each Aggrieved Employee's PAGA Pay Periods.

8 3.2.5.2. If the Court approves PAGA Penalties of less than the
9 amount requested, the Administrator will allocate the remainder to the Net
10 Settlement Amount. The Administrator will report the Individual PAGA
11 Payments on IRS 1099 Forms.

12 **4. SETTLEMENT FUNDING AND PAYMENTS**

13 4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records
14 as of the mediation date of February 5, 2024, Defendant estimates there were 957 Class Members
15 who collectively worked a total of 105,510 Workweeks, and 584 of Aggrieved Employees who
16 worked a total of 26,906 PAGA Pay Periods.

17 4.2. Class Data. Prior to the hearing on the Motion for Preliminary Approval, Defendant will
18 deliver the Class Data to the Administrator in the form of a Microsoft Excel spreadsheet. To
19 protect Class Members' privacy rights, the Administrator must maintain the Class Data in
20 confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and
21 restrict access to the Class Data to Administrator employees who need access to the Class Data
22 to effect and perform under this Agreement. Defendant has a continuing duty to immediately
23 notify Class Counsel if it discovers that the Class Data omitted Class Member identifying
24 information and to provide corrected or updated Class Data as soon as reasonably feasible.
25 Without any extension of the deadline by which Defendant must send the Class Data to the
26 Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to
27 reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

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1 4.3. Funding of Gross Settlement Amount. Defendant shall make payment of the Gross
2 Settlement Amount (as the same may be increased pursuant to Paragraph 8.1 of this Agreement)
3 and employer taxes to the Administrator pursuant to Internal Revenue Code section 1.468B-1 for
4 deposit in an interest-bearing qualified settlement account (“QSA”) with an FDIC insured
5 banking institution, for distribution in accordance with this Agreement and the Court’s orders,
6 and subject to the conditions described herein. Defendant shall make payment of the Gross
7 Settlement Amount in three (3) “Installment Payments” as follows: (1) \$175,850.00, plus one-
8 third (1/3) of the amount in excess of \$527,550.00 should the Gross Settlement Amount be
9 increased pursuant to Paragraph 8.1 below, and plus the employer taxes associated with this
10 amount, shall be paid within thirty (30) calendar days of the Effective Date (the “First Installment
11 Payment”); (2) \$175,850.00, plus one-third (1/3) of the amount in excess of \$527,550.00 should
12 the Gross Settlement Amount be increased pursuant to Paragraph 8.1 below, and plus the
13 employer taxes associated with this amount, shall be paid no later than September 22, 2025 (the
14 “Second Installment Payment”); and (3) \$175,850.00, plus one-third (1/3) of the amount in
15 excess of \$527,550.00 should the Gross Settlement Amount be increased pursuant to Paragraph
16 8.1 below, and plus the employer taxes associated with this amount, shall be paid no later than
17 March 22, 2027 (the “Third Installment Payment”).

18 4.4. Payments from the Gross Settlement Amount. Within 7 days after Defendant funds each
19 of the First Installment Payment, Second Installment Payment, and Third Installment Payment,
20 the Administrator will mail checks for the proportional amounts of the Individual Class
21 Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration
22 Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses
23 Payment, and the Class Representative Service Payments. Disbursement of the Class Counsel
24 Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative
25 Service Payments shall not precede disbursement of Individual Class Payments and the
26 Individual PAGA Payments.

27 4.4.1. The Administrator will issue checks for the Individual Class Payments and/or
28 Individual PAGA Payments and send them to the Class Members via First Class U.S.

1 Mail, postage prepaid. The face of each check shall prominently state the date (not less
2 than 180 days after the date of mailing) when the check will be voided. The
3 Administrator will cancel all checks not cashed by the void date. The Administrator
4 will send checks for Individual Settlement Payments to all Participating Class Members
5 (including those for whom Class Notice was returned undelivered). The Administrator
6 will send checks for Individual PAGA Payments to all Aggrieved Employees including
7 Non-Participating Class Members who qualify as Aggrieved Employees (including
8 those for whom Class Notice was returned undelivered). The Administrator may send
9 Participating Class Members a single check combining the Individual Class Payment
10 and the Individual PAGA Payment from each Installment Payment. Before mailing any
11 checks, the Administrator must update the recipients' mailing addresses using the
12 NCOA database.

