

James R. Hawkins (SBN 192925)
Christina M. Lucio (SBN 253677)
JAMES HAWKINS APLC
9880 Research Drive, Suite 200
Irvine, California 92618
Telephone: (949) 387-7200
Facsimile: (949) 387-6676
James@Jameshawkinsaplc.com
Christina@Jameshawkinsaplc.com

Attorneys for Plaintiff JULIO C. ROVIRA, LORENA RENTERIA, and VIRGILIO SANTOS
on behalf of themselves and all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF ORANGE

JULIO C. ROVIRA, individually and on
behalf of himself and all others similarly
situated,

Plaintiff,

v.

SILVERADO SENIOR LIVING
MANAGEMENT, INC., a Delaware
Corporation, and DOES 1-50, inclusive,

Defendants.

Case No. 30-2020-01136565-CU-OE-CXC

CLASS ACTION

Assigned for All Purposes To:

Hon. Glenda Sanders

Dept.: CX-101

**DECLARATION OF JAMES R. HAWKINS
IN SUPPORT OF PLAINTIFFS' MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION AND PAGA
SETTLEMENT, APPROVAL OF CLASS
NOTICE, AND CONDITIONAL
CERTIFICATION OF SETTLEMENT
CLASS**

Date: March 4, 2022

Time: 1:30 p.m.

Dept: CX-101

[Filed Concurrently with Memorandum of
Points and Authorities; Notice of Motion and
Motion for Preliminary Approval; and
Proposed Order]

1 I, James R. Hawkins, declare as follows:

2 1. I am an individual over the age of 18. I am a partner at the Law Firm of James
3 Hawkins, APLC. I am one of the attorneys of record for Plaintiffs JULIO C. ROVIRA,
4 LORENA RENTERIA, and VIRGILIO SANTOS (“Plaintiffs” or “Class Representatives”), who
5 filed this Class Action on behalf of themselves and all others similarly situated current and former
6 hourly non-exempt employees, who did not execute an arbitration agreement related to their work
7 for Defendant Silverado Senior Living Management, Inc. (“Defendant” or “Silverado”) (with
8 Plaintiffs, the “Parties”). I have personal knowledge of the facts set forth below, and if called to
9 testify regarding them, I could and would do so competently.

10 2. I submit this Declaration in support of Plaintiffs’ Motion for Preliminary Approval
11 of Class Action and PAGA Settlement, Approval of Class Notice, and Conditional Certification
12 of Settlement Class (the “Preliminary Approval Motion”), which is filed concurrently herewith,
13 along with Memorandum of Points and Authorities.

14 3. Attached hereto as **Exhibit A** is a true and correct copy of the executed Class
15 Action and PAGA Settlement Agreement entered by the parties, including exhibits thereto, which
16 the parties ask the Court to preliminarily approve (the “Agreement” or “Settlement Agreement”).
17 **Exhibit 1** to the Settlement Agreement consists of the parties’ Notice of Proposed Class Action
18 Settlement (“Notice”); **Exhibit 2** consists of the Parties’ proposed Request for Exclusion form;
19 **Exhibit 3** is the proposed Objection Form as required by the Case Management Order.

20 4. Defendant does not oppose the Motion for Preliminary Approval.

21 5. Silverado Senior Living Management, Inc. is a proper Defendant in this Action.

22 6. On March 5, 2020, Plaintiff Rovira commenced a class action suit against
23 Defendant by filing his Class Action Complaint (“Complaint”) for damages in Orange County
24 Superior Court. Plaintiff Rovira filed against Silverado on behalf of “any and all persons who are
25 or were employed by Defendants as non-exempt employees, however titled, providing caregiving
26 or supervision services or related functions in the State of California within four (4) years prior to
27 the filing of the complaint on March 5, 2020 until resolution of this lawsuit and whose job duties
28 did not consist of over 50% administrative, executive or professional duties (collectively referred

1 to as the “Class” or “Class Members” or “Non-Exempt Employees”).” The Complaint alleged
2 causes of action under the California Labor Code and California Business and Professions Code
3 Section 17200. Specifically, the Complaint alleged: (1) failure to pay all wages owed including
4 minimum wages and overtime; (2) failure to provide lawful meal periods; (3) failure to authorize
5 and permit rest periods; (4) failure to timely pay wages owed upon separation from employment;
6 (5) failure to reimburse necessary expenses; and (6) violation of the Unfair Competition Law.

7 7. The Complaint also defined subclasses as follows:

- 8 a. All Class Members who were not paid at least minimum wage for all hours
9 worked (“Minimum Wage Subclass”).
- 10 b. All Class Members who were not accurately paid overtime for hours worked over
11 eight in a day or over forty in a workweek (“Overtime Subclass”).
- 12 c. All Class Members who worked more than five (5) hours in a workday and were
13 not provided with a timely, uninterrupted lawful meal period of net thirty (30)
14 minutes, and were not paid compensation of one-hour premium wages at the
15 employee’s regular rate in lieu thereof (“First Meal Period Subclass”)
- 16 d. All Class Members who worked more than three and a half hours in a workday and
17 were not authorized and permitted to take a lawful net 10-minute rest period for
18 every four (4) hours or major fraction thereof worked per day and were not paid
19 compensation of one-hour premium wages at the employee’s regular rate in lieu
20 thereof (“Rest Period Subclass”).
- 21 e. All Class Members who did not receive all owed wages at the time of separation or
22 within 72 hours in the case of resignation (“Waiting Time Subclass”).
- 23 f. All Class Members who were not reimbursed for all necessary expenses
24 (“Indemnification Subclass”).
- 25 g. All Class Members who were employed by Defendants and subject to Defendant’s
26 Unfair Business Practices (“Unfair Business Practices Subclass”).

27 8. On or about June 3, 2020, Defendant filed its Answer to the Complaint generally
28 denying all allegations and asserting affirmative defenses.

1 9. The case was assigned case number 30-2020-01136565-CU-OE-CXC and
2 assigned to the Honorable Glenda Sanders in the Superior Court of the State of California for the
3 County of Orange. On January 4, 2021, the case was re-assigned to the Honorable Kirk
4 Nakamura. On October 4, 2021, the case was re-assigned to the Honorable Glenda Sanders.

5 10. On September 22, 2021, Plaintiff Renteria provided written notice to the California
6 Labor and Workforce Development Agency (the "LWDA") and Silverado that Plaintiff believed
7 Silverado was violating certain provisions of the California Labor Code ("PAGA Letter").

8 11. The LWDA did not provide a response within sixty-five (65) days of Plaintiff's
9 submission.

10 12. In connection with this Settlement, the Parties have agreed that a First Amended
11 Complaint ("FAC") will be filed to add Mr. Santos and Ms. Renteria as Named Plaintiffs, clarify
12 the class definition to encompass all non-exempt employees, and encompass an additional claim
13 under the Private Attorney Generals Act, Labor Code section 2698 et seq. ("PAGA"). The
14 "PAGA Employees" are defined as any and all current and former hourly-paid or non-exempt
15 employees who worked for Defendant within the State of California from September 22, 2020 to
16 September 13, 2021, and that did not execute an arbitration agreement related to their work for
17 Defendant. The claims in the FAC were raised and considered by the Parties at the mediation
18 which led to the resolution of the action. With this motion, the Parties are filing a stipulation for
19 the filing of the First Amended Complaint.

20 13. Defendants engaged in multiple individual settlement campaigns during the
21 pendency of this action which may have resulted in certain Silverado employees entering into
22 individual settlement agreements with Defendant. Plaintiffs contended that the individual
23 settlement agreements should be vitiated and filed a motion to that end prior to the mediation
24 between the Parties.

25 14. Throughout the action, the Parties extensively investigated the relevant facts and
26 applicable law throughout the Action, potential defenses, and damages claims by Plaintiffs on
27 behalf of themselves and the Class.

1 15. Defendant provides memory care assisted living communities, home care, hospice
2 care, and supportive care service in 19 locations throughout the State of California.

3 16. Plaintiffs' counsel's investigation included research and interviews, the exchange
4 of information and documents (including pertinent financial information), conferences with
5 defense counsel, formal and informal discovery. It also included preparing for and attending
6 mediation with wage-and-hour class action mediator, Steve Serratore, and assessing the evidence
7 with an eye toward class certification. The Parties engaged in a significant amount of research,
8 investigation, and information exchange prior to mediation. Formal and informal discovery and
9 information exchange included the production of class size information, Plaintiffs' employment
10 file (including time records and wage statements), Defendant's handbook, Plaintiffs' employment
11 application, the job description for positions held by class members, policy and procedure
12 documentation, timekeeping information, pertinent financial information, Class Members' pay
13 records, exemplars of the applicable arbitration agreements, class contact information, and other
14 relevant documentation. Defendant produced substantial class information, time and pay records
15 for the putative class. The Parties conducted their own evaluations of the potential recoveries
16 based on the claims alleged in the Action. The Parties then shared damages information with the
17 mediator and each other for purposes of reaching a settlement. The Parties also engaged in
18 numerous discussions regarding the data exchanged, the Parties' respective claims and defenses,
19 and the Plaintiffs' claimed damages.

20 17. On June 9, 2021, the Parties participated in mediation before Steve Serratore. The
21 mediation was a successful, arms-length negotiation, that resulted in a mediator's proposal
22 ultimately accepted by both parties, with the Parties agreeing to settle this matter.

23 18. At all times, the negotiations leading to the Settlement Agreement have been
24 adversarial, non-collusive, conducted at arm's length, and supported by a knowledgeable
25 mediator.

26 19. The information exchange between the Parties allowed them to assess the merits of
27 the claims and defenses, and to reach a compromise of the issues.

28

1 20. Plaintiffs and Class Counsel recognize the expense and length of proceedings
2 necessary to continue the litigation against Defendants through trial and through any possible
3 appeals. Plaintiffs and Class Counsel also have taken into account the uncertainty and risk of
4 further litigation, the potential outcome, and the difficulties and delays inherent in such litigation.
5 Plaintiffs and Class Counsel have conducted extensive settlement negotiations, including the
6 above-mentioned mediation. Based on the foregoing, Plaintiffs and Class Counsel believe the
7 Settlement set forth in the Settlement Agreement is a fair, adequate, and reasonable settlement
8 and it is in the best interests of the Class Members.

9 21. Although a settlement has been reached, Defendant denies any and all liability or
10 wrongdoing of any sort with regard to the claims and Defendant maintains that for any purpose
11 other than settlement, this Action is not appropriate for class action treatment. Defendant denies
12 all allegations asserted in the operative complaint, and all claims made by Plaintiffs. Defendant
13 asserts that it has no liability for Plaintiffs' or any Class Member's claims under any statute, wage
14 order, regulation, common law, or equitable theory.

15 22. Plaintiff Rovira is a member of the Class, as he is a former, non-exempt employee
16 that worked for Defendant in California during the Class Period.

17 23. Plaintiff Renteria is a member of the Class, as she is a former, non-exempt
18 employee that worked for Defendant in California during the Class Period.

19 24. Plaintiff Santos is a member of the Class, as he is a former, non-exempt employee
20 that worked for Defendant in California during the Class Period.

21 25. Plaintiffs contend that their claims are appropriate for class certification.

22 26. In connection with this Settlement, Plaintiffs seek to represent the Class Members.
23 The "Class Members" are defined as any and all current and former hourly-paid or non-exempt
24 employees who worked for Defendant within the State of California at any time from September
25 20, 2017 to September 13, 2021, and that did not execute an arbitration agreement related to their
26 work for Defendant. The class definition was modified in the context of the Settlement
27 Agreement to run from September 20, 2017 to September 13, 2021 to account for the impact of
28 several prior settlements which cut-off the Class Period.

1 27. At the time of mediation, a review of Defendant's records led the Plaintiffs to
2 estimate that there are approximately 688 Class Members and 57,009 workweeks at issue with a
3 calculated average hourly rate of approximately \$19.50 per hour.

4 28. While Plaintiffs believe in the strength of their allegations, Plaintiffs and Class
5 Counsel have balanced our evaluation of the validity and merit of the asserted claims against
6 potential problems of proof, the legal standards governing litigation of the class claims and
7 PAGA claims, the uncertainty of obtaining and maintaining class certification through trial, the
8 potential for appeals, the expense and burden associated with prolonged litigation, and the various
9 defenses asserted by Defendant.

10 29. Based on my evaluation, I believe that the Settlement set forth in the Settlement
11 Agreement is fair, adequate, and reasonable and in the best interest of the Class, including
12 Plaintiffs.

13 30. As set forth more extensively above, the parties have conducted a thorough
14 investigation into the allegations in this Action. Prior to filing the Complaint, Class Counsel
15 engaged in a significant amount of research and investigation. Plaintiffs' Counsel conducted
16 independent investigation, research and interviews at the beginning of the action, reviewed
17 documentation produced by Plaintiffs, and propounded extensive formal and informal discovery
18 requests to Defendant. Plaintiffs propounded and Defendant responded to requests for
19 production, special interrogatories, form interrogatories—general, form interrogatories-
20 employment, and requests for admissions. Defendant provided personnel documents, payroll
21 records for Plaintiffs, a listing of all employees in the putative class, Defendants' relevant policies
22 and procedures, and pay records. I believe that the substantial exchange of information is
23 sufficient to permit the parties to realistically assess the strengths and weaknesses of their claims
24 and defenses and allowed them to conduct an informed mediation and reasonable settlement
25 negotiations in good faith.

26 a. Defendant provided Class Counsel with a class list by employee number which
27 provided (i) first name; (ii) last name; (iii) street address; (iv) city; (v) state; (vi) zip code; and
28 (vii) phone number.

1 b. Defendants produced a sampling of time and pay records by employee number.
2 Class Counsel also reviewed the employment file and all wage statements/summaries for
3 Plaintiffs. In addition, Defendant provided Class Counsel with other foundational documents
4 such as the Employee Handbook and other relevant company policies. Plaintiffs' counsel has
5 reviewed these items and Defendant's other production documents, and the parties' counsel have
6 met and conferred regarding their contents.

7 c. Class Counsel also engaged in interviews regarding the functions and experiences
8 of hourly, non-exempt employees in California.

9 d. The Parties also engaged in extensive information exchange during the course of
10 the mediation session with the assistance of the mediator. This information informed subsequent
11 negotiations between the Parties and the eventual agreement upon the terms of Settlement.

12 e. Class Counsel is knowledgeable about and has conducted extensive research with
13 respect to the applicable law and potential defenses to the claims in this Class Action. Class
14 Counsel believes Defendant produced sufficient documents and information that allowed the
15 parties to engage in a well-informed mediation based upon good faith negotiations.

16 f. As Class Counsel, we have used this extensive formal and informal discovery and
17 investigation to create a comprehensive damages and potential liability model for each of the
18 asserted claims, described below. This damages analysis created from the records produced was
19 used to determine Defendant's potential liability for each of Plaintiffs' claims.

20 g. The negotiated Settlement thus resulted from the damages and potential liability
21 model Class Counsel developed from Defendant's pay records and the remaining production
22 documents and produced information. Counsel for the parties believe that they have conducted
23 sufficient discovery, investigation and research to evaluate the strengths and weaknesses of their
24 respective claims and defenses. After this assessment, Plaintiff and Class Counsel believe this
25 Settlement is fair and reasonable.

26 31. Class Counsel and Plaintiffs believe the Settlement to be fair, adequate, and
27 reasonable in light of all known facts and circumstances, including the risk of significant delay
28 and uncertainty associated with litigation, the various defenses asserted by Defendant, numerous

1 potential appellate issues, and the substantial certain benefits received under the Settlement.
2 Plaintiffs and Class Counsel have concluded, after taking into account the highly contested
3 factual and legal issues involved in this Action, the risks and substantial expenses involved in the
4 further prosecution of this case, the substantial benefits to be received by the Class pursuant to the
5 compromise and settlement of the Action at this stage as set forth in this Agreement, that
6 settlement on the terms set forth herein is in the best interest of Plaintiffs and the Class and is fair
7 and reasonable. Similarly, Class Counsel understands that Defendant and its counsel have
8 conducted an investigation and research, and while Defendant denies all of Plaintiffs' allegations,
9 Defendant has concluded, after taking into account the sharply disputed factual litigation, along
10 with its desire to put an end to the controversy, in favor of agreeing to this Settlement, and believe
11 it is in Defendant's best interest and is fair and reasonable.

