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14
15 SUPERIOR COURT OF THE STATE OF CALIFORNIA

16 COUNTY OF SACRAMENTO

17
18 Coordination Proceeding
Special Title (Rule 3.550)

) Case No. 34-2015-00184209
) (JCCP No. 5015)

19 **MERCY HOUSING WAGE AND HOUR**
20 **CASES**

) **Honorable Steve M. Gevercer**
) **Department 27**

21 Including Actions:

) **JOINT STIPULATION REGARDING**
) **CLASS ACTION AND PAGA**
) **SETTLEMENT AND RELEASE**

22 *Freeman v. Mercy Services Corp*, Superior Court of
California, Sacramento County, Case No. 34-2015-
23 00184209

) Complaint Filed: September 14, 2015
) FAC Filed: September 18, 2017
) Jury Trial Date: None Set

24 *Sowary, et al. v. Mercy Housing Management*
25 *Group, Inc.*, Superior Court of California, San
Francisco County, Case No. CGC-18-568984

This Joint Stipulation Regarding Class Action and PAGA Settlement and Release (“Agreement”) is made and entered into between Plaintiffs Sherri Freeman and Phillip Gilliam on behalf of themselves and Class Members who do not submit a timely and valid opt-out request, Plaintiffs Sekou Sowary, and LynDonna Gamez on behalf of themselves and all alleged aggrieved employees, and Defendants Mercy Housing Management Group, Inc. (“MHMG”) and Mercy Housing, Inc. (“MHI”). This Agreement is subject to the terms and conditions set forth below and approval of the Court.

1. DEFINITIONS

The following terms, when used in this Agreement, have the following meanings:

1.1 “Agreement” or “Settlement” or “Settlement Agreement” means this Joint Stipulation Regarding Class Action and PAGA Settlement and Release.

1.2 “Claim Amount” means an individual Qualified Claimant’s allocation of the Net Settlement Amount.

1.3 “Class Counsel” means R. Rex Parris, Kitty K. Szeto, and Ryan A. Crist of the Parris Law Firm and Edwin Aiwarzian of Lawyers for Justice, PC.

1.4 “Class Member(s)” means all current and former non-exempt, hourly-paid employees of MHMG who worked for MHMG in California at any time from September 14, 2011, through the date of the Court’s final approval of the settlement or through July 31, 2022, whichever date occurs first.

1.5 “Class Notice” means the document substantially in the form attached hereto as Exhibit 1.

1.6 “Class Period” means from September 14, 2011, through the date of the Court’s final approval of the settlement or through July 31, 2022, whichever date occurs first.

1.7 “Class Representatives” means Plaintiffs Sherri Freeman and Phillip Gilliam.

1.8 “Coordinated Actions” means the class action lawsuit filed by Plaintiffs Sherri Freeman and Phillip Gilliam against MHMG (erroneously sued as Mercy Services Corp.) entitled *Freeman et. al. v. Mercy Services Corp.*, Sacramento County Superior Court Case No. 34-2015-00184209-CU-OE-GDS (“the *Freeman Action*”), and the representative Private

Attorneys General Act (“PAGA”) lawsuit filed by Plaintiffs Sekou Sowary and Gregory Goodwin against MHMG and MHI, entitled *Sowary et. al. v. Mercy Housing Management Group, Inc. et. al.* San Francisco County Superior Court Case No. CGC-18-568984 (“the *Sowary Action*”), which were coordinated in the Sacramento County Superior Court as the *Mercy Housing Wage and Hour Cases*, Case No. JCCP 5015 on July 16, 2019 (collectively the “Coordinated Actions”).

1.9 “Court” means the Coordination Trial Judge, the Honorable Steven M. Gevercer, for the *Mercy Housing Wage and Hour Cases*, Sacramento County Superior Court Case No. JCCP 5015.

1.10 “Defendants” means MHMG and MHI.

1.11 “Defendants’ Counsel” means Marc L. Jacuzzi and Sarah E. Lucas of Simpson, Garrity, Innes, and Jacuzzi, PC.

1.12 “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.13 “Enhancement Payment” means the amounts approved by the Court to be paid to each Class Representative and PAGA Representative in recognition of their time and effort expended on behalf of Class Members and/or MHMG Aggrieved Employees or MHI Aggrieved Employees for the benefit of Class Members and/or MHMG Aggrieved Employees or MHI Aggrieved Employees, which is in addition to any Claim Amount and/or PAGA Payment paid to the Class Representatives and/or PAGA Representatives.

1.14 “Final Approval Date” means the date a signed order granting final approval of this Agreement has been filed.

1.15 “*Gamez Action*” means the representative PAGA action filed on May 19, 2021, by Plaintiff LynDonna Gamez in Alameda County Superior Court, Case No. RG 21100185, against MHMG and MHI seeking civil penalties based on allegations that MHMG and MHI violated the following provisions of the Labor Code: (1) Labor Code section 510 (failure to pay overtime), (2) Labor Code section 512 (failure to provide meal periods), (3) Labor Code section 226.7 (failure to provide rest periods in violation of Wage Order); (4) Labor Code sections 1194 and 1197 (failure to pay minimum wages), (5) Labor Code sections 201 and 202 (timely payment of final wages); (6) Labor Code section 204 (timely payment of wages during employment); (7) Labor Code section 226(a) (wage statement); (8) Labor Code section 1174 (failure to keep complete and accurate payroll records); and (9) Labor Code sections 2800 and 2802 (business expense reimbursement) (“*Gamez Action*”). As part of this Settlement, Plaintiff LynDonna Gamez has agreed to request dismissal of her lawsuit with prejudice as she and all of the alleged aggrieved employees she represents in the *Gamez Action* are also represented aggrieved employees in the *Sowary Action* and therefore encompassed within the settlement herein.

1.16 “Gross Settlement Amount” is the total sum of Three Million Dollars and Zero Cents (\$3,000,000.00) to be paid by Defendants. Under no circumstances will Defendants pay any amount greater than the Gross Settlement Amount pursuant to this Agreement.

1.17 “LWDA” means the California Labor and Workforce Development Agency.

1.18 “MHI Aggrieved Employees” means all current and former non-exempt, hourly-paid employees of MHI who worked for MHI in California at any time from June 4, 2017, through the date of the Court’s final approval of the settlement or July 31, 2022, whichever occurs first.

1.19 “MHMG Aggrieved Employees” means all current and former non-exempt, hourly-paid employees of MHMG who worked for MHMG in California at any time from June 4, 2017, through the date of the Court’s final approval of the settlement or through July 31, 2022, whichever date occurs first.

1.20 “Net Settlement Amount” is the portion of the Gross Settlement Amount that remains after the following deductions are made: (a) all costs of settlement administration performed by the Settlement Administrator, up to a maximum amount of \$25,000; (b) \$75,000 payment to the LWDA (75% of the amount allocated to settlement of the PAGA claims); (c) \$25,000 payment to the MHMG Aggrieved Employees and the MHI Aggrieved Employees (25% of the amount allocated to the settlement of the PAGA claims) based proportionally on the pro-rated share of total pay periods worked during the PAGA Period by the MHMG Aggrieved Employees and the MHI Aggrieved Employees; (d) an Enhancement to Sherri Freeman of up to Twenty Five Thousand Dollars (\$25,000); (e) an Enhancement Payment to Philip Gilliam of up to Ten Thousand Dollars (\$10,000); Enhancement Payments to Sekou Sowary and LynDonna Gamez of up to Five Thousand Dollars (\$5,000) each; (f) the employers’ employment taxes on the settlement amounts; and (g) costs and attorneys’ fees for counsel for Plaintiffs.

1.21 “Notice Period” means forty-five (45) calendar days from the initial mailing of the Class Notice to Class Members.

1.22 “PAGA Payment” means an individual MHMG Aggrieved Employee or MHI Aggrieved Employee’s allocation of the 25% of the PAGA Settlement Amount allocated to MHMG Aggrieved Employees and MHI Aggrieved Employees.

1.23 “PAGA Period” means the time period from June 4, 2017, through the date of the Court’s final approval of the settlement or through July 31, 2022, whichever date occurs first.

1.24 “PAGA Representatives” means Sekou Sowary and LynDonna Gamez.

1.25 “PAGA Settlement Amount” means the amount allocated from the Gross Settlement Amount towards resolving claims against MHMG and MHI under the Private Attorneys General Act of 2004, California Labor Code §§ 2698 *et seq.* (“PAGA”).

1.26 “Parties” means Plaintiffs Sherri Freeman, Phillip Gilliam, Sekou Sowary, and LynDonna Gamez and Defendants MHMG and MHI.

1 1.27 “Plaintiffs” means Plaintiffs Sherri Freeman, Phillip Gilliam, Sekou Sowary and
2 LynDonna Gamez.

3 1.28 “Preliminary Approval Date” means the date a signed order granting
4 preliminary approval of this Agreement is filed with the Court.

5 1.29 “Qualified Claimants” means any and all Class Members who have not made any
6 timely request to opt-out of the Agreement.

7 1.30 “Qualifying Pay Periods” means the pay periods that a Class Member and/or
8 MHMG Aggrieved Employee or MHI Aggrieved Employee worked for MHMG and/or MHI in
9 California as a non-exempt employee during the Class Period and/or the PAGA Period.

10 1.31 “QSF” means a Qualified Settlement Fund set up by the Settlement
11 Administrator for the benefit of the Qualified Claimants, MHMG Aggrieved Employees, and
12 MHI Aggrieved Employees, and from which the payments under this Agreement shall be made.
13 Any amounts Defendants have agreed to pay under this Agreement shall remain the property of
14 Defendants until the payments required under the Agreement are made.

15 1.32 “Settlement Administrator” means and refers to Phoenix Class Action
16 Administration Solutions, the third-party entity that will administer the Agreement as outlined
17 in Sections 4 and 7, or any other third-party class action settlement administrator agreed to by
18 the Parties and approved by the Court for the purposes of administering this Agreement. The
19 Parties each represent that they do not have any financial interest in the Settlement
20 Administrator or otherwise have a relationship with the Settlement Administrator that could
21 create a conflict of interest.

22 1.33 “Settlement Administrator Costs” means the fees and expenses reasonably
23 incurred by the Settlement Administrator as a result of the procedures and processes expressly
24 required by this Agreement, and shall include all costs of administering the Agreement,
25 including, but not limited to, all tax document preparation, custodial fees, and accounting fees
26 incurred by the Settlement Administrator; all costs and fees associated with preparing, issuing
27 and mailing any and all notices and other correspondence to Class Members; all costs and fees
28 associated with communicating with Class Members and with Counsel for the Parties; all costs

1 and fees associated with computing, processing, reviewing, and paying the Claim Amounts and
2 PAGA Payments, and resolving disputes; all costs and fees associated with calculating tax
3 withholdings and payroll taxes, if any, making related payment to federal and state tax
4 authorities, if any, and issuing tax forms relating to payments made under the Agreement; all
5 costs and fees associated with preparing any tax returns and any other filings required by any
6 governmental taxing authority or agency; all costs and fees associated with preparing any other
7 notices, reports, or filings to be prepared in the course of administering Claim Amounts and
8 PAGA Payments; and any other costs and fees incurred and/or charged by the Settlement
9 Administrator in connection with the execution of its duties under this Agreement.

10 **2. DESCRIPTION OF THE LAWSUITS**

11 2.1 On September 14, 2015, Plaintiff Sherri Freeman ("Freeman") filed a class
12 action lawsuit in Sacramento County Superior Court, Case No. 34-2015-00184209-CU-OE-
13 GDS, against MHMG (erroneously sued as Mercy Services Corp) alleging causes of action for:
14 (1) failure to pay overtime; (2) unpaid meal period premiums; (3) unpaid rest period premiums;
15 (4) failure to pay minimum wage for all hours worked; (5) failure to pay final wages; (6) failure
16 to provide complaint wage statements; (7) failure to reimburse for business expenses; and (8)
17 violation of Business & Professions Code section 17200 *et. seq.* ("the *Freeman* Action"). On
18 November 20, 2019, Phillip Gilliam ("Gilliam") was named as another Plaintiff in the *Freeman*
19 Action.

