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7 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

8 **COUNTY OF SAN DIEGO**

9 TITIKSHA PAREKH, an individual; and
10 PATRICIA MARTINEZ, an individual; each
on their own behalf and in their representative
capacity, on behalf of all others similarly
situated,

11 Plaintiffs,

12 vs.

13 COLLECTION SITES, LLC, a Nevada
corporation; and DOES 1 through 50, inclusive,

14 Defendant.

15 TITIKSH PAREKH, FATIMA GALVAN, and
16 ROSARIO ZAVALA MARTINEZ, each
individually, and on behalf of all others
similarly situated,

17 Plaintiffs,

18 vs.

19 COLLECTION SITES, LLC, a Nevada limited
20 liability company; MEDIVOLVE, INC. a
Canadian corporation and DOES 1 through 25,
inclusive,

21 Defendants.

22 MARIA LOZANO, an individual,

23 Plaintiff,

24 vs.

25 COLLECTION SITES, LLC, a Nevada
corporation; and DOES 1 through 50, inclusive,

26 Defendant.
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) Case No. 37-2021-00045276-CU-OE-CTL

) (Consolidated with Case Nos. 37-2021-
) 00046881-CU-OE-CTL and 21STCV22681)

) Assigned for All Purposes To:

) Judge: Hon. Carolyn Caietti

) Dept: C-70

) **JOINT STIPULATION OF CLASS AND**
) **PAGA SETTLEMENT**

) Action Filed: October 22, 2021

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1 This Joint Stipulation of Class and PAGA Settlement is made by and between Plaintiffs Maria
2 Lozano, Titiksha Parekh, Fatima Galvan, Patricia Martinez Orozco, and Rosario Zavala Lopez, on
3 behalf of themselves, the Class and the State of California pursuant to the Private Attorneys General
4 Act, on the one hand, and Defendants Collection Sites, LLC and Medivolve, Inc. on the other hand.

5 In consideration of the mutual covenants, promises, and agreements set forth in this Joint
6 Stipulation of Class and PAGA Settlement, the Parties agree, subject to the Court's approval, to the
7 resolution of the Action, the Released Claims, and the Released PAGA Claims, subject to the
8 following terms and conditions.

9 **DEFINITIONS**

10 1. **"Action"** means the related civil actions titled *Maria Lozano v. Collection Sites, LLC*,
11 Case No. 21STCV22681 ("Lozano Action"); *Parekh, et al v. Collection Sites, LLC*, Case No. 37-
12 2021-00045276-CU-OE-CTL ("*Parekh PAGA Action*"); and *Parekh, et al. v. Collection Sites, LLC*
13 *and Medivolve, Inc.*, Case No. 37-2021-00046881-CU-OE-CTL ("*Parekh Class Action*") which are
14 currently pending at San Diego County Superior Court, the three of which are collectively referred
15 to herein as the "Action."

16 2. **"Administration Expenses"** means the amount to be paid to the Administrator from
17 the Maximum Settlement Amount for its services in administering the settlement.

18 3. **"Administrator"** means ILYM Group, Inc., or any other third-party class action
19 administrator agreed to by the Parties and approved by the Court for the purposes of administering
20 this Settlement.

21 4. **"Agreement"** and **"Settlement"** means this Joint Stipulation of Class and PAGA
22 Settlement.

23 5. **"Class and PAGA Members"** means all Class Members and/or PAGA Members.

24 6. **"Class Counsel"** means Scott Ernest Wheeler of the Law Offices of Scott Ernest
25 Wheeler; Amir H. Seyedfarshi of Employment Rights Law Group, APC; Carolyn H. Cottrell of
26 Schneider Wallace Cottrell Konecky LLP; and Jacob N. Whitehead of W Employment Law, APC.

27 7. **"Class Counsel's Attorneys' Fees"** means the Court-approved award of attorneys'
28 fees to be paid to Class Counsel for the services they rendered to Plaintiffs and the Settlement Class

Members in the Action. Class Counsel will not seek more than 35% of the Gross Settlement Amount, or \$420,000.00, as attorneys' fees.

8. **"Class Counsel's Costs"** means the Court-approved amount of reasonable litigation expenses incurred in connection with this Action, which shall be Class Counsel's actual costs, including costs incurred for their pre-filing investigation, their filing of the Action, all related litigation activities, and all post-Settlement compliance procedures. As of May 19, 2023, Class Counsel's Costs are \$29,423.31.

9. **"Class Data"** means Class Members' name, last-known mailing address, Social Security Number, number of PAGA Period pay periods and/or Class Period workweeks.

10. **"Class Members"** and **"Class"** means all persons employed by Defendants in an hourly, non-exempt position in California during the Class Period.

11. **"Class Period"** means from June 17, 2017 through November 18, 2022.

12. **"Court"** refers to the court having jurisdiction over the Action, which is presently the San Diego Superior Court.

13. **"Defendants"** means Collection Sites, LLC and Medivolve, Inc.

14. **"Defense Counsel"** means Corey J. Cabral and Sander van der Heide of CDF Labor Law LLP.

15. **"Dispute Deadline"** means thirty (30) calendar days after the Administrator mails the Class Notice to Class Members.

16. **"Effective Date"** means the date the Court grants Final Approval of the Settlement and Judgment in the absence of any objection or intervention to the Settlement. If an objection or intervention to the Settlement is filed and not later withdrawn, the Effective Date is the later of the following events: (i) when the period for filing any appeal, writ or other appellate proceeding opposing the Settlement has elapsed without any appeal, writ or other appellate proceeding having been filed; (ii) any appeal, writ or other appellate proceeding opposing the Settlement has been dismissed finally and conclusively with no right to pursue further remedies or relief; or any appeal, writ or other appellate proceeding has upheld the Court's final order with no right to pursue further remedies or relief. In this regard, in the event an objection or intervention is filed and not later

1 withdrawn, the Parties hereby state their intention that the Settlement will not become effective until
2 the Court's order granting final approval of the Settlement is completely final, and there is no further
3 recourse by any appellant or objector who seeks to contest the finality of the Settlement.

4 17. **"Final Approval Motion"** means Plaintiffs' motion for final approval of the
5 Settlement and judgment.

6 18. **"Final Approval Order and Judgment"** means the Court's Order Granting Final
7 Approval of the Settlement and Judgment.

8 19. **"Individual Class Award(s)"** means the Participating Class Members' pro rata
9 shares of the Net Settlement Amount calculated based on the number of workweeks worked during
10 the Class Period.

11 20. **"Individual PAGA Award(s)"** means PAGA Members' pro rata shares of twenty-
12 five percent (25%) of the PAGA Allocation, which is Eighteen Thousand Seven Hundred and Fifty Dollars
13 (\$18,750) to PAGA Members on a pro-rata basis based on the number of pay periods each PAGA Member
14 worked during the PAGA period.

15 21. **"LWDA"** means the California Labor and Workforce Development Agency.

16 22. **"LWDA Payment"** means the seventy-five percent (75%) of the PAGA Allocation
17 to be paid to the LWDA under the Agreement which, subject to Court approval, is Fifty-Six Thousand
18 Two Hundred and Fifty Dollars (\$56,250).

19 23. **"Maximum Settlement Amount"** means the gross sum of One Million Two Hundred
20 Thousand Dollars (\$1,200,000.00) ("Maximum Settlement Amount"), including any interest earned
21 on such funds, plus the employer portion of applicable taxes on the wage portions of the Individual
22 Class Payments, which comprise the total amount Defendants agree to pay, can ever be required to
23 pay, or can ever cause to be paid, under the Settlement. The Maximum Settlement Amount will be
24 used to fund the following payments: (a) the Individual Class Awards to Participating Class
25 Members, (b) all Individual PAGA Awards to PAGA Members, (c) the LWDA Payment, (d)
26 Plaintiffs' Enhancement Awards, (e) Class Counsel's Attorneys' Fees, (f) Class Counsel's Costs, and
27 (g) Administration Expenses. No portion of the Maximum Settlement Amount will revert to
28 Defendants for any reason.

1 24. **“Net Settlement Amount”** means the amount from the Maximum Settlement
2 Amount that is available for distribution as Individual Class Awards for Participating Class Members
3 after deducting (1) the PAGA Allocation (which includes the LWDA Payment and the Individual PAGA
4 Awards), (2) Plaintiffs’ Enhancement Awards, (3) Class Counsel’s Attorneys’ Fees, (4) Class
5 Counsel’s Costs, and (5) Administration Expenses.

6 25. **“PAGA”** means California’s Labor Code Private Attorneys General Act, Cal. Lab.
7 Code § 2699, et seq.

8 26. **“PAGA Allocation”** means, subject to Court approval, the allocation of Seventy-Five
9 Thousand Dollars (\$75,000) of the Maximum Settlement Amount as PAGA penalties.

10 27. **“PAGA Pay Periods”** refers to the number of pay periods a PAGA Member worked
11 for Defendants as a non-exempt or hourly-paid employee in California during the PAGA Period.
12 PAGA Members with less than a full pay period will be credited with at least one (1) PAGA Pay
13 Period.

14 28. **“PAGA Period”** means from June 17, 2020 through November 18, 2022.

15 29. **“PAGA Class”** and **“PAGA Member(s)”** means all persons employed by Defendants
16 in an hourly, non-exempt position in California during the PAGA Period.

17 30. **“Participating Class Member(s)”** means all Class Members who do not opt out of
18 the Settlement.

19 31. **“Parties”** means Plaintiffs and Defendants collectively.

20 32. **“Plaintiffs”** and **“Class Representatives”** means Maria Lozano, Titiksha Parekh,
21 Fatima Galvan, Patricia Martinez Orozco, and Rosario Zavala Lopez on behalf of themselves and
22 each of their heirs, representatives, successors, assigns, and attorneys.

23 33. **“Plaintiffs’ Enhancement Awards”** means, subject to Court approval, Twelve
24 Thousand Dollars (\$12,000) for each Plaintiff from the Maximum Settlement Amount in recognition of
25 their effort and work in prosecuting the Action and in consideration for an individual general release
26 of all claims with a waiver of California Code of Civil Procedure Section 1542.

27 34. **“Preliminary Approval”** means the Court’s Order Granting Preliminary Approval
28 of the Settlement.

1 35. **“Preliminary Approval Motion”** means Plaintiffs’ motion for preliminary approval
2 of the Settlement.

3 36. **“Released Class Claims”** means all claims released by this Agreement that Plaintiffs
4 and the Participating Class Members may have under the California Labor Code, Wage Orders,
5 regulations, and/or any other provisions of state and federal law against the Released Parties that
6 were alleged in the operative complaints in the Action and any amendments thereto, including, claims
7 for (1) meal periods and meal period premiums, (2) rest breaks and rest break premiums, (3) unpaid
8 overtime and double time including off-the-clock work, rounding, and regular rate of pay, (4) unpaid
9 wages including unpaid minimum wages, unpaid regular wages, off-the-clock work, rounding,
10 reporting time pay, regular rate of pay, and paid sick leave wages, (5) timely payment of wages at
11 during employment, (6) timely payment of wages at separation, (7) accurate wage statements, (8)
12 maintaining accurate records, (9) providing accurate Wage Theft Prevention Notices, (10) business
13 expense reimbursement, (11) violation of Unfair Competition Law, and (12) any other Labor Code
14 violations that were or could have been alleged in the Action based on the facts alleged in the Action,
15 which includes, but is not limited to, alleged violations of Labor Code sections 200, 201, 202, 203,
16 204, 210, 218, 218.5, 218.6, 226, 226.3, 226.7, 246, 510, 512, 558, 1021.5, 1024.5, 1174, 1174.5,
17 1194, 1197, 1197.1, 1198, 2801.5, 2802, and Business and Professions Code section 17200 *et seq.*
18 during the Class Period. This release does not release any Worker’s Compensation or unemployment
19 insurance benefits claims.