12 32. The Settlement Agreement provides for a Maximum Settlement Amount of
13 \$750,000.00 to resolve the claims of approximately 688 Class Members. (Settlement, ¶VI (1.8))
14 Subject to Court approval, Plaintiffs and Class Counsel will request the following allocations:

- 15 a. Class Counsel will request attorneys' fees in the amount up to \$250,000.00 and
16 reimbursement of litigation costs and expenses in the amount of up to \$25,000.00
17 (Id. ¶VI (1.12(2)))
- 18 b. Plaintiffs will request Service Payments, to Plaintiff Rovira in the amount of up to
19 \$7,500.00, and to Plaintiff Renteria and Plaintiff Santos in the amount of up to
20 \$2,500.00 each (Id. ¶VI (1.12(3)))
- 21 c. The PAGA allocation will be \$50,000.00, with 75% or \$37,500.00 paid to the
22 LWDA (Id. ¶VI (1.12 (4)), VI (1.16))
- 23 d. The Parties have selected ILYM Group, Inc. to administer the Settlement, and the
24 Settlement Administration fee will be approximately \$16,400.00
25 (Id. ¶VI (1.12(3)))

26 33. The "Settlement Class" is comprised of "any and all current and former
27 hourly-paid or non-exempt employees who worked for Defendant within in the State of California
28

1 at any time from September 20, 2017 to September 13, 2021, and that did not execute an
2 arbitration agreement related to their work for Defendant.” (Id. ¶VI (1.1))

3 34. Subject to Court approval, the “Net Settlement Amount” available for payment to
4 Participating Class Members following deduction of the requested fees, costs, service payments,
5 and penalties set forth in Paragraph 32 is estimated to be Four Hundred Eight Thousand Six
6 Hundred Dollars and No Cents (\$408,600.00) (including the 25% of the PAGA Payment
7 allocated to the PAGA Group). (Id. ¶VI (1.12))

8 35. The Individual Settlement Payments to Participating Settlement Class Members
9 will be calculated by multiplying the Net Settlement Amount by the Payment Ratio Fraction of
10 each Participating Class Member. (Id. ¶VI (1.9)) The Payment Ratio Fraction means a fraction
11 that has as its numerator the Participating Class Member’s individual Workweeks and has as its
12 denominator the total aggregate Workweeks of all Participating Class Members. (Settlement ¶ VI
13 (1.18))

14 36. The entire Net Settlement Amount will be distributed to all Settlement Class
15 Members who do not submit timely and valid Requests for Exclusion.

16 37. Assuming equal distribution to the Class Members and full participating, the
17 average recovery per Class Member will be approximately \$593.90 from the Net Settlement
18 Amount. Assuming a Class Member only worked one (1) workweek during the Class Period, the
19 smallest recover is estimated to be approximately \$7.17. Assuming a Class Member worked
20 every workweek in the Class Period, the largest recovery is estimated to be approximately
21 \$1,491.36.

22 38. Payment to each Settlement Class Member will be allocated as follows: 20% to
23 satisfaction of claims for unpaid wages; 80% to the satisfaction of claims for interest and
24 penalties. All settlement payments for wages shall be subject to required withholdings and
25 deductions as W-2 payments. With regard to payments in settlement of claims for penalties and
26 interest, these payments shall be issued through a 1099 form and not subject to withholdings or
27 deductions. (Settlement ¶VI (2.5))

28

1 39. The employer's portion of the Employer's taxes will be paid by Defendant
2 separately and in addition to the Maximum Settlement Amount. (Id. ¶VI (1.6))

3 40. All Class Members will receive notice of the Settlement and are not required to
4 submit a claims form for their share of the Net Settlement Amount. The proposed Notice
5 includes (a) information regarding the nature of the Action; (b) a summary of the Settlement's
6 principal terms; (c) the Settlement Class definition; (d) the formula for calculating Individual
7 Settlement Payments for Class Members; (e) the date which comprise the Class Period; (f)
8 instructions on how to dispute the amount owed under the distribution formula, opt out of the
9 settlement or submit an objection; (g) the deadlines by which the Class Member must postmark
10 his or her opt-out or objection; (h) the claims to be released; and (i) an estimate of each Class
11 Member's Individual Settlement Payment. (See **Exhibit 1** to **Exhibit A.**)

12 41. The Notice will be sent to the mailing address for the Class Member in
13 Defendant's records. For those Class Members who were not employed by Defendants as of the
14 Preliminary Approval Date, the Settlement Administrator will undertake a Reasonable Address
15 Verification to ascertain the accuracy of the Last Known Address of the Class Member prior to
16 mailing. (Settlement ¶VI. (3.2.4)). The Administrator will conduct a skip trace to obtain a new
17 address for Notice packets that are returned undeliverable in accordance with the terms of the
18 Settlement. (Id. ¶VI (3.2.6)).

19 42. Class Members shall have 60 days after the date the Settlement Administrator
20 initially mails the Class Notice to object to the Settlement in writing. The objecting Class
21 Member shall notify the Settlement Administrator of his or her intent to object by following the
22 procedure set forth in the Notice of Settlement within sixty (60) calendar days of mailing (or
23 within ten (10) calendar days from the date on which the Class Notice was re-mailed).
24 (Settlement ¶VI. (3.3.3.)) Alternatively, Class Members may choose to voice their objections at
25 the Final Approval Hearing. (Id.) Failure to strictly comply with this deadline will forever bar a
26 Class Member from objecting to the Settlement. A Class Member who objects to the Settlement
27 will still be considered a Participating Class Member who is subject to the Settlement. (Id.)
28

1 43. Class Members shall have 60 days after the date the Settlement Administrator
2 initially mails the Class Notice to dispute the number of workweeks that they are credited.
3 (Settlement ¶ IV. (3.3.1)) If a Class Member disagrees with the number of Workweeks as stated
4 in his or her Class Notice, he or she may dispute that figure by information the Settlement
5 Administrator of the number of Workweeks in dispute and submitting supporting documentation
6 (such as, without limitation, payroll or timekeeping records, and paycheck stubs) within 60 days
7 of mailing the Class Notice. If there is a dispute, the Settlement Administrator will review the
8 Workweeks dispute and supporting documentation and make a determination based upon the
9 submitted documentation as to the validity of the Class Member's claim. Settlement
10 Administrator will notify Defendant and Class Counsel and request the further information as
11 needed. The decision of the Settlement Administrator on any disputes will be final. (Id. ¶VI.
12 (3.3.1.))

13 44. Class Members shall have 60 days after the date the Settlement Administrator
14 initially mails the Notice to requests exclusion from the Class. Any Class Member who wishes to
15 be excluded from the Settlement must submit a timely and valid Request for Exclusion to the
16 Settlement Administrator that clearly expresses such desire and is signed by such Class Member.
17 (Settlement ¶VI (3.3.4.)) Any such statement must contain the case name, as well as the Class
18 Member's full name, address, telephone number, last four (4) digits of his or her Social Security
19 number, and signature, and a clear statement indicating that he or she seeks to exclude him or
20 herself from the Settlement. (Settlement ¶VI (1.26)) Class Members who do not opt out by
21 submitting valid and timely Requests for Exclusion will be deemed to be Participating Class
22 Member, will be bound by the Settlement and the Judgment entered based thereon. Class
23 Members who Opt Out by submitting valid and timely Requests for Exclusion will not be bound
24 by the Settlement, will not be entitled to any benefits thereunder, or to make any objection to the
25 Settlement. (Settlement ¶VI (3.3.4.)) If a Class Member submits both a Request for Exclusion
26 and an objection to the Settlement, the Request for Exclusion will be accepted and the objection
27 will be disregarded. (Id. ¶VI (3.3.5)) The Parties agree that the Response Deadline will not be
28 extended, and no untimely submissions will be honored, under any circumstances, unless mutually

1 agreeable by the Parties, and/or except to the extent permitted due to re-mailing of Class Notices.
2 (Id. ¶VI (3.3.6.))

3 45. If a Class Member's check is not cashed within 180 days, the check will be void
4 and a stop payment order may be placed on the check. In such event, the Settlement nevertheless
5 will be binding upon the Settlement Class Member. The funds represented by all uncashed
6 settlement checks will be distributed as provided in California Code of Civil Procedure section
7 384, as approved by the Court. Funds from checks that remain uncashed after the 180-void date
8 will escheat to the 501(c)(3) non-profit, Taller San Jose Hope Builders in accordance with Code
9 of Civil Procedure section 384(b). (Settlement ¶VI (2.8))

10 46. The Parties selected ILYM Group, Inc. as the Settlement Administrator. The
11 Settlement Administrator's duties include: preparing and distributing the Notice of Settlement,
12 calculating and directing the disbursement of payments to Settlement Class Member, Class
13 Counsel, the Class Representatives and the LWDA; calculating and timely paying any and all
14 payroll taxes from the wages portion of the Net Settlement Amount to the appropriate tax
15 authorities, as required under this Agreement and applicable law; handling inquiries about the
16 calculation of individual settlement payments; preparing and filing any tax returns and
17 information returns and any other filings required by any governmental taxing authority or other
18 governmental agency; providing weekly status reports to the Parties' counsel; advising Defendant
19 and Class Counsel of any Class Members who submit objections and/or requests for exclusions
20 from the Settlement; providing a due diligence declaration for submission to the Court prior to the
21 final approval hearing; printing and providing Settlement Class Members and Plaintiffs with W-2
22 and 1099 forms as required under this Agreement and applicable law; arranging for and remitting
23 funds from any uncashed settlement payment to the designated cy pres recipient, as determined
24 by the Court; sending reminder postcards to Class Member, and for such other tasks as the Parties
25 mutually agree or the Court orders the Settlement Administrator to perform. The Settlement
26 Administrator shall establish a settlement payment center address, telephone number, facsimile
27 number, and email address to receive Class Members' inquiries about the Notice of Settlement,
28 requests to be excluded from the Settlement and settlement payments.

1 47. We (and Plaintiffs) do not have any financial interest in the Settlement
2 Administrator or otherwise have a relationship with the Settlement Administrator that could
3 create a conflict of interest. We similarly understand that neither Defendant, nor Defendant's
4 counsel has any financial interest in the Settlement Administrator or otherwise has a relationship
5 with the Settlement Administrator that could create a conflict of interest.

6 48. After Final Approval of the Settlement, Defendant shall deposit the Maximum
7 Settlement Amount and Employer Taxes with the Settlement Administrator no later than thirty
8 (30) days after the Effective Date. (Settlement ¶VI. (2.1)) The "Effective Date" means the later
9 of: (a) if no objections to the Settlement are submitted, the date on which the Court issues the
10 Final Approval Order and Judgment; (b) if any objections to the Settlement are submitted, the
11 date which is forty-five (45) calendar days after notice of entry of the Final Approval Order and
12 Judgment if no notice is filed within that time seeking appeal of the Final Approval Order and
13 Judgment and if no motion for extension to appeal is filed; or (c) if a notice of appeal is filed, the
14 date upon which all appellate and/or other proceedings resulting from the notice of appeal have
15 been terminated in such a manner as to permit the Final Approval Order and Judgment to take
16 effect in substantially the form described herein. (Settlement ¶VI (1.5))

17 49. No later than forty-five (45) calendar days after Effective Date and fifteen (15)
18 calendar days after the payment of the funds to the Settlement Administrator, Defendant, through
19 the Settlement Administrator, and according to the terms and procedures of the Agreement, shall
20 pay to each Participating Class member their Individual Settlement Amount. (Settlement ¶VI
21 (2.5))

22 50. Counsel for both Plaintiffs and Defendant are experienced wage and hour class
23 action attorneys. Counsel on both sides have represented, mediated and settled other employee
24 class actions in wage and hour litigation and have knowledge of the strengths and weaknesses of
25 their respective positions that are sufficient to evaluate the fairness of the proposed settlement
26 herein.

27 51. Class Counsel and Plaintiffs understand the uncertain and risky nature of the class
28 certification process as well as the potential merits of both legal and factual defenses expensed to

1 be raised by Defendant. They also understand the Court's discretion in any litigation under the
2 PAGA to reduce penalties. Based upon the uncertainty associated with Defendant's asserted
3 defenses, potential arbitration-related issues, the risk in certifying a class, the possibility of
4 Defendant prevailing on potentially dispositive motions, and a potential trial, Class Counsel and
5 the Plaintiffs believe the \$750,000.00 Maximum Settlement Amount to settle all Claims pending
6 in the Action is fair, reasonable, and adequate under the circumstances and will provide
7 Settlement Class Members meaningful compensatory relief without any reversion to Defendant.
8 The Settlement affords the Class Members prompt and substantial relief, while avoiding
9 significant legal and factual obstacles that otherwise may have prevented the Class Members from
10 obtaining any recovery at all. Indeed, the outcome of class certification, trial and any attendant
11 appeals, as well as ultimate collectability in the current economic climate, is inherently uncertain.
12 Throughout this litigation and the settlement process, Defendant has denied and continues to deny
13 any liability or wrongdoing of any kind associated with Plaintiffs' claims alleged in the Action.
14 Defendant has also produced substantial evidence to support its defenses, such that recovery is
15 uncertain.

16 52. Defendant has also denied that, for any purposes other than settling this Action, it
17 is appropriate for class certification. With this in mind, the Parties have concluded that the future
18 costs and expenses involved in continuing the Action are substantial and have chosen to eliminate
19 any further expenses, attorneys' fees, and uncertainty in connection with the Action. In
20 particular, given the heavily disputed nature of the case—both factual and legal grounds—it is
21 expected that substantial expenses would be incurred in determining issues concerning additional
22 discovery, litigation any class certification motion and pending appeals, bringing potentially
23 dispositive motions, and in connection with any trial or possible appeals. Without admitting or
24 conceding any liability or damages, Defendant has stipulated to class certification (for settlement
25 purposes only) and entered into the Agreement to fully, finally, and forever resolve this litigation
26 and bar further litigation on the terms and conditions set forth in the Agreement, and in order to
27 avoid the burden, expense, and uncertainty associated with litigation.

28

1 53. In this action, Plaintiffs alleges that Plaintiffs and the Class Members were not
2 paid at least minimum wage for each hour worked, paid overtime wages, provided lawful meal
3 periods, authorized and permitted to take lawful rest periods, paid all wages earned upon
4 separation of employment and reimbursed for all necessary expenses. Plaintiffs also allege that
5 Defendant is subject to penalties under the Private Attorneys' General Act of 2004 and were in
6 violation of the Unfair Competition Law. Defendant denies all allegations and contended that it
7 complied with the applicable law at all times.

8 54. Plaintiffs contended that Defendant failed to pay employees wages for all hours
9 worked, including minimum wages and overtime wages. Defendant contended that it properly
10 paid class members for all hours worked, and included applicable differentials and bonuses into
11 the regular rate. Defendant further contended that it maintained legally compliant policies that
12 required employees to report all hours worked, and that it compensated employees for all hours
13 worked. Defendant contended, however, that if, in fact, it had failed to pay Plaintiffs or any
14 putative class member for all time worked, the time is de minimis and therefore not compensable.
15 Defendant further contended that Plaintiffs' claims for unpaid overtime wages are barred because
16 Defendant timely paid all overtime wages to Plaintiffs.

17 55. Plaintiffs also contended that Defendant failed to provide lawful meal periods and
18 rest periods, as Defendant imposed work demands that made taking of meal and rest periods
19 impossible and did not permit Plaintiffs and Class Members to leave the premises. Plaintiffs
20 further contended that meal and rest period premiums were not paid at the regular rate, and, thus,
21 were underpaid. Defendant contended that it maintained legally compliant written policies and
22 that as a matter of policy and practice it scheduled and provided legally compliant meal and rest
23 periods. Defendant argued that Plaintiffs would not be able to certify a class to pursue meal and
24 rest period claims, because whether or not a class member took a meal or a rest period on a given
25 day was a matter of individual preference and inquiry—not any class wide policy or practice.
26 Defendant also produced evidence that it had paid significant premiums for missed, late, or short
27 meal and rest periods. In sum, Defendants contended that Plaintiffs and putative class members
28

1 were provided meal periods and authorized and permitted to take rest periods, or were paid
2 premiums in lieu thereof.

3 56. Plaintiffs further alleged that Defendant failed to reimburse employees for
4 necessary expenses, such as back braces and cellular phone expenses. Defendants denied that
5 employees were required to purchase any items to do their jobs or incur any expenses.
6 Defendants further produced evidence that they reimbursed expenses that were submitted, and
7 that they maintained compliant policies. Defendant further argued that Plaintiffs estimated \$25
8 expense per pay period was vastly overstated because there were no recurring expenses incurred
9 or necessary.

10 57. Based upon the initial review and information, Plaintiffs' counsel (with the
11 assistance of an expert) estimated that if the claims were entirely successful at trial and all PAGA
12 penalties sought were awarded, Plaintiffs and the Class would be awarded approximately \$15
13 million. Plaintiffs' estimates are based upon the following figures at mediation – 688 class
14 members, 57,009 workweeks, 25,799 pay periods, 246,785 shifts, 305 former employees, \$19.50
15 average wage rate, approximately 400 PAGA group members, 6,820 pay periods in PAGA
16 period.

- 17 a. Unpaid Overtime: 5,832 (number of pay periods with shift differential and no
18 subsequent reconciliation) x \$1.29 unpaid overtime per pay period = \$7,523.28.
- 19 b. Meal Period Premium Underpayment Due To Failure to Pay at Regular Rate
20 (expert review): \$2,659.
- 21 c. Rest Period Premium Underpayment Due To Failure to Pay at Regular Rate
22 (expert review): \$2,432.
- 23 d. Meal Period Premiums: 22,271 shifts (number of shifts with missed, late or short
24 meal period) x \$19.50 = \$434,284.50 - \$398,287 (premiums paid) = \$35,997.50
- 25 e. Rest Period Premiums: (243,109 shifts over 3.5 hours x \$19.50) - \$319,620
26 (premiums paid) = \$4,421,005.50
- 27 f. Reimbursement: 25,799 pay periods x \$25 (estimated per pay period) = \$644,975.
- 28

g. Waiting Time Penalties: 305 employees x 7.9 hours per day x \$19.50 x 30 days = \$1,409,557.50.

h. PAGA Penalties

i. Rest Periods (405 employees): (405 pay periods x \$100 penalty) + (6,415 pay periods x \$200) = \$1,323,500.

ii. Unpaid Overtime (365 employees; 1541 pay periods): (365 pay periods x \$100 penalty) + (1176 pay periods x \$200 penalty) = \$271,700.

iii. Meal Periods (405 employees, 1909 pay periods): (405 pay periods x \$100 penalty) + (1504 pay periods x \$200) = \$341,300.

iv. Labor Code 226.3: (405 pay periods x \$250 penalty) + (6,415 pay periods x \$1,000 penalty) = \$6,516,250.

v. Labor Code 203 = 305 employees x \$100 = \$30,500.