13 4.4.2. The Administrator must conduct a Class Member Address Search for all other
14 Class Members whose checks are returned undelivered without USPS forwarding
15 address. Within 7 days of receiving a returned check the Administrator must re-mail
16 checks to the USPS forwarding address provided or to an address ascertained through
17 the Class Member address search. The Administrator need not take further steps to
18 deliver checks to Class Members whose re-mailed checks are returned as undelivered.
19 The Administrator shall promptly send a replacement check to any Class Member whose
20 original check was lost or misplaced, requested by the Class Member prior to the void
21 date.

22 4.4.3. For any Class Member whose Individual Class Payment check or Individual
23 PAGA Payment check is uncashed and cancelled after the void date, the Administrator
24 shall transmit the funds represented by such checks to the *cy pres* recipient, Legal Aid
25 at Work, for use in Los Angeles County.

26 4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall
27 not obligate Defendant to confer any additional benefits or make any additional
28

1 payments to Class Members (such as 401(k) contributions or bonuses) beyond those
2 specified in this Agreement.

3 **5. RELEASE OF CLAIMS**

4 Effective upon Judgment, Final Approval, and on the date when Defendant fully funds
5 the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage
6 Portion of the Individual Class Payments, Plaintiffs, Class Members, and Class Counsel will
7 release claims against all Released Parties as follows:

8 5.1. Plaintiffs' Release. Plaintiffs and their respective former and present spouses,
9 representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release
10 and discharge Released Parties from all claims, transactions, or occurrences, including, but not
11 limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts
12 contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could
13 have been, alleged based on facts contained in the Operative Complaint and Plaintiffs' PAGA
14 Notices. ("Plaintiffs' Release.") Plaintiffs' Release does not extend to any claims or actions to
15 enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability
16 benefits, social security benefits, workers' compensation benefits that arose at any time, or based
17 on occurrences outside the Class Period. Plaintiffs acknowledge that they may discover facts or
18 law different from, or in addition to, the facts or law that they now know or believe to be true but
19 agree, nonetheless, that Plaintiffs' Release shall be and remain effective in all respects,
20 notwithstanding such different or additional facts or Plaintiffs' discovery of them.

21 5.1.1. Plaintiffs' Waiver of Rights Under California Civil Code Section 1542. For
22 purposes of Plaintiffs' Release only, Plaintiffs expressly waive and relinquish the
23 provisions, rights, and benefits, if any, of section 1542 of the California Civil Code,
24 which reads:

25 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
26 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST
27 IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND
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1 THAT IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED
2 HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

3 5.2. Release by Participating Class Members: For the duration of the Class Period, all
4 Participating Class Members, on behalf of themselves and their respective former and present
5 representatives, agents, attorneys, heirs, administrators, successors, and assigns, release all
6 claims, rights, demands, damages, liabilities, and causes of action, in law or in equity, arising at
7 any time during the Class Period for the claims asserted in the Action or that could have been
8 asserted in the Action based on the factual allegations and theories made by Plaintiffs in the
9 Operative Complaint. The claims to be released by the Settlement Class Members as to the
10 Released Parties include all claims under state, federal, or local law, arising out of the claims
11 expressly pleaded in the Operative Complaint in the Action and all other claims, such as those
12 under the California Labor Code, Wage Orders, regulations, and/or other provisions of law, that
13 could have been asserted based on the facts pleaded in the operative complaint in the Action for:
14 (1) failure to pay overtime wages under Labor Code Sec. 510, 1198; (2) failure to pay minimum
15 wages under Labor Code Sec. 1194, et seq.; (3) failure to provide meal periods and/or pay meal
16 period premiums under Labor Code Sec. 226.7, 512; (4) failure to provide rest periods and/or pay
17 rest period premiums under Labor Code Sec. 226.7; (5) failure to timely pay wages upon
18 termination under Labor Code Sec. 203; (6) failure to provide accurate, itemized wage statements
19 under Labor Code Sec. 226; (7) failure to timely pay wages during employment under Labor Code
20 Sec. 204, 210; (8) violation of California's unfair competition law under Business and Professions
21 Code Sec. 17200; (9) failure to reimburse business expenses under Labor Code Sec. 2800, 2802;
22 and (10) failure to keep requisite payroll records under Labor Code Sec. 1174(d).