20 2.2 On August 17, 2018, Plaintiffs Sekou Sowary ("Sowary") and Gregory Goodwin
21 ("Goodwin") filed a representative PAGA action in San Francisco County Superior Court, Case
22 No. CGC-18-568984, against MHMG and MHI ("the *Sowary* Action"). Prior to filing the
23 representative PAGA action, on June 4, 2018, Plaintiffs Sowary and Goodwin submitted letters
24 to the LWDA regarding their intention to file such an action against MHMG and MHI based on
25 alleged Labor Code violations. In their PAGA representative action, Plaintiffs Sowary and
26 Goodwin seek civil penalties based on allegations that MHMG and MHI violated provisions of
27 the Labor Code by the following conduct: (1) failure to pay overtime; (2) failure to provide
28 meal periods or pay meal period premiums; (3) failure to provide rest periods or pay rest period

1 premiums due, (4) failure to pay minimum wages, (5) failure to timely payment of final wages;
2 (6) failure to timely pay wages during employment; (7) failure to provide compliant wage
3 statements; (8) failure to keep complete and accurate payroll records; and (9) failure to
4 reimburse for business expenses (“the *Sowary* Action”).

5 2.3 On July 16, 2019, the *Freeman* Action and the *Sowary* Action were coordinated
6 in the Sacramento County Superior Court as the Mercy Housing Wage and Hour Cases, Case
7 No. JCCP 5015 (i.e., the "Coordinated Actions," as defined above).

8 2.4 On May 19, 2021, Plaintiff LynDonna Gamez ("Gamez") filed a representative
9 PAGA action in Alameda County Superior Court, Case No. RG 21100185, against MHMG and
10 MHI seeking civil penalties based on the same allegations that were made in the *Sowary* Action
11 – i.e., that MHMG and MHI violated provisions of the Labor Code by the following conduct
12 (1) failure to pay overtime; (2) failure to provide meal periods or pay meal period premiums; (3)
13 failure to provide rest periods or pay rest period premiums; (4) failure to pay minimum wages;
14 (5) failure to timely pay final wages; (6) failure to timely pay wages during employment; (7)
15 failure to provide complaint wage statements; (8) failure to keep complete and accurate payroll
16 records; and (9) failure to reimburse business expenses (the “*Gamez* Action”). The Gamez
17 Action was stayed on September 14, 2021, pending the outcome of the previously-filed *Sowary*
18 Action.

19 2.5 After conducting extensive discovery in the *Freeman* Action and *Sowary* Action
20 over a period of several years, and after Plaintiffs and Defendants attempted to resolve the
21 *Freeman* Action and *Sowary* Actions at a private mediation in March 2019 without success,
22 Plaintiffs Freeman and Gilliam filed their motion for class certification on October 25, 2020.
23 MHMG filed its Opposition to the motion for class certification on April 30, 2021, and
24 Plaintiffs Freeman and Gilliam filed their Reply in support of class certification on June 11,
25 2021. The Parties agreed to participate in a second private mediation in September 2021 and
26 stipulated to continuing the hearing on the class certification motion until after the mediation.

27 2.6 On September 15, 2021, the Parties participated in a second full-day mediation
28 with private mediator Tripper Ortman, a specialist in wage and hour law, in an attempt to

1 resolve the Coordinated Actions and the *Gamez* Action. During the second mediation session,
2 the Parties agreed to have Mr. Ortman make a referral to the Honorable Mitchel R. Goldberg, a
3 retired U.S. Bankruptcy Court Judge, in order to permit Judge Goldberg (ret.) to examine
4 Defendants' financial situation and provide Plaintiffs' counsel with an assessment of whether
5 Defendants' proposal to resolve the Coordinated Actions and the *Gamez* Action was fair and
6 reasonable in light of Defendants' financial situation. After Judge Goldberg (ret.) completed his
7 assessment and verified the accuracy of Defendants' representations regarding its financial
8 status, the Parties were able to come to a resolution of these matters. At all times, the Parties'
9 settlement negotiations have been non-collusive, adversarial, and at arm's length.

10 2.7 Each side has had ample time over a period of several years to assess the relative
11 merits of the claims asserted in the Coordinated Actions and the defenses to those claims. The
12 agreed upon Gross Settlement Amount was reached after evaluating the Parties' theories of
13 potential exposure for the underlying claims and the class data supporting these claims, as well
14 as Defendants' financial condition.

15 2.8 The Parties agree that the above-described investigation and evaluation, as well
16 as the extensive discovery, documents, and information exchanged to date, are more than
17 sufficient to assess the merits of the Parties' respective positions and to compromise the issues
18 on a fair and equitable basis. Plaintiffs, Class Counsel, Defendants, and Defendants' Counsel
19 have concluded that it is desirable that the Coordinated Actions and *Gamez* Action be settled in
20 a manner and upon such terms and conditions set forth herein in order to avoid the further
21 expense, inconvenience and distraction of further legal proceedings, and the risk of an adverse
22 outcome each of the Parties potentially face in the Coordinated Actions and *Gamez* Action.
23 Therefore, the Parties desire to resolve the claims in the Coordinated Actions and *Gamez*
24 Action. Plaintiffs and their counsel and Defendants and their counsel are of the opinion that the
25 Agreement for the consideration and terms set forth herein is fair, reasonable, and adequate in
26 light of all known facts and circumstances.

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1 **3. THE CONDITIONAL NATURE OF THIS AGREEMENT**

2 3.1 This Agreement and all associated exhibits or attachments are made for the sole
3 purpose of settling the Coordinated Actions and *Gamez* Action. This Agreement and the
4 settlement that this Agreement evidences are made in compromise of disputed claims. Because
5 the *Freeman* Action was pled as a class action, this Agreement must receive preliminary and
6 final approval by the Court. In addition, the *Sowary* Action was pled as a representative PAGA
7 Action and settlement of the PAGA claims must be approved by the Court. Accordingly, the
8 Parties enter into this Agreement and associated settlement on a conditional basis. If the Court
9 does not enter an order granting final approval of the Agreement or does not permit the
10 dismissal of Gregory Goodwin, or if the Court's approval of the settlement is reversed or
11 materially modified on appellate review, or if the Alameda County Superior Court does not
12 permit the *Gamez* Action to be dismissed with prejudice (see Sections 5.14 and 5.15 below),
13 then this Agreement shall be deemed null and void; it shall be of no force or effect whatsoever;
14 it shall not be referred to or utilized for any purpose whatsoever; and the negotiation, terms and
15 entry of the Agreement shall remain subject to the provisions of California Evidence Code
16 Sections 1119 and 1152, Federal Rule of Evidence 408, and any other analogous rules of
17 evidence that may be applicable.

18 3.2 Defendants have denied all claims as to liability, damages, penalties, interest,
19 fees, restitution, injunctive relief and all other forms of relief asserted in the Coordinated
20 Actions and the *Gamez* Action. Defendants have agreed to resolve the Coordinated Actions and
21 *Gamez* Action via this Agreement, but to the extent this Agreement is deemed void or never
22 becomes effective, Plaintiffs and Defendants do not waive, but rather expressly reserve, all
23 rights to challenge all such claims and allegations in the Coordinated Actions and/or the *Gamez*
24 Action and defenses thereto upon all procedural and factual grounds, including, without
25 limitation, the ability to move for and challenge class treatment on any grounds, as well as to
26 assert any and all other potential claims and defenses or privileges.

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1 **4. SCOPE OF THE AGREEMENT**

2 4.1 The individuals encompassed under the Agreement, who are entitled to all
3 benefits as authorized under the Agreement and subject to all obligations and duties required
4 under the Agreement, shall include all Class Members as defined in Section 1.4, all MHI
5 Aggrieved Employees as defined in Section 1.18, and all MHMG Aggrieved Employees as
6 defined in Section 1.19. However, it shall not include any Class Members who submit valid
7 and timely requests to opt-out of the Agreement and settlement, as set forth in Section 7.5.1.

8 4.2 Individuals entitled to recover under this Agreement will include only those
9 individuals who are identified as being within the scope of this Agreement under Section 4.1.

10 4.3 Any person who believes that he or she is a Class Member and wishes to
11 participate in the Agreement but did not receive a Class Notice because his or her name did not
12 appear on the class list provided to the Settlement Administrator prior to mailing, may submit a
13 data request to the Settlement Administrator. The data request must contain all of the following
14 information: (a) the full name and, if applicable, Social Security Number of the individual
15 making the request; (b) the name used by such employee during his or her employment with
16 MHMG; (c) the years during which such employee was employed as a non-exempt employee in
17 California by MHMG; and (d) a return address to which a response may be sent. Every data
18 request must be postmarked on or before the conclusion of the Notice Period or otherwise
19 submitted to the Settlement Administrator such that it is received before the conclusion of the
20 Notice Period. Upon receipt of any data requests, the Settlement Administrator shall promptly
21 (in no event more than two business days) transmit the data requests to Defendants' Counsel and
22 request that Defendants review its records.

23 4.4 If Defendants do agree that the person listed in a data request is a Class Member,
24 the Settlement Administrator shall promptly mail a Class Notice to the person who submitted
25 the data request, at the address designated for that purpose in the data request. All provisions of
26 this Agreement relating to the Class Notices shall apply to Class Notices sent in response to data
27 requests, and any person who submits a data request and is sent a Class Notice in response shall
28 be treated by the Settlement Administrator as a Class Member for all other purposes.

4.5 If Defendants disagree that the person listed in a data request is a Class Member, Defendants' Counsel shall attempt to resolve any such dispute in good faith within seven (7) calendar days of Class Counsel being advised in writing of the data request dispute. Defendants' records shall control unless the individual submitting the data request provides persuasive evidence to doubt the accuracy of those records. Each data request dispute that Defendants' Counsel and Class Counsel are unable to timely resolve shall be resolved by the Settlement Administrator. The Settlement Administrator must accept and weigh all the evidence provided in a good faith attempt to resolve the dispute. The Settlement Administrator must resolve any dispute submitted to it within seven (7) calendar days after Defendants' Counsel and Class Counsel submit the dispute to the Settlement Administrator. The decision by the Settlement Administrator shall be final and there shall be no right of appeal.

5. TERMS OF THE SETTLEMENT

The Parties agree as follows:

5.1 Gross Settlement Amount: In consideration and exchange for the releases described in Section 6 of this Agreement, Defendants shall pay the Gross Settlement Amount (\$3,000,000.00). Defendants shall deposit the Gross Settlement Amount with the Settlement Administrator within thirty (30) days after the Effective Date, conditioned upon the Alameda County Superior Court's dismissal of the *Gamez Action*. The Gross Settlement Amount shall then be held in trust in a QSF by the Settlement Administrator. The Gross Settlement Amount includes payments to Qualified Claimants, MHI Aggrieved Employees, and MHMG Aggrieved Employees, any monies necessary to satisfy Defendants' employment tax obligations (e.g., employer FICA, FUTA, and SDI contributions) wages paid to Qualified Claimants, Class Counsel's attorneys' fees, costs and litigation expenses related to the Coordinated Actions and *Gamez Action* incurred to date, as well as all such fees and costs incurred in documenting the Agreement and obtaining approval of the Agreement, Settlement Administrator Costs, and the Enhancement Payments to the Class Representatives and PAGA Representatives.

5.2 Attorneys' Fees and Costs: Class Counsel will apply to the Court for attorney's fees of 35% of the Gross Settlement Amount (i.e., \$1,050,000.00), which shall be paid from the

1 Gross Settlement Amount. Defendants have agreed to not oppose Class Counsel's application
2 for attorneys' fees so long as it does not exceed \$1,050,000.00. Class Counsel will also be
3 entitled to reimbursement for litigation costs not to exceed \$150,000, which shall be paid from
4 the Gross Settlement Amount. Defendants have agreed to not oppose Plaintiffs' Counsel's
5 request for reimbursement for litigation costs so long as it does not exceed \$150,000. The
6 Settlement Administrator will issue Class Counsel an IRS Form 1099 for the attorneys' fees and
7 costs paid under this Agreement. In the event that the Court awards less than the requested
8 attorney's fees and/or costs, the portion of the requested amounts not awarded to Class Counsel
9 shall be added to the Net Settlement Amount to be distributed to Qualified Claimants on a pro
10 rata basis as set forth in Section 5.8.

11 5.3 Settlement Administrator Costs: The Settlement Administrator Costs shall be
12 paid from the Gross Settlement Amount and shall not exceed \$25,000. The difference between
13 any actual costs and the allocated \$25,000 shall be added to the Net Settlement Amount.