58. Class certification was far from certain given Defendant's defenses and the current state of the law regarding certification and establishing common questions of fact, including the decision in *Brinker Restaurant Corp. v. Superior Court*, 53 Cal. 4th 1004 (2012) and *Arenas v. El Torito Restaurants, Inc.*, 183 Cal.App.4th 723 (2010).

59. As a result, the considerable risk that Defendants could defeat certification, defeat the representative claims, and prevail on its defenses, thus defeating any and all recovery to the class, warranted a compromise of the class claims and resulted in the parties arriving at the terms of their proposed Settlement.

60. This case also has the potential to impose enormous litigation costs on all of the parties, as Defendant is expected to continue challenging Plaintiffs' allegations and to increase the pace of their investigation and opposition. Although it is difficult to foresee the ultimate result of a trial, we anticipate an expensive, complex and time-consuming process. We foresee the possibility of a lengthy and costly appeal regardless of the outcome of trial given the unsettled legal landscape governing this case. In order to succeed on the merits, Class Members would also need to prevail on several hotly disputed legal and factual issues. Some of these issues include the ability for the proposed Class Representatives to advance the interests of all Class Members

1 and assert claims which are representative of the entire class. Plaintiff would need to continue to
2 tenaciously litigate this case through intense discovery, investigation and heavy law and motion
3 pertaining to summary judgment and class issues, based on Defendant's aggressive posturing and
4 vigorous dispute of liability and damages. Given these realities, it is highly likely that the future
5 expense of this litigation, and its likely duration if the settlement is not approved, would be
6 significant and weigh heavily in favor of approval of this Settlement.

7 61. While Plaintiffs believe that it is possible to recover the subsequent violation rate
8 for penalties and that stacking is permissible, Plaintiffs also understand the risks inherent should
9 the Court not exercise its discretion to grant any PAGA penalties, in addition to potential issues
10 on the merits, trial manageability, and the possibility that the Court does not permit stacking of
11 penalties or permit the use of the subsequent violations rate when providing penalties. Plaintiffs
12 also understand that the bar for establishing knowing and intentional violations of the Labor Code
13 may not be easily met under the circumstances.

14 62. After deductions for such considerations as the differences in the Parties' positions
15 as to violation rates, the uncertainty of the litigation result, issues of proof, potential barriers to
16 certification and the potential for individualized issues, questions as to whether the underlying
17 violations could trigger derivative 203 penalties, the Court's discretion in reducing PAGA
18 penalties and the requirements for establishing penalties under Section 203 of the Labor Code, the
19 defenses more fully set forth above, Plaintiffs estimated Defendant's realistic exposure for
20 Plaintiffs strongest claims at trial to be approximately \$2.578 million. Plaintiffs' estimates are
21 based on the following figures from mediation—688 class members, 57,009 workweeks, 25, 799
22 pay periods, 246,785 shifts, 305 former employees, \$19.50 average wage rate, approximately 400
23 PAGA group members, 6,820 pay periods in PAGA period. Multipliers were added to each
24 damages item to reflect the value of the claim given Class Counsel's estimate of the likelihood
25 that the claim would be certified and that Plaintiffs would prevail on the merits given Defendant's
26 defenses and the issues of proof:

- 27 a. Unpaid Overtime: 5,832 (number of pay periods with shift differential and no
28 subsequent reconciliation) x \$1.29 unpaid overtime per pay period = \$7,523.28.

- b. Meal Period Premium Underpayment Due To Failure to Pay at Regular Rate (expert review): \$2,659.
- c. Rest Period Premium Underpayment Due To Failure to Pay at Regular Rate (expert review): \$2,432.
- d. Meal Period Premiums: $\$35,997.50 \times .25 =$ approximately \$9,000
- e. Rest Period Premiums: $\$4,421,005.50 \times .25 =$ \$1,105,251.25.
- f. Reimbursement: $\$644,975 \times .1 =$ \$64,497.50.
- g. Waiting Time Penalties: $\$1,409,557.50 \times .5 =$ \$704,778.75.
- h. Plaintiffs estimated that the Court would award one PAGA penalty per pay period at \$100 per pay period: 6,820 pay periods x \$100 penalty = \$682,000.

63. Thus, the Maximum Settlement Amount of \$750,000 represents approximately 29.1% of the estimated liability for Plaintiffs' claims including one PAGA violations at \$100 per pay period (or approximately 39.6% of the estimated liability for the class claims (liability estimated at \$1.896 million) exclusive of PAGA). As such, the proposed Maximum Settlement Amount is believed to be within the "ballpark" of reasonableness, and I respectfully request that it be approved. Counsel on both sides share the view that this is a fair and reasonable settlement in light of the complexities of the case, the state of the law and uncertainties of class certification and litigation, the policies and practices Defendant had in place or implemented, and the excellent benefit to be recovered by the Class Members. While Plaintiffs strongly believe in the merits of their action, Plaintiffs and Class Counsel is cognizant of the fact that if Defendant's defenses were successful, they would eliminate or substantially reduce any recovery on behalf of the Class. Given the risks inherent in litigation and the defenses asserted, this settlement is believed to be fair, adequate, and reasonable and in the best interests of the Class Members, and should be preliminarily approved.

64. The Parties agreed to allocate \$50,000 to PAGA penalties. This constitutes over 6% of the total Gross Settlement Amount and the Parties believe it is reasonable under the circumstances, given the substantial class-wide recovery for the Class Members. The Parties respectfully submit it is fair and reasonable and consistent with other approved awards as to the

1 State. See, e.g. *Carrington. Starbucks Corp.*, 20 Cal. App. 5th 504 (2018) [Court of Appeal
2 affirmed a judgment after trial in a PAGA only action which only provided for a PAGA penalty
3 of \$5 per pay period]. Some trial courts have actually awarded no civil penalties, even when
4 Labor Code violations are established. See *Makabi v. Gedalia*, 2016 Cal. App. Unpub. 1489, *5-
5 7 (2nd Dist. Ct. of App. Mar. 6, 2016) (no PAGA penalties were awarded by the Los Angeles
6 County Superior Court) (unpublished decision); *In re Taco Bell Wage & Hour Actions*, 2016 U.S.
7 Dist. LEXIS 48577, *40 43 (E.D. Cal. Apr. 6, 2016) (PAGA penalties denied after trial).

8 65. Proposed Class Representatives, Julio C. Rovira, Lorena Renteria, and Virgilio
9 Santos provided extensive supporting documents and knowledge in assisting counsel in
10 developing information necessary to litigate and settle this case. Plaintiffs also conducted
11 extensive record review and consultation with counsel to assist in evaluating and proving the
12 claims and provided information and documents that were vital to Class Counsel's prosecution of
13 this matter, and dedicated invaluable effort required to advance this matter to resolution. Plaintiffs
14 also assisted counsel in preparing for mediation and made themselves available during the course
15 of the mediation to answer any questions that arose during the course of the mediation. Plaintiffs
16 kept in regular contact with Class Counsel during the litigation, and obtained a fair settlement for
17 the Class. The Settlement provides for service payments to be paid to the Class Representatives
18 of \$7,500.00 to Plaintiff Rovira, and \$2,500.00 each to Plaintiff Renteria and Plaintiff Santos.
19 (Settlement ¶VI (2.4(a))) The purpose of the service payment is to compensate the Class
20 Representative for his or her services and efforts to prosecute this class action, and the risk and
21 potential consequence they assumed by virtue of serving as a Class Representative and Named
22 Plaintiff, and in exchange for a broad general release of all claims they may have against
23 Defendant and the Released Parties. The payment of in total, \$12,500 to the Class
24 Representatives is a small amount of the Maximum Settlement Amount (approximately 1.6%),
25 and relatively little in comparison to the Net Settlement Amount guaranteed to be paid to the
26 Settlement Class Members. The incentive award is fair and justified as part of the Settlement.
27 Per Defendant's request, Plaintiffs have also individually executed a general release of all known
28 and unknown claims, as opposed to the limited release by participating Class Members

(Settlement ¶VI (3.5.2)) Plaintiffs are not receiving preferential treatment, and all Settlement Class Members will receive compensation consistent with their proportional share through the efforts of Plaintiffs in the context of this suit. Plaintiffs have submitted a declaration with this preliminary approval motion and will supplement said declarations regarding their efforts at the time of final approval.

66. Commonality: Class Certification, as requested by the parties for the purposes of the Settlement only, should be granted because Plaintiff alleged that the proposed Class Members' claims all stem from the same alleged conduct, and Defendant's policies and practices. Plaintiffs have alleged that Defendant violated California laws by its: (1) failure to pay all wages owed, including minimum wages and overtime; (2) failure to provide lawful meal periods; (3) failure to authorize and permit rest periods; (4) failure to timely pay wages owed upon separation from employment; (5) failure to reimburse necessary expenses; (6) violation of the unfair competition law; and (6) violation of the Private Attorneys' General Act. The claims of Plaintiffs and the Class Members all flow from the same facts and legal claims, i.e., that Defendant's policies, practices, and procedures resulted in Defendant's failure to pay in full Class Members' earned wages, provide Class Members with meal and rest breaks, and reimburse expenses. The nature and types of claims available to the Class Members are identical and arise out of application of uniform policies relating to the compensation structure, standardized practices and procedures, and labor allocations, as well as uniform policies regarding (or lack of) timekeeping, wage statements, payment of wages, reimbursements and meal and rest period policies/procedures. For purposes of the Settlement, the main individualized differences between Class Members relate to the amount of compensation each Class Member would be entitled to receive and any differences in compensation structure were accounted for in the formula for payment of individual shares. This Action seeks recovery of alleges unpaid wages and penalties pursuant to the California Labor Code, California Industrial Welfare Commissions ("IWC") Wage Orders and Section 17200 of the Business and Profession Code on behalf of Plaintiff and the rest of the Class members, who all share claims arising out of the same policies and practices. Commonality further exists because each Class Member's claim has one common factor:

workweeks. Under these circumstances, the commonality requirement for certification for settlement purposes is satisfied.

67. Typicality: The typicality requirement is met, as the proposed Class Representatives and the Class Members have claimed that Defendant violated California law by the above-specified conduct. Under these specific circumstances, the typicality requirement for class certification for settlement purposes is satisfied because the Class Representatives and the proposed Class Members all claim that Defendant committed similar violations based upon similar conduct, policies, and practice and they seek the same remedies. Plaintiffs contend, and Defendant does not dispute for settlement purposes, that their claims are typical of the claims of the Settlement Class because they arise from the same factual basis and are based upon the same legal theories as those applicable to the Class Members.

68. Adequacy and Numerosity: The adequacy requirement is also satisfied. The Class Representatives will receive a reasonable award for their time and efforts assisting counsel with factual issues surrounding the case. Other than this specific payment, all of the Class Member will receive a proportionate share of the Net Settlement Amount. As a result, there is no conflict of interest between the Class Representatives and the Class Members. Additionally, the Class Representatives and our firm have prosecuted this action vigorously on behalf of the Class Members and have represented the proposed Class's interest in obtaining discovery, in settlement negotiations at mediation, and vigorously prosecuted this case. Our firm is well-versed in handling complex wage and hour class action litigations such as this one, and submits that the class size of approximately 688 Class Members is sufficiently numerous to warrant conditional class certification. I am unaware of any interest of the Class Representative which are adverse or antagonistic to the interests of the Class.

69. Superiority: The named Class Representatives and our firm, as Class Counsel, believe that common questions of law and fact predominate over individual questions, and class-wide treatment of this dispute is superior to individual litigation. Plaintiffs allege that the Class in this case is sufficiently cohesive, since all Class Members share a common nucleus of facts and potential legal remedies, and because all of the Class Members and the Class Representatives

1 seek compensation for, among other things, unpaid wages including minimum wages and
2 overtime, reimbursements, premium wages for failure to provide meal and rest period, penalties,
3 and interest from Defendant for the allegations described herein. Plaintiffs alleges that common
4 questions predominate over individual questions, and the Class Members' potential legal
5 remedies are identical. The alternative method of resolution is individual claims for relatively
6 small amounts of damages; however, individual cases would be uneconomical for potential
7 plaintiffs because the cost of litigation dwarfs their potential recovery. Further, more than 688
8 separate lawsuits would be unnecessary drain on judicial resources and could result in conflicting
9 obligations being imposed upon Defendant. Therefore, class treatment is the preferred method of
10 resolution

11 70. Ascertainably: The proposed Class is ascertainable because all of the Class
12 Members have worked for Defendant as hourly, non-exempt employees and can be identified
13 through Defendant's employee and personnel files and payroll records. Indeed, Defendant has
14 already identified from their records approximately 688 current and former employees comprising
15 the potential Class, which the Parties respectfully request the Court preliminarily certify for
16 settlement purposes.

17 71. The Parties' proposed Class Notice is attached hereto as **Exhibit 1** to the Settlement
18 Agreement, attached hereto as **Exhibit A**. The plan for providing class notice will entail mailing
19 the Class Notice to all known and reasonably ascertainable Class Members based on Defendant's
20 payroll records. (Settlement ¶VI (3.2)) The Class Notice is consistent with notices approved by
21 numerous state and federal courts, and is believed to be the best notice practicable under the
22 circumstances of this case.

23 72. The Class Notice also fulfills the neutrality requirement. It summarized the
24 proceedings to date and the terms and conditions of the Settlement in an informative and coherent
25 manner, and is accurate, objective, and understandable to Class Members, as is required under
26 prevailing precedent. The Class Notice clearly stated the Settlement does not constitute an
27 admission of liability by Defendant and recognizes the Court has not ruled on the merits. It also
28 states the final settlement approval decision has yet to be made. Accordingly, the Class Notice

1 complied with the standards of fairness, completeness and neutrality required of a settlement class
2 notice.

3 73. I have a great deal of experience in wage and hour class action litigation. I have
4 been certified and approved as class counsel in many other wage/hour class actions, and I am
5 currently litigating numerous others before this Court and others. Although not an all-inclusive
6 list, over the years I have prosecuted the following class action matters as lead and/or co-lead
7 counsel, all of which implicated similar law and facts to those associated with this Action:

- 8 a. ***Mojica v. Compass Group, Inc., et. al.*** USDC Central District, Case No. 8:13-cv-
9 01754. Wage and Hour Class Action case seeking past wages for meal and rest
10 break violations for production workers in the State of California. Plaintiff's
11 Counsel preliminarily appointed as Class Counsel. Case settled. Final approval
12 granted, and funds fully disbursed.
- 13 b. ***Dao v. 3M Company, et al.*** USDC, CENTRAL DISTRICT, Case No. CV-08-
14 04554. Wage and Hour Class Action case seeking past wages for "off the clock",
15 overtime and meal and rest break violations for production workers in the State of
16 California. Plaintiff's Counsel appointed as Lead Counsel. Case settled, Final
17 Approval granted, no objections and funds fully distributed.
- 18 c. ***Ortiz v. Kmart***, USDC, CENTRAL DISTRICT, Case No. SACV 06-638 ODW.
19 Wage and Hour Class Action case seeking past wages for meal and rest period
20 violations for retail employees in the State of California. Plaintiff's counsel
21 appointed co-lead counsel. Case settled, Final Approval granted, no objections
22 and funds fully distributed.
- 23 d. ***Morgan v. Aramark Campus***, LLC, USDC, CENTRAL DISTRICT, Case No.
24 SACV08-00412. Wage and Hour Class Action case seeking past wages for meal
25 and rest period violations for retail employees in the State of California. Plaintiff's
26 Counsel appointed as Lead Counsel. Case settled, Final Approval granted, no
27 objections and funds fully distributed.