23 5.3. Except as set forth in Section 5.2 of this Agreement, Participating Class Members do not
24 release any other claims, including claims for vested benefits, wrongful termination, violation of
25 the Fair Employment and Housing Act, unemployment insurance, disability, social security,
26 workers' compensation, or claims based on facts occurring outside the Class Period.

27 5.4. Release by Aggrieved Employees: For the duration of the PAGA Period, the LWDA and
28 the State of California, by and through Plaintiffs as agents and proxies of the LWDA, and to the

1 extent permitted by law, the Aggrieved Employees, release the Released Parties from all claims
2 and causes of action for civil penalties under PAGA arising at any time during the PAGA Period
3 for the claims asserted in the Action or that could have been asserted in the Action based on the
4 factual allegations in the Operative Complaint and in Plaintiff Navarro's PAGA Notice dated
5 February 1, 2021 to the LWDA.

6 **6. MOTION FOR PRELIMINARY APPROVAL**

7 The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion
8 for Preliminary Approval") that complies with the Court's current checklist for preliminary
9 approvals.

10 6.1. Defendant's Responsibilities. Pursuant to Paragraph 4.2 above, Defendant will deliver
11 the Class Data to the Settlement Administrator prior to the Motion for Preliminary Approval.
12 Before the first set hearing date on Plaintiffs' Motion for Preliminary Approval, the Settlement
13 Administrator will perform the calculations required in Paragraph 8.1. If the Settlement
14 Administrator determines the escalator clause is triggered, Defendant will submit a supplemental
15 declaration to the Court advising of its election under Paragraph 8.1. Such a supplemental
16 declaration would be filed before the hearing on the Motion for Preliminary Settlement approval.

17 6.2. Plaintiffs' Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel all
18 documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and
19 memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the
20 Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor
21 Code Section 2699, subd. (f)(2)); (ii) a draft proposed order granting preliminary approval and
22 approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from
23 the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting
24 to its willingness to serve; competency; operative procedures for protecting the security of Class
25 Data; amounts of insurance coverage for any data breach, defalcation of funds or other
26 misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members;
27 and the nature and extent of any financial relationship with Plaintiffs, Class Counsel or Defense
28 Counsel; (v) a signed declaration from Plaintiffs confirming willingness and competency to serve

1 and disclosing all facts relevant to any actual or potential conflicts of interest with Class
2 Members; (v) a signed declaration from each Class Counsel firm attesting to its competency to
3 represent the Class Members; its timely transmission to the LWDA of all necessary PAGA
4 documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative
5 Complaint (Labor Code section 2699, subd. (1)(1)), this Agreement (Labor Code section 2699,
6 subd. (1)(2)); and (vi) all facts relevant to any actual or potential conflict of interest with Class
7 Members and the Administrator.

8 6.3. Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible
9 for expeditiously finalizing and filing the Motion for Preliminary Approval after the full
10 execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary
11 Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary
12 Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the
13 Administrator.

14 6.4. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for
15 Preliminary Approval and/or the supporting declarations and documents, Class Counsel and
16 Defense Counsel will expeditiously work together on behalf of the Parties by meeting and
17 conferring, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary
18 Approval or conditions Preliminary Approval on any material change to this Agreement, Class
19 Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by
20 meeting and conferring, and in good faith, to modify the Agreement and otherwise satisfy the
21 Court's concerns.

22 7. SETTLEMENT ADMINISTRATION

23 7.1. Selection of Administrator. The Parties have jointly selected Phoenix to serve as the
24 Administrator and verified that, as a condition of appointment, Phoenix agrees to be bound by
25 this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange
26 for Administration Expenses Payment. The Parties and their Counsel represent that they have
27 no interest or relationship, financial or otherwise, with the Administrator other than a professional
28 relationship arising out of prior experiences administering settlements.

1 7.2. Employer Identification Number. The Administrator shall have and use its own Employer
2 Identification Number for the purposes of calculating payroll tax withholdings and providing
3 reports state and federal tax authorities.

4 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets
5 the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section
6 468B-1.

