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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN DIEGO

MONICA ESPINOZA, individually, and on
behalf of other members of the general public
similarly situated,

Plaintiff,

vs.

SOLARA MEDICAL SUPPLIES, INC., an
unknown business entity; SOLARA MEDICAL
SUPPLIES, LLC, a California limited liability
company; and DOES 1 through 100, inclusive,

Defendants.

CASE NO. 37-2020-00007462-CU-OE-CTL

**JOINT STIPULATION RE: CLASS
ACTION AND REPRESENTATIVE
SETTLEMENT AGREEMENT**

Judge: Hon. Gregory W. Pollack
Dept.: C-71

Complaint filed: 2/10/2020
Trial date: Not Set

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9 Attorneys for Defendant

10 Solara Medical Supplies, LLC

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INTRODUCTION

This Joint Stipulation Re: Class and Representative Action Settlement Agreement (“Settlement Agreement”) is made and entered into by and between Plaintiff MONICA ESPINOZA (“Class Representative” or “ESPINOZA”), individually, and on behalf of all putative class members and aggrieved employees, on the one hand, and Defendant SOLARA MEDICAL SUPPLIES, LLC (formerly known as Solara Medical Supplies, Inc.) (“SOLARA” refers to Solara Medical Supplies, LLC as well as its predecessors or successors-in-interest), on the other hand. ESPINOZA and SOLARA are collectively referred to herein as the “Parties.” This Settlement Agreement is subject to the terms and conditions set forth below and the Court’s approval. This Settlement Agreement completely resolves the wage and hour class and representative action filed by ESPINOZA against Defendant SOLARA on February 10, 2020, Superior Court of the State of California, County of San Diego, Case No. 37-2020-00007462-CU-OE-CTL.

I. DEFINITIONS

The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement shall also be applicable.

1. “Action” means the case entitled *Espinoza v. Solara Medical Supplies, LLC*, et al., Case No. 37-2020-00007462-CU-OE-CTL, pending before the Court.

2. “Class” means all non-exempt, hourly-paid California employees employed by SOLARA during the Class Period. Members of the Class are referred to herein individually as a “Class Member” and collectively as “Class Members.” SOLARA represents that the Class includes approximately 278 Class Members.

3. “Class List” means a list of Class Members that SOLARA will compile from its records. The Class List shall include each Class Member’s full name, last known address to the extent available in SOLARA’s business records, social security number, dates of employment in a non-exempt, hourly-paid position with SOLARA during the Class Period.

4. “Class Period” means the time period from February 10, 2016 to May 15, 2021.

5. “Court” means the Superior Court of California, County of San Diego, Central

District.

6. “Defendant’s Counsel” means Lagasse Branch Bell + Kinkead LLP and Atkinson, Andelson, Loya, Rudd & Romo.

7. “Effective Date” means the latter of: (a) if no objections to the Settlement Agreement are made in writing or at the hearing for Final Approval, the date the Court enters an order granting Final Approval of the Settlement Agreement; (b) if objections are made in writing or at the hearing for Final Approval and overruled, and no appeal is taken of the order granting Final Approval, then the Effective Date shall be three (3) calendar days after the deadline to file an appeal of the order granting Final Approval; or (c) if one or more appeals are taken from the Court’s overruling of any objections to the settlement, then the Effective Date shall be three (3) calendar days after any appeal is dismissed or the order granting Final Approval of the settlement is affirmed after an appeal, and the order granting Final Approval is not subject to further review and becomes final.

8. “Final Approval” means the Court order granting final approval of the Settlement Agreement and entering final judgment thereon.

9. “Individual Settlement Payment” means each Participating Class Member’s share of the Net Settlement Proceeds calculated in accordance with the Individual Settlement Payment Calculations described below.

10. “Maximum Settlement Amount” means the total amount of \$770,000 which SOLARA is required to pay under this Settlement Agreement (subject to ESPINOZA obtaining Final Approval and exhaustion of any and all appeals). The Maximum Settlement Amount includes only (and all subject to Court approval): (1) the attorneys’ fees of Class Counsel; (2) the litigation costs and expenses of Class Counsel; (3) the Service Award to the Class Representative; (4) the payment to the Labor Workforce and Development Agency (“LWDA”) pursuant to the Private Attorneys General Act of 2004, Labor Code 2698, et seq. (“PAGA”) claims in the Action; (5) all costs of administration, including, without limitation, settlement administration fees and expenses; and (6) the Individual Settlement Payments paid to Participating Class Members. The attorneys’ fees and litigation costs and expenses of Class

Counsel include, without limitation, all such fees and costs incurred to date, as well as such fees and costs to be incurred in documenting the settlement, securing Court approval of the settlement, and obtaining judgment in the Action. Employer payroll taxes due on wage payments made under the Settlement shall be paid separately by SOLARA, in addition to the Maximum Settlement Amount. SOLARA is under no obligation under this Settlement Agreement to pay anything other than the Maximum Settlement Amount and the employer payroll taxes referred to above. The Maximum Settlement Amount shall also include any interest that accrues in the escrow account created by the Settlement Administrator.

11. “Net Settlement Amount” means the portion of the Maximum Settlement Amount, less the amounts approved and awarded by the Court for: (1) the attorneys’ fees of Class Counsel; (2) the litigation costs and expenses of Class Counsel; (3) the Service Award to the Class Representative; (4) the payment to the LWDA, and; (5) all costs of administration, including, without limitation, settlement administration fees and expenses.

12. “Notice Deadline” means the deadline by which Class Members must postmark or fax to the Settlement Administrator a valid request to be excluded from the settlement. The Notice Deadline shall be sixty (60) calendar days from the initial mailing of the Notice of Settlement by the Settlement Administrator, unless the 60th day falls on a Sunday or federal holiday, in which case the Notice Deadline will be extended to the next day on which the U.S. Postal Service is open.

13. “Notice of Settlement” means the notice that the Court approves and orders to be sent to all Class Members advising them of their rights under this Settlement Agreement. The Notice of Settlement is attached hereto as Exhibit 1.

14. PAGA” means the California Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, et seq., “PAGA”).

15. “PAGA Payment” means the amount that the Parties have agreed to allocate in order to settle claims arising under the Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, et seq.)(“PAGA”). The Parties have agreed that Forty Thousand Dollars (\$40,000.00) of the Gross Settlement Amount will be allocated to the resolution of Plaintiffs’ PAGA Claims.

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Seventy Five Percent (75%) of this amount (\$30,000.00) will be paid to the California Labor and Workforce Development Agency in accordance with Labor Code §§ 2698 et seq. Twenty Five Percent (25%) of this amount (\$10,000.00), will be included in the Net Settlement Amount and distributed to Participating Class Members. “PAGA Notice” means the notice submitted to the LWDA by ESPINOZA regarding alleged Labor Code violations by SOLARA.

16. “PAGA Period” shall mean the period from February 10, 2019, to May 15, 2021.

17. “Participating Class Members” or “Settlement Class” means all Class Members who do not submit a valid request to be excluded from the settlement, consistent with the terms set forth in this Settlement Agreement.

18. “Plaintiff’s Counsel” or “Class Counsel” means Lawyers for Justice, P.C. and Protection Law Group, LLP, counsel of record for ESPINOZA.