- 1 e. ***West v Iron Mountain Information Management, Inc, et. al.***; Los Angeles
2 County Superior Court, Case No. BC393709. Wage and Hour Class Action
3 seeking past wages for overtime, meal and rest break violations for driver
4 employees in the State of California. Stipulation for “binding arbitration.”
5 Arbitration Award for Plaintiff Class. Arbitration Award confirmed. Plaintiff’s
6 counsel lead trial counsel and class counsel.
- 7 f. ***Gonzalez v. Superior Industries International, Inc., et al.***, Los Angeles County
8 Superior Court, Case No. BC 357912. Wage and Hour Class Action seeking past
9 wages for overtime, meal and rest breaks violations for production employees in
10 the State of California. Plaintiff’s counsel appointed as lead counsel. Case settled,
11 Final Approval granted, no objections and funds fully distributed.
- 12 g. ***Acosta v. Fleetwood Travel Trailers of California, Inc., et al.***, Riverside County
13 Superior Court, Case No. RIC 440630. Wage and Hour Class Action seeking past
14 wages for overtime, meal and rest break violations for production employees in the
15 State of California. Plaintiff’s counsel appointed as co-lead counsel. Case settled,
16 Final Approval granted, no objections and funds fully distributed.
- 17 h. ***Walker v. Sharkeez, et al.***, Orange County Superior Court, Case No. 05CC00293.
18 Wage and Hour Class Action seeking past wages for unlawful deductions, meal
19 and rest break violations for restaurant employees in the State of California.
20 Plaintiff’s counsel appointed as lead counsel. Case settled. Final Approval granted
21 and funds fully distributed.
- 22 i. ***Padron v. Universal Protection Service, et al***, Orange County Superior Court,
23 Case No. 05CC00013. Wage and Hour Class Action seeking past wages for
24 overtime, meal and rest break violations for security officers in the State of
25 California. Plaintiff’s counsel appointed as co-lead counsel. Case settled, Final
26 Approval granted, no objections and funds fully distributed.
- 27 j. ***Martinez v. Securitas Security Services USA, et al.***, Santa Clara Superior Court,
28 Case No. 105-CV047499, et al. J.C.C.P. No. 4460. Wage and Hour Class Action

1 seeking past wages for meal and rest break violations for security officers
2 employed by defendant in the State of California. Plaintiff's counsel and co-
3 counsel. Case settled, Final Approval granted and funds fully distributed.

4 k. ***Velasquez-Lopez v. Hotel Cleaning Services, Inc. et al.***, Riverside Superior Court,
5 Case No. RIC 420909. Wage and Hour Class Action seeking past wages for
6 overtime, meal and rest break violations for housekeepers employed by defendant
7 in the State of California. Plaintiff's counsel appointed as lead counsel. Case
8 settled, Final Approval granted, no objections and funds fully distributed.

9 l. ***Ruiz, et al. v. Unisource Worldwide, Inc., et al.***, USDC, CENTRAL DISTRICT,
10 Case No. CV09-05848. Wage and Hour Class Action seeking past wages for meal
11 and rest period violations for non-exempt employees employed by defendant in the
12 state of California. Case settled. Awaiting Preliminary Approval hearing. Plaintiff
13 has petitioned the Court for Lead Counsel.

14 m. ***Herrador v. Culligan International Company, et al.***, USDC, CENTRAL
15 DISTRICT, Case No. SACV 08-680. Wage and Hour Class Action seeking past
16 wages for field and branch employees of defendant in the State of California.
17 Plaintiff's counsel appointed as lead counsel. Case settled and awaiting Final
18 Approval.

19 n. ***Defries v. Domain Restaurants, et al.***, Orange County Superior Court, Case No.
20 05CC00128. Wage and Hour Class Action seeking past wages for restaurant
21 employees of defendant in the State of California. Plaintiff's counsel appointed as
22 lead counsel. Case settled, Final Approval granted, no objections and funds fully
23 distributed.

24 o. ***Denton v. BLB Enterprises, Inc., et al.***, Orange County Superior Court, Case No.
25 07CC01292. Wage and Hour Class Action seeking unpaid overtime, meal and rest
26 break violations for security guards employed by defendant in the State of
27 California. Plaintiff's counsel appointed as lead counsel. Case settled, Final
28 Approval granted, no objections and funds fully distributed.

- 1 p. **Rios v. Sandberg Furniture Manufacturing Co., Inc., et al.**, Los Angeles Superior
2 Court, Case No. BC411477. Wage and Hour Class Action seeking unpaid meal
3 and rest break violations for production employees employed by defendant in the
4 State of California. Plaintiff counsel appointed as lead counsel. Case settled,
5 Final Approval granted, no objections and funds fully distributed.
- 6 q. **McMurray v. Dave and Busters, Inc., et al.**, Orange County Superior Court, Case
7 No. 06CC00099. Wage and Hour Class Action seeking past wages for meal and
8 rest break violations for restaurant employees employed by defendant in the State
9 of California. Plaintiff's counsel appointed as co-lead counsel. Case settled, Final
10 Approval granted, no objections and funds fully distributed.
- 11 r. **Osuna v. DFG Restaurants, Inc., et al.**, Los Angeles Superior Court, Case No.
12 BC 330145. Wage and Hour Class Action seeking past wages of overtime for mis-
13 classification of managers employed by Defendant, DBA Carl's Jrs. in the State of
14 California. Plaintiff's counsel appointed as co-lead counsel. Case settled, Final
15 Approval granted, no objections and funds fully distributed.
- 16 s. **Burns v. Gymboree Operations, Inc., et al.**, San Francisco Superior Court, Case
17 No. CGC-07-461612. Wage and Hour Class Action seeking past wages for meal
18 and rest break violations for retail employees employed by defendant in the State
19 of California. Plaintiff's counsel appointed lead counsel. Case settled, Final
20 Approval granted, no objections and funds fully distributed.
- 21 t. **Willems v. Diedrich Coffee, Inc., et al.**, Orange County Superior Court, Case No.
22 07CC00015. Wage and Hour Class Action seeking past wages of overtime for
23 mis-classification of managers employed by Defendant in the State of California.
24 Plaintiff's counsel appointed lead counsel. Case settled, Final Approval granted,
25 no objections and funds fully distributed.
- 26 u. **Davila, et al. v. Beckman Coulter, Inc., et al.**, Orange County Superior Court,
27 Case No. 07CC01347. Wage and Hour Class Action seeking past wages for
28 overtime, meal and rest break violations for production workers employed by

- 1 defendant in the State of California. Plaintiff's counsel appointed lead counsel.
2 Cased settled, Final Approval granted, no objections and funds fully distributed.
- 3 v. ***Perez v. Naked Juice Company of Glendora, Inc.***, Los Angeles Superior Court,
4 Case No. BC387088. Wage and Hour Class Action seeking past wages for
5 overtime, meal and rest period violations for production employees employed by
6 defendant in the State of California. Plaintiff counsel appointed as lead counsel.
7 Case settled. Final Approval granted, no objections and funds fully distributed.
- 8 w. ***Coordination Proceeding Special Title [Rule 1550(b)] Wackenhut Wage and***
9 ***Hour Cases***, Los Angeles Superior Court, Case No. JCCP 4545. Wage and Hour
10 Class Action seeking past wages for overtime, meal and rest period violations for
11 security guards employed by defendant in the State of California. Certification
12 granted. Plaintiff's counsel appointed as co-lead counsel. Writ taken. Court stays
13 action pending Appellate Court ruling. Court lifts stay.
- 14 x. ***Placencia v. Amcor Packaging Distribution, Inc.***, Orange County Superior Court,
15 Case No. 30-2013-00694012-CU-OE-CXC. Wage and Hour Class Action seeking
16 past wages for overtime, meal and rest period violations, and penalties on behalf of
17 non-exempt production, maintenance, shipping, and receiving employees
18 employed by Defendant in California. Plaintiff counsel appointed as lead counsel.
19 Case settled. Final Approval granted, no objections and funds fully distributed.
- 20 y. ***Trani v. Lisi Aerospace, et al.***, Los Angeles Superior Court, Case No. BC495527.
21 Wage and Hour Class Action seeking past wages for overtime, meal and rest
22 period violations, and penalties on behalf of non-exempt manufacturing employees
23 employed by Defendant in California. Plaintiff counsel appointed as lead counsel.
24 Case settled. Final Approval granted, no objections and funds fully distributed.
- 25 z. ***Galvan v. Goodwin Co.***, Orange County Superior Court, Case No. 30-2013-
26 00637062-CU-OE-CXC, Wage and Hour Class Action seeking past wages for
27 meal period violations, and non-compliant wage statements on behalf of non-
28 exempt production employees employed by Defendant in California. Plaintiff

counsel appointed as lead counsel. Case settled. Final Approval granted, no objections and funds fully distributed.

- aa. ***Reyes v. Bristol Fiberlite***, Orange County Superior Court, Case No. 30-2013-00653425-CU-OE-CXC. Wage and Hour Class Action seeking past wages for overtime, meal and rest period violations, inaccurate wage statements, and penalties on behalf of non-exempt employees employed by Defendant in California. Plaintiff counsel appointed as lead counsel. Case settled. Final Approval granted, no objections and distribution of funds pending.
- bb. ***Gutierrez v. HMT Tank***, USDC Central Dist., Case No. CV14-1967-CAS(MANx). Wage and Hour Class Action seeking past wages for meal and rest period violations, failure to indemnify necessary expenses, inaccurate wage statements, and penalties on behalf of non-exempt employees working in positions related to servicing, refabricating and repairing storage tanks employed by Defendant in California. Plaintiff counsel appointed as lead counsel. Case settled. Final Approval granted, no objections and funds fully distributed.
- cc. ***Williams v. Il Fornaio America Corp.***, Sacramento County, Case No. 34-2021-0009616. Wage and Hour Class Action seeking past wages for overtime, meal and rest period violations, reimbursements, and penalties on behalf of non-exempt restaurant employees employed by Defendant in California. Plaintiff counsel appointed as lead counsel. Case settled. Final Approval granted, and funds fully distributed.
- dd. ***Aguilar v. 7-Eleven, Inc.***, Orange County, Case No. 30-2009-002687141-CU-OE-CXC. Wage and Hour Class Action seeking past wages for overtime, meal and rest period violations, and penalties on behalf of non-exempt retail clerks employed by Defendant in California. Plaintiff counsel appointed as lead counsel. Case settled. Final Approval granted, no objections and funds fully distributed.
- ee. ***Madrigal v. Huntington Beach Market Broiler, Inc.***, Orange County, Case No. 30-2012-00611260. Wage and Hour Class Action seeking past wages for

overtime, meal and rest period violations, reimbursements, and penalties on behalf of non-exempt employees employed by Defendant in California. Plaintiff counsel appointed as lead counsel. Case settled. Final Approval granted, no objections and funds fully distributed.

ff. ***Vang v. Jazz Semiconductor, Inc.***, Orange County, Case No. 30-2011-00460278. Wage and Hour Class Action seeking past wages for overtime, meal and rest period violations, reimbursements, and penalties on behalf of non-exempt production workers employed by Defendant in California. Plaintiff counsel appointed as lead counsel. Case settled. Final Approval granted, no objections and funds fully distributed.

74. The parties' Settlement Agreement asks the Court to award in attorneys' fees what would be one-third of the Maximum Settlement Amount (\$250,000.00), which is respectfully believed to be reasonable. My firm has borne the entire risk and cost of this litigation on a pure contingency basis. The legal issues raised in this case were complex, and drew significantly upon the experience of Class Counsel. The proposed attorneys' fees accurately reflect the legal marketplace and are within the range of customarily approved fees by California courts.

75. Despite the complexity of the case, Class Counsel has, through our investment of substantial effort and resources, secured an outstanding settlement on behalf of the Class Members. The issues and arguments Class Counsel has encountered and overcome in arriving at the parties' negotiated settlement terms were also many and complex, and required skillful advocacy that can arise only out of experience, professions perspective, and success. Plaintiffs would have faced substantial legal and factual obstacles in demonstrating that Class certification was appropriate and that they would prevail on the merits in light of Defendant's asserted defenses. Still, Class Counsel has negotiated a substantial settlement on behalf of the Class for such claims. Plaintiffs would have also been required to establish a significant amount of witness testimony, and other evidence in order to evaluate and present arguments at both class certification and trial. Defendant has vigorously challenged the claims pled in the operative complaint, contest liability, the amount of claimed damages, the propriety of the Class

1 Certification, and would have continued to do so through trial. Accordingly, Class Counsel
2 believe the Settlement to be fair, reasonable, and adequate and that it is in the best interest of the
3 Class Members. The fairness and adequacy of the Settlement is confirmed by all known facts and
4 circumstances, including the risk of significant delay and uncertainty associated with litigation,
5 the various defenses asserted by Defendant, and the uncertainty of the Covid-19 pandemic, and
6 numerous potential appellate issues. Defendant and Defendant's Counsel also agree that the
7 settlement is fair, reasonable and adequate.

8 76. Plaintiffs and Class Counsel respectfully submit the fees and costs provision of the
9 Settlement is fair and reasonable both when cross-checked under the lodestar and common fund
10 method. The total billable hours that I and my firm have invested and will invest in prosecuting
11 this action, should the settlement be approved by this honorable Court, is substantial. I
12 respectfully submit that our fees and costs request is fair and reasonable because we have
13 expended substantial time and effort in achieving the proposed Settlement, including the
14 following tasks: investigating the factual and legal basis of the action; analyzing documents
15 provided by Plaintiffs, including personnel, payroll, and policy documents; investigating
16 Defendant's organization and structure from publicly available information; preparing the
17 Complaint; preparing and reviewing formal and informal document and data discovery requests;
18 engaging in meet and confer efforts regarding informal discovery and mediation preparation;
19 interviews with witness and potential class members; reviewing and analyzing the documents
20 produced by Defendant, including the class list and payroll information; drafting the Belaire
21 notice and monitoring the Belaire notice process; working with an expert to prepare for
22 mediation; preparing complex damages analysis and extrapolation of damages to the entire Class;
23 preparing for and attending a full day mediation; negotiating and finalizing a Settlement
24 Agreement with Defendant's Counsel after the mediation; soliciting proposals from settlement
25 administrators; and drafting the preliminary approval motion and supporting papers. As such, I
26 respectfully submit that a lodestar cross-check will support the reasonableness of the requested
27 fees, as little to no multiplier need be applied to reach the requested fee allocation. If the Court
28

1 wishes, we will provide detailed billing records to date; otherwise, such documents will be
2 provided in conjunction with the Final Approval Motion.

3 77. I submit that the requested attorneys' fees of one-third the Maximum Settlement
4 Amount that Class Counsel has obtained on behalf of the Class Members is fair and reasonable,
5 as are the hourly rates at which our attorneys bill. The fee request (at final approval) will be
6 supported by a detailed explanation of the qualifications of each timekeeper, and their
7 corresponding hourly rate, along with an explanation of time performed on various tasks
8 performed on behalf of Plaintiffs and the Class Members.

9 78. The Settlement that Class Counsel has negotiated on behalf of the Class confronts
10 very difficult and individualized issues which make certification and proof of merits challenging
11 and work intensive. I and our firm's attorneys and paralegals have secured this Settlement
12 through persistent advocacy of the class claims, which has applied legal nuances and negotiation
13 techniques to achieve a very favorable result for the Class Members. Other attorneys without our
14 experience and comprehensive knowledge and perspective in connection with complex
15 employment litigation would not have been able to achieve such superior settlement terms on
16 behalf of the Class, and would not have been able to do so in the time frame in which we
17 accomplished settlement. I believe the requests amount of up to \$250,000.00 in attorneys' fees
18 under the Settlement is a reasonable allocation given the excellent result we have secured for the
19 Class Members. I, therefore, respectfully request the Court approve the allocated attorneys' fees
20 under the Parties' Settlement. Defendant and its counsel do not oppose the requested fee
21 allocation.

22 79. In serving as Plaintiffs' counsel and Class Counsel in this matter, my firm will also
23 seek reimbursement for the out-of-pocket costs up to \$25,000.00. Any sums not awarded will be
24 available for distribution to the Class as part of the Net Settlement Amount. I will provide the
25 Court with a detailed summary of the total costs at the time of the Final Approval Motion. I
26 believe that all of these fees and costs are reasonable and necessarily incurred in litigating this
27
28

1 matter and in pursuit of the settlement.

2 I declare under penalty of perjury under the laws of the State of California and the United
3 States of America that the foregoing is true and correct.

4 Executed on this 19th day of November, 2021 at Irvine, California

5
6
7 
8 _____
James R. Hawkins, Esq.

EXHIBIT A

1 LEWIS BRISBOIS BISGAARD & SMITH LLP

JEFFREY S. RANEN, SB# 224285

2 E-Mail: Jeffrey.Ranen@lewisbrisbois.com

JOSHUA D. CARLON, SB# 263838

3 E-Mail: Joshua.Carlon@lewisbrisbois.com

ANDREA L. STEFFAN, SB# 332596

4 E-Mail: Andrea.Steffan@lewisbrisbois.com

633 West 5th Street, Suite 4000

5 Los Angeles, California 90071

Telephone: 213.250.1800

6 Facsimile: 213.250.7900

7 Attorneys for Defendant, SILVERADO SENIOR LIVING MANAGEMENT, INC.

8 James R. Hawkins (SBN 192925)

Christina M. Lucio (SBN 253677)

9 JAMES HAWKINS APLC

9880 Research Drive, Suite 200

10 Irvine, California 92618

Telephone: (949) 387-7200

11 Facsimile: (949) 387-6676

James@Jameshawkinsaplc.com

12 Christina@Jameshawkinsaplc.com

13 Attorneys for Plaintiff JULIO C. ROVIRA,
on behalf of himself and all others similarly situated

14 SUPERIOR COURT OF THE STATE OF CALIFORNIA

15 COUNTY OF ORANGE

16
17 JULIO C. ROVIRA, individually and on
18 behalf of himself and all others similarly
situated,

19 Plaintiff,

20 v.