7 7.4. Notice to Class Members

8 7.4.1. No later than three (3) business days after receipt of the Class Data, the
9 Administrator shall notify Class Counsel that the list has been received and state the
10 number of Class Members, Aggrieved Employees, Workweeks, and PAGA Pay Periods
11 in the Class Data.

12 7.4.2. Using best efforts to perform as soon as possible, and in no event later than 14
13 days after the later of receiving the Class Data and the Court granting Preliminary
14 Approval, the Administrator will send to all Class Members identified in the Class Data,
15 via first-class United States Postal Service (“USPS”) mail, the Class Notice,
16 substantially in the form attached to this Agreement as Exhibit A. The first page of the
17 Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment
18 and/or Individual PAGA Payment payable to the Class Member, and the number of
19 Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before
20 mailing Class Notices, the Administrator shall update Class Member addresses using the
21 NCOA database.

22 7.4.3. Not later than 3 business days after the Administrator’s receipt of any Class Notice
23 returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice
24 using any forwarding address provided by the USPS. If the USPS does not provide a
25 forwarding address, the Administrator shall conduct a Class Member Address Search,
26 and re-mail the Class Notice to the most current address obtained. The Administrator
27 has no obligation to make further attempts to locate or send Class Notice to Class
28 Members whose Class Notice is returned by the USPS a second time.

1 7.4.4. The deadlines for Class Members' written objections, challenges to Workweeks
2 and/or PAGA Pay Periods, and Requests for Exclusion will be extended an additional
3 15 days beyond the 45 days otherwise provided in the Class Notice for all Class
4 Members whose notice is re-mailed. The Administrator will inform the Class Member
5 of the extended deadline with the re-mailed Class Notice.

6 7.4.5. If the Administrator, Defendant or Class Counsel is contacted by or otherwise
7 discovers any persons who believe they should have been included in the Class Data
8 and should have received Class Notice, the Parties will expeditiously meet and confer,
9 and in good faith, in an effort to agree on whether to include them as Class Members.
10 If the Parties agree, such persons will be Class Members entitled to the same rights as
11 other Class Members, and the Administrator will send, via email or overnight delivery,
12 a Class Notice requiring them to exercise options under this Agreement not later than
13 15 days after receipt of Class Notice, or the deadline dates in the Class Notice, which
14 ever are later.

15 7.5. Requests for Exclusion (Opt-Outs).

16 7.5.1. Class Members who wish to exclude themselves (opt-out of) the Class Settlement
17 must send the Administrator, by mail, a signed written Request for Exclusion not later
18 than 45 days after the Administrator mails the Class Notice (plus an additional 15 days
19 for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter
20 from a Class Member or his/her representative that reasonably communicates the Class
21 Member's election to be excluded from the Class Settlement and includes the Class
22 Member's name, address, signature, and email address or telephone number. To be
23 valid, a Request for Exclusion must be timely postmarked by the Response Deadline.

24 7.5.2. The Administrator may not reject a Request for Exclusion as invalid because it
25 fails to contain all the information specified in the Class Notice. The Administrator
26 shall accept any Request for Exclusion as valid if the Administrator can reasonably
27 ascertain the identity of the person as a Class Member and the Class Member's desire
28 to be excluded. The Administrator's determination shall be final and not appealable or

otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

7.5.3. Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' releases under Paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Class Settlement.

7.5.4. Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.4 of this Agreement and are eligible for an Individual PAGA Payment.

7.6. Challenges to Calculation of Workweeks. Each Class Member shall have 45 days after the Administrator mails the Class Notice (plus an additional 15 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or PAGA Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks

and/or PAGA Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.

7.7. Objections to Class Settlement.

7.7.1. Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

7.7.2. Participating Class Members may send written objections to the Administrator by mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 45 days after the Administrator's mailing of the Class Notice (plus an additional 15 days for Class Members whose Class Notice was re-mailed).

7.7.3. Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

7.8. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

7.8.1. Website, Email Address and Toll-Free Number. The Administrator will maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls and emails.

7.8.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity.

1 Not later than 5 days after the expiration of the deadline for submitting Requests for
2 Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel
3 containing (a) the names and other identifying information of Class Members who have
4 timely submitted valid Requests for Exclusion (“Exclusion List”); (b) the names and
5 other identifying information of Class Members who have submitted invalid Requests
6 for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted
7 (whether valid or invalid).

