AMENDED CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Amended Class Action and PAGA Settlement Agreement ("Agreement") is entered into by and between Plaintiff Rhina Villeda ("Plaintiff") and Defendant Solheim Lutheran Home d/b/a Solheim Senior Community ("Solheim" or "Defendant"). The Agreement refers to Plaintiff and Solheim collectively as "Parties," or individually as a "Party."

1. DEFINITIONS.

1.1 "Action" means the Plaintiff's lawsuit alleging wage and hour violations against Solheim, captioned *Rhina Villeda v. Solheim Lutheran Home*, Case No. 21STCV45430, initiated on December 14, 2021, and currently pending in Superior Court of the State of California, County of Los Angeles.

1.2 "Administrator" means Simpluris, the neutral third-party entity the Parties have mutually agreed to appoint to administer this Settlement.

1.3 "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid which is being submitted to the Court in connection with Preliminary Approval of this Settlement.

1.4 "Aggrieved Employee" means all current and former non-exempt employees who were employed by Solheim at any point during the PAGA Period.

1.5 "Class" means all current and former non-exempt employees who are not bound by Solheim's arbitration agreement and who were employed by Solheim at any point during the Class Period.

1.6 "Class Counsel" means Zachary M. Crosner, Jamie K. Serb, and Sepideh Ardestani of Crosner Legal, PC.

1.7 "Counsel Fees Payment" and "Class Counsel Litigation Expenses Payment" mean the amounts that are being allocated to Class Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, which they incurred to prosecute the Action.

1.8 "Class Data" means Class Member-identifying information in Solheim's possession, including the Class Member's name, last-known mailing address, Social Security number, email address (if available), and respective number of Class Period Workweeks and PAGA Pay Periods.

1.9 "Class Member" or "Settlement Class Member" means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

1.10 “Class Member Address Search” means the Administrator’s efforts to search for and identify the current mailing addresses of all Class Members using all reasonably available sources, methods, and means, including but not limited to the National Change of Address database, skip traces, and/or direct contact by the Administrator with Class Members, as appropriate.

1.11 “Class Notice” means the COURT-APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, which shall be mailed out to all Class Members in English (with a Spanish translation) in the form and without material variation as attached hereto as “**Exhibit A**” and incorporated by reference into this Agreement.

1.12 “Class Period” means the period of time running from December 14, 2017 up to the date of Preliminary Approval of this Agreement.

1.13 “Class Period Workweek” means any week which transpired within the Class Period during which a Class Member worked for Defendant for at least one day.

1.14 “Class Representative” means the named Plaintiff in the Operative Complaint in the Action who is seeking Court approval to serve as a Class Representative.

1.15 “Class Representative Service Payment” means the payment, described herein, to the Class Representative to reimburse her for her time and efforts spent initiating the Action and providing services in support of the prosecution of the Action.

1.16 “Court” means the Superior Court of California, County of Los Angeles.

1.17 “Defense Counsel” means Ryan H. Crosner, Lyne A. Richardson, and Adam C. Hackett of Ogletree, Deakins, Nash, Smoak & Stewart, P.C.

1.18 “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) that Judgment has become final. For purposes of this Agreement, the Judgment shall be deemed to be final as of the date of *latest* of the following three potential occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a Notice of Appeal from the Judgment; or (c) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a Remittitur.

1.19 “Final Approval” or “Final Approval Order” means the Court’s Order Granting Final Approval of the Settlement following the Final Approval Hearing.

1.20 “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

1.21 "Final Judgment" means the Judgment entered by the Court upon granting Final Approval of the Settlement.

1.22 "Gross Settlement Amount" means $225,000.00, which is the total amount that Solheim agrees to pay under the terms of this Agreement, except as provided in Paragraph 8 below. The Gross Settlement Amount shall be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment and the Administrator's Expenses.

1.23 "Individual Class Payment" means each Participating Class Member's pro rata share of the Net Settlement Amount, calculated according to the number of Workweeks worked during the Class Period.

1.24 "Individual PAGA Payment" means each Aggrieved Employee's pro rata share of 25% of the PAGA Penalties, calculated according to the number of Pay Periods worked during the PAGA Period.

1.25 "Individual Settlement and Release" means the separate settlement and release that have been negotiated between Plaintiff and Defendant (which is the subject of a separate written agreement, a copy of which is attached hereto as "**Exhibit B**").

1.26 "Judgment" means the judgment entered by the Court based upon the Final Approval of this Agreement. The Final Judgment shall constitute a judgment respecting the Parties within the meaning and for purposes of California Code of Civil Procedure sections 577, 581(d), and 904.1(a), and on the PAGA claims for purposes of enforcing the rule announced in *Arias v. Superior Court* (2009) 46 Cal. 4th 969.

1.27 "LWDA" means the California Labor and Workforce Development Agency, which is the agency entitled, under Labor Code section 2699, subd. (i), to recover a portion of PAGA Penalties assessed in this Action.

1.28 "LWDA PAGA Payment" means the 75% of the PAGA Penalties assessed in this Action which shall be paid to the LWDA under Labor Code section 2699, subd. (i).