14 5.4 Enhancement Payments: Class Counsel, on behalf of Plaintiffs, shall apply to
15 the Court for the following Enhancement payments: (1) an Enhancement Payment to Class
16 Representative Sherri Freeman in an amount not to exceed Twenty Five Thousand Dollars
17 (\$25,000.00), (2) an Enhancement payment to Class Representative Phillip Gilliam in an
18 amount not to exceed Ten Thousand Dollars (\$10,000.00), and (3) Enhancement Payments to
19 each of the PAGA Representatives in an amount not to exceed Five Thousand Dollars and Zero
20 Cents (\$5,000.00) each to compensate for the risks, time, and expense of their involvement in
21 the Coordinated Actions, for providing a general release, and with respect to Plaintiff
22 LynDonna Gamez, her involvement in the *Gamez* Action, and securing the benefits of this
23 Agreement for Class Members, MHMG Aggrieved Employees, and MHI Aggrieved
24 Employees. The Enhancement Payments are in addition to the Claim Amounts and the PAGA
25 Payments these individuals would otherwise be due under the Agreement as Qualified
26 Claimants, MHMG Aggrieved Employees and/or MHI Aggrieved Employees. Defendants will
27 not oppose Class Counsel's request for Enhancement Payments as set forth above. The
28 Enhancement Payments will be designated as non-wage payments and reported on an IRS Form

1099. In the event that the Court awards less than the Enhancement Payment amounts requested, then any portion of the requested amounts not awarded to the Class Representatives and/or PAGA Representatives shall be added to the Net Settlement Amount to be distributed to Qualified Claimants on a pro rata basis.

5.5 PAGA Settlement Amount: One Hundred Thousand Dollars (\$100,000) of the Gross Settlement Amount shall be allocated to resolving claims under the PAGA. Seventy-Five percent (75%) of the PAGA Settlement Amount will be paid to the LWDA and Twenty-Five percent (25%) will be paid to the MHI Aggrieved Employees and MHMG Aggrieved Employees on a pro rata basis as described below in Section 5.8. Any amount not approved by the Court for the allocated PAGA Settlement Amount shall be added to the Net Settlement Amount to be distributed to Qualified Claimants on a pro rata basis as set forth in Section 5.8.

5.6 Treatment of Residue and Cy Pres: For any portion of the Net Settlement Amount allocated to Qualified Claimants, any portion of the PAGA Settlement Amount allocated to MHMG Aggrieved Employees and/or MHI Aggrieved Employees, and any Enhancement Payments to Class Representatives and PAGA Representatives that are not claimed by cashing their respective settlement checks before the deadline to do so, that remaining amount shall be donated to Episcopal Community Services, California. Neither Defendants nor Defendants Counsel have any financial interest in or relationship with Episcopal Community Services, California. No amount will revert to Defendants for any reason.

5.7 No Additional Benefits Contributions: All Claim Amounts paid to Qualified Claimants and all PAGA Payments paid to MHI Aggrieved Employees and/or MHMG Aggrieved Employees shall be deemed to be income solely in the year in which such amounts were actually received. It is expressly understood and agreed that the receipt of such Claim Amounts and/or PAGA Payments will not entitle any Qualified Claimant, MHI Aggrieved Employee, and/or MHMG Aggrieved Employee to any new or additional compensation or benefits under any company bonus or other compensation or benefit plan or agreement in place during the period covered by the Agreement, nor will it entitle any Qualified Claimant, MHI Aggrieved Employee, and/or MHMG Aggrieved Employee to any increased retirement, 401(k)

1 and/or 403(b) benefits or matching benefits, or deferred compensation benefits. It is the intent
2 of this Agreement that the Claim Amounts and PAGA Payments provided for in this Agreement
3 are the sole payments to be made by Defendants to the Qualified Claimants, MHI Aggrieved
4 Employees, and/or MHMG Aggrieved Employees in connection with this Agreement
5 (notwithstanding any contrary language or agreement in any benefit or compensation plan
6 document that might have been in effect during the period covered by this Agreement).

7 5.8 Pro Rata Distribution Formula: Payment to Qualified Claimants, MHI
8 Aggrieved Employees, and/or MHG Aggrieved Employee of their Claim Amounts and/or
9 PAGA Payments will not require the submission of a claim form. Each Class Member's share
10 of the Net Settlement Amount will be determined by dividing their total Qualifying Pay Periods
11 worked within the Class Period by the total Qualifying Pay Periods worked by all Class
12 Members for that same period. That fraction will then be multiplied by the Net Settlement
13 Amount to arrive at the Class Member's individual share of the Net Settlement Amount (i.e., his
14 or her Claim Amount). Each MHMG Aggrieved Employee's and MHI Aggrieved Employee's
15 share of the 25% portion of the PAGA Settlement Amount will be similarly determined by
16 dividing their total Qualifying Pay Periods worked within the PAGA Period by the total
17 Qualifying Pay Periods worked by all MHMG Aggrieved Employees and MHI Aggrieved
18 Employees within that same period. That fraction will then be multiplied by the 25% portion of
19 the PAGA Settlement Amount allocated to the MHMG Aggrieved Employees and MHI
20 Aggrieved Employees to arrive at each MHMG Aggrieved Employee's and MHI Aggrieved
21 Employee's individual share (i.e., his or her PAGA Payment).

22 5.9 Allocation of Claim Amounts and PAGA Payments: The Parties recognize that
23 the Claim Amounts and PAGA Payments to be paid to Qualified Claimants, MHI Aggrieved
24 Employees, and/or MHMG Aggrieved Employees reflect a settlement of a dispute over claimed
25 wages, penalties, and interest. The Settlement Administrator shall calculate the employer's
26 share of payroll taxes on the amounts paid to Qualified Claimants as wages as well as
27 calculating all required withholdings and deductions from said wage payments. The
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1 characterization of Claim Amounts to Qualified Claimants and PAGA Payments to MHI
2 Aggrieved Employees and MHMG Aggrieved Employees are as follows:

3 5.9.1 One Third (1/3) of each Qualified Claimant's Claim Amount shall be
4 allocated for payment of disputed wages and shall be subject to standard withholdings and
5 deductions. Qualified Claimants shall receive an IRS Form W-2 for reporting of this portion of
6 their Claim Amount.

7 5.9.2 Two Thirds (2/3) of each Qualified Claimants' Claim Amount shall be
8 allocated for disputed statutory penalties and interest, and no amount shall be deducted for any
9 taxes. This portion of the Claim Amount consists of other income, not wages, for which the
10 Qualified Claimants shall receive an IRS Form 1099-MISC.

11 5.9.3 The entirety (100%) of each MHI Aggrieved Employee's and MHMG
12 Aggrieved Employee's PAGA Payment shall be allocated for payment of disputed civil
13 penalties, and no amount shall be deducted for any taxes. The PAGA Payment consists of other
14 income, not wages, for which the MHI Aggrieved Employees or MHMG Aggrieved Employees
15 shall receive an IRS Form 1099-MISC.

16 5.10 Responsibility for Payment of Taxes: Qualified Claimants, MHI Aggrieved
17 Employees, and MHMG Aggrieved Employees shall be solely responsible for the reporting and
18 payment of their share of any federal, state and/or municipal income or other taxes on payments
19 made pursuant to this Agreement, and shall hold the Parties, Class Counsel, and Defendants'
20 Counsel free and harmless from any claims resulting from treatment of such payments as non-
21 taxable, including the treatment of such payments as not subject to withholding or deduction for
22 payroll and employment taxes. No party has made any representation to any of the other Parties
23 as to the taxability of any payments pursuant to this Agreement, including the payments to
24 Qualified Claimants, the payments to the MHI Aggrieved Employees and the MHMG
25 Aggrieved Employees, the payments to Class Counsel, the payments to the Class
26 Representatives and PAGA Representatives, or the allocation of the Net Settlement Amount or
27 PAGA Settlement Amount to wage and non-wage income as provided in this Section, or
28 otherwise as to tax implications of any provision of this Agreement.

1 5.11 No Additional Contribution by Defendants: Defendants' monetary obligation
2 under this Agreement is limited to the Gross Settlement Amount. All other costs and expenses
3 arising out of or in connection with the performance of this Agreement shall be paid from the
4 Gross Settlement Amount, unless expressly provided otherwise herein. However, in the event
5 this agreement is deemed null and void as described in Section 3 because the Court, in its
6 independent determination, finds that the Agreement does not meet the standards for settlement
7 approval, then Defendants and Plaintiffs shall be equally responsible for the costs of the
8 Settlement Administrator incurred between the date the Agreement was executed and the date of
9 such event.

10 5.12 Certification for Settlement Purposes: The Parties agree that, for purposes of
11 settlement only, certification of the Class as defined in Sections 1.4 and 4.1 is appropriate and
12 the requisites for establishing class certification have been met and are met.

13 5.13 Adequacy of Class Counsel and Class Representatives: The Parties agree that,
14 for purposes of settlement only, Class Counsel and Plaintiffs Sherri Freeman and Phillip Gilliam
15 are adequate representatives for Class Members.

16 5.14 Dismissal of *Gamez* Action: This Agreement is also subject to the Alameda
17 County Superior Court dismissing the *Gamez* Action with prejudice. Class Counsel and
18 Defendants' counsel shall stipulate to the dismissal with prejudice of the *Gamez* Action.
19 Defendants' counsel shall prepare a Stipulation and Proposed Order seeking such dismissal of
20 the *Gamez* Action, which shall be filed within five (5) calendar days after preliminary approval
21 of this settlement by the Sacramento Superior Court. The dismissal of the *Gamez* Action shall
22 not become effective until the Court grants final approval of this Settlement. If the Alameda
23 County Superior Court does not dismiss the *Gamez* Action as requested by the Parties,
24 Defendants shall have the option of having the Parties restored to their positions prior to
25 Settlement, with the exception that if any Settlement Administration costs are due and payable,
26 the Parties agree to split those costs.

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1 5.15 Dismissal of Gregory Goodwin. This Agreement is also subject to the
2 Sacramento Superior Court dismissing Gregory Goodwin as a Plaintiff in the *Sowary Action*/
3 Coordinated Actions due to his lack of continued participation in prosecuting those actions.

4 **6. RELEASES**

5 6.1 Release of Claims by Qualified Claimants: Upon the date Defendants deposit
6 the Gross Settlement Amount with the Settlement Administrator, in exchange for the
7 consideration, undertakings, and covenants undertaken by MHMG in this Settlement, the
8 Qualified Claimants, including Plaintiffs, and their successors in interest release MHMG, and
9 any and all of its officers, directors, employees, partners, agents, subsidiaries, related companies
10 or agencies, parent companies or agencies, companies or agencies with common or related
11 ownership, successors, predecessors, assigns, insurers, attorneys, owners, affiliates, ERISA
12 plans, and current and former trustees and administrators of ERISA plans (“Released Parties”),
13 from any and all claims or causes of action arising at any time during the Class Period that are
14 based on or reasonably relate to the claims asserted in the *Freeman* Action for failure to pay
15 overtime in violation of Labor Code section 510, failure to pay meal period premiums in
16 violation of Labor Code section 226.7 or to provide meal periods in violation of Labor Code
17 section 512, failure to pay rest period premiums in violation of Labor code section 226.7 or to
18 provide rest periods as required by the applicable Wage Order, failure to pay minimum wage for
19 all hours worked in violation of Labor Code sections 1194 and 1197, failure to pay final wages
20 in compliance with Labor Code sections 201 and 202, violation of the wage statement
21 requirements in Labor Code section 226(a), failure to reimburse for business expenses in
22 violation of Labor Code sections 2800 and 2802, and violation of Business & Professions Code
23 section 17200 *et. seq.* (“Qualified Claimants’ Released Claims”).