21 SILVERADO SENIOR LIVING
22 MANAGEMENT, INC., a Delaware
Corporation, and DOES 1-50, inclusive,23 Defendants.
24

Case No. 30-2020-01136565-CU-OE-CXC

Assigned for All Purposes To:

Hon. Glenda Sanders

Dept.: CX-101

**JOINT STIPULATION OF CLASS
ACTION AND PAGA SETTLEMENT
AND RELEASE**

25 Action Filed: March 5, 2020

26 Trial Date: None Set
27
28

1 IT IS HEREBY STIPULATED AND AGREED by and between Plaintiffs JULIO ROVIRA,
2 LORENA RENTERIA, and VIRGILIO SANTOS (“Plaintiffs”), on behalf of themselves and all
3 others similarly situated to them and as defined below, and SILVERADO SENIOR LIVING
4 MANAGEMENT, INC. (“Defendant”), as set forth below:

5 **I. The Conditional Nature of This Stipulation**

6 Defendant and Class Representatives enter into this Joint Stipulation of Class Action and
7 PAGA Settlement and Release (“Stipulation,” “Settlement,” or “Settlement Agreement”),
8 including all associated exhibits or attachments, in compromise of disputed claims for the sole
9 purpose of resolving the matters entitled *Julio C. Rovira v. Silverado Senior Living Management,*
10 *Inc.*, Orange County Superior Court Case No. 30-2020-01136565-CU-OE-CXC (“Action” or
11 “Litigation”). The Settlement is subject to approval by the court. In the event that the Court does
12 not execute and file the Final Approval Order and Judgment, or in the event that the associated
13 Judgment does not become final for any reason, this Stipulation will be deemed null and void, it
14 will be of no force or effect whatsoever, it will not be referred to or used for any purpose
15 whatsoever, and the negotiation, terms and entry of it shall remain subject to the provisions of
16 California Evidence Code §§ 1119 and 1152.

17 Defendant denies all of the claims and allegations asserted in the Litigation (as defined
18 herein). Defendant has agreed to resolve this Litigation via this Stipulation, but to the extent this
19 Stipulation is deemed void or does not take effect, Defendant does not waive, but rather expressly
20 reserves, all rights to challenge all such claims and allegations in the Litigation upon all procedural
21 and factual grounds, including without limitation the ability to challenge suitability for class
22 treatment or representative adjudication on any grounds or to assert any and all defenses or
23 privileges. The Class Representatives and their counsel agree that Defendant retains and reserves
24 these rights. In particular, the Class Representatives and their counsel waive and agree not to
25 argue or to present any argument that Defendant would be estopped from contesting class
26 certification because it has entered into this Stipulation.

27 **II. The Parties to this Stipulation**

28 This Stipulation (with the associated exhibits) is made and entered into by and among

1 Plaintiffs (on behalf of themselves and each of the members of the Class) and Defendant
2 (Plaintiffs and Defendant shall be referred to collectively as “Parties”). This Stipulation is
3 intended by the Parties to result in a Judgment and to fully, finally, and forever resolve, discharge
4 and settle the Released Claims (defined below) upon and subject to the terms and conditions
5 thereof.

6 **III. Procedural Posture**

7 On March 5, 2020, Plaintiff Rovira commenced a class action suit against Defendant by
8 filing his Class Action Complaint for Damages in Orange County Superior Court. In connection
9 with the Settlement Agreement, Plaintiff Rovira filed his First Amended Complaint in order to
10 include a claim for PAGA penalties and adding Plaintiff Renteria and Plaintiff Santos to this
11 matter as additional Plaintiffs.

12 On June 9, 2021, the Parties participated in mediation before Steve Serratore. The
13 mediation was a successful, arms-length negotiation, that resulted in a mediators proposal
14 ultimately accepted by both parties, with the Parties agreeing to settle this matter and enter into
15 this Stipulation.

16 **IV. Defendant’s Denial of Wrongdoing or Liability**

17 Defendant denies all of the claims and contentions alleged by the Plaintiffs in the Litigation,
18 and has asserted multiple defenses to liability, class certification, and damages. Defendant does not,
19 by this Settlement Agreement or otherwise, admit any liability of wrongdoing of any kind.
20 Nonetheless, Defendant has taken into account the uncertainty and risks inherent in any litigation,
21 particularly class action litigation, and concluded that to continue the Litigation would be protracted
22 and expensive and that it is desirable that the Litigation be fully and finally settled in the manner
23 and upon the terms and conditions set forth in this Stipulation.

24 The Parties understand and acknowledge that this Settlement Agreement constitutes a
25 compromise and settlement of disputed claims. No action taken by the Parties whether previously
26 or in connection with the negotiations or proceedings connected with the Settlement or this
27 Agreement shall be deemed or construed to be an admission of the truth or falsity of any allegations,
28 claims, or defenses heretofore made, or an acknowledgment or admission by any party of any fact,

1 fault, liability, or wrongdoing of any kind whatsoever.

2 Neither the Settlement, nor any act performed or document executed pursuant to or in
3 furtherance of the Settlement: (a) is or may be deemed to be, or may be used as, an admission of, or
4 evidence of, the validity of any claim made by the Plaintiffs or Class Members, or of any
5 wrongdoing or liability of the Released Parties (as defined below); or (b) is or may be deemed to
6 be, or may be used as, an admission of, or evidence of, any fault or omission of any of the Released
7 Parties, in the Litigation or in any proceeding in any court, administrative agency or other tribunal;
8 or construed as an admission by Plaintiffs regarding the validity of any allegation or claim asserted
9 in this Action or that Plaintiffs have waived any allegation or claim asserted in the Action.

10 In addition to any other defenses Defendant may have at law, in equity, or otherwise, to the
11 extent permitted by law, this Settlement Agreement may be pleaded as a full and complete defense
12 to, and may be used as the basis for an injunction against, any action, suit or other proceeding that
13 may be instituted, prosecuted or attempted in breach of this Settlement Agreement or the releases
14 contained herein.

15 In light of the above, Defendant has determined that it is desirable and beneficial to it that
16 the Litigation be settled in the manner and upon the terms and conditions set forth in this
17 Stipulation.

18 **V. Claims of the Class Representatives and Benefits of Settlement**

19 The Class Representatives believe that the claims asserted in the Litigation have merit. The
20 Class Representatives and Class Counsel recognize and acknowledge, however, the expense and
21 time associated with continued litigation against Defendant through class certification, trial, and/or
22 appeals. The Class Representatives and Class Counsel have also taken into account the uncertain
23 outcome and risks of any litigation, and in particular putative class actions such as this Litigation,
24 as well as the difficulties and delays inherent in such litigation. The Class Representatives and Class
25 Counsel are also mindful of the inherent problems of proof in establishing and overcoming potential
26 defenses to the claims asserted in the Litigation. In light of these considerations, the Class
27 Representatives and Class Counsel believe that the Settlement set forth in the Stipulation confers
28 substantial benefits and is in the best interests of the Class.

1
2 **VI. Terms of Stipulation and Agreement of Settlement**

3 **1. Definitions**

4 As used in all parts of this Stipulation (including the exhibits which are incorporated as part
5 of the Stipulation), the following terms have the meanings specified below:

6 1.1 “Settlement Class” or “Class Members” means any and all current and former
7 hourly-paid or non-exempt employees who worked for Defendant within the State of California at
8 any time from September 20, 2017 to September 13, 2021, and that did not execute an arbitration
9 agreement related to their work for Defendant.

10 1.2 “Class Counsel” means James Hawkins and Christina Lucio of James Hawkins
11 APLC, 9880 Research Drive, Suite 200 Irvine, CA 92678.

12 1.3 “Class Period” means the time period from September 20, 2017 to September 13,
13 2021.

14 1.4 “Court” means the Superior Court of the State of California, for the County of
15 Orange.

16 1.5 “Effective Date” means the later of: (a) if no objections to the Settlement are
17 submitted, the date on which the Court issues the Final Approval Order and Judgment; (b) if any
18 objections to the Settlement are submitted, the date which is forty-five (45) calendar days after notice
19 of entry of the Final Approval Order and Judgment if no notice is filed within that time seeking
20 appeal of the Final Approval Order and Judgment and if no motion for extension to appeal is filed;
21 or (c) if a notice of appeal is filed, the date upon which all appellate and/or other proceedings resulting
22 from the notice of appeal have been terminated in such a manner as to permit the Final Approval
23 Order and Judgment to take effect in substantially the form described herein

24 1.6 “Employer Taxes” means Defendant’s share of payroll taxes (e.g. UI, ETT, Social
25 Security, and Medicare taxes) with respect to the wages portion of Individual Settlement Amounts,
26 which will be paid by Defendant separately and in addition to the Maximum Settlement Amount.

27 1.7 “Skip Tracing” means the utilization of Accurint or Experian, after the Reasonable
28 Address Verification, to review the accuracy of and, if possible, to update a mailing address for a

1 Class Member in the event that his or her Class Notice is returned to the Settlement Administrator
2 as undeliverable without a forwarding address.

3 1.8 “Maximum Settlement Amount” is the amount of Seven Hundred and Fifty
4 Thousand Dollars and Zero Cents (\$750,000.00), which is the maximum amount to be paid by
5 Defendant pursuant to the Settlement Agreement, which will include: Attorneys’ Fees and Costs,
6 Settlement Administration Costs, Service Payments, LWDA Payment, and the Net Settlement
7 Amount.

8 1.9 “Individual Settlement Amount” means an individual Participating Class Member’s
9 share of the Net Settlement Amount, which will be allocated as 20% wages and 80% interest and
10 penalties. Individual Settlement Amounts will be calculated by multiplying the Net Settlement
11 Amount by the Payment Ratio Fraction of each Participating Class Member.

12 1.10 “Individual Settlement Payment” means the net payment of a Participating Class
13 Member’s Individual Settlement Amount, after reduction for the applicable taxes.

14 1.11 “Last Known Address” means the most recently recorded mailing address for a Class
15 Member, as such information is contained in employment, payroll, or personnel records maintained
16 by Defendant.

17 1.12 “Net Settlement Amount” means the Maximum Settlement Amount, less the amount
18 that will be available for payment to all Participating Class Members (subject to the occurrence of
19 the Effective Date), and is calculated by subtracting all of the following from the Maximum
20 Settlement Amount: (1) attorneys’ fees in the amount of up to \$250,000.00 and reimbursement of
21 litigation costs and expenses in the amount of up to \$25,000.00 to Class Counsel (“Attorneys’ Fees
22 and Costs”); (2) service award to Plaintiff Rovira in the amount of up to \$7,500.00 and to Plaintiff
23 Renteria and Plaintiff Santos in the amount of up to \$2,500 each (“Service Payment”); (3) fees and
24 expenses of administration of the Settlement to the Settlement Administrator in an amount not to
25 exceed \$16,400.00 (“Settlement Administration Costs”); and (4) the seventy-five percent (75%)
26 share of PAGA Penalties (“LWDA Payment”) in the amount of \$37,500.00 to the California Labor
27 and Workforce Development Agency (“LWDA”). The Net Settlement Amount is currently
28 estimated to be approximately \$408,600, and this figure may change depending on the actual

1 amounts awarded by the Court for the Settlement Administration Costs, Attorneys' Fees and Costs,
2 and Service Payments, and approved by the Court for PAGA Penalties.

3 1.13 "Notice of Class Action Settlement" or "Class Notice(s)" means a notice titled
4 "Notice of Class Action Settlement" to be approved by the Court, substantially in the form attached
5 hereto as "**Exhibit 1.**" The Notice of Class Action Settlement will constitute the class notice
6 pursuant to California Rule of Court, Rule 3.769(f).

7 1.14 "Opt Out" means a Class Member's act of excluding him or herself from the
8 Settlement, by way of submitting a timely and valid Request for Exclusion to the Settlement
9 Administrator, in conformity with the requirements set forth herein and in the Class Notice.

10 1.15 "Final Approval Order and Judgment" means the judgment and order to be entered
11 by the Court, substantially in the form that the parties mutually agree to and lodge with the Court,
12 which will be a judgment for purposes of California Rule of Court, Rule 3.771(a) ("Judgment") and
13 constitute approval pursuant to California Rule of Court, Rule 3.769(a). The Final Approval Order
14 and Judgment will be posted on the Settlement Administrator's website for a period of sixty (60)
15 calendar days in compliance with California Rule of Court, Rule 3.771(b).

16 1.16 "PAGA Penalties" means the penalties pursuant to California Labor Code §§ 2698, *et*
17 *seq.*, the Private Attorneys General Act of 2004 ("PAGA") in the amount of \$50,000.00 to be paid
18 in settlement of the PAGA claims in the Litigation. PAGA Penalties are to be approved by the Court
19 pursuant to California Labor Code § 2699 and are to be distributed as follows: seventy-five percent
20 (75%) to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%) to be a part of the
21 Net Settlement Sum that will be distributed to Participating Class Members.

22 1.17 "Participating Class Members" or "Settlement Class" means all Class Members who
23 do not Opt Out pursuant to Paragraph 3.3.4 and, thus, become bound by the Judgment.

24 1.18 "Payment Ratio Fraction" means a fraction that has as its numerator the Participating
25 Class Member's individual Workweeks and has as its denominator the total aggregate Workweeks
26 of all Participating Class Members.

27 1.19 "Person" means a natural person, corporation, company, partnership, firm,
28 association, or society.

1 1.20 “Preliminary Approval Date” means the date on which the Court grants preliminary
2 approval of the Settlement.

3 1.21 “Preliminary Approval Order” means an order to be executed and filed by the Court,
4 substantially in the form that the parties mutually agree to and lodge with the Court, which will
5 constitute an order certifying a provisional class for settlement purposes only pursuant to California
6 Rule of Court, Rule 3.769(d) and an order setting a Final Approval Hearing pursuant to California
7 Rule of Court, Rule 3.769(e).

8 1.22 “Reasonable Address Verification” means the utilization of the National Change of
9 Address Database maintained by the United States Postal Service to review the accuracy of and, if
10 possible, update a mailing address.

11 1.23 “Released Claims” means all claims, demands, rights, liabilities and causes of action
12 of every nature and description whatsoever including without limitation statutory, constitutional,
13 contractual or common law claims, against the Released Parties (as defined below), and any of them,
14 for relief and penalties, that accrued during the Class Period, and as a result of Class Members’
15 employment by Defendant in California, that arise under any state or local law or state administrative
16 order that was or could have been pled based on the facts alleged in the Operative Complaint,
17 including claims of failure to pay minimum wages, failure to pay overtime wages, failure to provide
18 compliant meal periods and/or associated premiums, failure to provide compliant rest periods and/or
19 associated premiums, failure to pay wages timely at termination, failure to reimburse for business,
20 unfair competition, PAGA penalties and violations of California Labor Code §§ 201, 202, 203, 204,
21 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 17200, 2800, 2802 the applicable Wage
22 Order of the Industrial Wage Commission, civil penalties pursuant to § 2698, *et seq.* and other
23 related penalties, and California Business & Professions Code §§ 17200 to 17208, including without
24 limitation all related claims for restitution and other equitable relief arising from California Business
25 and Professions Code §§ 17200, *et seq.*, interest on unpaid wages, unpaid wages, attorneys’ fees or
26 litigation costs, and any other related claims and/or penalties, including civil penalties. The release
27 does not extend to any claims not alleged in the operative Class Action Complaint (including without
28 limitation for PAGA penalties for violations not specified in the Operative Complaint) and

specifically excludes claims for workers' compensation, personal injuries, unemployment insurance, state disability compensation, claims under the Employment Retirement Income Security Act of 1974, previously vested benefits under any employer sponsored benefits plan, wrongful termination, discrimination, retaliation, and harassment including but not limited to those arising under the Age Discrimination In Employment Act, the California Fair Employment and Housing Act, Title VII of the Federal Civil Rights Act of 1964, and/or Federal Civil Rights Act of 1991, or any similar state or federal laws, the California Family Rights Act, the Federal Family Medical Leave Act, the California Pregnancy Leave Law, or similar state or federal laws, the Federal Equal Pay Act of 1963, violations of the Americans with Disabilities Act of 1990 or violations of any other state or federal law, rule or regulation concerning discrimination, retaliation and/or harassment.

1.24 "Released Parties" means Defendant Silverado Senior Living Management, Inc., and each of its parent companies, subsidiaries, affiliates, current and former management companies, shareholders, members, agents (including any investment bankers, accountants, insurers, reinsurers, attorneys and any past, present or future officers, directors and employees) predecessors, successors, and assigns.

1.25 "Response Deadline" means the date that is sixty (60) calendar days after the date on which the Settlement Administrator initially mails the Class Notice to the Class Members, which will be the deadline for a Class Member to Opt Out, dispute the number of Workweeks credited to him or her, and/or object to the Settlement, and which will be indicated on the Class Notice that is mailed to the Class Members.

1.26 "Request for Exclusion" means a written request to be excluded from the Settlement, which must be made in writing submitted to the Settlement Administrator by mail, postmarked on or before the Response Deadline, and which must contain the case name (*Julio C. Rovira v. Silverado Senior Living Management, Inc.*, Orange County Superior Court Case No. 30-2020-01136565-CU-OE-CXC), as well as the Class Member's full name, address, telephone number, last four (4) digits of his or her Social Security number, and signature, and a clear statement indicating that he or she seeks to exclude him or herself from the Settlement.

1.27 "Settlement Administrator" means the third-party settlement administration firm,

1 _____.

