

STIPULATION OF SETTLEMENT

This Stipulation of Settlement (“Settlement Agreement”) is reached by and between Plaintiff Eva Rockwell (collectively “Plaintiff”), individually and on behalf of all members of the Settlement Class, defined below, and Defendant California Mentor Family Home Agency, LLC (“Defendant”) (Plaintiff and Defendant are referred to herein collectively as the “Parties” and may be referred to individually as a “Party”). Plaintiff and the Settlement Class are represented by James R. Hawkins, Isandra Fernandez, Lance Dacre, and Kacey E. Cook of James Hawkins APLC (“Class Counsel”). Defendant is represented by Daniel J. Coyle, Shaye Schrick, and Caroline M. Colangelo of Delfino Madden O’Malley Coyle & Koewler LLP.

This settlement resolves a lawsuit that was filed by Plaintiff against Defendant on May 5, 2021, in Shasta County Superior Court, in the matter entitled *Eva Rockwell v. California Mentor Family Home Agency, LLC et al.*, Case No. SCRDCVCV21-0197240-001 (the “Action”). The Action alleges claims for: (i) failure to pay lawful wages; (ii) meal period violations; (iii) rest period violations; (iv) unreimbursed expenses; (iv) sick pay violations; (v) failure to provide accurate itemized wage statements; (vi) waiting time penalties; (vii) unfair competition; and (viii) civil penalties under the Labor Code Private Attorneys General Act of 2004, California Labor section 2698 *et seq.* (“PAGA”).

Given the uncertainty of litigation, Plaintiff and Defendant wish to settle both individually and on behalf of the Settlement Class. Accordingly, Plaintiff and Defendant agree as follows:

1. **Settlement Class.** For the purposes of this Settlement Agreement only, Plaintiff and Defendant stipulate to certification of the following Settlement Class:

All current and former non-exempt employees employed by California Mentor Family Home Agency, LLC in California at any time from May 5, 2017 through December 20, 2022 (the “Class Period”), except during the time period(s) in which they held the positions of Mentor Recruiter, Mentor Recruiter, CA, or Mentor Recruiter, CA, or Mentor Recruitment Specialist (Job Codes 2750 and 2751).

The Parties agree that certification for purposes of settlement is not an admission that class certification is proper under Section 382 of the Code of Civil Procedure. If for any reason this Settlement Agreement is not approved or is terminated, in whole or in part, this conditional agreement to class certification will be inadmissible and will have no effect in this matter or in any claims brought on the same or similar allegations, and the parties shall revert to the respective positions they held prior to entering into the Settlement Agreement.

2. **Participating Class Member(s).** Members of the Settlement Class who do not submit a valid and timely Request for Exclusion.

3. **Aggrieved Employee(s).** Members of the Settlement Class who, regardless of whether they submit a Request for Exclusion, worked for Defendant at any time from May 4, 2020 through December 20, 2022 (“PAGA Period”).

4. **Releases by Settlement Class.** Plaintiff and all every member of the Settlement Class will fully release and discharge Defendant and all of its past and present parent companies, affiliates, controlling persons, subsidiaries, joint employers, directors, officers, members, shareholders and investors, agents, attorneys, employees, and benefit plans sponsored by any such entities (collectively the “Released Parties”), as follows:

- A. **Release of Non-PAGA Claims.** Plaintiff and all Participating Class Members shall release all claims and causes of action, alleged or which could have reasonably been alleged based on the allegations in the Action, including claims for: (i) failure to pay lawful wages; (ii) meal period violations; (iii) rest period violations; (iv) unreimbursed expenses; (iv) sick pay violations; (v) failure to keep proper records; (vi) failure to provide accurate itemized wage statements; (vi) waiting time penalties; (vii) unfair competition; (viii) declaratory relief that could have been premised on the claims, causes of action or legal theories pled in the Action; and (ix) all damages, penalties, interest, costs (including attorneys’ fees) and other amounts recoverable under said claims or causes of action as to the facts and/or legal theories alleged in the Action (collectively, the “Non-PAGA Released Claims”). The period of the Release shall extend to the limits of the Class Period. The *res judicata* effect of the judgment will be the same as that of the Release.
- B. **Release of PAGA Claims.** In addition, Plaintiff and all Aggrieved Employees shall release all claims for civil penalties under PAGA (the “PAGA Released Claims”). The period of the Release shall extend to the limits of the PAGA Period. The *res judicata* effect of the judgment will be the same as that of the Release.
- C. Collectively, the Non-PAGA Released Claims and PAGA Released Claims are referred to as the “Released Claims.”
- D. In light of her Class Representative Service Award, Plaintiff Eva Rockwell has agreed to release, in addition to the Released Claims described above, all claims, whether known or unknown, under federal law, state law, or local law against the Released Parties. Plaintiff understands that this release includes unknown claims and that she is, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

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

Specifically excluded from Plaintiff's Released Claims are any claims for workers' compensation benefits, which cannot be released as a matter of law.