19. “Preliminary Approval” means the Court order granting preliminary approval of the Settlement Agreement.

20. “Qualified Settlement Account” means the account established by the Settlement Administrator into which the Maximum Settlement Amount and all employer payroll taxes associated therewith shall be deposited.

21. “Released Parties” means SOLARA, its past, present, and/or future owners, officers, directors, managing agents, trustees, payroll processors, independent contractors, members, managers, shareholders, employees, attorneys, insurers, assigns, shareholders, successors, predecessors and agents, SOLARA’s past, present, and/or future parent, subsidiary, or affiliated entities, including AdaptHealth LLC, DBAs and franchisors, and each of their owners, officers, directors, managing agents, trustees, payroll processors, independent contractors, members, managers, employees, attorneys, insurers, assigns, shareholders, successors, predecessors and agents.

22. “Released Claims” means any and all claims, damages or causes of action alleged in, or arising out of, the allegations in the Complaint and FAC, filed in this Action and the PAGA Notice, which were alleged or that could have been alleged by ESPINOZA and/or any Participating Class Member in such complaints and/or the PAGA Notice based on any of the

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factual allegations contained in such complaints and/or the PAGA Notice, including, but not limited to, claims under state, federal (i.e., Fair Labor Standards Act (FLSA)) or local law, including, but not limited to claims for unpaid wages, and claims for the failure to pay minimum wages, claims for the failure to pay overtime wages, claims related to missed meal and rest breaks or periods and nonpayment of premium pay for such, failure to comply with itemized employee wage statement provisions, failure to pay wages due at separation, the failure to reimburse for employment expenses, the payment of any penalties (including PAGA). The Released Claims specifically include, but are not limited to, all claims arising under California Labor Code sections 201, 202, 203, 204, 226, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2698 *et seq.*, 2800 and 2802, the Wage Orders of the California Industrial Welfare Commission, California Business and Profession Code 17200, *et seq.*, and California common law of contract, interest and claims for attorney’s fees relating in any way to those claims alleged and mentioned in the complaint(s) and/or PAGA Notice.

23. “Settlement Administrator” means a third-party class action settlement administrator mutually agreed to by the Parties and approved by the Court for the purposes of administering this settlement. Subject to Court approval, the Parties have agreed that ILYM Group, Inc. will serve as a neutral third-party claims administrator settlement administrator to perform all acts required by the Settlement Agreement, including but not limited to providing the Notice of Settlement to the Class.

24. “Settlement Administration Costs” mean the expenses payable from the Maximum Settlement Amount to the Settlement Administrator for administering this Settlement Agreement, including, but not limited to, calculating weeks of employment from the Class List, printing, distributing and tracking forms for this settlement, mailing notices, calculating awards, processing requests for exclusion and objections, performing necessary skip traces on Notices of Settlement returned as undeliverable, mailing Participating Class Members settlement checks, issuing any required tax reporting forms, distributing the Maximum and Net Settlement Amounts and providing necessary reports and declarations, as requested by the Parties, Class Counsel and

1 Defendant's Counsel, among other things in this Settlement Agreement. The Settlement
2 Administration Costs are expected to total no more than \$11,000. Any portion of the Settlement
3 Administration Costs which is not used shall be returned to the Net Settlement Amount for pro
4 rata distribution to Participating Class Members, and will not revert to SOLARA under any
5 circumstance.

6 25. "Workweeks" mean the total number of weeks Class Members worked at least
7 one shift for SOLARA in a non-exempt, hourly-paid position in California at any of its locations
8 during the Class Period. Workweeks shall be calculated by counting the number of days between
9 each Class Member's first date employed by SOLARA in a non-exempt, hourly-paid position
10 during the Class Period and the last day they were employed by SOLARA in a non-exempt,
11 hourly-paid position during the Class Period, and dividing that sum by seven and rounding up to
12 the nearest whole number.

13 II. PROCEDURAL AND FACTUAL BACKGROUND

14 1. On or about February 10, 2020, ESPINOZA filed the Complaint against
15 SOLARA alleging causes of action alleged for: (1) violation of California Labor Code sections
16 510 and 1198 (unpaid overtime); (2) violation of California Labor Code section 226.7 and 512(a)
17 (unpaid meal period premiums); (3) violation of California Labor Code section 226.7 (unpaid
18 rest period premiums); (4) violation of California Labor Code sections 1194, 1197, and 1197.1
19 (unpaid minimum wages); (5) violation of California Labor Code sections 201 and 202 (final
20 wages not timely paid); (6) violation of California Labor Code section 204 (wages not timely
21 paid during employment); (7) violation of California Labor Code section 226 (non-compliant
22 wage statements); (8) violation of California Labor Code section 1174(d) (failure to keep
23 requisite payroll records); (9) violation of California Labor Code sections 2800 and 2802
24 (unreimbursed business expenses); and (10) violation of California Business & Professions Code
25 section 17200, et seq.

26 2. After the filing of the Action, ESPINOZA and SOLARA engaged in informal
27 discovery including the production of time records and payroll records for SOLARA employees,
28 as well as other data regarding SOLARA employees. The parties exchanged substantial informal

1 discovery and engaged in conferences regarding ESPINOZA's claims and the claims of the
2 alleged aggrieved employees, the value of those claims, and SOLARA's defenses to those
3 claims.

4 3. On December 9, 2020, the Parties attended a day-long mediation with the Hon.
5 Edward A. Infante (Ret.), a respected jurist and mediator with substantial experience presiding
6 over and resolving employment class and representative actions. The matter did not resolve at
7 mediation, however, over the following weeks the Parties continued to negotiate a potential
8 settlement with the help of Judge Infante. Finally, on January 15, 2021, the Parties accepted a
9 mediator's proposal to resolve this matter on a Class and Representative Basis for a Maximum
10 Settlement Amount of \$770,000. As part of the Settlement Plaintiff agreed to file an Amended
11 Complaint adding a cause of action under the Private Attorneys General Act.

12 4. SOLARA denies any liability or wrongdoing of any kind associated with the
13 claims alleged in the PAGA Notice and the Complaint, and further denies that the Action is
14 appropriate for class treatment for any purpose other than this settlement. SOLARA contends
15 that it has complied at all times with the California Labor Code. It is SOLARA's position that, if
16 this case were to be litigated, SOLARA employee claims other than claims for civil penalties
17 would be subject to binding individual arbitration, class certification would be denied, and the
18 PAGA claims would be found to be without procedural and substantive merit. In addition,
19 SOLARA maintains its right to compel Plaintiff's class claims to arbitration and to raise all
20 defenses to the claims if the matter were prosecuted further.

21 5. The Action, the negotiation and execution of this Settlement Agreement, and all
22 acts performed or documents executed pursuant to or in furtherance of the Settlement Agreement
23 (i) shall not be used as an admission or evidence of wrongdoing on behalf of SOLARA; (ii) shall
24 not be an admission or evidence of fault on behalf of SOLARA in any action before a civil,
25 criminal, or administrative agency; and (iii) shall not be deemed to be, and may not be used as,
26 an admission or evidence of the appropriateness of these or similar claims for class certification
27 in the Action or with respect to any other proceeding.