24 6.2 Release of Claims by MHMG Aggrieved Employees: Upon the date Defendants
25 deposit the Gross Settlement Amount with the Settlement Administrator, all MHMG Aggrieved
26 Employees and their successors in interest will be deemed to fully, finally and forever release
27 any and all claims for civil penalties that were brought under the Private Attorneys General Act,
28 Labor Code § 2698 *et seq.*, against MHMG based on the facts or claims alleged in the *Sowary*

1 Action during the PAGA Period (“the MHMG Aggrieved Employees’ Released Claims”).

2 MHMG Aggrieved Employees cannot opt out of this waiver of claims.

3 6.3 Release of Claims by MHI Aggrieved Employees: Upon the date Defendants
4 deposit the Gross Settlement Amount with the Settlement Administrator, all MHI Aggrieved
5 Employees and their successors in interest will be deemed to fully, finally and forever release
6 any and all claims for civil penalties that were brought under the Private Attorneys General Act,
7 Labor Code § 2698 *et seq.*, against MHI based on the facts or claims alleged in the *Sowary*
8 Action during the PAGA Period and from any and all other claims and causes of action against
9 MHI, arising at any time during the PAGA Period, for violation of any of the Labor Code
10 provisions alleged to have been violated in the *Sowary* Action and based on the facts or
11 allegations alleged in the *Sowary* Action (“MHI Aggrieved Employees’ Released Claims”).
12 MHI Aggrieved Employees cannot opt out of this waiver of claims.

13 6.4 General Release of Claims by Plaintiffs: In exchange for the promises contained
14 in this Agreement, to the maximum extent waivable under applicable law, Plaintiffs may not sue
15 or bring any claim against any of the Released Parties or MHI for any reason whatsoever.
16 Specifically, Plaintiffs, to the maximum extent waivable under applicable law, on behalf of
17 themselves and their heirs, personal representatives, successors, spouses, registered domestic
18 partners, children, and assigns hereby release and forever discharge Released Parties and MHI
19 from any and all claims, liens, demands or liabilities whatsoever, whether known or unknown or
20 suspected to exist by Plaintiffs, which they ever had or may now have against Released Parties
21 and MHI, or either of them, arising at any time up to the date of signing this Agreement.

22 The claims that Plaintiffs, and their heirs, personal representatives, successors, spouses,
23 registered domestic partners, and children, waive above include, but are not limited to, claims
24 under contract law, common and statutory law regarding employee benefits, tort law,
25 defamation law, wrongful discharge law, privacy rights, whistleblower protections,
26 constitutional protections, the California Fair Employment and Housing Act and any similar
27 state law (which may include claims for age, race, color, ancestry, national origin, disability,
28 medical condition, marital status, sexual orientation, gender, gender identity, gender expression,

religious creed, genetic information, military and veteran status, pregnancy, sex discrimination and harassment), the Federal Civil Rights Act of 1964 and 1991, as amended, the Age Discrimination in Employment Act ("ADEA"), the Older Workers' Benefit Protection Act, the Americans With Disabilities Act ("ADA"), the Employee Retirement Income and Securities Act ("ERISA"), the Family and Medical Leave Act ("FMLA"), the California Family Rights Act ("CFRA"), the Equal Pay Act, the National Labor Relations Act ("NLRA"), the Labor Management Relations Act ("LMRA"), any and all protections pursuant to any Industrial Welfare Commission Order, and any and all claims pursuant to the California Labor Code, including but not limited to all claims for reimbursement of business expenses under Labor Code section 2802 and, all claims for civil penalties under the Private Attorneys General Act of 2004, with the sole exclusion of any claims for unemployment insurance with the State of California, any claims against Defendants' workers' compensation insurance carriers and any claims that cannot be waived under applicable law.

In giving this general release, Plaintiffs specifically waive the provisions of section 1542 of the California Civil Code (and any similar provision of other applicable law), which section reads 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.

Plaintiffs therefore waive all unknown, unanticipated, unsuspected and undisclosed claims, liens, demands or liabilities, as well as those which are known, anticipated, suspected or disclosed.

7. SETTLEMENT ADMINISTRATION

7.1 Duties of Settlement Administrator: The Settlement Administrator shall be responsible for: (1) receiving Class Member, MHI Aggrieved Employee, and MHMG Aggrieved Employee contact information and confirming addresses are valid; (2) calculating estimated Claim Amounts and PAGA Payments and any and all taxes associated with the Claim Amounts; (3) taking appropriate steps to trace and locate any individual Class Members, MHI

1 Aggrieved Employees, or MHMG Aggrieved Employees whose address or contact information
2 as provided to the Settlement Administrator is inaccurate or outdated; (4) mailing the Class
3 Notice to Class Members, MHI Aggrieved Employees, and MHMG Aggrieved Employees; (5)
4 providing notification to the appropriate state and federal officials of this Agreement as required
5 under the law; (6) receiving, independently reviewing, and resolving any challenges (in
6 consultation with Class Counsel and Defendants' Counsel) from Class Members, MHI
7 Aggrieved Employees, and MHMG Aggrieved Employees, including any associated
8 documentation, regarding their Qualified Pay Period calculations; (7) receiving and serving on
9 Class Counsel, Defendants' Counsel, and/or the Court, copies of any written objections,
10 disputes, and/or any opt out statements; (8) establishing a toll free telephone line and
11 responding to inquiries and requests for information or assistance from Class Members, MHI
12 Aggrieved Employees, and MHMG Aggrieved Employees; (9) maintaining a QSF; (10)
13 determining and paying the final amounts due to be paid under the Agreement after resolution
14 of all challenges, disputes, and opt-outs, including payment of awarded attorneys' fees and
15 costs, Settlement Administrator Costs, taxes, any Enhancement Payments, Claim Amounts to
16 Qualified Claimants, and PAGA Payments to MHI and MHMG Aggrieved Employees; (11)
17 determining the validity of any disputes or late opt-outs by previously unidentified Class
18 Members; (12) paying any residual funds from uncashed checks; (13) reporting to Class
19 Counsel and Defendants' Counsel regarding the statistics of the administration, including: (a)
20 the number of initial Class Notices mailed; (b) the number of forwarded Class Notices; (c) the
21 number of re-mailed Class Notices; (d) the number of total undeliverable Class Notices; (e) the
22 number of address traces performed for undeliverable Class Notices; (f) the number of Class
23 Notices undeliverable from traced addresses; (g) the number of total objections received; (h) the
24 number of opt-out requests received; (i) the number of disputes received; (j) the number of
25 disputes resolved; (14) providing a declaration to the Court regarding the final statistics of the
26 administration and compliance with all payment obligations under the Agreement; (15)
27 completing all necessary tax reporting on the QSF and payment of the Claim Amounts to
28 Qualified Claimants and PAGA Payments to MHI Aggrieved Employees and MHMG

Aggrieved Employees; and (16) carrying out other related tasks as necessary to effectuate the terms of this Agreement and any Order of the Court. All disputes relating to the Settlement Administrator's ability and need to perform its duties shall be referred to the Court, if necessary, which will have continuing jurisdiction over the terms and conditions of this Agreement, until all payments and obligations contemplated by the Agreement have been fully executed.

7.2 Notice to Class Members, MHI Aggrieved Employees and MHMG Aggrieved Employees: The Class Notice will provide Class Members with a summary of the terms and conditions of the Agreement, how to participate in the settlement, how to object to the Agreement, how to dispute the individual's Qualifying Pay Periods, and how Class Members can opt-out from the Agreement. The Class Notice also will inform Class Members of the Gross Settlement Amount, Net Settlement Amount, proposed attorneys' fees and costs allocations, any proposed Enhancement Payments, proposed Settlement Administrator Cost allocations, the scope of the class, the nature and extent of the released claims, and dates set for a fairness hearing and hearing on Class Counsel's motion for attorneys' fees and costs. The Class Notice shall include information regarding Class Member's estimated Claim Amount.

7.3 Class Member, MHMG Aggrieved Employee, and MHI Aggrieved Employee Data and Mailing: No later than fourteen (14) calendar days after the Preliminary Approval Date, Defendants shall provide the Settlement Administrator with the name, last known mailing address, last known telephone number, Social Security Number, start and end date (if any) of employment of each Class Member, MHMG Aggrieved Employee and MHI Aggrieved Employee, number of Qualifying Pay Periods for each Class Member, MHMG Aggrieved Employee and MHI Aggrieved Employee, and any other information the Settlement Administrator needs to effectuate notice to Class Members and to calculate Claim Amounts and PAGA payments. The Settlement Administrator shall review the data to determine the number of Qualifying Pay Periods for each Class Member, MHI Aggrieved Employee, or MHMG Aggrieved Employee consistent with Section 5.8. No later than fourteen (14) calendar days after receipt of such address information, the Settlement Administrator will perform a national change of address ("NCOA") search, update the addresses per the results of the NCOA search,

1 and then mail the Class Notice, substantially in the form attached as Exhibit 1, to each Class
2 Member by first-class mail, postage prepaid. The Settlement Administrator shall maintain all
3 information received from Defendants confidential to itself, and Defendants' Counsel.
4 However, Class Counsel shall be able to review the breakdown of Qualifying Pay Periods and
5 estimated Claim Amounts and/or PAGA Payments for Class Members, MHMG Aggrieved
6 Employees and MHI Aggrieved Employees prior to mailing for quality assurance provided the
7 personal identifying information is redacted and/or omitted.

8 7.4 Returned and/or Re-mailed Notices of Settlement: In the event that a Class
9 Notice is returned to the Settlement Administrator as non-delivered on or before the conclusion
10 of the Notice Period, the Class Notice shall be sent to the forwarding address affixed thereto
11 within five (5) calendar days. If no forwarding address is provided, then the Settlement
12 Administrator shall promptly attempt to determine a correct address using a single skip-trace,
13 computer or other search using the name, address and/or Social Security number of the
14 individual involved, and shall then perform a single re-mailing within five (5) calendar days.
15 Following each search that does not result in a corrected address, for those Class Members, who
16 appear to be current employees of MHMG or MHI at the time of the Preliminary Approval
17 Date, the Settlement Administrator shall contact Defendants' Counsel for assistance and
18 Defendants shall cooperate in good faith with the Settlement Administrator's reasonable efforts
19 to obtain valid mailing addresses for Class Members to the extent they are active employees of
20 Defendants. In the event the Class Notice is forwarded to a new address and/or re-mailed to a
21 Class Member, the deadline for the Class Member, MHMG Aggrieved Employee, or MHI
22 Aggrieved Employee to submit any dispute, objection, or request to opt-out, shall be the end of
23 the Notice Period or 10 days from the date of the re-mailing, whichever is later. In the event the
24 procedures in this Section are followed and the Class Member does not timely and properly
25 request to opt-out, the Class Member shall be bound by all terms of the Agreement, including
26 the Releases contained in Section 6.

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1 7.5 Responses to Class Notice:

2 7.5.1 Opt-Outs: The Class Notice shall provide that Class Members who wish
3 to exclude themselves from the Agreement must submit a request to opt-out as provided in this
4 Section. The request to opt-out must (a) state the Class Member's full name and date of birth;
5 (b) include a statement that he or she does not want to be a Class Member, does not want to
6 participate in the settlement, and/or wants to be excluded from the settlement; (c) identify the
7 case name and number (*i.e., Mercy Housing Wage and Hour Cases*, JCCP 5015); (d) be signed;
8 and (e) be post-marked no later than the conclusion of the Notice Period or the re-mailing
9 timeline stated in Section 7.4. The Class Member must personally sign the request to opt out.
10 No request to opt-out may be made on behalf of a group of Class Members. The date of the
11 postmark on the return-mailing envelope shall be the exclusive means used to determine
12 whether a request to opt-out has been timely submitted. Any Class Member who requests to opt
13 out of the Agreement will not be entitled to any benefit of the Agreement or any portion of the
14 Net Settlement Amount, will not be bound by the Agreement, nor will they have any right to
15 object, appeal or comment thereon. Class Members who fail to submit a valid and timely
16 request to opt-out shall be bound by all terms of the Agreement and any order or final judgment
17 thereon, regardless of whether they otherwise have requested to opt-out of the Agreement.

18 7.5.2 Objection Procedures: Any Class Member who does not opt out but who
19 wishes to object to this Agreement or otherwise to be heard concerning this Agreement shall
20 send their written objections to the Settlement Administrator and also serve copies of the
21 objections on Class Counsel and Defendants' Counsel. . The objection must (a) state the Class
22 Member's full name and date of birth; (b) provide evidence that the individual is, in fact, a
23 Class Member; (c) state the reasons for the objection(s), including any legal analysis and/or
24 supporting documentation; (d) identify the case name and number (*i.e., Mercy Housing Wage*
25 *and Hour Cases*, JCCP 5015); (e) be signed; and (f) be post-marked no later than the conclusion
26 of the Notice Period or the re-mailing timeline stated in Section 7.4. The objecting Class
27 Member must also file a notice of intent to appear with the Court and serve the notice on Class
28 Counsel and Defendants' Counsel if they intend to appear at the final approval hearing.