20 37. **“Released PAGA Claims”** means all claims for civil penalties Plaintiffs, the PAGA
21 Members, and the State of California may have under the California Labor Code, Wage Orders,
22 regulations, and/or any other provisions of state and federal law against the Released Parties that
23 were alleged in the LWDA Letters and the operative complaints in the Action and any amendments
24 thereto, including, claims for civil penalties under PAGA (Labor Code § 2698 *et seq.*), related to (1)
25 meal periods and meal period premiums, (2) rest breaks and rest break premiums, (3) unpaid overtime
26 and double time including off-the-clock work, rounding, and regular rate of pay, (4) unpaid wages
27 including unpaid minimum wages, unpaid regular wages, off-the-clock work, rounding, reporting
28 time pay, regular rate of pay, and paid sick leave wages, (5) timely payment of wages at during

1 employment, (6) timely payment of wages at separation, (7) accurate wage statements, (8)
2 maintaining accurate records, (9) providing accurate Wage Theft Prevention Notices, (10) business
3 expense reimbursement, and (11) any other Labor Code violations that were or could have been
4 alleged in the Action based on the facts alleged in the Action, which includes, but is not limited to,
5 alleged violations of Labor Code sections 96(k), 98.6, 200, 201, 201.3, 201.5, 201.7, 202, 203, 203.1,
6 203.5, 204, 204a, 204b, 204.1, 204.2, 205, 205.5, 206, 206.5, 208, 209, 210, 212, 213(d), 218, 218.5,
7 218.6, 221, 222, 222.5, 223, 224, 226, 226.3, 226.7, 227, 227.3, 230, 230.1, 230.2, 230.3, 230.4,
8 230.7, 230.8, 231, 232(c), 232.5(c), 233, 234, 246, 351, 353, 403, 404(b), 432.2, 432.5, 432.7, 435,
9 450, 510, 511, 512, 513, 551, 552, 558, 601, 602, 603, 604, 750, 751.8, 800, 850, 851, 851.5, 852,
10 921, 922, 923, 970, 973, 976, 1021, 1021.5, 1024.5, 1025, 1026, 1101, 1102, 1102.5, 1153, 1174,
11 1174.5, 1194, 1197, 1197.1, 1197.5, 1198, 1198.3(b), 1199, 1199.5, 1290, 1292, 1293, 1293.1, 1294,
12 1294.1, 1194.2, 1197, 1197.1, 1198, 1198.5, 1294.5, 1296, 1297, 1298, 1301, 1308, 1308.1, 1308.7,
13 1309, 1309.5, 1391, 1391.1, 1391.2, 1392, 1683, and 1695, 1695.5(a), 1695.55, 1695.6, 1695.7, 1695.8,
14 1695.9, 1696, 1696.5, 1696.6, 1697.1, 1700.25, 1700.26, 1700.31, 1700.32, 1700.40, 1700.47, 1701.4,
15 1701.5, 1701.8, 1701.10, 1701.12, 1735, 1771, 1774, 1776, 1777.5, 1811, 1815, 2651, 2673, 2673.1(a),
16 2695.2, 2800, 2801, 2801.5, 2802, 2806, 2810, 2929(b), 3095, 6310, 6311, and 6399 during the PAGA
17 Period.

18 38. **“Released Parties”** means (i) Defendants; (ii) each of Defendants’ past and present
19 direct and indirect parents; (iii) the respective past and present direct and indirect subsidiaries and
20 affiliates of any of the foregoing; (iv) the past and present shareholders, directors, officers, agents,
21 employees, attorneys, insurers, members, partners, managers, contractors, agents, consultants,
22 representatives, administrators, fiduciaries, benefit plans, transferees, predecessors, successors and
23 assigns of any of the foregoing; and (v) any individual or entity which could be jointly liable with
24 any of the foregoing.

25 39. **“Request(s) for Exclusion”** refers to a Class Member’s written request to be
26 excluded (i.e., opt-out) from the Settlement.

27 40. **“Response Deadline”** means sixty (60) calendar days after the Administrator mails
28 the Class Notice to Class Members.

1 41. **“Workweek(s)”** refers to the number of weeks a Class Member worked for
2 Defendants as a non-exempt or hourly-paid employee in California during the Class Period,
3 excluding any week(s) during which the Class Member did not work or was on a leave of absence.
4 Each Class Member will be credited with at least one (1) Workweek.

5 42. **“Workweek Dispute(s)”** refers to a Class Member’s written dispute of the pre-
6 printed information in the Class Notice as to his or her Workweeks and/or PAGA Pay Periods.

7 **FACTUAL AND PROCEDURAL BACKGROUND**

8 43. Plaintiffs Titiksha Parekh and Patricia Martinez Orozco filed a letter with the LWDA
9 on March 29, 2021 alleging various wage and hour violations by Defendant Collection Sites, LLC.

10 44. Plaintiff Maria Lozano filed a letter with the LWDA on May 11, 2021 alleging various
11 wage and hour violations by Defendants.

12 45. On June 17, 2021, Plaintiff Maria Lozano filed a civil action entitled *Maria Lozano*
13 *v. Collection Sites, LLC*, in Los Angeles County Superior Court, Case No. 21STCV22681 (“*Lozano*
14 *Action*”) seeking PAGA penalties for alleged failure to produce and/or permit inspection of
15 employment documents and records.

16 46. On July 19, 2021, Plaintiff Maria Lozano filed a first amended complaint seeking
17 PAGA penalties based on the following alleged claims: (1) failure to provide meal periods; (2) failure
18 to provide rest periods; (3) unpaid overtime based on off-the-clock work, rounding, and regular rate
19 of pay; (4) unpaid minimum wages based on off-the-clock work and rounding; (5) failure to timely
20 pay wages at discharge; (6) failure to provide accurate wage statements; (7) failure to maintain
21 records; (8) failure to provide wage theft prevention notices; and (9) failure to reimburse business
22 expenses.

23 47. On October 22, 2021, Plaintiffs Titiksha Parekh and Patricia Martinez Orozco filed a
24 civil action entitled *Titiksha Parekh, Patricia Martinez v. Collection Sites, LLC*, in San Diego
25 Superior Court, Case No. 37-2021-00045276-CU-OE-CTL (“*Parekh PAGA Action*”) seeking PAGA
26 penalties based on the following alleged claims: (1) unpaid wages and minimum wages based on off-
27 the-clock work; (2) failure to timely pay wages during employment; (3) unpaid overtime; (4) failure
28 to provide meal periods; (5) failure to provide rest periods; (6) failure to maintain accurate records;

(7) failure to provide accurate wage statements; (8) failure to reimburse business expenses; and (9) failure to timely pay wages at discharge.

48. On November 3, 2021, Plaintiffs Titiksha Parekh, Fatima Galvan, and Rosario Zavala Lopez filed a civil class action entitled *Titiksha Parekh, Fatima Galvan, and Rosario Zavala Lopez v. Collection Sites, LLC*, in San Diego Superior Court, Case No. 37-2021-00046881-CU-OE-CTL (“*Parekh Class Action*”). On January 20, 2022, Plaintiffs Titiksha Parekh, Fatima Galvan, and Rosario Zavala Lopez filed a first amended complaint alleging the following class action claims: (1) failure to provide meal periods; (2) failure to provide rest periods; (3) unpaid overtime based on off-the-clock work and regular rate of pay; (4) unpaid wages and minimum wages based on off-the-clock work; (5) failure to timely pay wages during employment; (6) failure to timely pay wages at discharge; (7) failure to provide accurate wage statements; (8) failure to maintain accurate records; (9) failure to reimburse business expenses; and (9) violation of the Unfair Competition Law. The *Parekh Class Action* has been consolidated with the related *Parekh PAGA Action* (collectively “*Parekh Actions*”).

49. The Parties agree to consolidate the *Lozano Action* with the *Parekh Actions* for settlement purposes by way of a stipulation and proposed order to be filed with the Court in the *Lozano and Parekh Actions*. The Parties further agree to the filing of an amended consolidated complaint by way of a stipulation and proposed order in the *Parekh Actions* for settlement purposes when Plaintiffs file their motion for preliminary approval of the settlement.

50. Plaintiffs have not filed a motion for class certification in the Action, nor has a date been set by the Court for the filing of such a motion.

51. The Action has been actively litigated. There have been on-going investigations, and there has been an exchange of extensive documentation and information.

52. On June 30, 2022, the Parties participated in a mediation with mediator Lisa Klerman, but were unable to reach a settlement at that session.

53. On September 19, 2022, the Parties participated in a second mediation with mediator Tripper Ortman and reached a settlement of the claims in the Action as specified in this Agreement.

1 **INADMISSIBILITY OF SETTLEMENT AGREEMENT/DENIAL OF LIABILITY**

2 54. **No Determination on the Merits.** There has been no determination on the merits of
3 the Action, but in order to avoid additional cost and the uncertainty of litigation, it is the desire of the
4 Parties to fully, finally, and forever settle, compromise, discharge, and release of any and all disputes
5 and claims against the Released Parties arising from or related to the Action.

6 55. **Defendants Deny Liability and Wrongdoing.** This Agreement represents a full and
7 good-faith compromise and settlement of highly disputed claims. Nothing in this Agreement or any
8 statement or conduct in furtherance of the Settlement is intended or will be construed as an admission
9 by Defendants that Plaintiffs' claims in the Action have merit or that Defendants have any liability
10 to Plaintiffs, any Class Members, or any PAGA Members. Defendants deny any liability and
11 wrongdoing of any kind associated with the alleged claims. Defendants further deny that, for any
12 purpose other than settling the Action, the Action is appropriate for class or representative treatment.
13 Defendants contend that they have complied with California and Federal employment laws at all
14 times and that employees have been paid all wages owed.