8 7.8.3. Weekly Reports. The Administrator must, on a weekly basis, provide written
9 reports to Class Counsel and Defense Counsel that, among other things, tally the number
10 of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for
11 Exclusion (whether valid or invalid) received, objections received, challenges to
12 Workweeks and/or PAGA Pay Periods received and/or resolved, and checks mailed for
13 Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The
14 Weekly Reports must include provide the Administrator’s assessment of the validity of
15 Requests for Exclusion and attach copies of all Requests for Exclusion and objections
16 received.

17 7.8.4. Workweek and/or Pay Period Challenges. The Administrator has the authority to
18 address and make final decisions consistent with the terms of this Agreement on all
19 Class Member challenges over the calculation of Workweeks and/or PAGA Pay
20 Periods. The Administrator’s decision shall be final and not appealable or otherwise
21 susceptible to challenge.

22 7.8.5. Administrator’s Declaration. Before the date by which Plaintiffs are required to
23 file the Motion for Final Approval, the Administrator will provide to Class Counsel and
24 Defense Counsel, a declaration suitable for filing in Court attesting to its due diligence
25 and compliance with all of its obligations under this Agreement, including, but not
26 limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-
27 mailing of Class Notices, attempts to locate Class Members, the total number of
28 Requests for Exclusion it received (both valid or invalid), the number of written

1 objections and attach the Exclusion List. The Administrator will supplement its
2 declaration as needed or requested by the Parties and/or the Court. Class Counsel is
3 responsible for filing the Administrator's declaration(s) in Court.

4 7.8.6. Final Report by Administrator. Within 10 days after the Administrator disburses
5 all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel
6 and Defense Counsel with a final report detailing its disbursements by employee
7 identification number only of all payments made under this Agreement. At least 7 days
8 before any deadline set by the Court, the Administrator will prepare, and submit to Class
9 Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting
10 to its disbursement of all payments required under this Agreement. Class Counsel is
11 responsible for filing the Administrator's declaration in Court.

12 **8. CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE**

13 Based on its records, Defendant estimates that, as of the mediation date of February 5,
14 2024, (1) there were 957 Class Members and 105,510 total Workweeks and (2) there were 584
15 Aggrieved Employees who worked 26,906 PAGA Pay Periods.

16 8.1. Increase in Workweeks. Defendant represents that Class Members worked 105,510
17 Workweeks as of February 5, 2024. In the event the number of Workweeks worked during the
18 Class Period exceeds 116,061 (i.e., increases by more than 10%), then the Gross Settlement
19 Amount shall be increased proportionally by the Workweeks worked in excess of 116,061.
20 Should the Workweeks worked by Class Members during the Class Period exceed 116,061 (i.e.,
21 increase beyond 10%), then the Gross Settlement Amount shall be increased on a pro-rata basis
22 equal to the percentage increase in the number of Workweeks worked by the Class Members
23 above 10% (e.g., if the total number of Workweeks increases by 11% to 117,116, the Gross
24 Settlement Amount will proportionally increase by 1%).

25 **9. DEFENDANT'S RIGHT TO WITHDRAW**

26 If the number of valid Requests for Exclusion identified in the Exclusion List exceeds
27 10% of the total of all Class Members, Defendant may, but is not obligated, elect to withdraw
28 from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void

1 ab initio, have no force or effect whatsoever, and that neither Party will have any further
2 obligation to perform under this Agreement; provided, however, Defendant will remain
3 responsible for paying all Administration Expenses Payments incurred as of the date Defendant
4 makes this election to withdraw. Defendant must notify Class Counsel and the Court of its
5 election to withdraw not later than thirty (30) days after the Administrator sends the final
6 Exclusion List to Defense Counsel; late elections will have no effect.

7 **10. MOTION FOR FINAL APPROVAL**

8 Prior to the calendared Final Approval Hearing, Plaintiffs will file in Court a motion for
9 final approval of the Settlement that includes a request for approval of the PAGA settlement
10 under Labor Code section 2699, subd. (l), a proposed Final Approval order and a proposed
11 Judgment (collectively “Motion for Final Approval”). Plaintiffs shall endeavor to provide drafts
12 of these documents to Defense Counsel prior to filing the Motion for Final Approval. Class
13 Counsel and Defense Counsel will expeditiously meet and confer, and in good faith, to resolve
14 any disagreements concerning the Motion for Final Approval.