1 7.5.3 Dispute Procedures: Any Class Member, MHMG Aggrieved Employee,
2 and MHI Aggrieved Employee who disputes their number of Qualifying Pay Periods in the
3 Class Notice shall contact the Settlement Administrator. The dispute must (a) identify the
4 nature of the dispute; (b) provide any information or documentation supporting the Class
5 Member's, MHMG Aggrieved Employee's, or MHI Aggrieved Employee's position; (c) be
6 signed; and (d) be post-marked no later than the conclusion of the Notice Period or the re-
7 mailing timeline stated in Section 7.4. The Settlement Administrator shall promptly (in no
8 event more than two business days) forward all such disputes to Defendants' Counsel and
9 request that Defendants review the dispute. Defendants' records shall presumptively control
10 unless the Class Member, MHMG Aggrieved Employee, or MHI Aggrieved Employee can
11 produce documentation evidencing other periods of employment worked. If Defendants agree
12 with the submitted information, the Class Member, MHMG Aggrieved Employee, or MHI
13 Aggrieved Employee shall be credited or subtracted Qualifying Pay Periods in accordance with
14 their submitted information and that final number of Qualified Pay Periods shall govern the
15 calculation of that Class Member's Claim Amount and/or MHMG Aggrieved Employee's or
16 MHI Aggrieved Employee's PAGA Payment. If Defendants do not agree with the submitted
17 information, Defendants' Counsel will promptly advise Class Counsel of the dispute, which
18 includes turning over any documentation submitted by the Class Member, MHMG Aggrieved
19 Employee, or MHI Aggrieved Employee as part of the dispute. Defendants' Counsel and Class
20 Counsel shall attempt in good faith to resolve any such dispute within five (5) calendar days of
21 Class Counsel being advised of the dispute. Each dispute that Defendants' Counsel and Class
22 Counsel are unable to timely resolve shall be resolved by the Settlement Administrator or Court.

23 7.5.4 Deficient Opt-Outs, Objections, or Disputes: In the event that a deficient
24 opt out, objection, or dispute is received on or before the conclusion of the Notice Period, the
25 Settlement Administrator shall mail a letter to the Class Member, MHMG Aggrieved Employee
26 or MHI Aggrieved Employee within five (5) calendar days informing them of the deficiency. If
27 a deficiency letter is mailed to a Class Member, MHMG Aggrieved Employee, or MHI
28 Aggrieved Employee, the deadline for the Class Member, MHMG Aggrieved Employee, or

MHI Aggrieved Employee to cure the deficiency shall be the end of the Notice Period or 10 days from the date of the deficiency letter, whichever is later.

7.6 Due Process Acknowledgement: Compliance with the procedures set forth in Sections 7.1 to 7.5.4 shall constitute due and sufficient notice to Class Members of the Coordinated Actions and the Agreement and shall satisfy Class Members' due process rights. Nothing else shall be required of the Parties, Class Counsel or Defendants' Counsel to provide notice of the proposed Agreement.

7.7 Settlement Administrator Declaration Regarding Notice Period: Within twenty-one (21) days after the conclusion of the Notice Period, the Settlement Administrator shall provide Class Counsel and Defendants' Counsel with a signed declaration under penalty of perjury providing a complete and detailed report regarding the statistics and responses of settlement administration to date and all the Settlement Administrators' obligations under Sections 5.8 to 5.9, 7.1 to 7.5.4, and 7.7 to 7.9.

7.8 Settlement Administrator Payments to Qualified Claimants, MHMG Aggrieved Employee, MHI Aggrieved Employees, Class Counsel, Class Representatives and PAGA Representatives: Within seven (7) calendar days after the Final Approval Date and the Court's determination of the amount of attorneys' fees and costs payable to Class Counsel, the Enhancement Payments payable to Class Representatives and PAGA Representatives, and the Settlement Administrator Costs, the Settlement Administrator shall calculate the final Net Settlement Amount, the final Claim Amounts for Qualified Claimants and any applicable taxes thereon, and the final PAGA Payments for MHMG Aggrieved Employees and MHI Aggrieved Employees, and then report the results of these calculations to Class Counsel and Defendants' Counsel. Defendants shall wire the Gross Settlement Amount to fund the Settlement as described in Section 5.1 to the Settlement Administrator within thirty (30) days after the Effective Date to be held in trust in a QSF. Within fifteen (15) days after the wiring of the Gross Settlement Amount by Defendants, the Settlement Administrator shall deliver payment of Class Counsel's attorney's fees and costs, the Enhancement Payments payable to Class Representatives and PAGA Representatives, Settlement Administrator Costs, and payment to

1 Qualified Claimants, MHMG Aggrieved Employees, and MHI Aggrieved Employees as
2 required under this Agreement and approved by the Court.

3 7.8.1 The Settlement Administrator shall wire the Court-approved attorneys'
4 fees and costs to Class Counsel unless another method is requested by Class Counsel. Class
5 Counsel shall provide the Settlement Administrator with the pertinent taxpayer identification
6 number and payment instructions after the Final Approval Date.

7 7.8.2 The Settlement Administrator shall send a check by mail for the Court-
8 approved Enhancement Payments to the Class Representatives and PAGA Representatives,
9 unless other method is requested by Class Counsel.

10 7.8.3 Only Qualified Claimants will receive their Claim Amount. All MHMG
11 Aggrieved Employees and MHI Aggrieved Employees will receive their PAGA Payments.

12 7.8.4 The Settlement Administrator shall remit and report the applicable
13 portions of the payroll tax payment to the appropriate taxing authorities on a timely basis
14 pursuant to its duties under this Agreement. MHMG agrees to reasonably cooperate with the
15 Settlement Administrator to the extent necessary to determine the amount of the payroll tax
16 payment required.

17 7.9 Settlement Check Expiration/ Uncashed Checks: The Settlement Administrator
18 shall issue Claim Amounts to Qualified Claimants and PAGA Payments to MHMG Aggrieved
19 Employee or MHI Aggrieved Employees in the form of a check, which shall become null and
20 void if not deposited within 120 calendar days of issuance. After 120 calendar days of issuance,
21 the checks shall be voided and funds from all uncashed checks shall be transmitted in
22 accordance with Section 5.6. The Settlement Administrator shall deliver these funds within
23 fourteen (14) calendar days after the check cashing deadline.

24 7.10 Settlement Administrator Declaration Regarding Compliance and Settlement
25 Administration: Within twenty-one (21) days after the last day for Qualified Claimants,
26 MHMG Aggrieved Employees and MHI Aggrieved Employees to cash their settlement checks,
27 the Settlement Administrator shall provide Class Counsel and Defendants' Counsel with a
28 signed declaration under penalty of perjury providing a complete and detailed report regarding

the settlement administration documenting that all payments under the Agreement have been made, that the Court's final approval order has been complied with, and that all the obligations of the Settlement Administrator have been completed.

8. PRELIMINARY SETTLEMENT ADMINISTRATION SCHEDULE

8.1 The schedule may be modified depending on whether and when the Court grants necessary approvals, orders notice to Class Members, and sets further hearings. The schedule may also be modified to correct clerical errors and to reflect the provisions in the Agreement as described above. In the event of such modification, the Parties shall cooperate to complete the settlement procedures as expeditiously as reasonably practicable. The preliminary schedule for notice, approval, and payment procedures carrying out the Agreement is as follows:

Last day for Class Counsel and Defendants' counsel to file a stipulation with the Alameda County Superior Court requesting dismissal of the Gamez Action with prejudice	Within 5 calendar days after the Preliminary Approval Date
Last day for Defendants to provide Settlement Administrator with Class Member, MHMG Aggrieved Employee and MHI Aggrieved Employee information	Within 14 calendar days after the Preliminary Approval Date
Last day for Settlement Administrator to complete NCOA search, update Class Member, MHMG Aggrieved Employee, and MHI Aggrieved Employee mailing information, and mail Class Notice	Within 14 calendar days after the Settlement Administrators' receipt of Class Member, MHMG Aggrieved Employee, and MHI Aggrieved Employee information from Defendants
Last day for Class Members, MHMG Aggrieved Employees or MHI Employees to submit disputes, submit data requests, to opt-out, and/or to submit objections	Within 45 calendar days after mailing of Class Notice or within 10 days after Class Notice is re-mailed, whichever is later

1 2 3 4	Last day for Settlement Administrator to provide Parties with signed declaration reporting on settlement administration statistics	Within 21 calendar days after end of the Notice Period
5 6	Last day for Plaintiff LynDonna Gamez to notify Alameda County Superior Court of final approval so that dismissal of <i>Gamez</i> Action shall be effective.	Within 5 business days of the Final Approval Date
7 8 9 10 11	Last day for Settlement Administrator to calculate the final Net Settlement Amount, the final Claim Amounts for Qualified Claimants and any applicable taxes thereon, the final PAGA Payments, and report the results of these calculations to Class Counsel and Defendants' Counsel	Within 7 days after the Final Approval Date
12 13 14	Last day for Defendants to fund settlement	Within 30 calendar days after the Effective Date
15 16 17 18 19	Last day for Settlement Administrator to deliver payment of Class Counsel's attorney's fees and costs, Enhancement Payments, Settlement Administrator Costs, payments to Qualified Claimants, and payments to MHMG Aggrieved Employees and MHI Aggrieved Employees.	Within 15 days after Defendants wire the Gross Settlement Amount to the Settlement Administrator
20 21 22 23	Last day for Qualified Claimants, MHMG Aggrieved Employees, and MHI Aggrieved Employees to cash settlement checks	120 days after issuance of checks to Qualified Claimants, MHMG Aggrieved Employees, and MHI Aggrieved Employees
24 25 26 27 28	Last day for Settlement Administrator to deliver value of uncashed settlement checks to <i>cy pres</i> beneficiary, Episcopal Community Services, California.	Within 14 days after settlement check cashing deadline

Last day for Settlement Administrator to provide Parties with compliance declaration	Within 21 days after settlement check cashing deadline
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9. DUTIES OF THE PARTIES

9.1 Preliminary Approval: The Parties will cooperate in obtaining, through an unopposed motion to be filed as soon as reasonably practicable, an order from the Court preliminarily approving this Agreement at the earliest possible date concurrently with the Court's certification of the *Freeman* Action as a class action for settlement purposes. The Parties further agree to fully cooperate in the drafting and/or filing of any further documents or filings reasonably necessary to be prepared or filed, shall take all steps that may be requested by the Court relating to, or that are otherwise necessary to the approval and implementation of this Agreement and shall otherwise use their respective best efforts to obtain certification for settlement purposes, approval of, and implementation of this Agreement. The Parties will submit this Agreement to the Court for preliminary approval of its terms and for approval of the steps to be taken to obtain its final approval. Within two weeks of this Agreement being fully executed, Defendants' Counsel shall provide a draft of the Preliminary Approval Motion to Class Counsel. Class Counsel will draft the remaining portions of the Preliminary Approval Motion and provide comments and/or proposed revisions within one week after receipt of the draft Preliminary Approval Motion from Defendants' Counsel. With regard to the final approval documents, a similar one-week maximum review and response time shall be observed by the Parties. The Parties will request that the Court's preliminary approval of this Agreement be embodied in an Order Granting Preliminary Approval of Class Action and PAGA Settlement.

9.1.1 The motion shall seek an order: 1) preliminarily approving the Agreement; 2) approving as to form and content the proposed Class Notice; 3) directing the mailing of the Class Notice by first class mail to Class Members; 4) preliminarily appointing Class Representatives and Class Counsel as representatives of Class Members; 5) preliminarily

1 approving settlement administration services to be provided by the Settlement Administrator; 6)
2 preliminarily approving the proposed Enhancement Payments to Class Representatives and
3 PAGA Representatives; 7) preliminarily approving the application for payment of reasonable
4 attorneys' fees and reimbursement of litigation-related expenses to Class Counsel; and 8)
5 scheduling a fairness hearing on the question of whether the proposed Agreement should be
6 finally approved as fair, reasonable and adequate as to the Class Members.

7 9.1.2 Neither Party shall oppose the motion for preliminary approval of the
8 proposed Agreement.