15 **CLASS CERTIFICATION FOR SETTLEMENT PURPOSES**

16 56. Solely for purposes of settling the Action, the Parties stipulate that the requisites for
17 class certification with respect to the Class Members are met. The Parties stipulate that certification
18 for settlement purposes is in no way an admission that class certification is proper for litigation
19 purposes, and that evidence of this limited stipulation for settlement purposes will not be deemed
20 admissible in this or any other proceeding. More specifically, the Parties stipulate that, solely for
21 settlement purposes:

- 22 A. The Class is ascertainable and so numerous as to make it impracticable to join
23 all Class Members;
- 24 B. With respect to the Class, common questions of law and fact predominate over
25 questions affecting any individual member in the Class, including, but not
26 limited to: whether Defendants paid proper wages and overtime to the Class;
27 whether Defendants provided compliant meal periods and associated premium
28 pay to the Class; whether Defendants provided compliant rest periods and

1 associated premium pay to the Class; whether Defendants timely paid
2 compensation and associated waiting time penalties; whether Defendants
3 provided accurate itemized wage statements to the Class; whether Defendants
4 maintained accurate payroll records with respect to the Class; and whether
5 Defendants engaged in unlawful or unfair business practices affecting the Class
6 in violation of the California Business & Professions Code;

7 C. Plaintiffs' claims are typical of the claims of the Class Members;

8 D. Plaintiffs and Class Counsel will fairly and adequately protect the interests of
9 the Class; and

10 E. A class action is superior to other available means for the fair and efficient
11 adjudication of the controversy, as the prosecution of separate actions by
12 individual members of the Class would create the risk of inconsistent or varying
13 adjudications, which would establish incompatible standards of conduct.

14 57. Class Counsel has conducted a thorough investigation into the facts of the Action,
15 including an extensive review of relevant documents, and has diligently pursued an investigation
16 of the claims of the Class against Defendants. Based on their own independent investigation and
17 evaluation, and the examination by Class Counsel's expert, Class Counsel are of the opinion that
18 the Settlement with Defendants for the consideration and on the terms set forth in this Settlement
19 Agreement is fair, reasonable, and adequate and is in the best interest of the Class in light of all
20 known facts and circumstances, including the risk of significant delay, the risk the Class will not
21 be certified by the Court, defenses asserted by Defendants, and numerous potential appellate issues.
22 Defendants and Defense Counsel also agree that the Settlement is fair and in the best interest of
23 the Class.

24 **SETTLEMENT AMOUNT**

25 58. **Maximum Settlement Amount.** In consideration for the resolution and release of
26 claims provided for by this Settlement, Defendants will pay the Maximum Settlement Amount of
27 One Million Two Hundred Thousand Dollars (\$1,200,000.00), plus Defendants' portion of
28 applicable taxes on the wage portions of the Individual Class Awards, which is inclusive of all

1 amounts Defendants are required to pay under the Settlement. The Maximum Settlement Amount is
2 non-reversionary and will be used for the payment of the following:

3 A. Administration Expenses. The Administrator will be paid for the costs of administration
4 of the Settlement from the Maximum Settlement Amount. The Administration Expenses
5 have been estimated by the Administrator to be approximately Twenty-Two Thousand
6 Seven Hundred Fifty Dollars (\$22,750.00).

7 B. Class Counsel's Attorneys' Fees and Costs. Defendants agree not to oppose or object to
8 any application or motion by Class Counsel for attorneys' fees not to exceed Thirty-Five
9 percent (35%) of the Maximum Settlement Amount, which is Four Hundred Twenty
10 Thousand Dollars (\$420,000.00), to be divided between Class Counsel as follows: 28%
11 to Law Offices of Scott Ernest Wheeler; 22% to Employment Rights Law Group, APC;
12 25% to Schneider Wallace Cottrell Konecky LLP; and 25% to W Employment Law, APC.
13 Defendants agree not to oppose or object to any application or motion by Class Counsel
14 for reasonable costs and expenses not to exceed Fifty Thousand Dollars (\$50,000.00),
15 subject to approval by the Court. As of May 19, 2023, Class Counsel's Costs are
16 \$29,423.31. This Agreement is not contingent upon the Court awarding Class Counsel
17 any particular amount in attorneys' fees and costs. If the Court reduces or does not
18 approve the requested Class Counsels' Attorneys' Fees and Costs, the Agreement will
19 remain binding on the Parties. Any amount requested by Class Counsel for the Class
20 Counsels' Attorneys' Fees and Costs and not granted by the Court will be added to the
21 Net Settlement Amount and be distributed as provided in this Agreement. The
22 Administrator will issue an IRS Form 1099-MISC to Class Counsel for the payments
23 made pursuant to this paragraph.

24 C. Plaintiffs' Enhancement Awards. The Parties agree to the designation of Plaintiffs Maria
25 Lozano, Titiksha Parekh, Fatima Galvan, Patricia Martinez Orozco, and Rosario Zavala
26 Lopez as the Class Representatives. Defendants agree not to oppose or object to any
27 application or motion by Class Counsel for enhancement awards to each Plaintiff not to
28 exceed Twelve Thousand Dollars (\$12,000) each, of the Maximum Settlement Amount for

1 Plaintiffs in recognition of their effort and work in prosecuting the Action and in
2 consideration for an individual general release of all claims with a waiver of California
3 Code of Civil Procedure Section 1542. Plaintiffs' Enhancement Awards are a part of, and
4 are to be deducted from, the Maximum Settlement Amount. If the Court approves
5 enhancement awards to Plaintiffs in amounts less than that set forth above, the difference
6 between the amount set forth above and the amount approved by the Court will be added
7 to the Net Settlement Amount and distributed as provided in this Agreement. In addition
8 to the Court-approved Plaintiffs' Enhancement Awards, Plaintiffs will receive their pro-
9 rata Individual Class Awards and pro-rata Individual PAGA Awards. Plaintiffs'
10 Enhancement Awards will be paid within 30 days after the Effective Date of the
11 Settlement. The Administrator will issue IRS Forms 1099-MISC for the Plaintiffs'
12 Enhancement Awards. Plaintiffs assumes full responsibility and liability for taxes owed
13 on Plaintiffs' Enhancement Awards.

14 D. PAGA Allocation. Subject to Court approval, the Parties agree to allocate Seventy-Five
15 Thousand Dollars (\$75,000) of the Maximum Settlement Amount as PAGA penalties. The
16 PAGA Allocation will be distributed as follows:

17 i. LWDA Payment. Subject to Court approval of the PAGA Allocation, and per
18 California Labor Code section 2699(i), the Administrator will mail the LWDA
19 Payment to the LWDA along with a copy the Order Granting Final Approval of
20 the Settlement and Judgment to:

21 Department of Industrial Relations
22 Accounting Unit
23 455 Golden Gate Avenue, 10th Floor
San Francisco, CA 94102

24 ii. Individual PAGA Awards. Subject to Court approval of the PAGA Allocation, and per
25 California Labor Code section 2699(i), the Administrator will distribute Individual
26 PAGA Awards to PAGA Members on a pro-rata basis based on the number of PAGA
27 Pay Periods worked by all PAGA Members during the PAGA Period. The
28 Administrator will calculate the number of PAGA Pay Periods worked by the

PAGA Members during the PAGA Period, and the amount to be paid to PAGA Members per pay period based on information to be provided by Defendants. When making Individual PAGA Award disbursements to Class Members, the Administrator may pay an Individual PAGA Award and an Individual Class Award as one sum, concurrently, to the extent appropriate. The PAGA Allocation is included in and will not increase the Maximum Settlement Amount. The Administrator will issue IRS Forms 1099-MISC to PAGA Members for their Individual PAGA Awards.

E. Net Settlement Amount. The Administrator will distribute the Net Settlement Amount as Individual Class Awards to Participating Class Members. The Individual Class Awards to Participating Class Members are calculated on a pro-rata basis based on the number of Workweeks worked by all Participating Class Members during the Class Period based on the Class Data provided by Defendants. Each Individual Class Award to a Participating Class Member will be attributed 10% as wages and 90% as penalties and interest. The Administrator will report the portions paid as penalties and interest via IRS 1099 form, along with the Class Members' PAGA Payments (if applicable) and will report portions attributed to wages via IRS form W-2. Participating Class Members are responsible for their share of the payroll taxes, which will be deducted by the Administrator from their Individual Class Awards.

59. **Taxability of Settlement Payments.** Plaintiffs, Class Counsel, Participating Class Members, and the PAGA Members are each solely responsible for correctly characterizing any payments made pursuant to this Agreement for tax purposes and for paying any taxes on the amounts received. Defendants make no representations as to the taxability of any portions of the settlement payments, and it is understood and agreed that Defendants have made no such representations. Neither Class Counsel nor Defense Counsel intend anything in this Agreement to constitute advice regarding taxes or taxability; nothing in this Agreement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

60. **Settlement Awards Do Not Trigger Additional Benefits.** It is expressly understood and agreed that the receipt of any payment pursuant to this Agreement will not entitle any

1 Participating Class Member, PAGA Member, or Plaintiffs to additional compensation or benefits
2 under any company bonus, or other compensation or benefit plan or agreement in place during the
3 period covered by the Agreement, nor will it entitle them to any increased retirement, 401(k) benefits
4 or matching benefits, or deferred compensation benefits. It is the intent of the Parties that the
5 payments provided for in this Agreement are the sole payments to be made by Defendants to the
6 Participating Class Members, PAGA Members, and Plaintiffs in connection with this Agreement,
7 and that they are not entitled to any new or additional compensation or benefits as a result of having
8 received the payments provided for in this Agreement (notwithstanding any contrary language or
9 agreement in any benefit or compensation plan document that might have been in effect during the
10 period covered by this Agreement).

11 **RELEASES**

12 **61. Release By Participating Class Members.** As of the Effective Date, Plaintiffs and
13 all Participating Class Members fully, finally, and forever release, compromise, and discharge the
14 Released Parties from the Released Class Claims for the Class Period.

15 **62. Settlement Terms Bind All Class Members Who Do Not Opt-Out.** Any Class
16 Member who does not affirmatively opt-out of the Settlement by submitting a valid and timely
17 Request for Exclusion will be deemed a Participating Class Member and will be bound by all terms
18 of the Agreement, including those pertaining to the Released Class Claims, as well as the Final
19 Approval Order and Judgment that may be entered by the Court if it grants final approval to the
20 Settlement.

21 **63. Release By PAGA Members and State of California.** As of the Effective Date,
22 Plaintiffs, all PAGA Members, and the State of California fully, finally, and forever release,
23 compromise, and discharge the Released Parties from the Released PAGA Claims for the PAGA
24 Period. This release is binding on the State of California, which includes the LWDA and its
25 departments, divisions, commissions, boards, agencies, and employees, and any of Defendants'
26 current or former employees who may seek to represent the State of California to recover civil
27 penalties pursuant to PAGA based on alleged violations of the Released PAGA Claims during the
28 PAGA Period.

1 64. **No Right to Opt Out of PAGA Release.** The Parties agree that there is no statutory
2 right for any PAGA Member to opt out or otherwise exclude himself or herself from the PAGA
3 portion of this Agreement.