15 10.1. Response to Objections. Each Party retains the right to respond to any objection raised
16 by a Participating Class Member, including the right to file responsive documents in Court no
17 later than 10 court days prior to the Final Approval Hearing, or as otherwise ordered or accepted
18 by the Court.

19 10.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final
20 Approval on any material change to the Settlement (including, but not limited to, the scope of
21 release to be granted by Class Members), the Parties will expeditiously work together in good
22 faith to address the Court’s concerns by revising the Agreement as necessary to obtain Final
23 Approval. The Court’s decision to award less than the amounts requested for the Class
24 Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation
25 Expenses Payment, or Administrator Expenses Payment shall not constitute a material
26 modification to the Agreement within the meaning of this paragraph.

27 10.3. Continuing Jurisdiction of the Court. The Parties agree that, pursuant to California Code
28 of Civil Procedure section 664.6, after entry of Judgment, the Court will retain jurisdiction over

1 the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or
2 Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-
3 Judgment matters as are permitted by law.

4 10.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
5 conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class
6 Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their
7 respective counsel, and all Participating Class Members who did not object to the Settlement as
8 provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to
9 post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions
10 for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver
11 of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the
12 Parties' obligations to perform under this Agreement, including Defendant's obligation to fund
13 the Settlement, will be suspended until such time as the appeal is finally resolved and the
14 Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement
15 Amount.

16 10.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
17 reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material
18 modification of this Agreement (including, but not limited to, the scope of release to be granted
19 by Class Members), this Agreement shall be null and void. The Parties shall nevertheless
20 expeditiously work together in good faith to address the appellate court's concerns and to obtain
21 Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration
22 Expenses Payments reasonably incurred after remittitur. An appellate decision to vacate, reverse,
23 or modify the Court's award of the Class Representative Service Payment or any payments to
24 Class Counsel shall not constitute a material modification of the Judgment within the meaning
25 of this paragraph, as long as the Gross Settlement Amount remains unchanged.

26 **11. AMENDED JUDGMENT**

27 If any amended judgment is required under Code of Civil Procedure section 384, the
28 Parties will work together in good faith to jointly submit and a proposed amended judgment.

12. ADDITIONAL PROVISIONS

12.1. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserve the right to contest certification of any class for any reasons, and Defendant reserve all available defenses to the claims in the Action, and Plaintiffs reserve the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

12.2. Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, Defendant and Defense Counsel separately agree that, until the Motion for Preliminary Approval is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiffs, Class Counsel, Defendant and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party

1 regarding this Agreement or the matters giving rise to this Agreement except to respond only that
2 “the matter was resolved,” or words to that effect. This paragraph does not restrict Class
3 Counsel’s communications with Class Members in accordance with Class Counsel’s ethical
4 obligations owed to Class Members.

5 12.3. Publicity. Class Counsel and Plaintiffs agree to discuss the terms of this Settlement only
6 in declarations submitted to the Court to establish Class Counsel’s adequacy to serve as Class
7 Counsel, in declarations submitted to the Court in support of the Motion for Preliminary
8 Approval, the Motion for Final Approval, for Class Counsel Fees Payment, for Class Counsel
9 Litigation Expenses Payment, and any other pleading filed with the Court in conjunction with
10 the Settlement, and in discussions with Class Members in the context of administering this
11 Settlement until the Preliminary Approval Order is issued. Class Counsel and Plaintiffs agree
12 that they shall not publish any press releases or press statements regarding the Settlement,
13 identify Defendant or Defense Counsel by name in any media including Class Counsel’s website,
14 or have any communications with the press or media about the Action or the Settlement.
15 Plaintiffs, in response to inquiries, will state that that “the Action was resolved.” This provision
16 will not impede Class Counsel’s ability to discharge fiduciary duties, including effectuating the
17 terms of this Settlement.

18 12.4. No Solicitation. The Parties separately agree that they and their respective counsel and
19 employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal
20 from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel’s
21 ability to communicate with Class Members in accordance with Class Counsel’s ethical
22 obligations owed to Class Members.