28 6. Class Counsel represent they have conducted a thorough investigation into the

1 facts and law during the prosecution of this class action case, including the exchange of
2 extensive informal discovery and the review and verification of statistical data and other facts
3 and information provided by SOLARA. Counsel for the Parties also represent they have
4 investigated the applicable law as applied to the facts discovered regarding the alleged claims of
5 ESPINOZA and the putative class and potential defenses thereto.

6 7. Based on their own independent investigation and evaluation, Class Counsel are
7 of the opinion (and will so represent to the Court) that settlement for the consideration and on the
8 terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best
9 interest of the Settlement Class in light of all known facts and circumstances, including the risk
10 of significant delay, the risk that Class Member claims would be ordered to individual
11 arbitration, and any class claims would not be certified by the Court, and the defenses asserted by
12 SOLARA. SOLARA and its counsel also agree (and will so represent to the Court) that this
13 settlement is fair and in the best interest of the Settlement Class.

14 8. The Parties agree that the Class described herein may be certified for settlement
15 purposes only and that any motion for preliminary approval seeking, *inter alia*, certification of
16 the class is for purposes of the settlement only. If for any reason the settlement is not approved,
17 the certification will have no force or effect and will immediately be revoked. The Parties
18 further agree that certification for purposes of the settlement is in no way an admission that class
19 certification is proper under the more stringent standard applied for litigation and that evidence
20 of this limited stipulation for settlement purposes only will not be admissible for any purpose in
21 this or any other proceeding. The Parties further agree that by entering this settlement, SOLARA
22 is not waiving its right to enforce the arbitration agreements it has with SOLARA employees, or
23 otherwise waiving any other defenses to the claims.

24 **III. DUTIES OF THE PARTIES BEFORE PRELIMINARY APPROVAL AND**
25 **BETWEEN PRELIMINARY AND FINAL APPROVAL**

26 1. Promptly after the execution of this Settlement Agreement, the Parties shall agree
27 upon a stipulation to the filing of a First Amended Complaint (FAC) to add a Private Attorney
28 General Act (PAGA) claim based upon the allegations in the PAGA Notice. If for any reason

1 the Court does not grant preliminary or final approval of this settlement, this agreement shall not
2 be considered a waiver by SOLARA of its right to oppose any and all aspects of the FAC, and
3 SOLARA does not waive any defenses in connection with the FAC or the claims therein.

4 2. Promptly after the filing of the FAC, Class Counsel shall move the Court for
5 Preliminary Approval of the Settlement and obtain entry of an order accomplishing the
6 following:

7 a. Provisionally certifying this action under California law as a class action
8 for purposes of this settlement only;

9 b. Preliminarily approving the settlement subject only to objections of Class
10 Members, the terms of the Parties' Settlement Agreement, and final approval by the Court;

11 c. Approving as to form and content the proposed Notice of Settlement
12 attached hereto as Exhibit 1;

13 d. Directing the mailing of the Notice of Settlement and Request for
14 Exclusion Form by first-class mail to the Class Members;

15 e. Preliminarily appointing ESPINOZA as class representative and Plaintiff's
16 Counsel as class counsel (only for purposes of effectuating and implementing this Settlement
17 Agreement);

18 f. Preliminarily approving the application for payment of reasonable
19 attorneys' up to thirty-six percent (36%) of the Maximum Settlement Amount, but not to exceed
20 \$277,200; and reimbursement of reasonable litigation-related costs and expenses not to exceed
21 \$25,000 payable to Class Counsel. SOLARA agrees not to dispute, undermine, or otherwise
22 object to the attorneys' fees and costs awards requested by Class Counsel provided they do not
23 exceed the forgoing enumerated amounts, respectively;

24 h. Preliminarily approving the service award to The Class Representative in
25 an amount equal to \$7,500 ("Service Award"). An IRS Form 1099 will be issued to The Class
26 Representative with respect to her Service Award. SOLARA agrees not to dispute, undermine, or
27 otherwise object to the Service Award requested by ESPINOZA provided it does not exceed the
28 forgoing enumerated amount;

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1 i. Preliminarily approving settlement administration services by Settlement
2 Administrator and its estimated Settlement Administration Costs of [specify amount of estimated
3 settlement administrator costs];

4 j. Preliminarily approving the allocation of civil penalties pursuant to the
5 PAGA in the amount of \$40,000, seventy-five percent (75%) of which or \$30,000 shall be
6 payable to the LWDA and twenty-five percent (25%) of which or \$10,000 shall be distributed to
7 Participating Class Members from the Net Settlement Amount; and

8 k. Scheduling a hearing for Final Approval on the question whether the
9 proposed settlement should be finally approved as fair, reasonable and adequate to Class
10 Members.

11 3. ESPINOZA shall submit this Settlement Agreement in support of the Motion for
12 Preliminary Approval. Class Counsel will send Defendant's Counsel the preliminary approval
13 motion and preliminary approval order for review prior to the filing this Motion. Defendant's
14 Counsel shall have at least five (5) business days in which to review and provide comments on
15 the motion. Plaintiff will consider Defendant's comments in good faith but shall not be required
16 to implement such changes. The Parties will endeavor to stipulate to the form of the proposed
17 preliminary approval order, but Defendant reverses its right to object to the form of the proposed
18 preliminary approval order.

19 4. ESPINOZA shall also submit this Settlement Agreement to the LWDA (as
20 required by Labor Code § 2699(1)(2)) and to the Court in support of ESPINOZA's motion for
21 Preliminary Approval.

22 5. Class Counsel will file a Motion for Final Approval of the Settlement and
23 supporting documents with the Court no later than sixteen (16) court days prior to the Final
24 Approval Hearing. Supporting documents shall include, but are not limited to: (a) a declaration
25 by the Settlement Administrator of due diligence and proof of mailing of the Notice of
26 Settlement required to be mailed to Class Members by this Settlement Agreement, and of the
27 delivery results of the Settlement Administrator's mailings, including tracing and re-mailing
28 efforts; and (b) a proposed Order and Judgment granting Final Approval. Class Counsel will

1 send Defendant's Counsel the final approval motion and proposed Judgment for review prior to
2 the filing of same. Defendant's Counsel shall have at least five (5) business days in which to
3 review and provide comments on the motion. Plaintiff will consider Defendant's comments in
4 good faith but shall not be required to implement such changes. The Parties will endeavor to
5 stipulate to the form of the proposed Order and Judgment granting Final Approval, but
6 Defendant reverses its right to object to the form of the proposed Order and Judgment granting
7 Final Approval.

8 6. SOLARA will not object to or oppose Preliminary or Final Approval of the
9 settlement, including application by Class Counsel for the Service Award, attorneys' fees and
10 reimbursement of litigation-related costs and expenses as set forth above, provided the amounts
11 sought do not exceed the amounts agreed to in this Settlement Agreement.