9 9.1.3 The Parties shall cooperate with each other and the Settlement
10 Administrator during the process of giving Class Members notice and opportunity to object to
11 the Agreement, as necessary and appropriate to ensure effective communication to individual
12 Class Members of information about their rights and obligations under this Agreement.

13 9.2 Final Approval and Fairness Hearing: On a date approved by the Court and set
14 forth in the Class Notice, the Court shall hold the Final Approval and Fairness Hearing where
15 objections, if any, may be heard. Class Counsel shall provide the Court as part of the motion
16 for final approval of the Agreement, a declaration by the Settlement Administrator of due
17 diligence and proof of mailing of the Class Notice required to be mailed to Class Members by
18 this Agreement, and of the delivery results of the Settlement Administrator's mailings including
19 tracing and re-mailing efforts.

20 9.2.1 Class Counsel will submit a proposed order and judgment for final
21 approval, which shall include findings and orders: 1) approving the Agreement, adjudging the
22 terms thereof to be fair, reasonable and adequate, and directing that its terms and provisions be
23 carried out; 2) approving the payment of Enhancement Payments to Class Representatives and
24 PAGA Representatives; 3) approving Class Counsel's application for an award of attorneys'
25 fees and reimbursement of out-of-pocket litigation expenses; and 4) providing that the Court
26 will retain jurisdiction to oversee administration and enforcement of the terms of the Agreement
27 and the Court's orders.

9.2.2 Following entry of the Court's Order granting final approval of the Agreement, the Parties will each act to ensure the fulfillment of all its provisions, including but not limited to the following: 1) should an appeal be taken from the final approval of the Agreement or motion to set aside the judgement be filed, all Parties will support the final approval order on appeal or otherwise; 2) Class Counsel and Defendants' Counsel will assist the Settlement Administrator as needed or requested in the process of identifying and locating Qualified Claimants, MHMG Aggrieved Employees and MHI Aggrieved Employees entitled to payments under the Agreement and assuring delivery of such payments; 3) Class Counsel and Defendants' Counsel will cooperate with each other and assist the Settlement Administrator as needed or requested in completing the distribution of any residual amounts, as specified above, to the *cy pres* beneficiaries; 4) Class Counsel, in conjunction with the Settlement Administrator, will certify to the Court completion of all payments required to be made by this Agreement.

9.3 Final Judgment: If the Court approves this Agreement at the final approval and fairness hearing, the Parties will request that the Court enter an Order Granting Final Approval of Class Action and PAGA Settlement and Final Judgment.

10. MISCELLANEOUS TERMS

10.1 Circular 230 Disclaimer: EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY) ACKNOWLEDGES AND AGREES THAT: (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B)

1 HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE
2 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO
3 ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY
4 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY
5 OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
6 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
7 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY
8 OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF
9 WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
10 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF
11 ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
12 AGREEMENT.

13 10.2 No Prior Assignments: The Parties represent, covenant, and warrant that they
14 have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
15 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action,
16 cause of action or right released and discharged in this Agreement.

17 10.3 Waiver of Appeal and Ability to Opt Out: To the extent permitted by applicable
18 law, by signing this Agreement, Defendants are waiving any rights to appeal from the Court's
19 approval of the settlement unless the Court materially modifies the settlement. Furthermore, by
20 signing this Agreement, Class Representatives are waiving any right or ability to opt out of this
21 Agreement during the Notice Period or otherwise.

22 10.4 Exhibits Incorporated by Reference: The terms of this Agreement include the
23 terms set forth in any attached Exhibits, which are incorporated by this reference as though fully
24 set forth in this Agreement. Any Exhibits to this Agreement are an integral part of the
25 Settlement.

26 10.5 Judgment and Retention of Jurisdiction to Enforce: Upon the Final Approval
27 Date, judgment will be entered according to this Agreement, with the Court to retain jurisdiction
28

1 over the Parties to enforce the terms therein pursuant to California Code of Civil Procedure
2 section 664.6.

3 10.6 Mutual Cooperation: The Parties agree to cooperate fully with one another to
4 accomplish and implement the terms of this Agreement. Such cooperation shall include, but not
5 be limited to, execution of such other documents and the taking of such other action as may
6 reasonably be necessary to fulfill the terms of this Agreement. The Parties to this Agreement
7 shall use their best efforts, including all efforts contemplated by this Agreement and any other
8 efforts that may become necessary by Court order, or otherwise, to effectuate this Agreement
9 and the terms set forth herein.

10 10.7 No Admission of Liability: Neither the acceptance nor the performance by
11 Defendants of the terms of this Agreement, nor any of the related negotiations or proceedings, is
12 or shall be claimed to be, construed as, or deemed to be, an admission by Defendants of the
13 truth of any of the allegations in the complaints, the representative character of the Coordinated
14 Actions, the validity of any of the claims that were or could have been asserted by Class
15 Representatives, PAGA Representatives and/or Class Members in the Coordinated Actions or
16 the *Gamez* Action, or of any liability or guilt of Defendants in the Coordinated Actions and/or
17 *Gamez* Action. Nothing in this Agreement shall be construed to be or deemed an admission by
18 Defendants of any liability, culpability, negligence, or wrongdoing toward Class
19 Representatives, the Class Members, PAGA Representatives, MHMG Aggrieved Employees, or
20 MHI Aggrieved Employees, or any other person, and Defendants specifically disclaim any
21 liability, culpability, negligence, or wrongdoing toward Class Representatives, PAGA
22 Representatives, the Class Members, MHMG Aggrieved Employees, MHI Aggrieved
23 Employees or any other person. Each of the Parties has entered into this Stipulation with the
24 intention to avoid further disputes and litigation.

25 10.8 Notices: Unless otherwise specifically provided herein, all notices, demands, or
26 other communications given hereunder shall be in writing and shall be deemed to have been
27 duly given as of the third business day after mailing by United States certified mail, return
28 receipt requested, addressed as follows:

To Class Representatives, PAGA Representatives and the Class:

R. Rex Parris (SBN 96567)
 Kitty K. Szeto (SBN 258136)
 Ryan A. Crist (SBN 316653)
PARRIS LAW FIRM
 43364 10th Street West
 Lancaster, California 93534
 Telephone: (661) 949-2595
 Facsimile: (661) 949-7524

Edwin Aiwazian (SBN 232943)
LAWYERS *for* JUSTICE, PC
 410 West Arden Avenue, Suite 203
 Glendale, California 91203
 Telephone: (818) 265-1020
 Facsimile: (818) 265-1021

To Defendants:

Marc L. Jacuzzi
Simpson, Garrity, Innes, and Jacuzzi, PC
 2175 N. California Blvd., Suite 710
 Walnut Creek, CA 94596
 (925) 322-8889
 (925) 322-8890 (fax)

10.9 Mutual Drafting of Agreement: The Parties hereto agree that the terms and conditions of this Agreement are the result of lengthy, intensive, arm's-length negotiations between the Parties and that this Agreement shall not be construed in favor of or against any party by reason of the extent to which any party or its counsel participated in the drafting of this Agreement.

10.10 Binding Effect of Agreement: The Parties, by signing this Agreement, are bound by the terms herein. The Parties waive their rights to file an appeal, writ, or any challenge whatsoever to the terms of this Agreement. This Stipulation shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, Settlement Administrators, successors, and assigns.

10.11 Attorneys' Fees and Costs Limitations: Neither Class Counsel nor any other attorneys acting for, or purporting to act for, the Class, Class Members, Class Representatives,

1 PAGA Representatives, MHMG Aggrieved Employees, or MHI Aggrieved Employees may
2 recover or seek to recover any amounts for fees, costs, or disbursements from the Released
3 Parties or MHI or the Gross Settlement Amount except as expressly provided in this
4 Agreement. The Parties stipulate and agree that the Sacramento County Superior Court shall
5 have continuing jurisdiction to enforce the terms of the Agreement pursuant to Civil Procedure
6 Code section 664.6 and that the prevailing party in any action necessary to enforce the terms of
7 the Agreement after default by the other party may recover reasonable attorney's fees and costs
8 related thereto.

9 10.12 Modifications: This Agreement may be amended or modified only by a written
10 instrument signed by counsel for all Parties or their successors-in-interest. This Agreement may
11 not be discharged except by performance in accordance with its terms.

12 10.13 Authorization to Enter Into Settlement Agreement: Counsel for both Parties
13 warrant and represent they are expressly authorized by the Parties whom they represent to
14 negotiate this Agreement and to take all appropriate action required or permitted to be taken by
15 such Parties pursuant to this Agreement to effectuate its terms and to execute any other
16 documents required to effectuate the terms of this Agreement.

17 10.14 Class Member Signatories: Because the Action has not yet been certified, and
18 the Class Members are so numerous, the Parties agree that it is impossible or impractical to
19 have each Class Member sign this Agreement. It is agreed that, for purposes of seeking
20 approval of the Agreement, this Agreement may be executed on behalf of all Class Members by
21 the Class Representatives.

22 10.15 Counterparts: This Agreement shall become effective upon its execution by all
23 of the undersigned. Class Representatives, PAGA Representatives, Class Counsel, Defendants
24 and Defendants' Counsel may execute this Agreement in counterparts, and execution of
25 counterparts shall have the same force and effect as if each had signed the same instrument.
26 Facsimile, electronic, and/or scanned copies of signatures shall have the same force and effect
27 of originals.
28

1 10.16 Choice of Law: The Agreement and any exhibits hereto shall be considered to
2 have been negotiated, executed, and delivered, and to have been wholly performed, in the State
3 of California, and the rights and obligations of the Parties to the Agreement shall be construed
4 and enforced in accordance with, and governed by, the substantive laws of the State of
5 California without giving effect to that State's choice of law principles.

6 10.17 Headings and Captions: Section titles or captions contained in the Agreement
7 are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or
8 describe the scope of this Agreement, or any provision thereof.

9 10.18 No Retaliation or Discouragement: The Parties agree they will take no action
10 that could be construed as retaliation against any Class Members for participating or seeking to
11 participate in the class action settlement. The Parties will not discourage any Class Member
12 from participating or seeking to participate in the class action settlement. This is a material
13 term of the Agreement and non-breaching Parties will seek court intervention if this provision is
14 breached. Should non-breaching Party prevail, they shall be entitled to further attorneys' fees
15 and costs.

16 10.19 Integrated Agreement: This Agreement sets forth the entire understanding
17 between the Parties and supersedes any and all prior agreements, oral or written, pertaining to
18 the subject matter hereof. Each party acknowledges that there is no representation, inducement,
19 promise or agreement which has been made, orally or otherwise, by the other party, concerning
20 the terms or conditions of this Agreement, which is not expressly embodied in this Agreement.
21 In entering into this Agreement, the Parties represent that the terms of this Agreement are fully
22 understood and voluntarily accepted by the Parties.

23 10.20 Binding on Successors and Assigns: This Agreement will be binding upon, and
24 inure to the benefit of, the successors or assigns of the Parties to this Agreement, as previously
25 defined.

26 10.21 Invalidity of Any Provision: Before declaring any provision of this Agreement
27 invalid, the Court will first attempt to construe the provision as valid to the fullest extent
28

possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

10.22 Waiver of Compliance: No waiver of any condition or covenant contained in this Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

IN WITNESS WHEREOF, this Agreement is executed by the Parties and their duly authorized attorneys, as of the day and year herein set forth.

Date: 11/9/2022

DocuSigned by:
Sherri Freeman
CA703CF4BD8D455
Plaintiff Sherri Freeman

Date: _____

Plaintiff Philip Gilliam

Date: _____

Plaintiff Sekou Sowary

Date: _____

Plaintiff LynDonna Gamez

Date: _____

Defendant Mercy Housing Management
Group, Inc.
By: Cheryl O'Bryan
Its: President

Date: _____

Defendant Mercy Housing, Inc.
By: Joe Rosenblum
Its: Secretary

possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

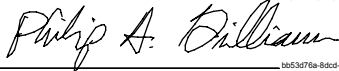
10.22 Waiver of Compliance: No waiver of any condition or covenant contained in this Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

IN WITNESS WHEREOF, this Agreement is executed by the Parties and their duly authorized attorneys, as of the day and year herein set forth.