2 1.28 “Final Approval Hearing” means a hearing set by the Court for the purpose of
3 determining the fairness, adequacy and reasonableness of the Settlement pursuant to class action
4 procedures and requirements and entering Judgment, and required under California Rule of Court,
5 Rule 3.769(a).

6 1.29 “Unknown Claims” means any Released Claims which the Class Representatives do
7 not know or suspect to exist in their favor at the time of the entry of the Judgment, and which if
8 known might have affected the settlement with and release of Defendant.

9 1.30 “Updated Address” means a mailing address that was updated via a Reasonable
10 Address Verification, via an updated mailing address provided by the United States Postal Service
11 or a Class Member, via Skip Tracing, or via a Locator Service.

12 1.31 “Workweeks” means the numbers of workweeks worked by the Class Members as
13 hourly-paid or non-exempt employees for Defendant during the Class Period.

14 **2. Settlement Amount, Timing of Payments, Tax Reporting Obligations, and**
15 **Other Obligations of Defendant and the Settlement Administrator**

16 2.1 Defendant will fund the total Maximum Settlement Amount, along with the
17 Employer Taxes (which will be paid by Defendant separately and in addition to the Maximum
18 Settlement Amount). The Maximum Settlement Amount will be paid as follows: Defendant shall
19 deposit the required maximum payout of \$750,000.00 with the Settlement Administrator in one
20 installment no later than thirty (30) days after the Effective Date. If the Court’s approval of this
21 settlement is overturned on appeal, all settlement funds deposited by Defendant with the Settlement
22 Administrator to date shall be refunded to Defendant within fourteen (14) days of the Court’s order
23 declining to approve the settlement, and Defendant shall be excused from making any further
24 settlement payment installments.

25 2.2 The Settlement Administrator will administer the Settlement and perform any
26 function related to settlement administration at the agreed-upon instruction of both Class Counsel
27 and Defendant, including, and not limited to, establishing and maintaining a settlement website and
28 toll-free telephone line for Class Members to call with inquiries regarding the Settlement,

1 distributing the Class Notice, performing skip traces with respect to Class Notices that are returned
2 as undeliverable and without a forwarding address on or before the Response Deadline, receiving
3 and processing Requests for Exclusion and objections to the Settlement, adjudicating Class
4 Members' disputes regarding Workweeks, providing Class Counsel and counsel for Defendant with
5 weekly updates on the status of the settlement administration process (including the names and
6 percentages of Class Members who Opt Out or object), calculating and handling inquiries regarding
7 the calculation of the Individual Settlement Amounts, preparing a declaration to submit to the Court
8 that details the settlement notice administration process and identifies each Class Member who Opts
9 Out, and distributing the Maximum Settlement Amount. The actions of the Settlement
10 Administrator will be governed by the terms of this Stipulation. The Parties, through their counsel,
11 may provide written information needed by the Settlement Administrator pursuant to the
12 Stipulation.

13 2.3 The Parties agree to cooperate in good faith and to coordinate with each other and
14 the Settlement Administrator to carry out the terms of the Settlement, including, without limitation,
15 by providing reasonably available information regarding Class Members.

16 2.4 Defendant, through the Settlement Administrator, will distribute payments as
17 follows:

18 (a) Class Representative Enhancement Payment: Subject to Court approval, the
19 Plaintiff Rovira shall receive a service award of \$7,500.00 and Plaintiffs Renteria and Santos shall
20 receive service awards of \$2,500 each. Defendant agrees not to oppose the amount of the Named
21 Plaintiffs' and Class Representatives' service award. Since it is the intent of the Parties that the
22 service award to the Named Plaintiffs and Class Representatives is for their service to the Class
23 Members, and not wages, the Claims Administrator will not withhold any taxes from the service
24 award. The Claims Administrator will report the service award on a Form 1099, which it will
25 provide to the Named Plaintiffs and Class Representatives and to the pertinent taxing authorities.

26 (b) Attorneys' Fees and Litigation Costs: Class Counsel shall submit their
27 Application for Award of Attorneys' Fees and Costs to the Court before the Final Approval
28 Hearing. Class Counsel will seek attorneys' fees and costs in the amount of \$250,000.00, and

1 actual costs up to \$25,000.00, subject to court approval. Class Counsel shall serve Defendant with
 2 copies of all documents in support of their Application for Award of Attorneys' Fees and Costs.
 3 Defendant agrees not to oppose the Application for Award of Attorneys' Fees and Costs. The
 4 Claims Administrator will report the attorneys' fees and costs award on a Form 1099, which it will
 5 provide to Class Counsel and to the pertinent taxing authorities.

6 (c) Claims Administration Costs: Subject to Court approval, the Claims
 7 Administrator shall be paid an amount which is expected to not exceed \$16,400.00 for all fees and
 8 costs relating to the administration of this settlement, all tax document preparation, custodial fees
 9 and accounting fees, all costs and fees associated with preparing, issuing, and mailing any and all
 10 Class Notices, all costs and fees associated with computing, reviewing, and paying distributions
 11 from the Maximum Settlement Amount, all costs and fees associated with preparing any tax
 12 returns and any other filings required by any governmental taxing authority or agency, all costs
 13 and fees associated with preparing any other notices, reports, or filings to be prepared in the course
 14 of administering disbursements from the Maximum Settlement Amount, and any other costs and
 15 fees incurred and/or charged by the Claims Administrator in connection with the execution of its
 16 duties under this Stipulation.

17 2.5 No later than forty-five (45) calendar days after Effective Date and fifteen (15)
 18 calendar days after the payment of funds to the Settlement Administrator, Defendant, through the
 19 Settlement Administrator, and according to the terms, conditions and procedures set forth in
 20 Paragraph 2.6 of this Stipulation, shall pay to each Participating Class Member their Individual
 21 Settlement Amount. Each of the payments to Participating Class Members will be inclusive of
 22 interest and penalties, including PAGA and wage statement penalties, and will be allocated as
 23 follows: 20% to satisfaction of claims for unpaid wages; 80% to the satisfaction of claims for
 24 interest and penalties. All settlement payments for wages shall be subject to required withholdings
 25 and deductions as W-2 wage payments. With regard to payments in settlement of claims for
 26 penalties and interest, these payments shall be issued through a 1099 form and not subject to
 27 withholdings or deductions.

28 2.6 The Claims Administrator shall compute the Individual Settlement Amount for the

1 Participating Class Members as follows:

2 (a) The payment of the Individual Settlement Amounts will be calculated by
3 using the formula set forth in Paragraph 1.9.

4 (b) The Parties agree that the above-described formula and distribution methods
5 are reasonable and fair in light of the Parties' investigation of the claims of the Class, and the
6 relative degree of uncertainty, risk of outcome of further litigation, and difficulties and delays
7 inherent in such litigation of these claims.

8 2.7 Defendant, through the Claims Administrator, will report each payment made on
9 the Maximum Settlement Amount to government authorities including the Internal Revenue
10 Service as required by law, and it shall make all required deductions and/or withholdings.
11 Defendant, through the Claims Administrator, shall report payments for penalties and interest to
12 the Internal Revenue Service (and other relevant governmental agencies) as non-wage income in
13 the year of payment on a Form 1099, or similar form issued to the Participating Class Members in
14 question.

15 2.8 To the extent that there are excess funds from uncashed checks or Class Members
16 who cannot be located, the parties agree that such funds shall be submitted to Taller San Jose
17 Hope Builders, a 26 U.S. Code section 501(c)(3) non-profit organization that serves indigent and
18 at-risk youth by providing job training around Southern California, 180 days after the checks have
19 been mailed to the Class Members.

20 **3. Procedure for Approval and Implementation of Settlement**

21 **3.1 Preliminary Approval**

22 3.1.1 The Class Representatives, through their counsel of record, will file an
23 unopposed motion for preliminary approval of Settlement, seeking an order approving the
24 Settlement pursuant to the California Rule of Court, Rule 3.769(e), and this Stipulation will be filed
25 with the Court contemporaneously and/or as part of the motion. By way of the motion, the Class
26 Representatives will request that the Court enter a Preliminary Approval Order, approving the
27 distribution of the Class Notice and scheduling the Final Approval Hearing (pursuant to California
28 Rule of Court, Rule 3.769(e)) for the purposes of determining whether to grant final approval of the

1 Settlement and enter Judgment in conformity with California Rule of Court, Rule 3.769(h). The
2 motion for preliminary approval of Settlement will be filed with the Court no later than thirty (30)
3 calendar days after receipt of the fully executed Stipulation by Class Counsel.

4 3.1.2 The Settlement will be void if the Court categorically refuses to enter the
5 Preliminary Approval Order in its entirety or in a substantially similar form; however, the Parties
6 are to take all reasonable steps to cure any non-material issues so as to avoid the Settlement being
7 void.

8 3.2 Notice to Class Members

9 3.2.1 No later than twenty (20) calendar days after the Preliminary Approval Date,
10 the Settlement Administrator will mail the Court-approved Class Notice to all Class Members. The
11 Class Notice will be mailed via first class mail through the United States Postal Service. The
12 envelope containing the Class Notice will bear the following phrase in bold type, ¼ inch below the
13 return address or ¼ inch above the addressee's address: RETURN SERVICE REQUESTED. The
14 envelope will also bear the following phrase in the bottom left hand corner: IMPORTANT –
15 SILVERADO SENIOR LIVING MANAGEMENT, INC. CLASS ACTION SETTLEMENT
16 INFORMATION. PLEASE OPEN IMMEDIATELY. The Class Notice and its envelope or
17 covering will be marked to denote the return address of the Settlement Administrator as set forth in
18 the Class Notice.

19 3.2.2 Defendant will prepare a list, in an electronically usable format for the
20 Settlement Administrator, containing for each Class Member, to the extent Defendant has such
21 information, the following: the full name, Last Known Address, dates of employment as a non-
22 exempt or hourly-paid employee of Defendant during the Class Period ("Class List"). By granting
23 preliminary approval of the Settlement, the Court will be deemed to have authorized Defendant to
24 provide the Settlement Administrator with the Class List. Defendant will provide the Class List to
25 the Settlement Administrator and Class Counsel within fourteen (14) calendar days following the
26 Preliminary Approval Date.

27 3.2.3 For Class Members who were employees of Defendant as of the Preliminary
28 Approval Date the Settlement Administrator will mail the Class Notice to the Last Known Address

1 provided by Defendant. No Reasonable Address Verification will be conducted for Class Members
2 who were employed by Defendant as of the Preliminary Approval Date.

3 3.2.4 For Class Members who were not employed by Defendant as of the
4 Preliminary Approval Date prior to mailing the Class Notice, the Settlement Administrator will
5 undertake a Reasonable Address Verification to ascertain the accuracy of the Last Known Address
6 of the Class Member. To the extent this process yields an Updated Address, that Updated Address
7 will be treated as the Last Known Address for purposes of this Stipulation and for Class Notice
8 mailing.

9 3.2.5 If a Class Member is known to be deceased, the Class Notice for that deceased
10 Class Member will be mailed to the Last Known Address (or Updated Address, if applicable) of the
11 legal representative of the deceased Class Member's estate, to the extent known; otherwise, it will
12 be mailed to the Last Known Address (or Updated Address, if applicable) of the deceased Class
13 Member.

14 3.2.6 Unless the Settlement Administrator receives a Class Notice returned from
15 the United States Postal Service for reasons discussed below in this paragraph, on or before the
16 Response Deadline, that Class Notice will be deemed to have been mailed and received by the Class
17 Member to whom it was sent five (5) calendar days after the mailing. In the event that subsequent
18 to the first mailing of a Class Notice and on or before the Response Deadline, the Class Notice is
19 returned to the Settlement Administrator by the United States Postal Service without a forwarding
20 address, the Settlement Administrator will undertake a Skip Tracing on the Class Member to attempt
21 to ascertain the current address of the Class Member, and if such an address is ascertained, the
22 Settlement Administrator will undertake a single re-mailing of the Class Notice to any Updated
23 Address that is located for the Class Member, within three (3) business days of receipt of the returned
24 Class Notice, and the Class Notice will be deemed mailed and received at that point. In the event
25 that subsequent to the initial mailing of a Class Notice and on or before the Response Deadline, the
26 Class Notice is returned to the Settlement Administrator by the United States Postal Service with a
27 forwarding address for the Class Member, the forwarding address will be deemed the Updated
28 Address for the Class Member, the Settlement Administrator will undertake a single re-mailing of

1 the Class Notice to the Updated Address within three (3) business days of receipt of the returned
 2 Class Notice, and the Class Notice will be deemed mailed and received at that point. The Settlement
 3 Administrator will include a cover letter with any re-mailing to inform the Class Member that the
 4 Class Notice was re-mailed and that he or she has the later of the Response Deadline or ten (10)
 5 calendar days from the date on which the Class Notice was re-mailed (which shall be the date the
 6 re-mailing of the Class Notice is postmarked) to Opt Out, object to the Settlement, and/or dispute
 7 the number of Workweeks credited to him or her. Compliance with the procedures described in this
 8 paragraph will constitute due and sufficient notice to Class Members of this Settlement and of the
 9 Final Approval Hearing, and will satisfy the requirements of due process. Nothing else will be
 10 required of or done by the Parties, Class Counsel, counsel for Defendant, or the Settlement
 11 Administrator to provide notice of the Settlement and the Final Approval Hearing.

12 3.2.7 No later than seven (7) calendar days after the Response Deadline, the
 13 Settlement Administrator will provide Class Counsel and counsel for Defendant with a declaration
 14 attesting to completion of the notice process, including any attempts to obtain Updated Addresses
 15 for, and the re-sending of, any returned Class Notices, to be filed with the Court by Class Counsel.

16 **3.3 Responses to the Notice of Class Action Settlement**

17 3.3.1 Disputing Workweeks: If a Class Member disagrees with the number of
 18 Workweeks credited to him or her as set forth in his or her Class Notice, he or she must submit a
 19 written dispute along with documentation that supports his or her belief that he or she should be
 20 credited with a different number of Workweeks. The dispute must be submitted to the Settlement
 21 Administrator by mail, postmarked on or before the Response Deadline. The dispute must contain
 22 the case name and number of the Action (*Julio C. Rovira v. Silverado Senior Living Management,*
 23 *Inc.*, Orange County Superior Court Case No. 30-2020-01136565-CU-OE-CXC), as well as the
 24 Class Member's name, address, telephone number, last four (4) digits of his or her Social Security
 25 number, and signature. The dispute must also contain a clear statement indicating that the Class
 26 Member disputes the number of Workweeks credited to him or her. The Settlement Administrator
 27 will review the Workweeks dispute and supporting documentation and make a determination based
 28 upon the submitted documentation as to the validity of the Class Member's claim. If the Settlement

1 Administrator needs further information from Defendant concerning the Class Member's claim, the
2 Settlement Administrator will notify Defendant and Class Counsel and request the needed
3 information. Defendant's records will be presumed determinative if there is a dispute over the dates
4 of employment that the Class Member worked as a non-exempt or hourly-paid employee in
5 California, unless the Class Member has submitted valid and compelling documentation to support
6 his or her claim to a different number of Workweeks than the number shown on the Class Notice.
7 The Settlement Administrator will resolve all disputes by applying the above standard, and the
8 decision of the Settlement Administrator on any such disputes will be final.

9 3.3.2 Entry of Appearance at Class Members' Own Expense: Pursuant to
10 California Rule of Court, Rule 3.766(d)(5), any Class Member who does not Opt Out may, if the
11 Class Member so desires, enter an appearance through counsel at his or her own expense, and will
12 be advised of this by way of the Class Notice. Class Members who choose to enter such an
13 appearance are responsible for any attorneys' fees or costs incurred as a result thereof.

14 3.3.3 Objections to Settlement: Class Members who do not Opt Out may object to
15 the Settlement by submitting a written objection to the Settlement Administrator, postmarked no
16 later than the Response Deadline. A written objection to the Settlement must be signed by the Class
17 Member and dated, and additionally state the Class Member's name, last four (4) digits of his or her
18 Social Security number, dates of employment as a non-exempt or hourly-paid employee of
19 Defendant in California, the case name and number of the Action (*Julio C. Rovira v. Silverado*
20 *Senior Living Management, Inc.*, Orange County Superior Court Case No. 30-2020-01136565-CU-
21 OE-CXC), all legal and factual bases for objection to the Settlement, whether the Class Member
22 intends to appear at the Final Approval Hearing, and whether the Class Member is represented by
23 legal counsel (and if so, identifying the legal counsel and providing said legal counsel's mailing
24 address). Alternatively, Class Members may choose to voice their objections at the Final Approval
25 Hearing. A Class Member who objects to the Settlement will still be considered a Participating Class
26 Member who is subject to the Settlement.

27 3.3.4 Opting Out of Settlement: Class Members may elect to Opt Out of the
28 Settlement and, thus, exclude themselves from the Settlement. Class Members who wish to exercise

1 this option must submit a timely and valid Request for Exclusion to the Settlement Administrator,
 2 postmarked on or before the Response Deadline, in accordance with Paragraph 3.2.6. If a valid
 3 Request for Exclusion is not received by the Settlement Administrator from a Class Member on or
 4 before the Response Deadline, then that Class Member will be deemed to have forever waived his
 5 or her right to Opt Out. The Class Notice will advise Class Members of their option to Opt Out and
 6 will contain instructions on how to do so. Class Members who do not Opt Out by submitting valid
 7 and timely Requests for Exclusion will be deemed to be Participating Class Members, will be bound
 8 by the Settlement and the Judgment entered based thereon. Class Members who Opt Out by
 9 submitting valid and timely Requests for Exclusion will not be bound by the Settlement, will not be
 10 entitled to any benefits thereunder, or to make any objection to the Settlement.