12 7. Class Counsel will submit with the motion for Final Approval a proposed Order
13 and Judgment granting Final Approval. The proposed Order and Judgment granting Final
14 Approval shall include the following findings and orders:

- 15 a. Approving the settlement, adjudging the terms thereof to be fair, reasonable and
16 adequate, and directing that its terms and provisions be carried out;
- 17 b. Approving payment of the Service Award to the Class Representative;
- 18 c. Approving Class Counsel's application for an award of reasonable attorneys' fees
19 and reimbursement of reasonable litigation-related costs and expenses;
- 20 d. Approving the Settlement Administration Costs;
- 21 e. Approving payment of civil penalties to the LWDA;
- 22 f. Ordering the payment of Individual Settlement Payments in accordance with the
23 terms of this Agreement;
- 24 g. Listing the individuals who opted-out of the Settlement and will not be included
25 in the releases or bound by the Judgment.
- 26 h. Entering Final Approval releasing all Released Claims of the Participating Class
27 Members against all Released Parties;
- 28 i. Entering judgment in this Action in accordance with this Settlement Agreement,

pursuant to Cal. Rules of Court, Rule 3.769(h); and

j. Providing that the Court will retain jurisdiction to oversee administration and enforcement of the terms of the settlement and the Court's orders.

IV. DUTIES OF THE PARTIES AFTER FINAL APPROVAL

1. Following entry of the Court's Order and Judgment granting Final Approval of the Settlement Agreement, the Parties will each act to assure its timely execution and the fulfillment of all its provisions, including, but not limited to the following:

a. Should an appeal be taken from the Order and Judgment granting Final Approval of the Settlement Agreement, all Parties will support the Order and Judgment granting Final Approval on appeal.

b. Class Counsel and Defendant's Counsel will reasonably assist the Settlement Administrator as needed or requested in the process of identifying and locating Participating Class Members entitled to payments from the Net Settlement Amount and assuring delivery of such payments;

c. Class Counsel and Defendant's Counsel will reasonably assist the Settlement Administrator as needed or requested in responding to late requests for payments from the Net Settlement Amount;

d. Class Counsel and Defendant's Counsel will ensure that the Settlement Administrator will certify to the Court completion of all payments required to be made by this Settlement Agreement.

V. TERMS OF AGREEMENT

ESPINOZA, on behalf of herself and all Class Members, and SOLARA, agree to the following terms of settlement:

1. Terms of this Settlement Agreement are Subject to Court Approval. All terms set forth in this Settlement Agreement are subject to Court approval. The Parties stipulate to class certification for purposes of settlement only. ESPINOZA shall apply to the Court for approval of the Settlement Agreement and for class certification solely for purposes of effectuating this settlement. SOLARA shall not oppose such application, provided it does not deviate from this

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1 Settlement Agreement. If, for any reason, the settlement is not approved, the stipulation to
2 certification will be void. The Parties further agree that certification for purposes of settlement is
3 not an admission that class certification is proper under the standard applied to contested
4 certification motions and that this settlement will not be admissible in this, or in any other, legal
5 process or proceeding as evidence that (i) a class should be certified or (ii) SOLARA is liable to
6 ESPINOZA or any other Class Members

7 2. Overview of Payment Structure. This settlement is made on a non-reversionary
8 basis. This settlement shall consist of a Maximum Settlement Amount which, in turn, is
9 comprised of: (1) the attorneys' fees of Class Counsel; (2) the litigation costs and expenses of
10 Class Counsel; (3) the Service Award to the Class Representative; (4) the payment to the
11 LWDA; (5) all costs of administration, including, without limitation, settlement administration
12 fees and expenses; and (6) the Individual Settlement Payments paid to Participating Class
13 Members.

14 3. Maximum Settlement Amount. SOLARA shall pay \$770,000 to fund settlement
15 of this action. The payments by SOLARA pursuant to this Settlement Agreement shall settle all
16 claims released herein. The settlement payment is not being made for any other purpose and will
17 not be construed as compensation for determining eligibility for any health and welfare benefits
18 or unemployment compensation. SOLARA shall be responsible for paying any appropriate and
19 lawfully required employer payroll taxes in addition to the Maximum Settlement Amount.

20 4. Funding and Disbursement of the Maximum Settlement Amount. The Maximum
21 Settlement Amount, plus all employer taxes due under on wage payments to be made under this
22 Settlement Agreement, with the Settlement Administrator no later than thirty (30) calendar days
23 after the Effective Date. The Settlement Administrator shall disburse the Maximum Settlement
24 Amount to the recipients designated herein no later than 15 calendar days after SOLARA's
25 payment above. From the Maximum Settlement Amount the Settlement Administrator shall pay:
26 (1) the Service Award; (2) the Settlement Administration Costs; (3) the PAGA award payable to
27 the LWDA; (4) Class Counsel's awarded attorney fees; (5) all of Class Counsel's awarded costs;
28 and (6) the remainder of the Maximum Settlement Amount will be distributed to Participating

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1 Class Members from the Net Settlement Amount.

2 5. Service Award. In exchange for a general release, and in recognition of her
3 efforts and work in prosecuting the Action on behalf of all Class Members, SOLARA agrees not
4 to oppose or object to any application or motion for a Service Award to the Class Representative
5 in an amount equal to or less than \$7,500, which shall be payable from the Maximum Settlement
6 Amount and shall be in addition to payment of the Individual Settlement Payment payable to her,
7 and is further consideration for settling this matter and in exchange for the release of all claims
8 by Participating Class Members. The Settlement Administrator shall issue an IRS Form 1099 for
9 the Service Award. The Class Representative shall be solely and legally responsible to pay any
10 and all applicable taxes on the payment made pursuant to this paragraph. Any reduction in the
11 amount of the Service Award by the Court shall remain in the Net Settlement Amount to be
12 distributed to Participating Class Members.

13 6. Settlement Administration Costs. The Settlement Administrator shall be paid for
14 the costs of administration of the settlement and distribution of all payments from the Maximum
15 Settlement Amount. Subject to Court approval, the Parties have agreed that ILYM Group, Inc.,
16 will serve as Settlement Administrator. Settlement Administration Costs are expected to total no
17 more than \$11,000. These costs, which shall be paid from the Maximum Settlement Amount,
18 shall be used to administer the settlement, including, inter alia, preparing the required tax
19 reporting on the Individual Settlement Payments, issuing 1099 and W-2 IRS Forms, distributing
20 the Notice of Settlement, calculating Individual Settlement Payments, processing exclusion
21 requests, resolving disputes with Class Members, distributing the Net Settlement Amount as
22 directed by the Court and as set forth herein, and providing necessary reports and declarations.
23 No fewer than ten (10) calendar days prior to the Final Approval hearing, the Settlement
24 Administrator shall provide the Court and all counsel for the Parties with a statement detailing
25 the Settlement Administration Costs. The Parties agree to cooperate in the settlement
26 administration process and to make all reasonable efforts to control and minimize the costs and
27 expenses incurred in the administration of the settlement. An IRS Form 1099 shall be issued to
28 the Settlement Administrator.

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1 7. PAGA Payment. The Parties agree that \$40,000 shall be allocated to settle the
2 claims pursuant to the PAGA. Of this amount, seventy-five percent (75%) or \$30,000 shall be
3 made payable to the LWDA and twenty-five percent (25%) or \$10,000 shall be distributed to
4 Participating Class Members as part of the Net Settlement Amount.