23 12.5. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement
24 together with its attached exhibits shall constitute the entire agreement between the Parties
25 relating to the Settlement, superseding any and all oral representations, warranties, covenants, or
26 inducements made to or by any Party.

27 12.6. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and
28 represent that they are authorized by Plaintiffs and Defendant, respectively, to take all appropriate

1 action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate
2 its terms, and to execute any other documents reasonably required to effectuate the terms of this
3 Agreement including any amendments to this Agreement.

4 12.7. Cooperation. The Parties and their counsel will cooperate with each other and use their
5 best efforts, in good faith, to implement the Settlement by, among other things, modifying the
6 Agreement, submitting supplemental evidence and supplementing points and authorities as
7 requested by the Court. In the event the Parties are unable to agree upon the form or content of
8 any document necessary to implement the Settlement, or on any modification of the Agreement
9 that may become necessary to implement the Settlement, the Parties will seek the assistance of
10 mediator Nikki Tolt.

11 12.8. No Prior Assignments. The Parties separately represent and warrant that they have not
12 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
13 encumber to any person or entity and portion of any liability, claim, demand, action, cause of
14 action, or right released and discharged by the Party in this Settlement.

15 12.9. No Tax Advice. Neither Plaintiffs, Class Counsel, Defendant nor Defense Counsel are
16 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied
17 upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR
18 Part 10, as amended) or otherwise.

19 12.10. Invalidity of Any Provision. Before declaring any provision of this Agreement invalid,
20 the Parties request that the Court first attempt to construe the provisions valid to the fullest extent
21 possible consistent with applicable precedents, so as to define all provisions of this Agreement
22 valid and enforceable.

23 12.11. Modification of Agreement. This Agreement, and all parts of it, may be amended,
24 modified, changed, or waived only by an express written instrument signed by all Parties or their
25 representatives, and approved by the Court.

26 12.12. Agreement Binding on Successors. This Agreement will be binding upon, and inure to
27 the benefit of, the successors of each of the Parties.

28 ///

1 12.13. Applicable Law. All terms and conditions of this Agreement and its exhibits will be
2 governed by and interpreted according to the internal laws of the state of California, without
3 regard to conflict of law principles.

4 12.14. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of
5 this Agreement. This Agreement will not be construed against any Party on the basis that the
6 Party was the drafter or participated in the drafting.

7 12.15. Confidentiality. To the extent permitted by law, all agreements made, and orders entered
8 during Action and in this Agreement relating to the confidentiality of information shall survive
9 the execution of this Agreement.

10 12.16. Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal.
11 Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by
12 Defendant in connection with the mediation, other settlement negotiations, or in connection with
13 the Settlement, may be used only with respect to this Settlement, and no other purpose, and may
14 not be used in any way that violates any existing contractual agreement, statute, or rule of court.
15 Not later than 90 days after the date when the Court discharges the Administrator's obligation to
16 provide a declaration confirming the final pay out of all Settlement funds, Plaintiffs shall destroy
17 all paper and electronic versions of Class Data received from Defendant, unless, prior to the
18 Court's discharge of the Administrator's obligation, Defendant makes a written request to Class
19 Counsel for the return, rather than the destructions, of Class Data.

20 12.17. Headings. The descriptive heading of any section or paragraph of this Agreement is
21 inserted for convenience of reference only and does not constitute a part of this Agreement.

22 12.18. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall
23 be to calendar days. In the event any date or deadline set forth in this Agreement falls on a
24 weekend or federal legal holiday, such date or deadline shall be on the first business day
25 thereafter.