4 65. **General Release by Plaintiffs.** As of the Effective Date, Plaintiffs, and each of them,
5 fully, finally, and forever release, compromise, and discharge the Released Parties from all causes
6 of action, claims, judgments, obligations, damages or liabilities of whatever kind and character.
7 Plaintiffs, and each of them, understand and expressly agree that this general release extends to all
8 claims of every nature and kind whatsoever, known or unknown, suspected or unsuspected, past or
9 present, which Plaintiffs have or may have against the Released Parties, and all rights under Section
10 1542 of the California Civil Code are hereby expressly waived. That Section reads as follows:

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

16 Plaintiffs acknowledges that they have read this general release, including the waiver of California
17 Civil Code section 1542, and that they have consulted counsel about the general release and
18 specifically about the waiver of section 1542, and that they understand the general release and the
19 section 1542 waiver, and freely and knowingly enters into this Agreement. Plaintiffs acknowledge
20 that they may later discover facts different from or in addition to those Plaintiffs know or now believe
21 to be true with respect to the matters released or described in this Agreement, and Plaintiffs agree
22 that the general release will remain effective in all respects notwithstanding any later discovery of
23 any such different or additional facts. This general release excludes the release of claims not
24 otherwise permitted by law, *i.e.*, worker's compensation and unemployment insurance benefits.

25 66. **Labor Code § 206.5 Inapplicable.** It is acknowledged that all individual settlement
26 awards made pursuant to this Agreement are on disputed claims and that Plaintiffs, each Participating
27 Class Member, and each PAGA Member will be deemed to have acknowledged and agreed that
28 California Labor Code § 206.5 is not applicable. That section provides:

1 An employer shall not require the execution of a release of a claim or right
2 on account of wages due, or to become due, or made as an advance on
3 wages to be earned, unless payment of those wages has been made. A
4 release required or executed in violation of the provisions of this section
shall be null and void as between the employer and the employee.
Violation of this section by the employer is a misdemeanor.

5 **PROCEDURE FOR PRELIMINARY COURT APPROVAL OF AGREEMENT**

6 67. **Seeking Preliminary Approval.** Plaintiffs will promptly submit this Agreement to
7 the Court in support of Plaintiffs' Motion for Preliminary Approval of the Settlement. Plaintiffs
8 agrees to provide Defendants the opportunity to review, and to seriously consider Defendants'
9 comments before filing Plaintiffs' Motion for Preliminary Approval. Plaintiffs will apply to the Court
10 for the entry of an order preliminarily approving the Settlement, similar to the form attached hereto
11 as **Exhibit A**, which provides, *inter alia*, for:

- 12 A. Preliminarily approving the Settlement subject only to the objections of Class
13 Members and final review by the Court;
- 14 B. Certifying the Settlement Class, designating Plaintiffs as the Class Representatives,
15 and designating Plaintiffs' counsel as Class Counsel;
- 16 C. Approving as to form and content the Class Notice;
- 17 D. Approving the manner and method for Class Members to request exclusion from the
18 Settlement, object to the Settlement, and/or dispute the Workweeks credited to them,
19 as contained herein and within the Class Notice;
- 20 E. Directing the mailing of the Notice Packet by First Class U.S. mail to the Class
21 Members; and
- 22 F. Scheduling a Final Approval Hearing on the question of whether the Settlement,
23 including payment of Attorneys' Fees and Costs, Settlement Administration Costs,
24 and Enhancement Awards should be finally approved as fair, reasonable and
25 adequate.

26 68. **Submission of Settlement to LWDA.** This Agreement is subject to and conditioned
27 upon obtaining Court approval under Labor Code Section 2699(1)(2). At the same time Plaintiffs file
28 the Preliminary Approval Motion accompanied with this Agreement with the Court, Class Counsel

will submit the Agreement to the LWDA through its on-line procedures and will provide Defense Counsel with a copy of the LWDA's acknowledgment of receipt of the Agreement.

CLASS NOTICE AND SETTLEMENT ADMINISTRATION

69. **Class Data.** Within 20 calendar days after Preliminary Approval, Defendants will provide the Class Data to the Administrator. The Class Data will be based on Defendants' payroll and other business records and will be provided in a format reasonably acceptable to the Settlement Administrator. The Parties agree the Class Members' contact information and Social Security numbers will be used only by the Administrator for the sole purpose of effectuating the Settlement, and will not be provided to Plaintiffs or Class Counsel at any time or in any form. The Administrator will take reasonable steps to protect the confidential and private information of the Class Members. No later than five (5) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks, and PAGA Pay Periods in the Class Data.

70. **NCOA Check.** Prior to mailing of Class Notices, the Administrator will run a check of the Class Members' addresses that are contained in the Class Data against those on file with the U.S. Postal Service's National Change of Address ("NCOA") List; this check will be performed only once per Class Member by the Settlement Administrator.

71. **Class Notice.** Using best efforts to perform as soon as possible, and in no event later than 35 calendar days after Preliminary Approval the Administrator will send by first-class mail a Class Notice to each Class Member identified in the Class Data in substantially the form attached hereto as **Exhibit B**, and as approved by the Court. The Class Notice will include the following information on Class Members' rights to respond to the Class Notice:

- A. **Workweek Disputes.** A Class Member may dispute the pre-printed information on the Class Notice as to their Workweeks and/or PAGA Pay Periods by submitting a written Workweek Dispute to the Administrator no later than the Dispute Deadline. The Workweek Dispute must be signed, dated, and mailed by First Class U.S. Mail, or the equivalent, to the Administrator. All Workweek Disputes must be postmarked no later than the Dispute Deadline. Unless a disputing Class Member submits documentary

evidence in support of his or her dispute, the Defendants' records will be determinative. All Workweek Disputes will be resolved and decided by the Administrator, and the Administrator's decision on all disputes will be final and binding. The date of the postmark on the Workweek Dispute return envelope will be the exclusive means used to determine whether a Workweek Dispute has been timely submitted. No Workweek Dispute will be honored if it is postmarked after the Dispute Deadline unless the Parties mutually agree to accept the untimely dispute.

B. **Opting Out of the Settlement.** Any Class Member may exclude themselves, if they do not wish to participate in the Settlement, by submitting a written Request for Exclusion to the Administrator no later than the Response Deadline. The Request for Exclusion must contain: the individual's full name, signature with date, the case name and number of the Action; and a clear statement indicating that he or she desires to be excluded from the Settlement. The Request for Exclusion must be signed, dated, and mailed by First Class U.S. Mail, or the equivalent, to the Administrator. All Requests for Exclusion must be postmarked no later than the Response Deadline. Any individual who submits a Request for Exclusion will not be allowed to object to the terms of the Settlement.

C. **Objecting to the Settlement.** Any Class Member who does not exclude himself/herself from the Settlement (i.e., a Participating Class Member) may object to the class action components of the Settlement. To object, Participating Class Members may file a written objection with the Court and mailed a copy by First Class U.S. Mail, or the equivalent, to the Administrator no later than the Response Deadline. A written objection must contain: the Participating Class Member's full name, signature with date, the case name and number of the Action, a clear statement indicating that he or she objects to the Settlement, each specific reason in support of the objection along with any legal support for each objection, a clear statement indicating whether he or she is represented by counsel and whether he or she intends to appear at the Final Approval Hearing. If the Court rejects the objection, the individual will nevertheless be bound by the terms of the Settlement. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage

Participating Class Members to submit written objections to the Settlement Agreement or appeal from the Final Approval Order and Judgment. Class Counsel will not represent any Class Members with respect to any such objections to this Settlement.

72. **Non-Deliverable Class Notices.** Class Notices returned to the Administrator as non-deliverable before the Response Deadline will be re-sent to the forwarding address, if any, on the returned envelope. A returned Class Notice will be forwarded only once per Class Member by the Administrator. If there is no forwarding address, the Administrator will do a skip-trace search for a more recent address associated with the Class Member whose Notice Packet was returned, and re-mail the Notice Packet within five (5) calendar days; this search and re-mailing will be performed only once per Class Member by the Administrator. If a Class Member's notice is re-mailed, the Class Member will have fifteen (15) calendar days from the re-mailing, or sixty (60) calendar days from the date of the initial mailing, whichever is later, in which to postmark objections or submit a Request for Exclusion. Upon completion of these steps by the Administrator, Defendants and the Administrator are deemed to have satisfied their obligations to provide the Class Notice to Class Members. Irrespective of whether or not a Class Member receives a Class Notice, they will remain a Class Member and will be bound by all the terms of the Settlement and the contemplated Final Approval Order and Judgment, unless they submit a valid and timely Request for Exclusion. The cost of all Return Envelopes or deficiency notices are a part of the Administration Expenses to be paid out of the Maximum Settlement Amount.

73. **Class Administration Webpage.** From the date Class Notices are mailed through two hundred (200) calendar days following the final disbursement of Individual Class Awards and Individual PAGA Awards, the Administrator will post and permit Class Members to access the Agreement, Preliminary Approval Order, and Final Approval Order and Judgment at no charge via a webpage on its website.

74. **Right to Rescission.** If fifteen percent (15%) or more of Class Members opt out of the Settlement by submitting valid and timely Requests for Exclusion, Defendants have the right (but need not) in their sole discretion to rescind and void the Settlement, before final approval by the Court, by providing written notice to Class Counsel at least ten (10) calendar days after the Administrator

furnishes Defendants and Class Counsel with the number and percentage of valid and timely Requests for Exclusion following the expiration of the Response Deadline. If Defendants exercises this option, Defendants will pay all Settlement Administration Costs incurred through such date. If the Settlement is rescinded pursuant to this provision, this Settlement will be considered null and void, neither the Settlement or any of the related negotiations or proceedings will have any force or effect and no party will be bound by any of its terms, and all Parties to this Settlement will stand in the same position, without prejudice, as if the Settlement had been neither entered into nor filed with the Court.

75. **Workweek Differential.** It is currently estimated that there were 706 Class Members who collectively worked 14,510 Workweeks during the Class Period. If it is determined by Plaintiffs' counsel and confirmed by the Settlement Administrator that the number of Workweeks during the Class Period existing thirty (30) days prior to the Final Approval Hearing exceeds 15,961 (i.e., an increase greater than 10% of the 14,510 estimated workweeks), the Maximum Settlement Amount will increase proportionally according to the number of additional Workweeks above 15,961.

PROCEDURE FOR FINAL COURT APPROVAL OF AGREEMENT

76. **Seeking Final Approval.** Plaintiffs will prepare and file a motion for final approval of the Settlement. Plaintiffs agrees to provide Defendants the opportunity to review the Final Approval Motion, and to consider Defendants' comments in good faith before filing the Final Approval Motion. In conjunction with the Final Approval Motion, Class Counsel will submit a proposed Final Approval Order and Judgment, in substantially the form attached hereto as **Exhibit C**, that provides, *inter alia*, as follows:

- A. Making final the conditional certification of the Class for settlement purposes only;
- B. Approving the Settlement, adjudging the terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and provisions;
- C. Approving an award of Attorneys' Fees and Costs to Class Counsel;
- D. Approving the Enhancement Awards to the Class Representatives;
- E. Approving the Administration Expenses to be paid to the Administrator;
- F. Approving the PAGA Allocation and LWDA Payment to the LWDA;

G. Entry of judgment in the Action with continuing jurisdiction of the Court in conformity with California Rules of Court Rule 3.769 and California Code of Civil Procedure Section 664.6 as necessary to enforce the terms of the Agreement.

77. **Declaration of Due Diligence.** In connection with and in support of Plaintiffs' Final Approval Motion, Class Counsel will file with the Court a declaration by the Settlement Administrator of due diligence and proof of mailing with regard to the mailing of the Class Notice to Class Members.