5 8. Payment of Class Counsel's Attorneys' Fees and Litigation Costs and Expenses.
6 SOLARA agrees not to object to, undermine or oppose any application or motion by Class
7 Counsel for an award of attorneys' fees not to exceed \$277,200 or thirty-six percent (36%) of the
8 Maximum Settlement Amount, and reasonable litigation-related costs and expenses not to exceed
9 \$25,000 which is subject to review and final approval by the Court. If approved, the Court's
10 award of attorneys' fees and reimbursement of litigation costs and expenses to Class Counsel
11 shall be paid from the Maximum Settlement Amount. Any portion of the amounts sought by
12 Class Counsel not awarded by the Court shall revert back to the Net Settlement Amount for
13 distribution to Participating Class Members, and will not revert to SOLARA under any
14 circumstance. Class Counsel shall be solely and legally responsible to pay all applicable taxes on
15 the payments made pursuant to this paragraph. IRS Form 1099 shall be provided to Class
16 Counsel for the payments made pursuant to this paragraph.

17 9. Net Settlement Amount. The Net Settlement Amount shall be available for
18 distribution to Participating Class Members in accordance with the notice procedure and formula
19 set forth in this Settlement Agreement.

20 10. Notice Procedure. The Settlement Administrator shall be responsible for the
21 following notice procedure:

22 a. Delivery of the Class List. Within fifteen (15) calendar days from the
23 Court's Order preliminarily approving the settlement, SOLARA shall provide the Class List to
24 the Settlement Administrator. The Class List shall contain (to the extent available in SOLARA's
25 business records) Class Members' last known addresses, telephone numbers, social security
26 numbers, and dates of employment as non-exempt, hourly-paid employees of SOLARA during
27 the Class Period. The Class List information shall remain confidential and shall not be disclosed
28 to anyone, including Class Counsel, except to carry out reasonable efforts described below, or

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pursuant to express written authorization by SOLARA. The Settlement Administrator shall use due care with respect to the storage, custody, use, and/or dissemination of the confidential information. The Settlement Administrator will perform address updates and verifications as necessary prior to the first mailing.

b. Notice. A notice of pendency of class action, proposed settlement and hearing date for Court approval (previously defined as Notice of Settlement), substantially in the form attached hereto as Exhibit 1 and as approved by the Court, shall be sent by the Settlement Administrator to the Class Members (in English and Spanish), by first class mail, within thirty (30) calendar days after entry of the order granting Preliminary Approval. The Notice of Settlement shall be sent via regular First Class U.S. Mail, using the most updated mailing addresses. Each Class Member will be fully advised of the settlement, the ability to object to the settlement, in writing and/or in person, and the ability to submit a Request for Exclusion.. The Notice of Settlement will further inform Class Members of the Court-established deadlines for filing objections and requesting to be excluded from the class. The Notice of Settlement will also include the calculation of Workweeks during the applicable Class Period and calculation of the Class Member's estimated payment (which will be based upon the assumption that the requests for attorney's fees and costs and the Service Award are awarded in full).

c. Procedure for Lost and Undeliverable Notices. Any Notice of Settlement returned to the Settlement Administrator as non-delivered on or before the Notice Deadline shall be sent to the forwarding address affixed thereto, if a forwarding address is provided. If no forwarding address is provided, the Settlement Administrator shall promptly, but no later than fifteen (15) days of receiving notice that the Notice of Settlement was undeliverable, attempt to determine a correct address using a skip-trace, or other search using the name, address and/or social security number of the Class Member involved, and shall re-mail the Notice of Settlement. If after performing a skip-trace search, the Notice of Settlement is still returned to the Settlement Administrator as non-deliverable, that individual will be deemed a Participating Class Member for purposes of the Released Claims (as defined below), and the Settlement Administrator will have no further obligation to obtain the Class Member's current address. The Notice Deadline

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1 for any Class Member who is re-mailed a Notice of Settlement shall be extended twenty-one (21)
2 calendar days from the date of the re-mailing or the original sixty (60) calendar day deadline,
3 whichever is later.

4 11. Request for Exclusion Procedure. The Notice of Settlement shall provide Class
5 Members with instructions on how to exclude themselves or “opt out” if they do not wish to
6 participate in this settlement.

7 a. Class Members who wish to opt out of this settlement must mail a written
8 request to be excluded from the Settlement (“Request for Exclusion”) to the Settlement
9 Administrator no later than sixty (60) calendar days after the initial mailing of the Class Notice,
10 unless extended pursuant to a re-mailing, or unless the Court requires a longer period, in which
11 case the Court ordered exclusion period will apply. To be valid, a Request for Exclusion must
12 include the Class Member’s name, signature, the last four digits of their Social Security Number,
13 and a clear statement indicating they wish to be excluded from the settlement. The date of the
14 postmark shall be deemed the date of submission, and the timeliness of submitted Request for
15 Exclusion will be determined by valid postmark. If the 60th day falls on a Sunday or federal
16 holiday, the time to request exclusion will be extended to the next day on which the U.S. Postal
17 Service is open.

18 b. Within ten (10) calendar days after receipt by the Service Administrator of
19 each timely-submitted Request for Exclusion, the Service Administrator will send a deficiency
20 notice to the Class Members for any irregularities in any Request for Exclusion (such as failure
21 to sign or include last four (4) digits of the Class Member’s social security number). The
22 deficiency notice will provide the Class Members no more than (10) calendar days from the
23 mailing of the deficiency notice to postmark a written response to cure all deficiencies. The
24 failure of a Class Member to cure all deficiencies in a timely manner shall invalidate a Request
25 for Exclusion and will not be subject to cure.

26 c. A Class Member who does not properly and timely submit a Request for
27 Exclusion of the Settlement Agreement in the manner and by the deadline specified above will
28 automatically become a Participating Class Member and will be bound by all terms and

conditions of the Settlement Agreement, including its release of claims, if the Settlement Agreement is approved by the Court, and be bound by the Final Approval Order, regardless of whether he or she has objected to the Settlement Agreement. In consideration for settlement and release of all claims of the Participating Class Members against SOLARA, each Participating Class Member will receive a share of the Net Settlement Amount.

d. A Class Member who properly and timely submits a Request for Exclusion of the Settlement Agreement will not become a Participating Class Member, will not be bound by the Settlement Agreement, and will not have a right to appear at the Final Approval hearing to have any objections to the settlement heard by the Court.

e. To the extent any Class Member submits a Request for Exclusion, that Class Member's unclaimed portion shall be reallocated to the Net Settlement Amount. Increases to Participating Class Member payments shall be allocated on a proportional basis based on the size of each Participating Class Member's Workweeks.

f. Counsel for the Parties shall not discourage any Class Member from participating in, objecting to or opting out of the settlement.

g. If more than ten percent (7%) of Class Members timely and properly submit a Request for Exclusion, then SOLARA shall have the right, in its sole discretion, to void and revoke the Settlement Agreement and its stipulation to class certification. All signatories and their counsel must not encourage opt-outs. The Parties specifically agree not to solicit opt-outs, directly or indirectly, through any means. Objective statements to Class Members who call Class Counsel with inquiries regarding the settlement, or the exercise of Class Counsel's ethical obligations, shall not be deemed a violation of the prohibitions contained herein. In the event of such a rescission, no party may use the fact that the Parties agreed to settle this case as evidence of SOLARA's liability in this Action or the lack thereof.

h. The Settlement Administrator will notify the Parties of the total number of valid Requests for Exclusion forms and identify the individuals who submitted a request for exclusion within ten (10) calendar days after the Notice Deadline . SOLARA shall have five (5) business days to notify Class Counsel in writing of SOLARA's intent to revoke the Settlement

1 Agreement, including conditional class certification. If SOLARA unilaterally revokes the
2 settlement pursuant to this provision SOLARA will bear all costs of Settlement Administration
3 incurred to date. SOLARA's failure to provide timely notice will result in waiver of this right.