11 3.3.5 If a Class Member submits both a Request for Exclusion and an objection
 12 to the Settlement, the Request for Exclusion will be accepted and the objection will be disregarded.

13 3.3.6 The Parties agree that the Response Deadline will not be extended, and no
 14 untimely submissions will be honored, under any circumstances, unless mutually agreeable by the
 15 Parties and/or except to the extent permitted under Paragraph 3.2.6.

16 3.4 Final Approval Hearing.

17 3.4.1 After the Response Deadline, a Final Approval Hearing will be held before
 18 the Court in order to: (1) determine whether the Court should grant final approval of the Settlement;
 19 (2) consider objections to the Settlement; and (3) consider Class Representatives' application for an
 20 award of Attorneys' Fees and Costs to Class Counsel and the Service Payment to the Class
 21 Representatives. At the Final Approval Hearing, the Parties will request that the Court grant final
 22 approval of the Settlement and enter the Final Approval Order and Judgment. The Parties will take
 23 all reasonable efforts to secure entry of the Final Approval Order and Judgment. If the Court rejects
 24 the Stipulation, fails to enter the Final Approval Order and Judgment, this Stipulation will be void,
 25 and Defendant will have no obligation to make any payments under the Settlement, other than the
 26 Settlement Administration Costs; however, the Parties and their counsel agree to make all
 27 reasonable efforts to fix any issues that the Court cites for its non-approval as set forth in Paragraph
 28 3.1.2.

3.5 Releases

3.5.1 Release by Participating Class Members. Upon the Effective Date, each of the Participating Class Members (including the Class Representative) will be deemed to have, and by operation of the Judgment will have fully, finally, and forever released, relinquished and discharged Defendant and the Released Parties from any and all Released Claims.

3.5.2 Class Representative's General Release of Claims

i. In addition to those releases set forth in Paragraph 3.5.1 hereof, with respect to any and all Released Claims, upon the Effective Date, the Class Representative will expressly and will be deemed to have, and by operation of the Judgment will have, waived the provisions, rights and benefits of California Civil Code § 1542 with respect to the Released Claims, which provides as follows:

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

ii. In consideration for the Service Payments and as an inducement for Defendant to enter into this Stipulation, with respect to the Class Representative only, the Released Claims will additionally include any and all claims including Unknown Claims against Defendant that accrued during the Class Period, but does not include claims for: age discrimination under the Age Discrimination In Employment Act, unemployment insurance, workers' compensation benefits, state disability compensation, previously vested benefits under any Employer-sponsored benefits plan or claims under the Employment Retirement Income Security Act of 1974.

iii. Any Class Representatives may hereafter discover facts in addition to or different from those which he or she now knows or believes to be true with respect to the subject matter of the Released Claims, but any such Class Representatives, upon the Effective Date, will be deemed to have, and by operation of the Judgment will have fully, finally, and forever settled and released any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which then exist, or previously have existed

1 upon any theory of law or equity now existing or coming into existence in the future, including, but
2 not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any
3 duty, law or rule, without regard to the subsequent discovery or existence of such different or
4 additional facts. The Class Representatives acknowledge that the foregoing waiver was separately
5 bargained for and a key element of the Settlement of which this release is a part. Notwithstanding
6 any other provision of this Stipulation, the Parties recognize that because the only Unknown Claims
7 released by this Stipulation are those Unknown Claims that meet the definition of Released Claims,
8 the release effectuated by this Stipulation will not extend to Unknown Claims other than those
9 described in Paragraph 1.44 above.

10 **3.6 Termination of Settlement; Reasonable Steps to Cure.**

11 3.6.1 In the event that the Settlement is not be approved in its entirety by the Court,
12 or in the event that the Effective Date does not occur, Defendant will have the option to void the
13 Settlement, and in such case, no payments will be made by Defendant to anyone, other than the cost
14 of administration, in accordance with the terms of this Stipulation, and this Stipulation will be
15 deemed null and void with no effect on the Litigation whatsoever. Notwithstanding this provision,
16 the Parties agree to take all reasonable steps to cure any issues cited by the Court as reason for non-
17 approval of any matter(s) filed with the Court for preliminary and final approval. In the event that
18 more than five percent (5%) of the Class Members Opt Out by submitting timely and valid Requests
19 for Exclusion to the Settlement Administrator by the Response Deadline, Defendant will have the
20 right to terminate and void this Settlement; however, Defendant must notify Class Counsel, of its
21 intention to nullify the Settlement in writing by certified mail to James Hawkins and Christina Lucio
22 of James Hawkins APLC, 9880 Research Drive, Suite 200 Irvine, CA 92678, within three (3) weeks
23 after the expiration of the Response Deadline.

24 **3.7 Miscellaneous Provisions.**

25 3.7.1 No Person will have any claim against Class Counsel, the Settlement
26 Administrator, or any of the Released Parties based on the payments made or other actions taken
27 substantially in accordance with the Settlement or further orders of the Court.

28 3.7.2 In the event that the Settlement is not substantially approved by the Court,

1 after all reasonable steps to cure have been exhausted, or the Settlement is terminated, cancelled,
2 declared void, or fails to become effective in accordance with its terms, or if the Judgment does not
3 become final, or to the extent cancellation is otherwise provided for in this Stipulation, the Parties
4 will resume the Litigation at that time as if no Stipulation had been entered. In such event, the terms
5 and provisions of the Stipulation will have no further force and effect with respect to the Parties and
6 will not be used in this Litigation or in any other proceeding for any purpose, and any Judgment or
7 order entered by the Court in accordance with the terms of the Stipulation will be treated as vacated.
8 Notwithstanding any other provision of this Stipulation, if the Court should fail to award attorneys'
9 fees to Class Counsel in the full amount provided for in this Stipulation, no order of the Court or
10 modification of any order of the Court concerning the amount of any attorneys' fees to be paid by
11 Defendant to Class Counsel pursuant to this Settlement will constitute grounds for cancellation or
12 termination of the Stipulation or grounds for limiting any other provision of the Judgment. It is
13 agreed that no order of the Court, including any order concerning attorneys' fees, may alter or
14 otherwise increase the Maximum Settlement Amount.

15 3.7.3 The Parties (a) acknowledge that it is their intent to consummate this
16 agreement; (b) agree to cooperate to effectuate and implement all terms and conditions of the
17 Stipulation and to exercise their best efforts to accomplish the foregoing terms and conditions of the
18 Stipulation; (c) agree to seek and to attempt to obtain preliminary and final approval by Court of the
19 Settlement; and (d) agree to reasonably work together to seek and attempt to obtain preliminary and
20 final approval of the Stipulation should the Court not grant approval upon the first presentation.

21 3.7.4 The Parties and attorneys agree to keep the Settlement confidential until the
22 motion for preliminary approval of the Settlement is filed. Thereafter, the Parties will agree to make
23 no comments to the media or otherwise publicize the terms of the Settlement.

24 3.7.5 The Parties agree that they will not engage in making or publishing written
25 statements which are disparaging to the reputation of the other or their corporate parents and
26 affiliates.

27 3.7.6 The Stipulation compromises claims which were contested and the subject of
28 a good faith dispute, and it will not be deemed an admission by any of the Parties as to the merits of

1 any claim or defense. The Parties agree that the amounts paid in settlement of the Litigation and the
2 other terms of the Settlement were negotiated at arms-length and in good faith with sufficient
3 information by the Parties and reflect a settlement that was reached voluntarily after consultation
4 with competent legal counsel.

5 3.7.7 All of the exhibits to the Stipulation and material and integral parts hereof
6 and are fully incorporated herein by this reference.

7 3.7.8 The Stipulation may be amended or modified only by a written instrument
8 signed by or on behalf of all Parties or their respective counsel, subject to approval by the Court.

9 3.7.9 The Stipulation constitutes the entire agreement among the Parties hereto and
10 no representations, warranties or inducements have been made to any party concerning the
11 Stipulation or its exhibits other than the representations, warranties and covenants contained and
12 memorialized in such documents. Except as otherwise provided herein, each party will bear its own
13 costs.

14 3.7.10 The Parties understand and acknowledge that: (a) they have performed an
15 independent investigation of the allegations of fact and law made in connection with this Litigation;
16 and (b) even if they may hereafter discover facts in addition to, or different from, those that they
17 now know or believe to be true with respect to the subject matter of the Litigation as reflected in
18 this Settlement Agreement, that will not affect or in any respect limit the binding nature of this
19 Settlement Agreement. It is the Parties' intention to resolve their disputes in connection with this
20 Litigation pursuant to the terms of this Settlement Agreement and thus, in furtherance of their
21 intentions, the Settlement Agreement will remain in full force and effect notwithstanding the
22 discovery of any additional facts or law, or changes in law, and this Settlement will not be subject
23 to rescission or modification by reason of any changes or differences in facts or law, subsequently
24 occurring or otherwise.

25 3.7.11 Class Counsel, on behalf of the Class Members, is expressly authorized by
26 the Class Representatives to take all appropriate action required or permitted to be taken by the Class
27 pursuant to the Stipulation to affect its terms and also expressly authorized to enter into any
28 modifications or amendments to the Stipulation.

1 3.7.12 Each counsel or other Person executing the Stipulation or any of its exhibits
2 on behalf of any Parties hereby warrants that such Person has full and express authority to do so.

3 3.7.13 The Stipulation may be executed in one or more counterparts. All executed
4 counterparts and each of them will be deemed to be one and the same instrument. A complete set of
5 executed counterparts will be filed with the Court.

6 3.7.14 The Stipulation will be binding upon, and inure to the benefit of, the
7 successors and assigns of the parties hereto; however, this Stipulation is not designed to and does not
8 create any third-party beneficiaries unless otherwise specifically provided herein.

9 3.7.15 The Court will retain jurisdiction with respect to implementation and
10 enforcement of the terms of the Stipulation, and all parties hereto submit to the jurisdiction of the
11 Court for purposes of implementing and enforcing the Settlement embodied in the Stipulation, in
12 conformity with California Rules of Court, Rule 3.769 and California Civil Procedure Code section
13 664.6.

14 3.7.16 The Stipulation and the exhibits hereto will be considered to have been
15 negotiated, executed and delivered, and to have been wholly performed, in the State of California,
16 and the rights and obligations of the parties to the Stipulation will be construed and enforced in
17 accordance with, and governed by, the internal, substantive laws of the State of California without
18 regard to principles of conflicts of law.

19 3.7.17 The language of all parts of this Stipulation will in all cases be construed as
20 a whole, according to its fair meaning, and not strictly for or against either party. No party will be
21 deemed the drafter of this Stipulation. The Parties acknowledge that the terms of the Stipulation are
22 contractual and are the product of negotiations between the parties and their counsel. Each party
23 and their/its counsel cooperated in the drafting and preparation of the Stipulation. In any
24 construction to be made of the Stipulation, the Stipulation will not be construed against any party
25 and the canon of contract interpretation set forth in California Civil Code § 1654 will not be applied.

26 3.7.18 Should any deadlines set forth in the Stipulation require any action to be taken
27 on a weekend or a Court holiday, then the action may be taken on the next business day, unless
28 otherwise specified by law or rule of Court, except that should the Response Deadline (or

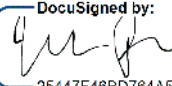
extension(s) thereof specified in the Stipulation relating to a deficiency notice or a re-mailing) fall on a Saturday and regular U.S. Mail service is in operation that day, then no further extension pursuant to this paragraph will apply to these specific deadlines.

DATED: 10/4/2021, 2021 By:

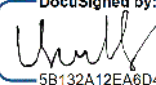
DocuSigned by:

 745D90DFEFAB484...
 Plaintiff Julio Kovira

DATED: 10/4/2021, 2021 By:

DocuSigned by:

 25447F48BD784A5...
 Plaintiff Lorena Renteria

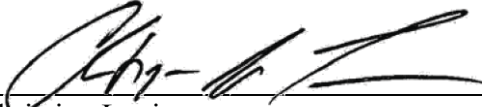
DATED: 10/4/2021, 2021 By:

DocuSigned by:

 5B132A12EA6D496...
 Plaintiff Virginia Santos

DATED: _____, 2021 By:

on behalf of Defendant Silverado Senior Living Management, Inc.

DATED: October 4, 2021 By:


 Christina Lucio
 Attorneys for Plaintiff

DATED: _____, 2021 By:

Joshua Carlson
 Lewis Brisbois Bisgaard & Smith LLP
 Attorneys for Defendant

1 extension(s) thereof specified in the Stipulation relating to a deficiency notice or a re-mailing) fall
2 on a Saturday and regular U.S. Mail service is in operation that day, then no further extension
3 pursuant to this paragraph will apply to these specific deadlines.
4
5

6 DATED: _____, 2021 By: _____
7 Plaintiff Julio Rovira
8

9 DATED: _____, 2021 By: _____
10 Plaintiff Lorena Renteria
11

12 DATED: _____, 2021 By: _____
13 Plaintiff Virgilio Santos
14

15 DATED: October 4, 2021 By: 
16 on behalf of Defendant Silverado Senior Living
Management, Inc.
17

18 DATED: _____, 2021 By: _____
19 Christina Lucio
20 Attorneys for Plaintiff

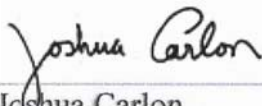
21 DATED: October 4, 2021 By: 
22 Joshua Carlon
23 Lewis Brisbois Bisgaard & Smith LLP
24 Attorneys for Defendant
25
26
27
28

EXHIBIT 1

Superior Court of California, County of Orange
Rovira v. Silverado Senior Living Management, Inc.
Case No. 30-2020-01136565-CU-OE-CXC

*A court authorized this notice. This is not a solicitation.
This is not a lawsuit against you and you are not being sued.
However, your legal rights are affected whether you act or don't act.*

NOTICE OF CLASS ACTION SETTLEMENT

To: All persons employed by Silverado Senior Living Management, Inc. as hourly paid or non-exempt employees within the State of California at any time from September 20, 2017 to September 13, 2021, and that did not execute an arbitration agreement related to their work for Silverado. (“the Class” or “Class Members”).

If you are a Class Member, as described above, you are eligible for a payment from a Class Action Settlement described in this Notice without doing anything.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	To receive your Settlement Payment, you do not need to do anything. Your payment will be automatically mailed to you after the Court grants final approval to the settlement. <i>[You must, however, keep a current address on file with the Settlement Administrator to ensure receipt of your check.]</i>
CHANGE CONTACT AND ADDRESS INFORMATION	Update your personal information with the Administrator to ensure your settlement payment check is sent to the correct address.
EXCLUDE YOURSELF	You may exclude yourself, to opt out, if you do not want to participate in the settlement. If you exclude yourself, you will not receive any payment under the settlement. This is the only option that allows you to pursue your own claims (in your own separate lawsuit) against Silverado Senior Living Management, Inc. about the legal claims in this case.
OBJECT	Write to the Court if you think the settlement is not fair or appear at the final approval hearing.

- **YOUR RIGHTS AND OPTIONS – AND THE DEADLINES TO EXERCISE THEM – ARE EXPLAINED IN THIS NOTICE.**
- **SILVERADO SENIOR LIVING MANAGEMENT, INC. SUPPORTS THE SETTLEMENT AND WILL NOT RETALIATE IN ANY MANNER AGAINST ANY CLASS MEMBER WHO REMAINS IN THE CLASS AND RECEIVES HIS / HER SETTLEMENT PAYMENT.**

WHAT THIS NOTICE CONTAINS

BASIC INFORMATION

1. Why did I get this notice packet? Page 3
2. What is this lawsuit about? Page 3
3. Why is this a class action? Page 3
4. Why is there a settlement? Page 3
5. Who are the Parties in this lawsuit? Page 4
6. Who are the Attorneys for the Parties?..... Page 4

THE TERMS OF THE SETTLEMENT

7. What is the settlement amount?..... Page 5
8. How will the Settlement Payments be calculated?..... Page 5

HOW TO GET A PAYMENT

9. How can I get my Settlement Payment?..... Page 5
10. When can I expect to receive my Settlement Payment?..... Page 6
11. What am I giving up to get a payment?..... Page 6

EXCLUDING YOURSELF FROM THE SETTLEMENT

12. How do I get out of the settlement?..... Page 7
13. If I don't exclude myself, can I sue Silverado for the same thing later?..... Page 7
14. If I exclude myself, can I get money from this settlement? Page 7

OBJECTING TO THE SETTLEMENT

15. How do I tell the Court that I don't like the settlement? Page 8
16. What's the difference between objecting and excluding myself? Page 8

THE COURT'S FINAL FAIRNESS HEARING

17. When and where will the Court decide whether to approve the settlement? .. Page 8
18. Do I have to come to the hearing? Page 9
19. May I appear and speak at the hearing? Page 9

GETTING MORE INFORMATION

20. Who can I contact if I have questions about the settlement? Page 9

ADDITIONAL IMPORTANT INFORMATION Page 9

BASIC INFORMATION

1. **Why did I get this notice packet?**

You received this notice because Silverado Senior Living Management, Inc.'s ("Silverado") records identify you as someone who was employed by Silverado Senior Living Management, Inc. as hourly paid or non-exempt employees within the State of California between September 20, 2017 to September 13, 2021, and who did not execute an arbitration agreement related to your work for Silverado.