78. **Submission of Judgment to LWDA.** Within 10 calendar days after Class Counsels' receipt of the Court's approval of the Agreement and entry of a signed Final Approval Order and Judgment, Class Counsel will submit the Final Approval Order and Judgment to the LWDA through its on-line procedures and will provide Defense Counsel with a copy of the LWDA's acknowledgment of receipt of the Final Approval Order and Judgment.

SETTLEMENT FUNDING AND PAYMENTS DISBURSEMENTS

79. **Accounting of Disbursement.** Within five (5) calendar days after the Effective Date, the Administrator will provide Defendants with payment instructions and a report listing the amount of all payments to be made.

80. **Payment Plan for Funding the Settlement.** Within fifteen (15) calendar days after the Effective Date, Defendants, on behalf of the Released Parties, will make an initial Settlement payment to the Administrator of Three Hundred Fifty Thousand Dollars (\$350,000). Following the initial Settlement payment, Defendants will pay the remainder of the Maximum Settlement Amount in eight equal quarterly payments thereafter due on or before March 19th, June 19th, September 19th, and December 19th whichever is soonest with the first quarterly payment commencing in the following quarter after the initial Settlement payment is made and continuing each quarter with the final payment being made no later than December 19, 2025. Defendants may elect to pay the entire amount at any earlier time. The Administrator will establish a Qualified Settlement Fund ("QSF") for purposes of disbursing the Maximum Settlement Amount per the terms of this Agreement. The Administrator will undertake all required withholding, remittances, reporting of taxes, and issuance of the appropriate tax forms for payments required under this Agreement in accordance with local, state, and federal laws.

1 **81. Disbursement of Maximum Settlement Amount.** The Administrator will disburse
2 the Maximum Settlement Amount as specified in this Agreement and as approved by the Court in
3 the Final Approval Order and Judgment. The Administrator will be responsible for making payment
4 of any court-approved Class Counsels' Attorneys' Fee and Costs, any court-approved Plaintiffs'
5 Enhancement Awards to the Class Representatives, Administration Expenses, the LWDA Payment,
6 issuing the Individual Class Awards to Participating Class Members, issuing Individual PAGA
7 Awards to PAGA Members, and meeting any reporting obligations. Within five (5) calendar days of
8 the Administrator's receipt of the initial Settlement payment, the Administrator shall pay the court-
9 approved Class Counsel's Costs, the court-approved Plaintiffs' Enhancement Awards, and the full
10 wages component of each Individual Class Award to the Participating Class Members. The
11 Administrator will then use the remainder of the initial Settlement payment to pay a pro rata share of
12 the Class Counsel's Attorneys' Fees. Thereafter, the Administrator will make a second pro-rata
13 disbursement of the funds in the QSF within five (5) calendar days of receipt of the final March 2025
14 quarterly payment. The Administrator shall pay the pro rata share of the penalties and interest
15 component of each Individual Class Award to the Participating Class Members, pay the court-
16 approved PAGA Allocation to the LWDA and the Individual PAGA Members, pay the remainder of
17 the Class Counsel's Attorneys' Fees, and pay the Administration Expenses. The Administrator will
18 calculate and report to Defendants the employer share of payroll taxes due for the first disbursement.
19 Defendants will be responsible for separately paying the employer share of payroll taxes due for the
20 first disbursement.

21 **82. Default on Payment.** Defendants' failure to timely pay to the Administrator the
22 Maximum Settlement Amount pursuant to the payment plan will be considered a default. In the event
23 Defendants fails to timely fund the Maximum Settlement Amount pursuant to the payment plan, the
24 Administrator will provide notice to Class Counsel and Defendants' counsel within three (3) business
25 days of the missed payment. Thereafter, Defendants will have seven (7) calendar days to cure the
26 default and tender payment to the Administrator. Should Defendants fail to cure the default and
27 tender payment to the Administrator within seven (7) calendar days, Defendants shall be liable for
28 liquidated damages in the amount of \$10,000.00 each month Defendants remain in default on

1 payment per the terms of the payment plan. The Administrator will disburse fifty percent (50%) of
2 any liquidated damages to Participating Class Members on a pro-rata basis, the remaining fifty
3 percent (50%) will be disbursed to Class Counsel.

4 **83. Individual Class and PAGA Award Disbursements.** The Administrator will
5 distribute Individual Class Awards, subject to applicable taxes and withholdings, and Individual
6 PAGA Awards by way of check(s) mailed to the Participating Class Member and/or PAGA Member
7 at the last known address that the Settlement Administrator has on file. Settlement award checks will
8 remain valid and negotiable for one hundred and eighty (180) calendar days from the date of their
9 issuance. If a settlement award check is returned to the Administrator, the Administrator will make
10 all reasonable efforts to re-mail it to the Class and/or PAGA Member at his or her correct address.
11 Upon the deadline to cash the settlement award checks, the checks will automatically be cancelled
12 by the Administrator if not cashed within that time and the funds associated with such cancelled
13 checks will be transmitted to the California State Controller's Office's Unclaimed Property Division
14 to be held as unclaimed funds in the Class and/or PAGA Member's name. A Class and/or PAGA
15 Member whose settlement award check(s) are cancelled remains subject to the Settlement, the
16 releases of claims, and the Court's Final Approval Order and Judgment. The checks provided to
17 Class and/or PAGA Members will prominently state the expiration date or a statement that the checks
18 will expire in 180 calendar days, or alternatively, such a statement may be made in a letter
19 accompanying the check. Lost or expired settlement award checks will not be reissued, except for
20 good cause and as mutually agreed by the Parties in writing. No person will have any claim against
21 Defendants, Released Parties, Defense Counsel, the Class Representatives, any Class Member, any
22 PAGA Member, Class Counsel, or the Administrator based on distributions and payments made in
23 accordance with this Agreement.

24 **84. Declaration of Compliance.** Within one hundred ninety (190) days from the date of
25 the final disbursement of settlement award checks, the Administrator will provide a declaration of
26 compliance with the terms of the Agreement and detailing proof of payment and the numbers of
27 cashed and uncashed checks (without disclosing or identifying information of Class Members). Class
28

Counsel will file the Administrator's declaration of compliance with the Court, as ordered by the Court.

MISCELLANEOUS PROVISIONS

85. **No Adverse Action.** Defendants will not take any adverse action against any current or former employee on the grounds that he/she is eligible to participate and/or does participate in the Settlement.

86. **No Claim Based Upon Distributions or Payments in Accordance with this Settlement Agreement.** No person shall have any claim against Defendants, Class Counsel, or Defendants' Counsel based on distributions or payments made in accordance with this Settlement Agreement.

87. **Interim Stay of Proceedings.** The Parties agree to hold in abeyance all proceedings in the Action, including discovery, except such proceedings necessary to implement and complete the Settlement. Further, without further order of the Court, the Parties hereto may agree in writing to reasonable extensions of time to carry out any of the provisions of the Settlement.

88. **Limited Public Comment / Media Communications / No Attorney Advertising.** With the exception of court filings, notice to the LWDA, and required public company disclosures, the Parties, including the Class Representatives and Class Counsel, will not initiate any communications (directly or indirectly) with the public or the media regarding the Settlement in any form which includes, but is not limited to, advertising and promotional materials, press inquiries, website, blog, and social media postings. Notwithstanding the foregoing, the Parties, including the Class Representatives and Class Counsel, may, in response to a communication initiated by the media, direct the inquiring media member to the public records of the Action on file with the Court and respond only with "The matter has been resolved." The Parties will use their best efforts to reach agreement on all Court filings. Class Counsel will take all steps necessary to ensure that Class Representatives are aware of the restriction against public comment of the Settlement. This provision does not prevent Class Counsel from communicating with any Class Members who may contact Class Counsel. Also, nothing in this Agreement restricts Class Counsel from disclosing and including all publicly available information regarding this case and the settlement in any documents

1 filed with any court and/or judicial submissions (e.g., CV's, declarations regarding adequacy or
2 experience, etc.).

3 89. **No Assignment of Claims.** The Parties and their counsel represent, covenant and
4 warrant that they have not directly or indirectly, assigned, transferred, encumbered or purported to
5 assign, transfer or encumber to any person or entity any portion of any liability, claim, demand,
6 action, cause of action or right herein released and discharged except as set forth herein.

7 90. **Construction.** The Parties agree that the terms and conditions of this Agreement are
8 the result of lengthy, intensive arms-length negotiations between the Parties and this Agreement will
9 not be construed in favor of or against any party by reason of the extent to which any party or his,
10 her, or its counsel participated in the drafting of this Agreement.

11 91. **No Admission.** Nothing contained in this Agreement, nor the consummation of this
12 Agreement, is to be construed or deemed an admission of liability, culpability, negligence or
13 wrongdoing on the part of Plaintiffs, Defendants, or Released Parties. Each of the Parties hereto has
14 entered into this Agreement solely with the intention to avoid further disputes and litigation with the
15 attendant inconvenience and expenses.

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

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

25 94. **Attorney Authorization.** Class Counsel and Defense Counsel separately warrant and
26 represent that they are authorized by Plaintiffs and Defendants, respectively, to take all appropriate
27 action required, or permitted to be taken, by such Parties pursuant to this Agreement to effectuate its
28 terms, and to execute any other documents reasonably required to effectuate the terms of this

1 Agreement, including any amendments to this Agreement. **Captions and Interpretations.** Paragraph
2 titles or captions contained herein are inserted as a matter of convenience and for reference, and in
3 no way define, limit, extend or describe the scope of this Agreement or any provision of it.

4 95. **Modification and Waiver.** This Agreement may not be changed, altered or modified,
5 except in writing specifically referencing this Agreement, signed by the Parties, and approved by the
6 Court. No rights under this Agreement may be waived except in writing specifically referencing this
7 Agreement, signed by the waiving Party or Parties.

8 96. **Invalidity of Any Provision.** Before declaring any provision of this Settlement
9 invalid, the Parties request that the Court first attempt to construe the provisions valid, to the fullest
10 extent possible, consistent with applicable precedents, so as to define all provisions of this Agreement
11 valid and enforceable. In the event any provision of this Agreement shall be found unenforceable,
12 the unenforceable provision shall be deemed deleted, and the validity and enforceability of the
13 remaining provisions shall not be affected.