4 12. Objection Procedure. Class Members who wish to object to this settlement
5 should notify the Settlement Administrator in writing that they object to the settlement. Any
6 objection sent to the Settlement Administrator must be postmarked no later than the Notice
7 Deadline, unless the Court requires a longer period, in which the Court ordered objection period
8 will apply. If the deadline date falls on a Sunday or federal holiday, the time to object will be
9 extended to the next day on which the U.S. Postal Service is open. Class Members shall be
10 permitted to rescind their objections in writing by submitting a rescission statement to the
11 Settlement Administrator not later than one (1) business day before the Court's Final Approval
12 hearing or as otherwise ordered by the Court. The postmark date shall be deemed the exclusive
13 means for determining that the notice of objection is timely. Whether or not they timely submit a
14 written objection, Class Members may appear at the Final Approval hearing to have their
15 objections heard by the Court.

16 13. Disputed Information on Notice of Settlement. Each Class Member shall have an
17 opportunity to dispute the employment dates and number of Workweeks attributed to him or her
18 as identified in the Class Notice. To the extent a Class Member disputes the employment dates
19 or number of Workweeks identified and listed in the Class Notice, the Class Member may
20 produce evidence to the Settlement Administrator showing that such information is inaccurate by
21 no later than the Notice Deadline. Absent evidence rebutting SOLARA's records, SOLARA's
22 records will be presumed determinative. Defense Counsel and Class Counsel shall jointly
23 determine the number of eligible Workweeks that should apply. If the Defense Counsel and
24 Class Counsel cannot agree the dispute will be submitted to the Court.

25 14. The Settlement Terms Bind All Class Members Who Do Not Submit a Timely
26 and Valid Request for Exclusion. Any Class Member who does not affirmatively opt-out of the
27 Settlement Agreement by submitting a timely and valid Request for Exclusion as set forth above
28 and consistent with the terms of this Settlement Agreement shall be bound by all of its terms,

1 including those pertaining to the Released Claims (as defined below), as well as any Final
2 Approval that may be entered by the Court when it grants Final Approval of the settlement.

3 15. Certification Reports Regarding Requests for Exclusion, Disputes, and
4 Undeliverable Notices. The Settlement Administrator shall provide Defendant's Counsel and
5 Class Counsel a weekly report which certifies: (a) the number of Class Members who have
6 submitted a valid or defective Request for Exclusion; (b) whether any Class Member has
7 submitted a challenge to any information contained in their Notice of Settlement; and (c) the
8 number of returned, undeliverable and/or re-mailed Notices of Settlement. Additionally, the
9 Settlement Administrator shall provide to Defendant's Counsel and Class Counsel any updated
10 reports regarding the administration of the Settlement Agreement as needed or requested.

11 16. Individual Settlement Payment Calculations. The Settlement Administrator shall
12 determine the eligibility for, and the amounts of, any Individual Settlement Payments under the
13 terms of this Settlement Agreement. Should any question arise regarding the determination of
14 eligibility for participation in the settlement or the amount of any Individual Settlement Payment
15 under the terms of this Settlement Agreement, Class Counsel and Defendant's Counsel will meet
16 and confer and attempt to reach agreement. Any unresolved disputes concerning the
17 administration of the Settlement Agreement will be resolved by the Court, under the laws of the
18 State of California.

19 a. *Class Settlement Payment*. The Settlement Administrator will calculate the total
20 Workweeks for all Participating Class Members by adding the number of workweeks worked by
21 each Participating Class Member during the Class Period. The amount that each Participating
22 Class Member will be eligible to receive will be calculated by dividing each Participating Class
23 Member's individual Workweeks by the total Workweeks of all Participating Class Members,
24 and multiplying the resulting fraction by the Net Settlement Amount. The Settlement
25 Administrator will determine the total number of qualifying Workweeks for each Participating
26 Class Member which will be finalized after approval by the Parties.

27 17. Allocation and Tax Treatment of Individual Settlement Payments. Individual
28 Settlement Payments shall be allocated as follows: 33.33% of each Individual Settlement

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Payment shall be taxable as wages, for which an IRS Form W-2 shall be issued and withholdings shall be made; 33.33% shall be taxable as statutory damages and interest, for which an IRS Form 1099 shall be issued and no withholdings will be made; and 33.33% shall be taxable as penalties, for which an IRS Form 1099 shall be issued and no withholdings shall be made. All settlement payments to Participating Class Members will be subject to any applicable wage garnishments, liens, or other legally mandated treatment as required by law.

18. Payment of Individual Settlement Amounts. The Settlement Administrator shall have the authority and obligation to make all payments, credits and disbursements, calculated in accordance with the methodology set forth in this Settlement Agreement and orders of the Court. The Settlement Administrator's duties will include reporting payment of the Individual Settlement Payments to all required taxing and other authorities, taking appropriate withholding from the Individual Settlement Payments, and issuing IRS Forms W-2 and 1099. No person shall have any claim against SOLARA, Defendant's Counsel, ESPINOZA, Class Counsel, the Settlement Administrator, or any Participating Class Member based on distributions and payments made in accordance with this Settlement Agreement.

19. Non-Negotiated Settlement Checks. Participating Class Members must cash each of their Individual Settlement Payment checks within one hundred eighty (180) calendar days after they are mailed by the Settlement Administrator. The Parties agree that any uncashed checks, subject to Court approval, shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code §1500, *et. seq.* for the benefit of those Participating Class Members who did not cash their checks until such time that they claim their property. The Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure Code § 384, as the entire Net Settlement Amount will be paid out to Participating Class Members.

20. Settlement Administrator's Final Report(s). Not less than ten (10) calendar days after the Notice Deadline, the Settlement Administrator shall report to Defendant's Counsel and Class Counsel: (i) the names of individuals who opted-out of the settlement ; (ii) the Individual Settlement Payments owed to each Participating Class Member; and (iii) the final number of

1 Class Members who have submitted objections and/or valid Requests for Exclusion requests
2 from the settlement. Upon completion of administration of the settlement, the Settlement
3 Administrator shall provide written certification of such completion to counsel for all Parties and
4 the Court, if requested by the Parties.

5 21. Release of Claims. Upon the funding of the Maximum Settlement Amount and all
6 applicable employer-side payroll taxes and except as to such rights or claims as may be created
7 by this Settlement Agreement, each and every Participating Class Member, on behalf of
8 themselves and their heirs and assigns, shall release the Released Parties from the Released
9 Claims that arose during the Class Period. A Participating Class Member's cashing of the
10 settlement check will be considered a consent and opt-in to the settlement of all federal wage and
11 hour claims under the FLSA which are encompassed within these Released Claims, and each
12 Participating Class Member who cashes his or her settlement check will waive his or her rights to
13 bring such claims under the FLSA which arose during the Class Period. A Participating Class
14 Member who does not cash his or her settlement check will retain all rights and claims under the
15 FLSA. However, the settlement will still discharge and extinguish the claims described herein
16 under California law, including those for Participating Class Members who do not cash their
17 settlement checks or who do not opt out of the settlement.