5. **Maximum Settlement Amount.** As consideration, Defendant agrees to pay a non-reversionary maximum amount ("Maximum Settlement Amount") of Six Hundred Seventy-Five Thousand Dollars and No Cents (\$675,000.00) in full and complete settlement of this matter, as follows:

- A. The Parties have agreed to engage ILYM Group, Inc. as the "Settlement Administrator" to administer this Settlement.
- B. The Maximum Settlement Amount shall be deposited with the Settlement Administrator into an interest-bearing settlement account for the benefit of the Settlement Class members, within ten (10) business days after Final Approval (which, for this purpose shall be defined as the date on which the Court enters an Order granting Final Approval) or, solely in the event that there are any objections to the settlement (the filing of an objection being a prerequisite to the filing of an appeal), the later of: (1) the last date on which any appeal might be filed or (2) the successful resolution of any appeal(s) – including expiration of any time to seek reconsideration or further review.
- C. This is a non-reversionary settlement. The Maximum Settlement Amount includes:
 - (1) All payments (including interest) to the Settlement Class;
 - (2) All costs of the Settlement Administrator and settlement administration, which are anticipated to be no greater than Fifteen Thousand Dollars (\$15,000.00);
 - (3) Up to Seven Thousand Five Hundred Dollars and No Cents (\$7,500.00) for Plaintiff's Class Representative Service Award, in recognition of Plaintiff's contributions to the Action, and her services to the Settlement Class. Even in the event that the Court reduces or does not approve the requested Class Representative Service Award, Plaintiff shall not have the right to revoke this settlement, and it will remain binding;
 - (4) Up to one-third of the Maximum Settlement Amount (Two Hundred Twenty-Five Thousand Dollars and No Cents (\$225,000.00)) in attorneys' fees, plus actual costs and expenses related to the Action as supported by declaration, which are not to exceed Twenty Thousand Dollars and No Cents (\$20,000.00). In the event that the Court reduces or does not approve the requested attorneys' fees and costs, Plaintiff's counsel shall not have the right to revoke this settlement, and it will remain binding; and
 - (5) Seventy-Five Thousand Dollars and No Cents (\$75,000.00) of the Maximum Settlement Amount has been set aside by the Parties as PAGA

civil penalties. Per Labor Code § 2699(i), seventy-five percent (75%) of such penalties, or Fifty-Six Thousand Two Hundred Fifty Dollars and No Cents (\$56,250.00), will be payable to the Labor and Workforce Development Agency (“LWDA”), and the remaining twenty-five percent (25%), or Eighteen Thousand Seven Hundred Fifty Dollars and No Cents (\$18,750.00), will be payable to certain Settlement Class members as the “PAGA Amount,” as described below.

- D. Settlement Class members’ share of payroll taxes shall be paid from the Net Settlement Fund, defined below. Defendant’s share of payroll taxes shall be paid by Defendant separately from, and in addition to, the Maximum Settlement Amount.

4. **Payments to the Settlement Class.** Members of the Settlement Class are not required to submit a claim form to receive a payment (“Individual Settlement Payment”) from the Settlement. Individual Settlement Payments will be determined and paid as follows:

- A. The Settlement Administrator shall first deduct from the Maximum Settlement Amount the amounts approved by the Court for Class Counsel’s attorneys’ fees, Class Counsel’s costs and expenses, Plaintiff’s Class Representative Service Award, the Settlement Administrator’s fees and expenses for administration, and the total amount designated as PAGA civil penalties. The remaining amount shall be known as the “Net Settlement Fund” (“NSF”).
- B. To Each Participating Class Member. From the NSF, the Settlement Administrator will calculate each Participating Class Member’s Individual Settlement Payment based on each Participating Class Member’s proportionate pay periods worked during the Class Period by (a) dividing the NSF by the total number of Pay Periods worked by all Participating Class Members during the Class Period and (b) multiplying the result by the number of Pay Periods worked by each Participating Class Member during the Class Period.
- C. To Each Aggrieved Employee. Eighteen Thousand Seven Hundred Fifty Dollars and No Cents (\$18,750.00) of the Maximum Settlement Amount has been designated as the “PAGA Amount” as described above. Each Aggrieved Employee, as defined herein, shall receive a portion of the PAGA Amount proportionate to the number of pay periods worked during the PAGA Period, and which will be calculated by multiplying the PAGA Amount by a fraction, the numerator of which is the Aggrieved Employee’s gross number of pay periods worked during this period, and the denominator of which is the total number of pay periods worked by all Aggrieved Employees during the PAGA Period.
- D. Within ten (10) calendar days following the deposit of the Maximum Settlement Amount with the Settlement Administrator by Defendant, the Settlement Administrator will calculate Individual Settlement Payment amounts, as well as the amount of the employer’s share of payroll taxes due on the wage portion of the Individual Settlement Payments, and provide the same to counsel for review