14 97. **Notice to Counsel.** Unless otherwise specifically provided herein, all notices,
15 demands, or other communications provided for in this Agreement will be in writing and will be both
16 emailed and mailed by United States registered or certified mail, return receipt requested, addressed
17 as follows:

18 **Class Counsel:**

19 LAW OFFICES OF SCOTT ERNEST WHEELER
20 Scott Ernest Wheeler
21 250 West First Street, Suite 216
22 Claremont, CA 91711-4790
23 Telephone: (909) 621-4988
24 *sew@scottwheelerlawoffice.com*

25 EMPLOYMENT RIGHTS LAW GROUP, APC
26 Amir H. Seyedfarshi
27 1180 S Beverly Drive, Suite 610
28 Los Angeles, California 90035
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amir@employmentrightslawgroup.com

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svanderheide@cdflaborlaw.com

1 W EMPLOYMENT LAW, APC
2 Jacob N. Whitehead
3 7700 Irvine Center Drive, Suite 390
4 Irvine, California 92618
5 Telephone: (949) 674-4922
6 *reception@jnwpc.com*

6 98. **Mutual Full Cooperation.** The Parties agree to fully cooperate with each other to
7 accomplish the terms of this Agreement, including, but not limited to, execution of such documents
8 and taking such other action as reasonably may be necessary to implement the terms of this
9 Agreement. The Parties will use their best efforts, including all efforts contemplated by this
10 Agreement and any other efforts that may become necessary by order of the Court, or otherwise, to
11 effectuate this Agreement and the terms set forth herein. As soon as practicable after execution of
12 this Agreement, Class Counsel will, with the assistance and cooperation of Defendants and Defense
13 Counsel, take all necessary steps to secure the Court's approval of this Agreement. If the Court
14 does not issue an order approving the Agreement under the specific terms requested, the Parties
15 agree to meet and confer to address the Court's concerns in good faith and determine whether
16 resolution of the claims encompassed by the Agreement can be obtained in a manner consistent
17 with the Court's concerns. The Parties, Class Counsel, and Defense Counsel agree that they will
18 not attempt to encourage or discourage Class Members from filing Requests for Exclusion.

19 99. **Disputes.** Should any dispute(s) arise among the Parties or their respective counsel
20 regarding the implementation or interpretation of this Agreement that they are unable to resolve
21 cooperatively, the Parties agree to submit any such dispute(s) to mediator Tripper Ortman. To the
22 extent any Party seeks to enforce any of the terms of this Agreement in Court or before the Court,
23 the prevailing party will be entitled to recover reasonable attorneys' fees and costs.

24 100. **Parties' Authority.** It is agreed that because the Class and PAGA Members are so
25 numerous, it is impossible or impractical to have each Class and PAGA Member execute this
26 Agreement. The Class Notice will advise all Class and PAGA Members of the binding nature of
27 the releases of claims provided for by the Settlement, and that the releases will have the same force
28 and effect as if this Agreement were executed by each Participating Class Member and PAGA

1 Member. The signatories to this Agreement represent that they are fully authorized to enter into this
2 Agreement and bind the Parties to its terms and conditions.

3 101. **Agreement Binding on Successors.** This Agreement is binding on and inures to
4 the benefit of the Parties, and the Released Parties and their respective heirs, trustees, executors,
5 administrators, successors and assigns.

6 102. **Attorneys' Fees and Costs.** Except as expressly provided in this Agreement,
7 Defendants and Plaintiffs will each bear their own attorney's fees and costs.

8 103. **Counterparts.** This Agreement may be executed in counterparts and by original or
9 electronic signatures consistent with the Uniform Electronic Transactions Act (Civil Code §
10 1633.1-1633.17) sent via PDF through email, and when each party has signed and delivered at least
11 one such counterpart, each counterpart, including e-mail and PDF versions, will be deemed an
12 original and, when taken together with other signed counterparts, will constitute one Agreement
13 binding upon and effective as to all Parties.

14 104. **Extension of Deadlines.** If the date by which any court filing, mailing, or deadline
15 is to occur per the terms and conditions of this Agreement falls on a Saturday, Sunday, or legal
16 holiday in the State of California, the date of the court filing, mailing, or deadline is extended to the
17 next following day which is not a Saturday, Sunday, or legal holiday in the State of California.

18 105. **California Law.** All terms of this Agreement will be governed by and interpreted
19 according to the laws of the State of California.

20 106. **Voluntary Agreement.** The Parties expressly declare and represent that they have
21 read this Agreement and have consulted with counsel, or had the opportunity to consult with
22 counsel, regarding the meaning of the provisions, terms, and conditions contained in this
23 Agreement. The Parties further expressly declare and represent that they fully understand the
24 content and effect of this Agreement, that they approve and accept its terms and conditions, and
25 that the Agreement is executed freely and voluntarily.

26 IN WITNESS WHEREOF, the Parties knowingly and voluntarily execute this Agreement
27 as of the date(s) set forth below:
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Dated: _____

Dated: 06 / 02 / 2023

Dated: _____

Dated: 06 / 03 / 2023

Dated: _____

Dated: 5-23-2023

Dated: 5-23-2023

By: _____
Titiksha Parekh

By:  _____
Fatima Galvan

By: _____
Patricia Martinez Orozco

By:  _____
Rosario Zavala Lopez

By: _____
Maria Lozano

By:  _____
Medivolve, Inc.

Name: David Preiner

Title: CEO of Medivolve, Inc.

By:  _____
Collection Sites, LLC

Name: David Preiner, as CEO of Medivolve, Inc.

Title: CEO of Medivolve, Inc.

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

2
3 DATED: _____

W EMPLOYMENT LAW, APC

4
5 By: _____
Jacob N. Whitehead

6 Attorneys for Plaintiffs Parekh, Galvan, Zavala and
7 Martinez

8
9 DATED: _____

SCHNEIDER WALLACE COTTRELL KONECKY
LLP

10
11 By: _____
Carolyn H. Cottrell

12 Attorneys for Plaintiffs Parekh, Galvan, Zavala and
13 Martinez

14
15 DATED: _____

LAW OFFICE OF SCOTT ERNEST WHEELER

16
17 By: _____
Scott Ernest Wheeler

18 Attorneys for Plaintiff Maria Lozano

19 DATED: 05 / 31 / 2023

EMPLOYMENT RIGHTS LAW GROUP, APC.

20
21 By:  _____
Amir H. Seyedfarshi

22 Attorneys for Plaintiffs Parekh, Galvan, Zavala and
23 Martinez

24 DATED: 5/23/2023

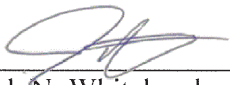
CDF LABOR LAW

25 By:  _____
Corey J. Cabral
26 Sander van der Heide

27 Attorneys for Defendants Collection Sites, LLC. and
28 Medivolve, Inc.

1 **AGREED AS TO FORM AND CONTENT:**2
3 DATED: 6/8/2023

W EMPLOYMENT LAW, APC

4
5 By: 
6 Jacob N. Whitehead7 Attorneys for Plaintiffs Parekh, Galvan, Zavala and
8 Martinez9 DATED: 06/08/2023SCHNEIDER WALLACE COTTRELL KONECKY
10 LLP11 By: 
12 Carolyn H. Cottrell13 Attorneys for Plaintiffs Parekh, Galvan, Zavala and
14 Martinez15 DATED: 6/5/23

LAW OFFICE OF SCOTT ERNEST WHEELER

16 By: 
17 Scott Ernest Wheeler

18 Attorneys for Plaintiff Maria Lozano

19 DATED: _____

EMPLOYMENT RIGHTS LAW GROUP, APC.

20 By: _____
21 Amir H. Seyedfarshi22 Attorneys for Plaintiffs Parekh, Galvan, Zavala and
23 Martinez

24 DATED: _____

CDF LABOR LAW

25 By: _____
26 Corey J. Cabral
27 Sander van der Heide28 Attorneys for Defendants Collection Sites, LLC. and
Medivolve, Inc.

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Dated: 6/8/2023

By: Titiksha Parekh
Titiksha Parekh

Dated: _____

By: _____
Fatima Galvan

Dated: 6/8/2023

By: 
Patricia Martinez Orozco

Dated: _____

By: _____
Rosario Zavala Lopez

Dated: 5/31/2023

By: 
Maria Lozano

Dated: 5-23-2023

By: 
Medivolve, Inc.

Name: David Preiner

Title: CEO of Medivolve, Inc.

Dated: 5-23-2023

By: 
Collection Sites, LLC

Name: David Preiner, as CEO of Medivolve, Inc.

Title: CEO of Medivolve, Inc.

EXHIBIT A

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Defendant.

Action Filed: October 22, 2021

1 **TO ALL PARTIES AND THEIR RESPECTIVE COUNSEL OF RECORD:**

2 Plaintiffs Maria Lozano, Titiksha Parekh, Fatima Galvan, Patricia Martinez Orozco, and
3 Rosario Zavala Lopez (“Plaintiffs”) Motion for Preliminary Approval of Class and PAGA
4 Settlement (“Motion for Preliminary Approval”) came before this Court, on November 9, 2023, at
5 10:30 a.m. in Department C-70, before the Honorable Carolyn Caietti. Class Counsel appeared on
6 behalf of Plaintiffs. CDF Labor Law LLP appeared on behalf of defendants Collection Sites, LLC
7 and Medivolve, Inc (“Defendants”). The Court having reviewed the Agreement and considered
8 the papers, the arguments of counsel, and all other evidence and matters presented, and good cause
9 appearing:

10 **IT IS ORDERED** that the Motion for Preliminary Approval of Class and PAGA
11 Settlement is **GRANTED**, subject to the following findings and orders:

12 1. The Court grants preliminary approval of the Parties’ settlement based upon the
13 terms set forth in the Joint Stipulation of Class and PAGA Settlement (“Agreement” or
14 “Settlement”) filed herewith. All terms used herein have the same meaning as defined in the
15 Agreement. The settlement set forth in the Agreement appears to be fair, adequate and reasonable
16 to the Class and PAGA Members.

17 2. It appears to the Court on a preliminary basis that (a) the Settlement is fair, adequate
18 and reasonable; (b) the Maximum Settlement Amount and Net Settlement Amount are fair,
19 adequate and reasonable when balanced against the probable outcome of further litigation relating
20 to liability and damages issues; (c) sufficient investigation and research have been conducted such
21 that counsel for the Parties at this time are able to reasonably evaluate their respective positions;
22 (d) settlement at this time will avoid additional costs by all Parties, as well as avoid the delay and
23 risks that would be presented by the further prosecution of the Action; and (e) the Settlement has
24 been reached as the result of non-collusive, arms-length negotiations.

25 3. A final fairness hearing on the question of whether the Settlement, Attorneys’ Fees
26 and Costs to Class Counsel, Plaintiffs’ Enhancement Awards, and Administration Expenses should
27 be finally approved as fair, reasonable and adequate as to the members of the Class is scheduled in
28 Department C-70 on the date and time set forth in Paragraph 10 below.

1 4. This Court approves, as to form and content, the Class Notice, in substantially the
2 form attached hereto and to the Agreement as **Exhibit A**. The Court approves the procedure for
3 Class Members to participate in, to opt out of, and/or to object to, the Settlement as set forth in the
4 Agreement and the Class Notice.

5 5. The Court directs the mailing of the Class Notice by first class mail to the Class and
6 PAGA Members in accordance with the Implementation Schedule set forth below. The Court finds
7 the dates selected for the mailing and distribution of the Class Notice, as set forth in the
8 Implementation Schedule, meet the requirements of due process and provide the best notice
9 practicable under the circumstances and will constitute due and sufficient notice to Class and
10 PAGA Members.