18 b. General Release by Class Representative Only. Upon the funding of the
19 Maximum Settlement Amount and all applicable employer-side payroll taxes, the Class
20 Representative shall release the Released Claims against the Released Parties, and shall make the
21 additional following General Release in favor of the Released Parties:

22 a. The Class Representative individually hereby unconditionally waives and
23 forever releases, waives, discharges, any and all demands, damages, debts, liabilities, contracts,
24 obligations, actions, causes of action and claims of every kind, nature, and description
25 whatsoever, whether now known or unknown, suspected or unsuspected, including in equity or
26 otherwise, which she ever had or now has against the Released Parties arising or accruing at any
27 time prior to the Effective Date, including without limitation without limitation any matter, cause
28 or claim arising out of or related to facts or events occurring prior to the execution of this

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Settlement Agreement, and/or related to ESPINOZA's employment with SOLARA and her separation therefrom. At a minimum, the claims released by the Class Representative include but are not limited to: (a) any claims that were or could have been brought under California Labor Code sections 132a, 201, 202, 203, 204, 216, 218, 218.5, 218.6, 225.5, 226, 226.3, 226.7, 432.5, 510, 512, 558, 1050, 1054, 1194, 1194.2, 1197, 1198, 2698 et seq., 2800, et seq., the applicable Industrial Welfare Commission Wage Orders, the FLSA, and all related or corresponding federal laws, and all implementing regulations and interpreting guidance; (b) any claims that were or could have been brought under California Corporations Code, and California Business and Professions Code, including but not limited to California Business and Professions Code section 17200 et seq. as unlawful, fraudulent or misleading based on the claims, facts and allegations alleged in the Action (including, but not limited to, claims of conduct unlawful under state or federal law); (c) any other causes of action, including those seeking premiums, penalties, interest, punitive damages, costs, attorneys' fees, injunctive relief, declaratory relief, or accounting, whether such causes of action are in tort, contract, equity, statute, or common law; (d) any claims under the Fair Employment and Housing Act, Americans with Disabilities Act, Age Discrimination in Employment Act, and Title VII of the Civil Rights Act of 1964, and (e) any other claims the Class Representative could have made related to her employment with SOLARA. The Class Representative may hereafter discover facts in addition to or different from those which she now knows or believes to be true, but stipulates and agrees that, upon the Effective Date, she fully, finally, and forever settles and releases any and all claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity and without regard to the subsequent discovery or existence of such different or additional facts. ESPINOZA is deemed, by operation of the Order granting Final Approval, to have agreed not to sue or otherwise make a claim against any of the Released Parties for any claim.

b. The Class Representative acknowledges that she has had the opportunity to review, and has reviewed, California Civil Code section 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE

1 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO
2 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE
3 RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE
4 MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE
5 DEBTOR OR RELEASING PARTY.

6 Being fully informed of this provision of the Civil Code and understanding its provisions,
7 the Class Representative agrees to waive any rights under that section, and acknowledges that
8 this Settlement Agreement and the release contained herein extends to all claims that she has or
9 might have against the Released Parties, including those which are presently unknown to her or
10 that she does not know or suspect to exist, which, if known by ESPINOZA, might have affected
11 her settlement with, and release of, the Released Parties or might have affected her decision.

12 22. Final Approval Hearing and Entry of Judgment. Upon expiration of the deadlines
13 to postmark a request to be excluded from or objection to the Settlement Agreement, and with
14 the Court's permission, a Final Approval hearing shall be conducted to finally determine the
15 fairness of the settlement, along with the amounts properly payable for (a) Individual Settlement
16 Payments; (b) The Class Representative's Service Award; (c) Class Counsel's attorneys' fees
17 and litigation costs and expenses; (d) Settlement Administration Costs; and (e) the PAGA
18 payment. Class Counsel will be responsible for drafting the attorneys' fees and costs
19 application/motion to be heard at the Final Approval hearing, which such application/motion
20 may be part of the Class Representative's motion for final approval.

21 23. Judgment and Continued Jurisdiction. Upon Final Approval of the settlement by
22 the Court or at the time of or subsequent to the Final Approval hearing, the Parties shall present a
23 Final Approval to the Court for approval and entry. After entry of the Final Approval, the Court
24 shall have continuing jurisdiction under Code of Civil Procedure section 664.6 solely for
25 purposes of addressing: (a) the interpretation and enforcement of the terms of the settlement, (b)
26 Settlement Administration matters, (c) failure to timely pay all amounts owed by Defendant,
27 and (d) such post- Final Approval matters as may be appropriate under court rules or as set forth
28 in this Settlement Agreement.

29 24. No Solicitation of Settlement Objections or Exclusions. The Parties agree to use
30 their best efforts to carry out the terms of this Settlement Agreement. At no time shall any of the

Parties or their counsel seek to solicit or otherwise encourage Class Members to submit either a Request for Exclusion or written objections to the Settlement Agreement or to appeal from the Court's Final Approval.

25. Interim Stay of Proceedings. The Parties agree to refrain from further litigation of this matter, except as to proceedings necessary to implement and obtain an order granting Final Approval of the terms of the settlement.

26. Nullification of Settlement Agreement. In the event: (i) SOLARA timely and properly revokes this Settlement Agreement as set forth in Section V. Paragraph 11.(g) herein; (ii) the Court does not finally approve the Settlement Agreement as provided herein; (iii) the Court does not enter Final Approval as provided herein, which becomes final as a result of the occurrence of the Effective Date; or (iv) the Settlement Agreement does not become final for any other reason, this Settlement Agreement shall be null and void and any order or judgment entered by the Court in furtherance of this Settlement Agreement shall be treated as void from the beginning. In such a case, the Parties shall be returned to their respective statuses as of the date and time immediately prior to the execution of this Settlement Agreement and the Parties shall proceed in all respects as if this Settlement Agreement had not been executed (and the terms and existence of the Settlement Agreement will be confidential). In the event an appeal is filed from the Court's Final Approval, or any other appellate review is sought prior to the Effective Date, administration of the Settlement Agreement shall be stayed pending final resolution of the appeal or other appellate review (unless otherwise agreed to by the Parties).

27. No Admission. Nothing contained herein, nor the consummation of this Settlement Agreement, is to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of SOLARA or any of the other Released Parties. SOLARA specifically denies any and all liability. Each of the Parties hereto has entered into this Settlement Agreement with the intention of avoiding further disputes and litigation with the attendant inconvenience and expenses. This Settlement Agreement is a settlement document and, pursuant to California Evidence Code section 1152 and/or Federal Rule of Evidence 408 and/or any other similar law, shall be inadmissible in evidence in any proceeding, except an

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action or proceeding to approve the settlement, and/or interpret or enforce this Settlement Agreement.