26 12.19. Notice. All notices, demands or other communications between the Parties in connection
27 with this Agreement will be in writing and deemed to have been duly given as of the third
28

business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiffs and the Class:

David D. Bibiyan
Vedang J. Patel
1460 Westwood Boulevard
Los Angeles, CA 90024
Tel: (310) 438-5555;
Fax: (310) 300-1705
E-Mail: david@tomorrowlaw.com
vedang@tomorrowlaw.com

To Defendant:

Kathleen Carter
Messner Reeves, LLP
611 Anton Boulevard, Suite 450
Costa Mesa, CA 92626
Tel.: (949) 612-9128
Fax: (949) 438-2304
E-Mail : kcarter@messner.com

Joanna Ghosh
Ryan Slinger
450 North Brand Blvd., Suite 900
Glendale, California 91203
Tel: (818) 265-1020
Fax: (818) 265-1021
E-Mail: joanna@calljustice.com
r.slinger@calljustice.com

12.20. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

12.21. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

12.22. Severability. In the event that one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall in no way effect any other provision if Defense Counsel and Class Counsel, on behalf of the Parties, the Class, and the Aggrieved Employees, mutually elect

1 in writing to proceed as if such invalid, illegal, or unenforceable provision had never been
2 included in this Agreement.

3 12.23. Fair Settlement. The Parties, Class Counsel, and Defense Counsel believe and warrant
4 that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have
5 arrived at this Agreement through arms-length negotiations, taking into account all relevant
6 factors, both current and potential.

7 **IT IS SO AGREED:**

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9 _____
Plaintiff, Sasha Marty Navarro

Date: _____

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11 _____
Plaintiff, Daniel Kays

Date: _____

12 Electronically Signed 2026-08-05 18:06:01 UTC - 174.182.128.112
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08/05/2026

Date: _____

14 Plaintiff, Vermicco Davis

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16 _____
17 For Defendant, Lincoln Training Center
18 and Rehabilitation Workshop

Date: _____

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5 arrived at this Agreement through arms-length negotiations, taking into account all relevant
6 factors, both current and potential.

7 **IT IS SO AGREED:**

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9 _____
Plaintiff, Sasha Marty Navarro

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11 Electronically Signed 08/05/2026 18:56:39 UTC - 47.141.58.173
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Date: _____

08/05/2026

Date: _____

12 _____
Plaintiff, Daniel Kays

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14 _____
Plaintiff, Vermicco Davis

Date: _____

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16 _____
17 For Defendant, Lincoln Training Center
18 and Rehabilitation Workshop

Date: _____

AGREED AS TO FORM ONLY:

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David D. Bibiyan
Vedang J. Patel
Co-counsel for Plaintiffs

Date: _____



Joanna Ghosh
Ryan Slinger
Co-counsel for Plaintiffs

Date: 08/05/2026

Kathleen Carter
Counsel for Defendant

Date: _____

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5 arrived at this Agreement through arms-length negotiations, taking into account all relevant
6 factors, both current and potential.

7 **IT IS SO AGREED:**

8 *Sasha Navarro*

9 Plaintiff, Sasha Marty Navarro

Date: 08/04/2026

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11 _____
12 Plaintiff, Daniel Kays

Date: _____

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14 _____
15 Plaintiff, Vermicco Davis

Date: _____

16
17 _____
18 For Defendant, Lincoln Training Center
19 and Rehabilitation Workshop

Date: _____

1 **AGREED AS TO FORM ONLY:**

2 *David D. Bibiyan*

3 Date: 08/04/2026

4 David D. Bibiyan
5 Vedang J. Patel
6 Co-counsel for Plaintiffs

7 _____
8 Joanna Ghosh
9 Ryan Slinger
10 Co-counsel for Plaintiffs

11 Date: _____

12 _____
13 Kathleen Carter
14 Counsel for Defendant

15 Date: _____

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6 factors, both current and potential.

7 **IT IS SO AGREED:**

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9 _____ Date: _____
Plaintiff, Sasha Marty Navarro

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11 _____ Date: _____
Plaintiff, Daniel Kays

12
13 _____ Date: _____
14 Plaintiff, Vermicco Davis

15
16 *Gary Griffen* Date: 05/08/2026
Gary Griffen (Aug 5, 2026 10:37:29 PDT)
17 For Defendant, Lincoln Training Center
and Rehabilitation Workshop

AGREED AS TO FORM ONLY:

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David D. Bibiyan
Vedang J. Patel
Co-counsel for Plaintiffs

Date: _____

Joanna Ghosh
Ryan Slinger
Co-counsel for Plaintiffs

Date: _____

Deborah Gerstel
Deborah Gerstel, LA No. 5-2025-12-46-46-PDT

Deborah Gerstel for
Kathleen Carter
Counsel for Defendant

Date: 05/08/2026