The purpose of this notice is to explain the lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the Superior Court of the State of California, County of Orange, and the case is known as *Rovira v. Silverado Senior Living Management, Inc.* Case No. 30-2020-01136565-CU-OE-CXC ("Action" or "Lawsuit").

2. **What is this lawsuit about?**

The Lawsuit, originally filed on March 5, 2020, claimed that Silverado failed to comply with California wage and hour laws in that it failed to pay all owed wages, failed to provide meal and rest periods, failed to reimburse expenses, and failed to timely pay wages upon separation of employment. In bringing their claims against Silverado, the Class Representatives sought to obtain unpaid wages, premiums, damages, and alleged civil penalties on behalf of other individuals Silverado employed.

Silverado denies all allegations of the Lawsuit and contends that it has complied with the California Labor Code and all other applicable California laws. The settlement is not an admission of any wrongdoing by Silverado or an indication that any law was violated.

Although Silverado denies the allegations made in the Action, and denies a class can be certified, it has chosen to resolve the matter based upon the terms and conditions set forth in the settlement agreement now before the Court for approval. The settlement agreement provides for the conditional certification, for settlement purposes only, of those employed who were employed by Silverado in California as non-exempt employees between September 20, 2017 to September 13, 2021, and who did not execute an arbitration agreement related to their work for Silverado.

3. **Why is this a class action?**

In a class action, one or more people called Class Representatives (in this case Julio Rovira, Lorena Renteria and Virgilio Santos) sue on behalf of themselves and other people who have similar claims. The group of people with similar claims is called a "Class." Each person covered by the class definition is a "Class Member." One court resolves the issues for all Class Members, except for those who exclude themselves from the Class.

4. **Why is there a settlement?**

The Court did not decide in favor of Plaintiffs Julio Rovira, Lorena Renteria and Virgilio Santos, or Defendant Silverado Senior Living Management, Inc. There was no trial. Instead, both sides agreed to a no-fault settlement of the Lawsuit (“Settlement”). That way, they avoid the cost of a trial, and the people affected will get compensation from the Settlement. Mr. Rovira, Ms. Renteria, and Mr. Santos who were appointed as the Class Representatives, and the attorneys agree that the Settlement is in the best interest of all Class Members.

5. Who are the Parties in this Lawsuit?

Julio Rovira, Lorena Renteria and Virgilio Santos are the Plaintiffs and appointed representatives for the Class who was employed by for Silverado.

Silverado Senior Living Management, Inc. is the Defendant.

6. Who are the Attorneys for the Parties?

Counsel for Plaintiff and the Class

James R. Hawkins (SBN 192925)
Christina M. Lucio (SBN 253677)
JAMES HAWKINS APLC
9880 Research Drive, Suite 200
Irvine, California 92618
Telephone: (949) 387-7200
Facsimile: (949) 387-6676
James@Jameshawkinsaplc.com
Christina@Jameshawkinsaplc.com

Counsel for Defendant Silverado

Lewis Brisbois Bisgaard & Smith LLP
Jeffrey S. Ranen
Joshua D. Carlon
633 West 5th Street, Suite 4000
Los Angeles, CA 90071

If you have questions regarding this Settlement, you should contact Class Counsel or the Settlement Administrator. Do NOT contact Attorneys for Silverado or its managers or supervisors, etc.

THE TERMS OF THE SETTLEMENT

7. What is the Settlement Amount?

The proposed Settlement provides for a maximum payment of \$750,000 to fully and finally resolve all claims in the Action (referred to as the “Gross Settlement Sum”). Class Counsel will apply to the Court for attorneys’ fees of up to one-third of the Class Settlement Sum (\$250,000); litigation costs of up to \$25,000; a class representative service payment of \$7,500 to Mr. Rovira, and \$2,500 each to Ms. Renteria and Mr. Santos for their work and efforts prosecuting this case, for undertaking the risks of payment of fees and costs (in the event of an unsuccessful outcome of this Lawsuit); claims administration expenses to ILYM Group estimated at \$16,400.00), and a payment in the sum of \$37,500 (75% of \$50,000) to the California Labor Workforce and Development Agency, under California Labor Code’s Private Attorneys General Act of 2004 (“PAGA”) to cover all applicable civil penalties implicated or raised by the allegations of the Lawsuit. The exact amount of the attorneys’ fees, litigation costs, class representative service payment, and claims administration expenses will be determined by the Court at a Final Approval hearing. The remaining portion of the settlement, the “Class Member Payout Fund (“Payout Fund” or the “NSF”) is estimated to be \$[REDACTED]. The NSF will be apportioned and paid out entirely, automatically, to all Class Members who do not request to be excluded (or opt out) of the class action settlement. Any portion of the Payout Fund that would have been attributed to Class Members who timely opt out of the settlement will be paid to the Class Members who participate in the settlement. In other words, the entire amount of the Payout Fund will be sent for payment to Participating Settlement Class Members. No portion of the Payout Fund will revert to Silverado.

8. How will the Settlement Payments be calculated?

Class Members who do not opt out of the settlement will receive their share of the Payout Fund (“Class Period”). Here’s how it works – the Payout Fund will be entirely distributed to all Participating Settlement Class Members (those who do not opt out of the settlement). The amount allocated to each individual Class Member will be based on the Payout Fund divided by the number Participating Settlement Class Members. Based on this formula, you may expect to receive an estimated \$[REDACTED]. This is only an estimate. The actual amount you receive may be slightly more or less than the estimated amount shown.

HOW TO GET A PAYMENT

9. How can I get my Settlement Payment?

If you do nothing, you will automatically receive your Settlement Payment after the Court approves the Settlement at a final fairness/final approval hearing. You must, however, notify the Settlement Administrator of any change in your name, mailing address and/or telephone number. **It is your responsibility to keep the Settlement Administrator informed of any change in your address, as your Settlement Payment will be mailed to the last known address it has on file for you.**

10. When can I expect to receive my Settlement Payment?

If you do not exclude yourself from the Settlement, your share of the Settlement will be paid approximately 60 days after the Court grants final approval of the Settlement. ***Your share of the Settlement will be mailed by the Administrator to the address it has on file for you—the address to***

which this Notice was sent. Again, if this address is not accurate, or if you move after you receive this Notice, you should notify the Settlement Administrator in writing or by calling the Settlement Administrator at [REDACTED].

Class Members receiving a Settlement Payment will be responsible for correctly characterizing this compensation for tax purposes and paying taxes due, if any.

11. What am I giving up to get a payment?

Unless you exclude yourself, you are staying in the Class, and that means that you can't sue, continue to sue, or be part of any other lawsuit against Silverado about the legal issues in this case. Specifically, you will be giving up or "releasing" the claims described below:

Release of Claims: After the Court has approved the Settlement, each Settlement Class member who has not submitted a timely and valid request to opt out of the Settlement will be bound by the approval and judgment and thereby release Silverado from the claims asserted in the Action (including claims of failure to pay minimum wages, failure to pay overtime wages, failure to provide compliant meal periods and/or associated premiums, failure to provide compliant rest periods and/or associated premiums, failure to pay wages timely at termination, failure to reimburse for business expenses, unfair competition, PAGA penalties and violations of California Labor Code §§ 201, 202, 203, 204, 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 17200, 2800, 2802 the applicable Wage Order of the Industrial Wage Commission, civil penalties pursuant to § 2698, *et seq.* and other related penalties, and California Business & Professions Code §§ 17200 to 17208) or any other benefit claimed on account of the allegations asserted in the Action. The Stipulation of Settlement will release all claims of Class Members who do not timely Opt Out of the Settlement within the scope of the Action arising between September 17, 2017 to September 13, 2021 (the "**Released Claims**").

The **Released Claims** do not extend to any claims not alleged in the Action (including without limitation for PAGA penalties for violations not specified in the Operative Complaint) and specifically excludes claims for workers' compensation, personal injuries, unemployment insurance, state disability compensation, claims under the Employment Retirement Income Security Act of 1974, previously vested benefits under any Employer-sponsored benefits plan, wrongful termination, discrimination, retaliation, and harassment including but not limited to those arising under the Age Discrimination In Employment Act, the California Fair Employment and Housing Act, Title VII of the Federal Civil Rights Act of 1964, and/or Federal Civil Rights Act of 1991, or any similar state or federal laws, the California Family Rights Act, the Federal Family Medical Leave Act, the California Pregnancy Leave Law, or similar state or federal laws, the Federal Equal Pay Act of 1963, violations of the Americans with Disabilities Act of 1990 or violations of any other state or federal law, rule or regulation concerning discrimination, retaliation and/or harassment.

EXCLUDING YOURSELF FROM THE SETTLEMENT

12. How do I get out of the settlement?

If you wish to pursue your own separate lawsuit against Silverado for the claims asserted in the Lawsuit, or if you otherwise wish not to participate in the settlement for whatever reason, you should exclude yourself from this case (that is, opt out of the Settlement). To opt out and exclude yourself from the case, you must provide a signed and dated letter to the Settlement Administrator requesting to be excluded. You may use the form enclosed with this notice or write a separate letter. The letter must state in substance:

“I wish to opt out of the class action lawsuit and settlement entitled *Rovira v. Silverado Senior Living Management, Inc.*, Case No. 30-2020-01136565-CU-OE-CXC filed in the Superior Court of California, County of Orange. I understand that by requesting to be excluded from the settlement, I will receive no money from the Settlement described in this Notice.”

The opt out request letter must include the case name, case number, your full name, current address, and last four digits of your social security number, and must be postmarked and mailed to the Settlement Administrator at the following address on or before _____, 2021. [60 days of mailing of Notice Packet.] Opt out requests postmarked after this date may be disregarded.

Rovira v. Silverado Senior Living Management, Inc.,
Class Action Settlement Administrator
(INSERT NAME)
P. O. Box _____
_____, _____

13. If I don’t exclude myself, can I sue Silverado for the same thing later?

No. Unless you exclude yourself, you give up any right to sue Silverado for the claims that this settlement resolves. ***If you have a pending lawsuit speak to your lawyer in that case immediately.*** You must exclude yourself from this Class to continue your own lawsuit. Remember, the exclusion deadline is _____, 2021 [60 days of mailing of Notice Packet.] You are encouraged to consult counsel of your choice, and at your expense, about any applicable statutes of limitations.

14. If I exclude myself, can I get money from this settlement?

No. If you exclude yourself, you will not receive a Settlement Payment. The Settlement Payment that you would have been entitled to will remain in the Payout Fund for re-distribution to Participating Class Members. No portion of the Settlement monies will go back to Silverado as a result of a request to be excluded.

OBJECTING TO THE SETTLEMENT

15. How do I tell the Court that I don't like the settlement?

If you don't think the Settlement is fair, you can object to the Settlement and tell the Court that you don't agree with the settlement or some part of it. The Court will consider your views. To object, you must send a letter saying that you object to the *Rovira v. Silverado Senior Living Management, Inc.*, Case 30-2020-01136565-CU-OE-CXC proposed settlement. Be sure to include your name, address, your signature, and the specific reasons you object to the terms of the settlement. Mail the objection to the address listed below postmarked on or before _____, 202_ [60 days of mailing of Notice Packet.] You may also appear and object at the Final Approval hearing, without first filing a written objection.

Rovira v. Silverado Senior Living Management,
Inc.

Class Action Settlement Administrator

c/o (INSERT NAME)

P. O. Box _____

_____[Zip Code]

16. What's the difference between objecting and opting out of the case?

Objecting is simply telling the Court that you don't like something about the settlement. You may object only if you stay in the Class. Opting out of the case is telling the Court that you don't want to be part of the Class. If you opt out of the case, you have no basis to object because the case no longer affects you.

If you object to any of the terms of the Settlement, the Court will consider your objections when deciding whether to grant final approval to the Settlement.

THE COURT'S FINAL FAIRNESS HEARING

17. When and where will the Court decide whether to approve the settlement?

The Court will hold a Final Approval hearing in Department CX103 of the Superior Court of California, County of Orange located at 751 W Santa Ana Blvd, Santa Ana, CA 92701 on _____ 2022, at _____ p.m. At this hearing the Court will determine whether the settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve Class Counsel's request for attorneys' fees and litigation costs, the Class Representatives' service payments, and the Settlement Administrator's fees and expenses. The Court may reschedule the Final Approval hearing without further notice to Class Members. However, any Class Member who has submitted an objection will be notified by Class Counsel of any rescheduling of the date and time of the Final Fairness hearing.

18. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Judge may have. But you are welcome to come at your own expense. If you send an objection, you don't have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also hire and pay your own lawyer to attend if you so desire.

19. May I speak at the hearing?

You may ask the Court for permission to speak at the Final Approval hearing. You cannot speak at the hearing if you timely excluded yourself from the Settlement as you are no longer a member of the Class, as the Settlement the does not affect you.

GETTING MORE INFORMATION

20. Who may I contact if I have questions about the settlement?

This Notice is only a summary of the class action lawsuit and proposed class action settlement. For more information, you may inspect the Court files and the settlement agreement at the Orange County Superior Court, located at 751 W Santa Ana Blvd, Santa Ana, CA 92701, during regular Court hours. You may also contact Class Counsel James Hawkins APLC at (949) 387-7200, if you need more information or have questions. You may also contact the court-appointed Settlement Administrator by calling toll free 1- , or you can write to Rovira v. Silverado Senior Living Management, Inc. Class Action Settlement Administrator, at the address shown in Paragraph 17.

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, SILVERADO MANAGERS, SUPERVISORS, OR ATTORNEYS FOR INFORMATION.

ADDITIONAL IMPORTANT INFORMATION

A. **Silverado Senior Living Management, Inc. supports the Settlement** and will not retaliate in any manner whatsoever against any Class Member who stays in the Class and receives his or her Settlement Payment or requests to opt out of the case and settlement.

B. **It is your responsibility to ensure that the Settlement Administrator** has your current mailing address and telephone number on file, as this will be the address to which your Settlement Payment will be sent.

C. **Settlement Payment checks must be cashed soon after receipt.** If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement. If you do not cash your check within 180 days of the mailing of the check, such funds shall be submitted to Taller San Jose Hope Builders, a 26 U.S. Code section 501(c)(3) non-profit organization that serves indigent and at-risk youth by providing job training around Southern California

EXHIBIT 2

EXHIBIT 3

OBJECTION FORM

Rovira v. Silverado Senior Living Management, Inc.
Orange County Superior Court Case No. 30-2020-01136565-CU-OE-CXC

TPA NAME
TPA ADDRESS
TPA PHONE

THIS FORM MUST BE POSTMARKED NO LATER THAN [REDACTED], 2022.

ONLY RETURN THIS FORM IF YOU WANT TO OBJECT TO THE SETTLEMENT.

Name (First, Middle, Last)

[preprinted by claims administrator]

OBJECT	If you choose, you may object to this Settlement. The Court may or may not agree with your objection. Objecting to the Settlement will not exclude you from the Settlement. If you participate in the Settlement and receive a Settlement Payment, you do so in exchange for a release of the Released Claims as more fully discussed below.
---------------	--

If you wish to Object to the Settlement, you must submit your objection to the Settlement Administrator. You may use this Objection Form to submit your objection. Your objection should state why you object to the settlement. The objection must be mailed to the Settlement Administrator at the address below and must be postmarked no later than [REDACTED], **2022**. Late objections will not be considered. If your objection is overruled, you will still receive your Settlement Payment and you will have released the Released Parties from the Released Claims as provided for in the Notice of Class Action Settlement.

You may also, if you wish, appear at the Final Fairness and Approval Hearing set for [REDACTED], 2022 at [REDACTED] a.m. in Dept. CX-101 of the Superior Court of California, County of Orange located at 751 W Santa Ana Blvd, Santa Ana, CA 92701 and discuss your objections with the Court and the Parties. If you submit an objection, counsel for the Plaintiffs will notify you of any continued hearing date. Otherwise, the Final Approval Hearing may be continued to another date without further notice. You may withdraw your objections at any time. Absent a finding of good cause by the Court, you may not present an objection at the Final Approval Hearing unless you have submitted a timely objection that complies with the terms of the Notice of Class Action Settlement. If you have submitted a Request for Exclusion Form, you may not submit objections to the Settlement. You do not need to appear at the Final Approval Hearing to have your Objection considered by the Court.

Please state all reasons for the objection below and sign, date and include your address and telephone number. Any reasons not included in the written objection will not be considered. The Settlement Administrator will stamp the date received on the original and send copies of each objection to Class Counsel and Counsel for Defendant by email within two business days after receipt thereof.

Reason(s) for Objection: (you may include additional pages if necessary)

Dated: _____

(signature)

(typed or print name)

(address)

(telephone number)

(last four digits of social security number)

If you object, please mail the completed form by _____, 2022 to:

SILVERADO WAGE AND HOUR SETTLEMENT ADMINISTRATOR
c/o ILYM Group, Inc.

[ADDRESS and phone number]