11 6. The Court concludes that, for settlement purposes only, the Class is preliminarily
12 and conditionally certified and meets the requirements for certification under section 382 of
13 California Code of Civil Procedure in that: (1) the Class is ascertainable and so numerous that
14 joinder of all members of the Class is impracticable; (b) common questions of law and fact
15 predominate, and there is a well-defined community of interest amongst the members of the Class
16 with respect to the subject matter of the litigation; (c) Plaintiffs' claims are typical of the claims of
17 the members of the Class; (d) Plaintiffs will fairly and adequately protect the interest of the
18 members of the Class; (e) a class action is superior to other available methods for the efficient
19 adjudication of the controversy; and (f) Class Counsel is qualified to act as counsel for Plaintiffs
20 in their individual capacity and as representatives of the Class. The Class is defined as all persons
21 employed by Defendants in an hourly, non-exempt position in California from June 17, 2017,
22 through November 18, 2022.

23 7. The Court confirms Plaintiffs Maria Lozano, Titiksha Parekh, Fatima Galvan,
24 Patricia Martinez Orozco, and Rosario Zavala Lopez as the Class Representatives, and Scott Ernest
25 Wheeler of the Law Offices of Scott Ernest Wheeler; Amir H. Seyedfarshi of Employment Rights
26 Law Group, APC; Carolyn H. Cottrell, Ori Edelstein, and Philippe M.J. Gaudard of Schneider
27 Wallace Cottrell Konecky LLP; and Jacob N. Whitehead of W Employment Law, APC., as Class
28 Counsel.

1 8. The Court confirms ILYM Group, Inc. as the Settlement Administrator.

2 9. The Court approves the proposed procedures, as set forth in the Agreement for:
3 seeking exclusion from the Settlement by submitting to the Administrator a valid and timely
4 Request for Exclusion; objecting to the Settlement by filing with the Court and submitting to the
5 Administrator a written objection; and disputing credited workweeks by submitting to the
6 Administrator a valid and timely Workweek Dispute.

7 10. A final fairness hearing will be held before this Court on _____ at
8 _____ a.m./p.m. in Department C-90 of the Superior Court of California for the
9 County of San Diego located at 330 W. Broadway, San Diego CA 92101, to determine all
10 necessary matters concerning the Settlement, including: whether the proposed settlement of the
11 Action on the terms and conditions provided for in the Agreement is fair, adequate, and
12 reasonable and should be finally approved by the court; whether a judgment, as provided in the
13 Agreement, should be entered; whether the plan of allocation contained in the Settlement should
14 be approved as fair, adequate, and reasonable to the Class Members; and determine whether to
15 finally approve the allocations and requests for Class Counsel's Fees and Costs, Plaintiffs'
16 Enhancement Awards, Administration Expenses, and PAGA Allocation. Class Counsel will file
17 a motion for final approval of the Settlement and for Class Counsel's Fees and Costs, Plaintiffs'
18 Enhancement Awards, and Administration Expenses, along with the appropriate declarations and
19 supporting evidence, including the Administrator's declaration in accordance with California
20 Code of Civil Procedure section 1005(b) (i.e., at least 16 court days prior to the final fairness
21 hearing).

22 The Court orders the following **Implementation Schedule** for further proceedings:

	Event	Date
a.	Deadline for Defendants to Submit Class Data to Administrator	[20 calendar days after order granting Preliminary Approval]

b.	Deadline for Administrator to notify Class Counsel that it received Class Data, and states the number of Class Members, Aggrieved Employees, Workweeks, and PAGA Pay Periods in the Class Data	[Within 5 business days after receipt of Class Data]
c.	Deadline for Administrator to Mail Class Notice to Class and PAGA Members	[35 calendar days after order granting Preliminary Approval]
d.	Deadline for Class Members to Postmark Workweek Dispute	[30 calendar days after mailing of the Class Notice (plus additional 15 days for Class Members whose notices were remailed)]
e.	Deadline for Class Members to Postmark Requests for Exclusion	[60 calendar days after mailing of the Class Notice (plus additional 15 days for Class Members whose notices were remailed)]
f.	Deadline for Administrator to re-mail any Class Notice returned as undeliverable	[5 calendar days of receiving a returned Class Notice]
g.	Deadline for Administrator to provide Counsel notice of the valid Request for Exclusion letters received	[5 calendar days after expiration the Response Deadline]
h.	Deadline for Administrator to provide Counsel its Declaration of Due Diligence and Proof of Mailing	[14 calendar days before due date for Plaintiffs' Motion for Final Approval]
i.	Deadline for Defendants to exercise their option to cancel the settlement	[10 calendar days after Administrator provides notice of valid Request for Exclusion letter]
j.	Deadline for Receipt by Court and Administrator of any objections to Settlement	[60 calendar days after mailing of the Class Notice]

k.	Deadline for Class Counsel to file Motion for Final Approval of Settlement, including Request for Class Counsel's Attorneys' Fees and Costs and Plaintiffs' Enhancement Awards	[16 Court days before Final Approval Hearing]
l.	Deadline for filing of Declaration by Administrator of Due Diligence and Proof of Mailing	[16 Court days before Final Approval Hearing]
m.	Final Approval Hearing	Date:
		Time:

11. Pending the final fairness hearing, all proceedings in this Action, other than proceedings necessary to carry out or enforce the terms of the Settlement and this Order, are hereby stayed.

IT IS SO ORDERED.

Dated: _____

HONORABLE CAROLYN CAIETTI
JUDGE OF THE SUPERIOR COURT

EXHIBIT B

<<First Name>> <<Last Name>>
<<Address 1>>
<<Address 2>>

NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

Titiksha Parekh, Patricia Martinez v. Collection Sites, LLC (“*Parekh PAGA Action*”) and the related cases *Titiksha Parekh, Fatima Galvan, and Rosario Zavala Lopez v. Collection Sites, LLC* (“*Parekh Class Action*”) and *Maria Lozano v. Collection Sites, LLC* (“*Lozano Action*”) San Diego Superior Court, Case No. 37-2021-00045276-CU-OE-CTL

PLEASE READ THIS NOTICE CAREFULLY. THIS NOTICE RELATES TO A SETTLEMENT OF CLASS ACTION AND PAGA LITIGATION.

I. BACKGROUND OF THE CASE

On August 17, 2023, an amended consolidated complaint bringing together the Plaintiffs and claims in the related civil actions titled *Maria Lozano v. Collection Sites, LLC* (“*Lozano Action*”); *Parekh, et al v. Collection Sites, LLC* (“*Parekh PAGA Action*”); and *Parekh, et al. v. Collection Sites, LLC and Medivolve, Inc.* (“*Parekh Class Action*”) (collectively referred to as the “*Action*”), was filed for purposes of settlement approval in San Diego Superior Court, Case No. 37-2021-00045276-CU-OE-CTL.

Former employees Maria Lozano, Titiksha Parekh, Patricia Martinez Orozco, Fatima Galvan, and Rosario Zavala Lopez (“*Plaintiffs*”) seeks Private Attorneys General Act (“*PAGA*”) penalties and allege the following class action claims against Collection Sites, LLC and Medivolve, Inc. (“*Defendants*”): (1) failure to provide meal periods; (2) failure to provide rest periods; (3) unpaid overtime based on off-the-clock work, rounding, and regular rate of pay; (4) unpaid wages and minimum wages based on off-the-clock work and rounding; (5) failure to timely pay wages during employment; (6) failure to timely pay wages at discharge; (7) failure to provide accurate wage statements; (8) failure to maintain accurate records; (9) failure to provide wage theft prevention notices; (10) failure to reimburse business expenses; and (11) violation of the Unfair Competition Law.

Defendants deny all claims, denies that Plaintiffs and the Class Members are entitled to any recovery, and asserts affirmative defenses in response to Plaintiffs’ claims.

The Action has been actively litigated. There have been on-going investigations, and an exchange of extensive documentation and information. Furthermore, the Parties have engaged in arms-length private mediation before two respected mediators. Based upon the negotiations, and all known facts and circumstances, including the various risks and uncertainties related to legal actions, the Parties reached a class-wide Settlement. By settling, the Parties will avoid the risks associated with a lengthy litigation process. Despite agreeing to and supporting the Settlement, Defendants continue to deny all allegations and claims.

The Parties have entered into a Joint Stipulation of Class and PAGA Settlement (“*Settlement*,” or “*Agreement*”), which has been preliminarily approved by the Court. The Settlement has been reached between the Parties on behalf of:

- (1) all persons employed by Defendants in an hourly, non-exempt position in California during the Class Period (defined as June 17, 2017 through November 18, 2022) (“*Class Members*”); and

- (2) all persons employed by Defendants in an hourly, non-exempt position in California during the PAGA Period (defined as June 17, 2020 through November 18, 2022) (“PAGA Members”)

II. ESTIMATED INDIVIDUAL AWARD

You have received this notice because Defendants’ records indicate you are a Class Member and/or PAGA Member. This notice is to advise you of how you can participate in or be excluded from the Settlement.

Based on Defendants’ records, your Individual Class Award is estimated to be \$_____ (less applicable withholdings) and your Individual PAGA Award is estimated to be \$_____. The actual amount you may receive may be more or less than the amount estimated depending on the number of Class Members who choose to exclude themselves from the Settlement, the actual number of Workweeks worked by Participating Class Members, and on the distributions approved and allocated by the Court. If no amount is stated for your Individual PAGA Award, then you are not eligible for an Individual PAGA Award under the Settlement because you didn’t work during the PAGA Period.

The above estimates are based on Defendants’ records showing that you worked _____ workweeks during the Class Period, and you worked _____ pay periods during the PAGA Period.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether or not you act. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement. The Court will also decide whether to enter a judgment that approves the releases of claims by Class Members and PAGA Members in accordance with the terms of the Settlement.

III. SUMMARY OF SETTLEMENT

1. Under the terms of the Settlement, Defendants agrees to pay the Maximum Settlement Amount of One Million Two Hundred Thousand Dollars (\$1,200,000.00), plus the employer portion of applicable taxes, which is inclusive of all amounts Defendants are required to pay under the Settlement, including all Individual Class Awards to Participating Class Members, all Individual PAGA Awards to PAGA Members, the LWDA Payment, Plaintiffs’ Enhancement Awards, Class Counsels’ Attorneys’ Fees and Costs, and Administration Expenses. The entire Maximum Settlement Amount will be fully paid out and no portion of the Maximum Settlement Amount will revert back to Defendants.

2. At the Final Approval Hearing, Plaintiffs and/or Class Counsel will ask the Court to approve the following deductions from the Maximum Settlement Amount, the amounts of which will be decided by the Court at the Final Approval Hearing:

a. Up to \$22,750.00 in Administration Expenses to the Administrator for costs of administration of the Settlement.

b. Up to \$75,000.00 as allocated as PAGA penalties, 75% of which will be paid to the LWDA and 25% of which will be distributed as Individual PAGA Awards to PAGA Members on a pro-rata basis based on the number of pay periods worked by all PAGA Members during the PAGA Period.

c. Up to \$420,000 (35% of the Maximum Settlement Amount) to Class Counsel for attorneys’ fees plus Class Counsel Costs currently amounting to \$29,423.31. The attorneys’ fees amount will be divided as follows: 28% to Law Offices of Scott Ernest Wheeler; 22% to Employment Rights Law Group,

APC; 25% to Schneider Wallace Cottrell Konecky LLP; and 25% to W Employment Law, APC To date, Class Counsel have worked and incurred expenses on the Action without payment.

d. Up to \$12,000.00 as Plaintiffs' Enhancement Awards for each of the Plaintiffs in recognition of their effort and work in prosecuting the Action and in exchange for an individual general release of all claims.