and approval. Within seven (7) calendar days of approval by counsel, the Settlement Administrator will prepare and mail Individual Settlement Payments, less applicable taxes and withholdings, to participating Settlement Class members. The Settlement Administrator shall simultaneously pay the withholdings to the applicable authorities with the necessary reports, submitting copies to Defendant's counsel.

- E. For purposes of calculating applicable taxes and withholdings for the Settlement Class members, each Individual Settlement Payment shall be allocated as follows: (1) for payments out of the NSF, thirty percent (30%) as wages, thirty percent (30%) as reimbursement, thirty percent (30%) as penalties, and ten percent (10%) as interest; and (2) for payments out of the PAGA Amount, one hundred percent (100%) as penalties. The Settlement Administrator will be responsible for issuing to participating Settlement Class members an IRS Form W-2 for amounts deemed "wages" and an IRS Form 1099 for the portions allocated as penalties and interest. Notwithstanding the treatment of the payments to each Settlement Class member above, none of the payments called for by this Settlement Agreement, including the wage portion, are to be treated as earnings, wages, pay or compensation for any purpose of any applicable benefit or retirement plan, unless required by such plans.
- F. Each member of the Settlement Class who receives an Individual Settlement Payment must cash that check within 180 days from the date the Settlement Administrator mails it. Any funds payable to Settlement Class members whose checks were not cashed within 180 days after mailing shall be sent to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).
- G. Neither Plaintiff nor Defendant shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by its own acts of omission or commission, the same is true for the Settlement Administrator.

5. **Attorneys' Fees and Costs.** Defendant will not object to a request for a total award of attorneys' fees of one-third of the Maximum Settlement Amount, which is currently estimated to be Two Hundred Twenty-Five Thousand Dollars and No Cents (\$225,000.00), plus actual costs and expenses as supported by declaration, in an amount not to exceed Twenty Thousand Dollars and No Cents (\$20,000.00). These amounts will cover any and all work performed and any and all costs incurred in connection with this litigation, including without limitation: all work performed and all costs incurred to date; and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel will be issued an IRS Form 1099 by the Settlement Administrator when it pays the fee award allowed by the Court.

6. **Class Representative Service Award.** Defendant will not object to a request for Class Representative Service Award of up to Seven Thousand Five Hundred Dollars and No Cents (\$7,500.00) for her time and risks in prosecuting this case, for her services to the Settlement Class, and for her general release of claims. These awards will be in addition to Plaintiff's Individual Settlement Payments as Settlement Class members and shall be reported on an IRS Form 1099 by the Settlement Administrator.

7. **Settlement Administrator.** Defendant will not object to the appointment of ILYM Group, Inc. as Settlement Administrator nor to Class Counsel seeking permission to pay up to Fifteen Thousand Dollars (\$15,000.00) for its services from the Maximum Settlement Amount. The Settlement Administrator shall be responsible for sending notices and for calculating Individual Settlement Payments and preparing all checks and mailings. The Settlement Administrator shall be authorized to pay itself from the Maximum Settlement Amount by Class Counsel only after checks have been mailed to all participating Settlement Class members. The Settlement Administrator shall also give notice of final judgment by posting the Final Judgment to its website.

8. **Preliminary Approval.** Upon execution of this Settlement Agreement, Plaintiff shall apply to the Court for the entry of an Order:

- A. Conditionally certifying the Settlement Class for purposes of this Settlement Agreement;
- B. Appointing James R. Hawkins, Isandra Fernandez and Lance Dacre, of James Hawkins APLC as Class Counsel;
- C. Appointing Eva Rockwell as Class Representative for the Settlement Class;
- D. Approving ILYM Group, Inc. as Settlement Administrator;
- E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;
- F. Approving the form and content of the Notice Packet (which is comprised of the Class Notice and the Notice of Settlement Award, attached hereto as **Exhibits 1 and 2**, respectively), and directing the mailing of same; and
- G. Scheduling a Final Approval hearing.