Date: _____

Plaintiff Sherri Freeman

11/04/2022
Date: _____

Electronically Signed: 2022-11-04 19:00:47 UTC - 76.103.72.58

Nintex AssureSign® b653d76a-8dcd-4086-ac7a-a440014e6735

Plaintiff Philip Gilliam

Date: _____

Plaintiff Sekou Sowary

Date: _____

Plaintiff LynDonna Gamez

Date: _____

Defendant Mercy Housing Management
Group, Inc.
By: Cheryl O'Bryan
Its: President

Date: _____

Defendant Mercy Housing, Inc.
By: Joe Rosenblum
Its: Secretary

possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

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IN WITNESS WHEREOF, this Agreement is executed by the Parties and their duly authorized attorneys, as of the day and year herein set forth.

Date: _____

Plaintiff Sherri Freeman

Date: _____

Plaintiff Philip Gilliam

11/01/2022
Date: _____

Electronically Signed 2022-11-02 01:31:08 UTC - 98.51.5.205

Sekou Sowary
Nintex AssureSign® 9c9a4c83-0ed9-4d11-a8bb-af40014e0b56

Plaintiff Sekou Sowary

Date: _____

Plaintiff LynDonna Gamez

Date: _____

Defendant Mercy Housing Management
Group, Inc.
By: Cheryl O'Bryan
Its: President

Date: _____

Defendant Mercy Housing, Inc.
By: Joe Rosenblum
Its: Secretary

possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

10.22 Waiver of Compliance: No waiver of any condition or covenant contained in this Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

IN WITNESS WHEREOF, this Agreement is executed by the Parties and their duly authorized attorneys, as of the day and year herein set forth.

Date: _____

Plaintiff Sherri Freeman

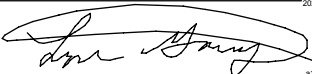
Date: _____

Plaintiff Philip Gilliam

Date: _____

Plaintiff Sekou Sowary

Date: 11/01/2022

Electronically Signed 2022-11-01 19:38:44 UTC - 172.58.32.125

Nintex AssureSign® a12em208-648b-4359-86de-a8400139322

Plaintiff LynDonna Gamez

Date: _____

Defendant Mercy Housing Management
Group, Inc.
By: Cheryl O'Bryan
Its: President

Date: _____

Defendant Mercy Housing, Inc.
By: Joe Rosenblum
Its: Secretary

possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

10.22 Waiver of Compliance: No waiver of any condition or covenant contained in this Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

IN WITNESS WHEREOF, this Agreement is executed by the Parties and their duly authorized attorneys, as of the day and year herein set forth.

Date: _____

Plaintiff Sherri Freeman

Date: _____

Plaintiff Philip Gilliam

Date: _____

Plaintiff Sekou Sowary

Date: _____

Plaintiff LynDonna Gamez

Date: 11/3/2022

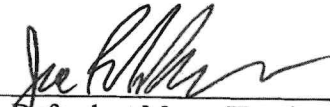


Defendant Mercy Housing Management Group, Inc.

By: Cheryl O'Bryan

Its: President

Date: 11/4/2022



Defendant Mercy Housing, Inc.

By: Joe Rosenblum

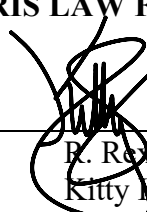
Its: Secretary

1 Approved as to Form:

2
3 Date: November 9, 2022

PARRIS LAW FIRM

4
5 By: _____


R. Rex Parris

Kitty K. Szeto

Ryan A. Crist

Attorneys for Plaintiffs

6
7
8
9 Date: _____

LAWYERS FOR JUSTICE, PC

10
11 By: _____

Edwin Aiwarzian

Attorneys for Plaintiffs

12
13 Date: _____

**SIMPSON, GARRITY, INNES &
JACUZZI, PC**

14
15
16 By: _____

Marc L. Jacuzzi

Sarah E. Lucas

Attorneys for Defendants

1 Approved as to Form:

2
3 Date: _____

PARRIS LAW FIRM

4
5 By: _____

6 R. Rex Parris
7 Kitty K. Szeto
8 Ryan A. Crist
9 Attorneys for Plaintiffs

10 Date: November 4, 2022

LAWYERS FOR JUSTICE, PC

11 By:  _____

12 Edwin Aiwanian
13 Attorneys for Plaintiffs

14 Date: _____

**SIMPSON, GARRITY, INNES &
JACUZZI, PC**

15
16 By: _____

17 Marc L. Jacuzzi
18 Sarah E. Lucas
19 Attorneys for Defendants
20
21
22
23
24
25
26
27
28

1 Approved as to Form:

2
3 Date: _____

PARRIS LAW FIRM

4
5 By: _____

6 R. Rex Parris
7 Kitty K. Szeto
8 Ryan A. Crist
9 Attorneys for Plaintiffs

10 Date: _____

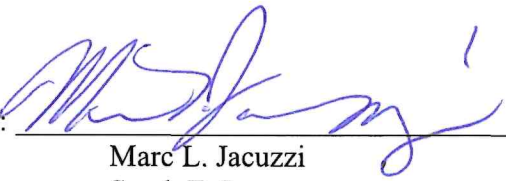
LAWYERS FOR JUSTICE, PC

11
12 By: _____

13 Edwin Aiwazian
14 Attorneys for Plaintiffs

15 Date: 11/07/2022

**SIMPSON, GARRITY, INNES &
JACUZZI, PC**

16
17 By:  _____

18 Marc L. Jacuzzi
19 Sarah E. Lucas
20 Attorneys for Defendants
21
22
23
24
25
26
27
28

NOTICE OF CLASS ACTION

MERCY HOUSING WAGE AND HOUR CASES, CASE NO. JCCP 5015

READ THIS NOTICE CAREFULLY. IT CONTAINS IMPORTANT INFORMATION ABOUT A PROPOSED CLASS ACTION SETTLEMENT AND YOUR RIGHTS AS A CLASS MEMBER.

A COURT AUTHORIZED THIS NOTICE. THIS IS NOT A SOLICITATION.

Judge Jill H. Talley, Judge of the Superior Court of the State of California, County of Sacramento (the “Court”), has preliminarily approved class certification and a proposed class action settlement (the “Settlement”) that certifies a class for settlement purposes of all current and former non-exempt, hourly employees of Mercy Housing Management Group, Inc. (“MHMG”) who worked for MHMG in California at any time from September 14, 2011 through July 31, 2022 (individually, the “Class Members,” and taken together, the “Class”). The Settlement provides for all Class Members who participate in the Settlement to receive a portion of a total settlement amount of approximately Three Million Dollars (\$3,000,000.) The total settlement amount also includes payments that will be made to the California Labor and Workforce Development Agency and to current and former employees of MHMG and Mercy Housing, Inc. (“MHI”) for penalties under the Private Attorneys General Act of 2004 (“PAGA”) for alleged violations of the California Labor Code in connection with the settlement of the Coordinated Action entitled *Mercy Housing Wage and Hour Cases*, Case No. JCCP 5015.

Judge Talley will conduct a hearing to determine if the settlement agreement reached in the case (“Settlement Agreement”) is acceptable and if the Settlement Agreement should be finally approved (the “Final Approval and Fairness Hearing”). The judgment, whether favorable or not, will bind all Class Members who do not request to be excluded from the Settlement.

You are receiving this Notice because MHMG’s records reflect that you are or were employed by MHMG in California as a non-exempt, hourly-paid employee during the period of time from September 14, 2011 through July 31, 2022 (the “Class Period”), and are therefore a Class Member.

YOU SHOULD READ THIS NOTICE CAREFULLY AS YOUR LEGAL RIGHTS MAY BE AFFECTED AND YOU HAVE A CHOICE TO MAKE REGARDING THE SETTLEMENT. THIS NOTICE ADVISES YOU OF HOW YOU CAN PARTICIPATE IN THE SETTLEMENT, OR, ALTERNATIVELY, HOW YOU CAN EXCLUDE YOURSELF FROM THE SETTLEMENT.

If you have questions about this Notice or the class action, you should contact the following attorneys representing the Class (“Class Counsel”):

R. Rex Parris (SBN 96567)
Kitty K. Szeto (SBN 258136)
Ryan A. Crist (SBN 316653)
PARRIS LAW FIRM
43364 10th Street West
Lancaster, California 93534
Telephone: (661) 949-2595

Edwin Aiwazian (SBN 232943)
LAWYERS for JUSTICE, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203
Telephone: (818) 265-1020

YOUR LEGAL RIGHTS AND OPTIONS	
TO PARTICIPATE IN THE SETTLEMENT OF THE CLASS ACTION:	If you wish to participate in the Settlement of the class action against MHMG and receive a settlement payment, <i>you need not do anything.</i> If the Settlement is approved at the Final Approval and Fairness Hearing, and you do not “opt out,” payment will be distributed to you within 45 days after the Effective Date of the Settlement. By participating in the Settlement, you will be bound by the Settlement Agreement, including the release and discharge of the Released Parties (as defined below).
TO BE EXCLUDED FROM THE SETTLEMENT:	If you do not want to participate as a Class Member and do not want to receive a settlement payment from the class action lawsuit, you must timely file a Request for Exclusion. If the Court grants final approval of the Settlement, you <i>will not</i> receive a settlement payment from the class action lawsuit and you <i>will not</i> give up any rights you may have to sue the Released Parties, including MHMG, for any of the Class Action Released Claims (as defined below). Please note that if you are eligible to receive an individual PAGA Payment and you “opt out” of the settlement of the class action lawsuit, you will still receive an individual PAGA Payment. Your right to bring a claim against Defendants pursuant to PAGA will be extinguished regardless of whether or not you opt out.

IMPORTANT DEADLINES

YOUR DEADLINE TO FILE A NOTICE OF OBJECTION TO FINAL APPROVAL OF THE SETTLEMENT, TO DISPUTE THE CALCULATION OF YOUR SETTLEMENT PAYMENT, OR TO OPT OUT OF THIS SETTLEMENT IS **[DATE] (FORTY-FIVE (45) CALENDAR DAYS FROM THE MAILING OF THE CLASS NOTICE), OR WITHIN TEN (10) DAYS AFTER THE CLASS NOTICE HAS BEEN RE-MAILED, WHICHEVER IS LATER.**

FREQUENTLY ASKED QUESTIONS

1. What is the purpose of this Notice?

The purpose of this Notice is to explain the proposed Settlement and inform you of your rights as a Class Member, including:

- How to receive your portion of the Settlement Payment and be bound by the Settlement;
- Your right to file an objection to the Settlement and be heard at the Final Approval and Fairness Hearing; and
- Your right to be excluded from, or opt out of, the Settlement and not be bound by the Settlement.

2. What is the Litigation about?

This Settlement involves three cases. One of the cases is a class action lawsuit that was filed by Plaintiffs Sherri Freeman and Phillip Gilliam against Defendant Mercy Housing Management Group, Inc. (erroneously sued as Mercy Services Corp), in Sacramento County Superior Court entitled *Sherri Freeman et. al. v. Mercy*

Services Corp, Sacramento Superior Court Case No. Case No. 34-2015-00184209-CU-OE-GDS (“the *Freeman* class action”). The other cases are two Private Attorneys General Act of 2004 (“PAGA”) lawsuits filed by: (1) Plaintiffs Sekou Sowary and Gregory Goodwin against Defendants Mercy Housing Management Group, Inc. and Mercy Housing, Inc. in San Francisco County Superior Court entitled *Sekou Sowary et. al. v. Mercy Housing Management Group, Inc. et. al*, San Francisco County Superior Court Case No. Case No. CGC-18-568984; and (2) Plaintiff LynDonna Gamez against Defendants Mercy Housing Management Group, Inc. and Mercy Housing, Inc. in Alameda County Superior Court entitled *LynDonna Gamez. v. Mercy Housing Management Group, Inc. et. al*, Alameda County Superior Court Case No. RG 21100185 (collectively “the PAGA lawsuits”). The *Freeman* class action and the *Sowary* case were coordinated on July 16, 2019 as the *Mercy Housing Wage and Hour Cases* and have been overseen by Judge Steve M. Gevercer, Judge of the Superior Court of the State of California, County of Sacramento, since that date.

In the class action lawsuit, Plaintiffs Sherri Freeman and Phillip Gilliam allege that Defendant Mercy Housing Management Group, Inc. (“MHMG”) failed to pay all overtime owed, failed to provide meal periods or pay meal period premiums, failed to provide rest periods or pay rest period premiums, failed to provide accurate itemized wage statements, failed to reimburse business expenses, failed to timely pay all wages owed at termination, and violated California’s unfair competition law.