3. After making the above deductions in amounts approved by the Court the Administrator will distribute the remaining amount (the "Net Settlement Amount") as Individual Class Awards to Participating Class Members. The Individual Class Awards to Participating Class Members are calculated on a pro-rata basis based on the number of Workweeks worked by all Participating Class Members during the Class Period based on the Class Data provided by Defendants.

4. This is a structured settlement; the Administrator will distribute the Maximum Settlement Amount in pro-rata payments over three years. The first distribution will follow final court approval of the settlement. The second distribution is scheduled for March 2024. The third and final distribution is scheduled for March 2025.

5. Each Individual Class Award to a Participating Class Member will be attributed 10% as wages and 90% as penalties and interest. The Administrator will report the portions paid as penalties and interest via IRS 1099 form, along with the Class Members' PAGA Payments (if applicable), and will report portions attributed to wages via IRS form W-2. The Administrator will deduct employee payroll taxes from the wage portion of Individual Class Awards. Although the Parties have agreed to these allocations, neither side is giving you any advice on whether your payment(s) are taxable or how much you might owe in taxes. You solely responsible for correctly characterizing any payments made pursuant to the Settlement for tax purposes and for paying any taxes on the amounts received. You should consult a tax advisor if you have any questions about the tax consequences of the Settlement.

6. Releases of Claims. Upon Final Approval being granted by the Court, every Class Member who does not opt out of the Settlement (i.e., Participating Class Member), will release Defendants and the Released Parties from the Released Claims as described below. Additionally, every PAGA Member will release Defendants and the Released Parties from the Released PAGA Claims as described below. In other words, if you are a Class Member and you do not exclude yourself from the Settlement Class, you will be deemed to have entered into the release and to have released the below-described Released Claims. If the Settlement is not approved by the Court or does not become final for some other reason, the Action will continue as though the Settlement never occurred and without prejudice to any Party.

a. "Released Parties" means (i) Collection Sites, LLC and Medivolve, Inc. ("Defendants"), (ii) each of Defendants' past and present direct and indirect parents;; (iii) the respective past and present direct and indirect subsidiaries and affiliates of any of the foregoing; (iv) the past and present shareholders, directors, officers, agents, employees, attorneys, insurers, members, partners, managers, contractors, agents, consultants, representatives, administrators, fiduciaries, benefit plans, transferees, predecessors, successors and assigns of any of the foregoing; and (v) any individual or entity which could be jointly liable with any of the foregoing.

b. Release By Participating Class Members. As of the Effective Date, Plaintiffs and all Participating Class Members fully, finally, and forever release, compromise, and discharge the Released Parties from all claims they may have under the California Labor Code, Wage Orders, regulations, and/or any other provisions of state and federal law against the Released Parties that were or could have been alleged in the operative complaints in the Action and any amendments thereto, including, without limitation, all claims for (1) meal periods and meal period premiums, (2) rest breaks and rest break premiums, (3)

unpaid overtime and double time including off-the-clock work, rounding, and regular rate of pay, (4) unpaid wages including unpaid minimum wages, unpaid regular wages, off-the-clock work, rounding, and regular rate of pay, (5) timely payment of wages at during employment, (6) timely payment of wages at separation, (7) accurate wage statements, (8) maintaining accurate records, (9) providing accurate Wage Theft Prevention Notices, (10) business expense reimbursement, (11) violation of Unfair Competition Law, and any other Labor Code violations that were or could have been alleged in the Action based on the facts alleged in the Action, which includes, but is not limited to, alleged violations of Labor Code sections 200, 201, 202, 203, 204, 210, 218, 218.5, 218.6, 226, 226.3, 226.7, 510, 512, 558, 1021.5, 1024.5, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 2801.5, 2802, and Business and Professions Code section 17200 *et seq.* during the Class Period (June 17, 2017 through November 18, 2022).

c. Release By PAGA Members and State of California. As of the Effective Date, Plaintiffs, all PAGA Members, and the State of California fully, finally, and forever release, compromise, and discharge the Released Parties from all claims for civil penalties they may have under the California Labor Code, Wage Orders, regulations, and/or any other provisions of state and federal law against the Released Parties that were or could have been alleged in the LWDA Letters and the operative complaints in the Action and any amendments thereto, including, without limitation, all claims for civil penalties under PAGA (Labor Code § 2698 *et seq.*), related to (1) meal periods and meal period premiums, (2) rest breaks and rest break premiums, (3) unpaid overtime and double time including off-the-clock work, rounding, and regular rate of pay, (4) unpaid wages including unpaid minimum wages, unpaid regular wages, off-the-clock work, rounding, and regular rate of pay, (5) timely payment of wages at during employment, (6) timely payment of wages at separation, (7) accurate wage statements, (8) maintaining accurate records, (9) providing accurate Wage Theft Prevention Notices, (10) business expense reimbursement, (11) violation of Unfair Competition Law, and any other Labor Code violations that were or could have been alleged in the Action based on the facts alleged in the Action, which includes, but is not limited to, alleged violations of Labor Code sections 96(k), 98.6, 200, 201, 201.3, 201.5, 201.7, 202, 203, 203.1, 203.5, 204, 204a, 204b, 204.1, 204.2, 205, 205.5, 206, 206.5, 208, 209, 210, 212, 213(d), 218, 218.5, 218.6, 221, 222, 222.5, 223, 224, 226, 226.3, 226.7, 227, 227.3, 230, 230.1, 230.2, 230.3, 230.4, 230.7, 230.8, 231, 232(c), 232.5(c), 233, 234, 351, 353, 403, 404(b), 432.2, 432.5, 432.7, 435, 450, 510, 511, 512, 513, 551, 552, 558, 601, 602, 603, 604, 750, 751.8, 800, 850, 851, 851.5, 852, 921, 922, 923, 970, 973, 976, 1021, 1021.5, 1024.5, 1025, 1026, 1101, 1102, 1102.5, 1153, 1174, 1174.5, 1194, 1197, 1197.1, 1197.5, 1198, 1198.3(b), 1199, 1199.5, 1290, 1292, 1293, 1293.1, 1294, 1294.1, 1194.2, 1197, 1197.1, 1198, 1198.5, 1294.5, 1296, 1297, 1298, 1301, 1308, 1308.1, 1308.7, 1309, 1309.5, 1391, 1391.1, 1391.2, 1392, 1683, and 1695, 1695.5(a), 1695.55, 1695.6, 1695.7, 1695.8, 1695.9, 1696, 1696.5, 1696.6, 1697.1, 1700.25, 1700.26, 1700.31, 1700.32, 1700.40, 1700.47, 1701.4, 1701.5, 1701.8, 1701.10, 1701.12, 1735, 1771, 1774, 1776, 1777.5, 1811, 1815, 2651, 2673, 2673.1(a), 2695.2, 2800, 2801, 2801.5, 2802, 2806, 2810, 2929(b), 3095, 6310, 6311, and 6399 during the PAGA Period (June 17, 2020 through November 18, 2022). This release excludes the release of claims not otherwise permitted by law, i.e., Worker’s Compensation and unemployment insurance benefits.

IV. YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

If you worked for Defendants during the Class Period and/or the PAGA Period, your options under the Settlement are as follows:

Do Nothing	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Award and an Individual PAGA Award (if applicable). In exchange, you will give up your right to assert the Released Claims against the Defendants and the Released Parties (defined above), and if applicable, the Released PAGA
------------	--

	Claims. Your check(s) will be sent to the same address as this notice. If you move or change your mailing address be sure to notify the Administrator as soon as possible.
You can exclude yourself (i.e., opt-out) of the Class Settlement but not the PAGA Settlement Response Deadline is [DATE]	If you do not wish to participate in the Settlement, you can opt-out by sending the Administrator a written Request for Exclusion. The Request for Exclusion must contain: your full name, signature with date, the case name and number of the Action; and a clear statement indicating that you want to be excluded from the Settlement. The Request for Exclusion must be signed, dated, and mailed by First Class U.S. Mail, or the equivalent, to the Administrator. All Requests for Exclusion must be postmarked no later than the Response Deadline. Any individual who submits a Request for Exclusion will not be allowed to object to the terms of the Settlement.
Participating Class Members can object to the Class Settlement but not the PAGA Settlement Response Deadline is [DATE]	Any Class Member who does not exclude himself/herself from the Settlement (i.e., a Participating Class Member) may object to the terms of the Settlement by filing a written objection with the Court and mailing a copy to the Settlement Administrator, no later than the Response Deadline. A written objection must contain: your full name, signature with date, the case name and number of the Action, a clear statement indicating that you object to the Settlement, each specific reason in support of the objection along with any legal support for each objection, a clear statement indicating whether you are represented by counsel. If deemed appropriate by the Court, you may also object orally at the Final Approval Hearing. If the Court rejects the objection, you will nevertheless be bound by the terms of the Settlement.
Participating Class Members can participate in the Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on [DATE] at [TIME] in Department C-70 of the Superior Court of California for the County of San Diego located at 330 W. Broadway, San Diego CA 92101. You don't have to attend, but you have the right to appear (or hire an attorney to appear on your behalf at your own cost) at the Final Approval Hearing. If you do not exclude yourself from the settlement, you may object orally at the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts and legal support for your objection. If the Court rejects the objection, you will nevertheless be bound by the terms of the Settlement. It's possible the Court will reschedule the Final Approval Hearing. Check the Court's website for the most current information or contact Class Counsel to verify the date and time of the Final Approval Hearing.
You can dispute the calculation of your Workweeks / Pay Periods Dispute Deadline is [DATE]	The number of Class Period workweeks and/or PAGA Period Pay Periods you worked based on Defendants' records are stated above. If you disagree with either of these numbers, you can dispute them by submitting a timely written Workweek Dispute to the Administrator. The Workweek Dispute must be signed, dated, and

	mailed by First Class U.S. Mail, or the equivalent, to the Administrator. All Workweek Disputes must be postmarked no later than the Dispute Deadline. Unless you submit documentary evidence in support of your dispute, Defendants' records will be determinative. All Workweek Disputes will be resolved and decided by the Administrator, and the Administrator's decision on all disputes will be final and binding.
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V. HOW TO CONTACT THE ADMINISTRATOR

[ADMINISTRATOR]
[ADDRESS 1]
[ADDRESS 2]
Telephone: [NUMBER]

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you should consult the detailed "Joint Stipulation of Class Action and PAGA Settlement" which is on file with the Clerk of the Court and can be accessed at <<[website address](#)>>. The pleadings and other records in this Action, including the Settlement, may be examined at any time during regular business hours at the Office of the Clerk of the San Diego County Superior Court at 330 W. Broadway, San Diego CA 92101.

If you want additional information about this Action and its proceedings, you can contact the Administrator or Class Counsel in this Action:

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PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS.
BY ORDER OF THE SUPERIOR COURT.