9. **Notice to Settlement Class.** Following preliminary approval, the Settlement Class shall be notified as follows:

- A. Within ten (10) business days after entry of an order preliminarily approving this Agreement, Defendant will provide the Settlement Administrator with the names, last known addresses, and social security numbers (in electronic format) of the members of the Settlement Class, including the dates of employment and the pay periods worked by each Settlement Class member while employed in a position covered by the Settlement Class definition during the Class Period.

- B. Within ten (10) business days from receipt of this information, the Settlement Administrator shall: (i) run the names of all Settlement Class members through the National Change of Address (“NCOA”) database to determine any updated addresses for Settlement Class members; (ii) update the addresses of any Settlement Class member for whom an updated address was found through the NCOA search; (iii) calculate the estimated Individual Settlement Payment for each Settlement Class member; (iv) provide its calculations to Counsel for approval; and (v) mail the Notice Packet to each Settlement Class member at his or her last known address or at the updated address found through the NCOA search, and retain proof of mailing.
- C. The Settlement Administrator shall use its best professional efforts, including performing a “skip trace,” to track any Settlement Class member’s mailing returned as undeliverable, and will re-send the Notice Packet promptly, and in any event within three (3) business days of identifying updated mailing addresses through such efforts. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Settlement Class member. It will be conclusively presumed that, if an envelope so mailed has not been returned within thirty (30) days of the mailing, the Settlement Class member received the Notice Packet.
- D. Requests for Exclusion. Any Settlement Class member who wishes to opt-out of the settlement must complete and mail a Request for Exclusion (defined below) to the Settlement Administrator within forty-five (45) calendar days of the date of the initial mailing of the Notice Packets (the “Response Deadline”).
- i. The Notice Packet shall state that Settlement Class members who wish to exclude themselves from the settlement must submit a Request for Exclusion by the Response Deadline. The Request for Exclusion: (1) must contain the name, address, telephone number and the last four digits of the Social Security number of the Settlement Class member, (2) contain a statement that the Settlement Class member wishes to be excluded from the Settlement; (3) must be signed by the Settlement Class member; and (4) must be postmarked by the Response Deadline and mailed to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion does not contain the information listed in (1)-(3), it will not be deemed valid for exclusion from this settlement, except a Request for Exclusion form not containing a Settlement Class member’s telephone number and/or last four digits of the Social Security number will be deemed valid. The date of the postmark on the Request for Exclusion shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Settlement Class member who requests to be excluded from the Settlement Class will not be entitled to any recovery under this Settlement Agreement (except for any amount due to him or her from the PAGA Amount, if applicable) and will not be bound by the terms of the Settlement (except for the PAGA release, if applicable) or have any right to object, appeal or comment thereon.

- D. Objections. Members of the Settlement Class who do not request exclusion may object to this Agreement as explained in the Class Notice by filing a written objection with the Settlement Administrator (who shall serve all objections as received on Class Counsel and Defendant's counsel, who shall then promptly file all such objections with the Court). Defendant's counsel and Class Counsel shall file any responses to objections no later than the deadline to file the Motion for Final Approval, unless an objection is filed within ten (10) days of the Motion for Final Approval filing deadline, in which case Defendant's counsel and Class Counsel shall have ten (10) days to respond. To be valid, any objection should: (1) contain the objecting Settlement Class member's full name and current address, as well as contact information for any attorney representing the objecting Settlement Class member for purposes of the objection; (2) include all objections and the factual and legal bases for same; (3) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence; and (4) be postmarked no later than the Response Deadline. Members of the Settlement Class who do not request exclusion may also object to the Settlement by appearing at the Final Approval Hearing.
- E. Notice of Settlement Award/Disputes. Each Notice Packet mailed to a Settlement Class member shall contain a Notice of Settlement Award, in which shall be disclosed the amount of the Settlement Class member's estimated Individual Settlement Payment as well as all of the information that was used from Defendant's records in order to calculate the Individual Settlement Payment, including the Settlement Class member's pay periods worked during the Class Period and/or PAGA Period. Settlement Class members will have the opportunity, should they disagree with Defendant's records regarding the information stated in their Notice of Settlement Award, to provide documentation and/or an explanation to show contrary information. Any such dispute, including any supporting documentation, must be mailed to the Settlement Administrator and postmarked by the Response Deadline. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual Settlement Payments under the terms of this Agreement. The Settlement Administrator's determination of the eligibility for and amount of any Individual Settlement Payment shall be binding upon the Settlement Class member and the Parties.
- F. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a "skip trace," to obtain an updated mailing address within five (5) business days of receiving the returned Notice Packet. If an updated mailing address is identified, the Settlement Administrator shall resend the Notice Packet to the Settlement Class member immediately, and in any event within three (3) business days of obtaining the updated address. Settlement Class members to whom Notice Packets are re-sent after having been returned as undeliverable to the Settlement Administrator shall