The Court has not made any determination as to whether the claims advanced by Plaintiffs in the *Freeman* class action lawsuit have any merit. Nor has it decided whether the lawsuit can proceed as a class action except for settlement purposes only. Instead, the parties to the lawsuits agreed to resolve the *Freeman* class action lawsuit along with the PAGA lawsuits with no decision or admission of who is right or wrong. By agreeing to resolve the lawsuits, the parties avoid the risks and costs of a trial.

Defendants deny all allegations made by Plaintiffs, individually and on behalf of the employees they seek to represent and deny liability for any wrongdoing with respect to the alleged facts or causes of action asserted in the lawsuits, including the *Freeman* class action. The Settlement is not an admission by Defendants of any wrongdoing or an indication that any law was violated.

On [date] at [time] in Department 27 of the Superior Court of California, County of Sacramento, the Court held a hearing where it provisionally approved the terms of the proposed Settlement, found that the class action lawsuit can fairly be settled on a class basis, approved the settlement of the PAGA cases, approved this Notice, and scheduled a hearing where the Court will consider whether to grant “final approval” of the proposed Settlement.

On [date of entry of the preliminary approval order], the Court decided that all current and former non-exempt, hourly-paid employees of MHMG who worked for MHMG in California at any time from September 14, 2011, through July 31, 2022 (the “Class Period”) are Class Members.

3. What are the terms and benefits of the Proposed Settlement?

Under the proposed Settlement, MHMG and MHI agree to pay three Million Dollars (\$3,000,000.) (the “Gross Settlement Amount”) to resolve the class action lawsuit and the PAGA lawsuits.

The Gross Settlement Amount includes: (a) expenses and fees of the Settlement Administrator in an amount up to \$25,000; (b) an Enhancement Payment of up to \$25,000.00 to Plaintiff and Class Representative Sherri Freeman; (c) an Enhancement Payment of up to \$10,000 to Plaintiff and Class Representative Phillip Gilliam (d) Enhancement Payments of up to \$5,000 each to PAGA Representatives Sekou Sowary and LynDonna Gamez; (e) attorneys’ fees in the amount of \$1,050,000.00 to Class Counsel; (g) litigation costs in an amount of no more than \$150,000 to Class Counsel; (g) \$ 75,000 payment to the Labor and Workforce Development Agency (75% of the amount allocated to settlement of the PAGA claims); (h) \$ 25,000 payment to the MHMG Aggrieved Employees and the MHI Aggrieved Employees (25% of the amount allocated to the settlement of the PAGA claims) based proportionally on their pro-rated share of total pay periods worked from June 4, 2017 through July 31, 2022 (“PAGA Period”); and (i) employer employment taxes on the wage portion of the amount

paid to Class Members. After these payments are made, the remaining portion of the Gross Settlement Amount, in the amount of at least \$1,630,000, the “Net Settlement Amount”) will be paid to Class Members. The Court must approve these payments at the Final Approval and Fairness Hearing.

Unless you exclude yourself, you will be a member of the Class, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against MHMG about the legal issues raised in the *Freeman* class action case. It also means that all of the Court's orders will apply to you and legally bind you. See the information provided in answer to Question 12 if you want to find out how to exclude yourself from the Class.

If you are an MHMG Aggrieved Employee, then you also will receive a share of the amount allocated to the settlement of the PAGA claims. “MHMG Aggrieved Employees” are non-exempt, hourly-paid employees who worked for MHMG in California during the PAGA Period (i.e., June 4, 2017, through July 31, 2022.) MHMG Aggrieved Employees cannot exclude themselves from the settlement of the PAGA cases.

4. How can I participate in the Proposed Settlement of the class action lawsuit?

You do not need to do anything to participate in the Settlement. You have been identified as a Class Member based upon MHMG’s records, and you will receive payment in connection with the Settlement provided you do not request exclusion from this Settlement. **However, it is important that if you choose to participate in the Settlement, you DO NOT submit a Request for Exclusion Form.** Any Class Member who does not request exclusion may, if the Class Member so desires, enter an appearance through counsel.

5. How will my portion of the Net Settlement Amount be calculated if I participate in the Settlement?

The portion of the Net Settlement Amount to be paid to you is based on the number of pay periods that you worked for MHMG in California as a non-exempt, hourly-paid employee during the Class Period, based on MHMG’s records.

Although your exact share of the Net Settlement Amount cannot be precisely calculated until after the time during which individuals may object or seek exclusion from the Settlement, your share of the Net Settlement Amount is currently estimated as follows: \$[insert estimate]. This is based on MHMG’s records, which show you worked [insert number of pay periods] as a non-exempt employee in California during the Class Period.

If you believe the number of pay periods listed above is incorrect, you may contact the Settlement Administrator, _____ in writing at [address] by [end of Notice Period], and explain the nature of your dispute and provide any supporting documentation regarding your disagreement with the pay periods listed above. Your written communication to the Settlement Administrator must be signed. Any evidence you submit will be carefully considered by Defendants’ counsel and Class Counsel, and, if necessary, the Settlement Administrator or the Court may make a final determination.

One Third (1/3) of your portion of the Net Settlement Amount will be allocated towards payment of disputed wages and will be subject to standard tax withholdings and deductions. Two Thirds (2/3) of your portion of the Net Settlement Amount will be allocated towards disputed statutory penalties and interest and no amount will be deducted for taxes. The entirety (100%) of your share of the PAGA Payment will be allocated towards disputed statutory penalties and interest and no amount will be deducted for taxes.

The amount of your individual settlement award reflected in this notice is just an estimate. Your payment may be higher or lower depending on the Court’s rulings and the number of Class Members who opt out.

Payments to Class Members will be distributed within fifteen (45) days after the Effective Date of the Settlement.

6. How can I exclude myself from, or opt out of, the Settlement of the class action lawsuit?

If you don't want a payment from this Settlement of the *Freeman* class action lawsuit and you want to keep the right to sue or continue to sue MHMG at your own expense about the legal issues raised in the *Freeman* class action lawsuit, then you must take steps to exclude yourself from the settlement. This is sometimes referred to

as “opting out” of the Settlement. The court will exclude the member from the Class if the member so requests by the date set forth below.

To exclude yourself from the Settlement, you must send a letter stating that you want to be excluded from the *Mercy Housing Wage and Hour Cases* settlement and that you understand that by doing so you will not receive a Settlement share. Be sure to include your name, birthdate, address, telephone number, and your signature. You must mail your exclusion request postmarked no later than <<date>> to:

Mercy Housing Wage and Hour Cases
[CLAIMS ADMINISTRATOR]
[ADDRESS]
[TELEPHONE NUMBER]

If you submit a Request for Exclusion that is not received by [DATE], your Request for Exclusion will be rejected, you will remain a Class Member, and you will be bound by the Class Action Released Claims and all other terms of the Settlement.

MHMG and MHI Aggrieved Employees cannot opt out of the PAGA portion of the Settlement and will receive their share of the PAGA settlement amount regardless of whether they opt out of being a Class Member.

7. How does this Settlement affect my rights? What are the Class Action Released Claims?

If the proposed Settlement is approved by the Court, a final judgment will be entered by the Court. All Class Members who do not opt out of the Settlement will be bound by the Court’s final judgment and will fully release and discharge MHMG, and any and all of its officers, directors, employees, partners, agents, subsidiaries, related companies or agencies, parent companies or agencies, companies or agencies with common or related ownership, successors, predecessors, assigns, insurers, attorneys, owners, affiliates, ERISA plans, and current and former trustees and administrators of ERISA plans (“Released Parties”). The Class Action Released Claims are as follows:

The claims that Class Members who participate in the Settlement are releasing in exchange for the consideration provided in the Settlement are any and all claims or causes of action arising at any time during the Class Period that are based on or reasonably relate to the claims asserted in the class action lawsuit for failure to pay overtime in violation of Labor Code section 510, failure to provide meal periods in violation of Labor Code section 512 or pay meal period premiums in violation of Labor Code section 226.7, failure to provide rest periods as required by the applicable Wage Order or to pay rest period premiums in violation of Labor Code section 226.7, failure to pay minimum wage for all hours worked in violation of Labor Code sections 1194 and 1197, failure to pay final wages in compliance with Labor Code sections 201 and 202, violation of the wage statement requirements in Labor Code section 226(a), failure to reimburse for business expenses in violation of Labor Code sections 2800 and 2802, and violation of Business & Professions Code section 17200 et. seq. The period of the release will coincide with and extend to the limits of the Class Period.

8. When is the Final Approval and Fairness Hearing to Approve the Settlement?

The Court has preliminarily concluded that the Settlement is fair, adequate, and reasonable and that the proposed distribution of the settlement payments is fair, adequate, and reasonable.

A Final Approval and Fairness Hearing will be held to determine whether final approval of the Settlement Agreement should be granted. At the Final Approval and Fairness Hearing the Court will hear timely objections to the Settlement, if any. THE FINAL APPROVAL AND FAIRNESS HEARING WILL TAKE PLACE ON [DATE] AT [TIME] OR AS SOON THEREAFTER AS REASONABLY PRACTICABLE, BEFORE THE HONORABLE JILL H. TALLEY, DEPT. 27, SUPERIOR COURT OF CALIFORNIA FOR THE COUNTY OF SACRAMENTO, 720 9TH STREET SACRAMENTO, CA 95814. The Final Approval and Fairness Hearing may be adjourned without further notice. YOU MAY, BUT ARE NOT REQUIRED TO,

ATTEND THE FINAL APPROVAL AND FAIRNESS HEARING.

9. How can I object to the proposed Settlement?

If you want to object to the final approval of the Settlement of the *Freeman* class action, you must file a Notice of Objection, in writing, setting forth your name, current address, telephone number, and the basis for your objection, clearly specifying the relief sought and the grounds for such relief. You can object only if you stay in the Class. Any Notice of Objection and any supporting briefs or other materials must be: (a) submitted to the Settlement Administrator at the address set forth in this Notice **on or before [DATE]** (the “Objection Deadline”); and a copy served on (b) Class Counsel (at the addresses set forth in this Notice) and counsel for MHMG, Marc Jacuzzi Esq., Simpson, Garrity, Innes & Jacuzzi, PC, 2175 N. California Blvd., Ste. 710, Walnut Creek, CA 94596).

If no Notices of Objection are submitted by the Objection Deadline in accordance with this Notice, the Court may grant final approval of the Settlement Agreement without further notice or hearing.

10. What is the difference between objecting and excluding?

Objecting is simply telling the Court that you don't like something about the Settlement. You can object only if you stay in the Class. Excluding yourself (or “opting out”) is telling the Court that you don't want to be part of the Class. If you exclude yourself, you cannot object because the *Freeman* class action lawsuit no longer affects you. **You have 45 days from <<date>>** to object or exclude yourself from the class.

11. What if I dispute the amount of my payment?

If you dispute the estimated amount of your payment under the Settlement, you should send notice of this dispute by First Class U.S. Mail to:

[SETTLEMENT ADMINISTRATOR]
[ADDRESS]

This notice should include any documentation and other information that you believe supports your claim that MHMG's records are incorrect with respect to the number of pay periods you worked for MHMG in California as a non-exempt, hourly-paid employee during the Class Period. The Settlement Administrator will consider this information and contact you with respect to this dispute. The records of MHMG will be determinative unless you have supporting documentation to the contrary.

12. What if I have more questions?

If you have questions about this Notice, or want additional information, you should contact the Court-appointed Settlement Administrator for this Settlement as follows:

Mercy Housing Wage and Hour Cases
[SETTLEMENT ADMINISTRATOR]
[ADDRESS]
[TELEPHONE NUMBER]

You should not contact the Court, MHMG, MHI, or counsel for MHMG and MHI.

A copy of the Settlement Agreement, the Motion for Preliminary Approval of the Class Action and PAGA Settlement and other related documents filed with the Court may be examined by any party in interest: (i) on the Sacramento Superior Court's Public Access System at <https://services.saccourt.ca.gov/PublicCaseAccess/>; (ii) between the hours of **8:30 a.m. to 4:00 p.m., Monday through Friday, excluding federal holidays, at the Office of the Clerk, Case No. JCCP 5015, Superior Court of California for the County of Sacramento, 720 9th Street Sacramento, CA 95814 or (iii) may be obtained by request to **[SETTLEMENT ADMINISTRATOR]**.**