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

29. Notices. Unless otherwise specifically provided herein, all notices, demands or other communications given hereunder shall be in writing and shall be deemed to have been duly given as of the third business day after mailing by U.S. registered or certified mail, return receipt requested, addressed as follows:

<u>To Class Counsel:</u>	<u>To Defendant's Counsel:</u>
Edwin Aiwarzian (SBN: 232943) LAWYERS FOR JUSTICE, PC 410 West Arden Avenue, Suite 203 Glendale, California 91203 Telephone: (818) 265-1020 Facsimile: (818) 265-1021 HEATHER DAVIS, SBN 239372 heather@protectionlawgroup.com AMIR NAYEBDADASH, SBN 232204 amir@protectionlawgroup.com PROTECTION LAW GROUP, LLP 237 California Street El Segundo, California 90245 Telephone: (424) 290-3095 Facsimile: (866) 264-7880	Brian D. Martin (SBN: 199255) Brian.Martin@aallr.com ATKINSON, ANDELSON, LOYO RUUD & ROMO 4275 Executive Sq, Ste 700, La Jolla, California 92037 Telephone: (858) 673-2723 Michael W. Healy (SBN: 274887) mhealy@lbbklaw.com LAGASSE BRANCH BELL + KINKEAD LLP 4365 Executive Drive, Suite 950 San Diego, California 92121 Telephone: (858) 345-5080 Facsimile: (858) 345-5025

30. Tax Liability. The Parties make no representations as to the tax treatment or legal effect of the payments called for hereunder, and Participating Class Members are not relying on any statement or representation by the Parties in this regard. Participating Class Members understand and agree that Participating Class Members will be solely responsible for the payment of any taxes and penalties assessed on the payments described herein.

1 31. Headings. The descriptive headings of any paragraphs or sections of this
2 Settlement Agreement are inserted for convenience of reference only and do not constitute a part
3 of this Settlement Agreement, and in no way, define, limit, extend, or describe the scope of this
4 Settlement Agreement or any provision herein.

5 32. Amendment or Modification. Unless otherwise provided herein, this Settlement
6 Agreement may be amended or modified only by a written instrument signed by counsel for all
7 Parties or their successors-in-interest, and approved by the Court.

8 33. Entire Agreement. This Settlement Agreement, any supplemental written
9 agreement subsequently incorporated, and any attached exhibits constitute the entire Settlement
10 Agreement among these Parties, and no oral or written representations, warranties or
11 inducements have been made to any Party concerning this Settlement Agreement or its exhibits
12 other than the representations, warranties and covenants contained and memorialized in such
13 documents.

14 34. Authorization to Enter into Settlement Agreement. The signatories hereto
15 represent that they are fully authorized to enter into this Settlement Agreement and bind the
16 Parties hereto to the terms and conditions hereof.

17 35. Mutual Full Cooperation. The Parties and their counsel will cooperate with each
18 other and use their best efforts to effect the implementation of the Settlement Agreement,
19 including but not limited to, execution of such documents and to take such other action as may
20 be reasonably be necessary to implement the terms of this Settlement Agreement. As soon as
21 practicable after execution of this Settlement Agreement, Class Counsel shall, with the assistance
22 of SOLARA and Defendant's counsel, take all necessary steps to secure the Court's Preliminary
23 Approval and Final Approval of this Settlement Agreement. In the event the Parties are unable
24 to reach agreement on the form or content of any document needed to implement the Settlement
25 Agreement, or on any supplemental provisions that may become necessary to effectuate the
26 terms of this Settlement Agreement, the Parties may seek the assistance of the Court to resolve
27 such disagreement.

28 36. No Prior Assignments. The Parties hereto represent, covenant, and warrant that

1 they have not directly or indirectly, assigned, transferred, encumbered, or purported to assign,
2 transfer, or encumber to any person or entity any portion of liability, claim, demand, action,
3 cause of action, or rights herein released and discharged except as set forth herein.

4 37. Binding on Successors and Assigns. This Settlement Agreement shall be binding
5 upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors,
6 administrators and successors.

7 38. Participating Class Member Signatories. It is agreed that because the
8 Participating Class Members are so numerous, it is impossible or impractical to have each
9 Participating Class Member execute this Settlement Agreement. The Notice of Settlement will
10 advise all Class Members of the binding nature of the release and, upon Final Approval, such
11 shall have the same force and effect as if this Settlement Agreement were executed by each
12 Participating Class Member. Notice of Entry of Judgment shall be served by the Class
13 Representative on SOLARA.

14 39. California Law Governs. All terms of this Settlement Agreement shall be
15 governed by and interpreted according to the laws of the State of California, without giving
16 effect to any conflict of law principles or choice of law principles.

17 40. Counterparts. This Settlement Agreement may be executed in one or more
18 counterparts. All executed counterparts and each of them shall be deemed to be one and the
19 same instrument provided that counsel for the Parties to this Settlement Agreement shall
20 exchange among themselves original signed counterparts.

21 41. The Class Representative's Waiver of Right to be Excluded and Object. The
22 Class Representative agrees that by signing this Settlement Agreement, she is bound by the terms
23 herein stated and further agrees not to request to be excluded from the settlement and agrees not
24 to object to any of the terms of this Settlement Agreement. Any such letter requesting to be
25 excluded from the settlement or objection shall therefore be void and of no force or effect.
26 Efforts by the Class Representative to circumvent the terms of this paragraph shall be void and of
27 no force or effect.

28 42. Confidentiality Preceding Preliminary Approval. The Class Representative and

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Class Counsel agree that the terms of this settlement (including, but not limited to, the Maximum Settlement Amount), the negotiations leading to this settlement, and all documents related to the settlement shall not be discussed with, publicized or promoted to the public, except as necessary to effectuate and/or enforce the terms of this Settlement Agreement. The Class Representative and Class Counsel will not publicize the terms of this Settlement Agreement and will not issue any press releases except that the Class Representative and Class Counsel may disclose in legal proceedings a summary of the terms of the Settlement Agreement and may communicate with Class Members regarding the settlement, its terms, its history (apart from settlement communications).

Dated: _____

SOLARA MEDICAL SUPPLIES, LLC

By: 
Christopher J. Joyce

Dated: 09/28/2021

MONICA ESPINOZA

By: 
Monica Espinoza

AGREED AS TO FORM:

Dated: 10/28/2021

LAGASSE BRANCH BELL + KINKEAD, LLP

By: 
Michael W. Healy
Attorneys for Defendant
SOLARA MEDICAL SUPPLIES, LLC

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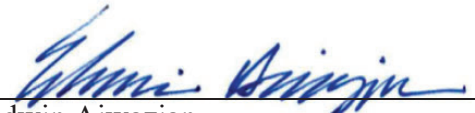
Dated: 10/28/2021

ATKINSON, ANDELSON, LOYA, RUUD &
ROMO

By: 
Brian D. Martin
Attorneys for Defendant
SOLARA MEDICAL SUPPLIES, LLC

Dated: 09/28/2021

LAWYERS FOR JUSTICE, PC

By: 
Edwin Aiwarzian
Attorneys for Plaintiff
MONICA ESPINOZA

Dated: September 28, 2021

PROTECTION LAW GROUP, LLP

By: 
Heather Davis
Attorneys for Plaintiff
MONICA ESPINOZA