have fourteen (14) calendar days from the date of re-mailing, or until the Response Deadline has expired, whichever is later, to mail a Request for Exclusion or Objection or dispute. Notice Packets that are re-sent shall inform the recipient of this adjusted deadline. If a Settlement Class member's Notice Packet is returned to the Settlement Administrator more than once as non-deliverable, then an additional Notice Packet shall not be mailed. Nothing else shall be required of, or done by, the Parties, Class Counsel, or Defendant's Counsel to provide notice of the proposed settlement.

10. **Final Approval.** Following preliminary approval and the close of the period for filing requests for exclusion, objections, or disputes under this Settlement Agreement, Plaintiff shall apply to the Court for entry of an Order:

- A. Granting final approval to the Settlement Agreement and adjudging its terms to be fair, reasonable, and adequate;
- B. Approving Plaintiff's and Class Counsel's application for attorneys' fees, costs, Class Representative Service Award, and Settlement Administration costs; and
- C. Entering judgment pursuant to California Rule of Court 3.769. Said judgment shall be posted on the Settlement Administrator's website.

11. **Non-Admission of Liability.** Nothing in this Agreement shall operate or be construed as an admission of any liability by the Released Parties or that class certification is appropriate in any context other than this settlement. Each of the Parties has entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to California Evidence Code Section 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement. If Final Approval does not occur, the Parties agree that this Settlement Agreement is void, but remains protected by California Evidence Code Section 1152.

12. **Nondisclosure and Nonpublication.** Plaintiff and Class Counsel agree not to disclose or publicize the Settlement Agreement among the parties contemplated herein, the fact of the Settlement Agreement, its terms or contents, and the negotiations underlying the Settlement Agreement, in any manner or form, directly or indirectly, to any person or entity, except Settlement Class members and as shall be contractually required to effectuate the terms of the Settlement Agreement as set forth herein. However, for the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other actions, Class Counsel may disclose the names of the Parties in this action and the venue/case number of this action for such purposes.

13. **Waiver and Amendment.** The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by all of the Parties, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

14. **Notices.** All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery and by e-mail at

the addresses set forth below, or such other addresses as either Party may designate in writing from time to time:

if to Defendant: Shaye Schrick, Delfino Madden O'Malley Coyle & Koewler LLP,
500 Capitol Mall, Suite 1550, Sacramento, California 95814,
sschrick@delfinomadden.com

if to Plaintiff: Isandra Fernandez, Lance Dacre, James Hawkins APLC, 9880
Research Drive, Suite 200, Irvine, CA 92618,
isandra@jameshawkinsaplc.com

15. **Entire Agreement.** This Settlement Agreement contains the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts and writings prior to the date hereof relating to the subject matters hereof.

16. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

17. **Enforcement and Continuing Jurisdiction of the Court.** To the extent consistent with class action procedure, this Settlement Agreement shall be enforceable by the Court pursuant to California Code of Civil Procedure section 664.6. The Court shall retain continuing jurisdiction over this Action and over all Parties and Settlement Class members, to the fullest extent to enforce and effectuate the terms and intent of this Settlement Agreement, and to adjudicate any claimed breaches of this Settlement Agreement. The Court may award reasonable attorneys' fees and costs to the prevailing party in any motion or action taken based on an alleged violation of any material term of this Settlement Agreement.

[signatures on next page]

DATED: 5/17/2023

Defendant CALIFORNIA MENTOR FAMILY
HOME AGENCY, LLC

DocuSigned by:
By: Gina Martin
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Its: GM

DATED: 5/5/2023

Plaintiff EVA ROCKWELL

DocuSigned by:
By: Eva Rockwell
237F84F3F422472...
Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED: 5/18/2023

DELFINO MADDEN O'MALLEY COYLE &
KOEHLER LLP

DocuSigned by:
By: Shaye Schnick
Shaye Schnick
Attorneys for Defendant

DATED: May 5, 2023

JAMES HAWKINS APLC

By: Isandra Fernandez
Isandra Fernandez
Lance Dacre
Attorneys for Plaintiff