1.29 "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The Net Settlement Amount is the total *remaining* amount to be paid to Participating Class Members in the form of Individual Class Payments.

1.30 "Non-Participating Class Member" means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

1.31 "Operative Complaint" means the First Amended Complaint in this Action, which was filed on May 9, 2022.

1.32 "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Solheim for at least one day during the PAGA Period.

1.33 "PAGA Period" means the period running from January 15, 2021 through October 1, 2024.

1.34 "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

1.35 "PAGA Notice" means Plaintiff's November 29, 2021 letter to Solheim and the LWDA, providing notice of the alleged PAGA violations that are at issues in this Action pursuant to Labor Code section 2699.3, subd.(a) (LWDA Case No. LWDA-CM-854797-21).

1.36 "PAGA Penalties" means the total amount of PAGA civil penalties ($25,000.00) to be paid from the Gross Settlement Amount, which shall be allocated 25% to the Aggrieved Employees ($6,250.00), and 75% to LWDA ($18,750.00) in settlement of Plaintiff's PAGA claims.

1.37 "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.38 "Plaintiff" means Rhina Villeda, the named Plaintiff in the Action.

1.39 "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.

1.40 "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval of the Settlement.

1.41 "Related Actions" are defined collectively as the Action and the PAGA Notice.

1.42 "Released Class Claims" means the claims being released as described in Paragraph 5.2, below.

1.43 "Released PAGA Claims" means the claims being released as described in Paragraph 5.3, below.

1.44 "Released Parties" means: Defendant and each and all of its current and former directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, employees, managing agents, subsidiaries, parents, affiliates, and/or any related companies, without exception.

1.45 "Request for Exclusion" means a Class Member's timely submission of a written request to be excluded from the Class Settlement, signed by the Class Member.

1.46 "Response Deadline" means 45 days after the Administrator mails the Class Notice to Class Members and Aggrieved Employees, and shall be the last date on which a Class Member may: (a) timely fax, email, or mail a Request for Exclusion from the Settlement, or (b) timely fax, email, or mail an Objection to the Settlement. Class Members to whom Class Notice is re-sent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days after this Response Deadline has expired. The timeliness of any mail submitted Request for Exclusion Forms shall be determined by reference to the valid postmark indicated on the mail in question.

1.47 "Settlement" means the disposition of the Related Actions effected by this Agreement and the Judgment apart from the Individual Settlement and Release

1.48 "Workweek" means any week during which a Class Member worked for Solheim for at least one day, during the Class Period.

2. RECITALS.

2.1 On December 14, 2021, Plaintiff commenced the Action by filing a Complaint alleging the following causes of action against Solheim: (1) Recovery of Unpaid Minimum Wages and Liquidated Damages; (2) Recovery of Unpaid Overtime Wages; (3) Failure to Provide Meal Periods or Compensation in Lieu Thereof; (4) Failure to Provide Rest Periods or Compensation in Lieu Thereof; (5) Failure to Furnish Accurate Itemized Wage Statements; (6) Failure to Timely Pay All Wages Due Upon Separation of Employment; (7) Failure to Reimburse Business Expenses; and (8) Unfair Competition.

2.2 On May 9, 2022, Plaintiff filed a First Amended Complaint (the "Operative Complaint") in the Action, alleging an additional cause of action against Solheim pursuant to the Private Attorneys General Act of 2004 (Labor Code sections 2699 et. seq.).

2.3 Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to both Solheim and the LWDA by sending the PAGA Notice.

2.4 Defendant denies (1) all material allegations of unlawful activity or behavior in the Related Actions; (2) that it violated any laws; (3) that it is liable for damages, penalties, interest, restitution, attorneys' fees or costs, or for any other compensation or remedy with respect to anyone on account of the claims asserted in the Related Actions; and (4) that class certification, collective action certification, and/or representative treatment is appropriate as to any claim at issue in the Related Actions for any purposes other than settlement of the Related Actions. Rather, Defendant contends that at all relevant times, all of its policies, procedures, and practices have fully complied with (and stil continue to comply with) all applicable laws as they related to claims raised in the Related Actions. Nevertheless, without admitting any liability or wrongdoing whatsoever, and also without admitting that class certification, collective action certification, and/or representative treatment is appropriate in the Related Actions for any purpose other than to effectuate settlement of the Related Actions, Defendant has agreed to settle the Related Actions on the terms set forth in this Agreement *solely* in order to avoid the burden, expense, and uncertainty posed by protracted litigation of the Action.

Accordingly, any statements made by Defendant in this Agreement *are made for settlement purposes only*, and under no circumstances shall they be construed as admissions or either fault or liability by Defendant or any of the Released Parties.

2.5 On July 1, 2024, the Parties participated in an all-day mediation presided over by Henry Bonjiovi, Esq. Those mediations efforts led to an agreement and understanding by and between the Parties to settlement the Related Actions, as memorialized in this Agreement as well as the related Individual Settlement and Release.

2.6 Prior to entering into these mediation efforts, Plaintiff obtained through discovery Solheim's relevant written policies; a sampling of time and corresponding wage records; Plaintiff's employee file; and data pertaining to the number of Class Members, Aggrieved Employees, and Workweeks and Pay Periods worked by all relevant current and former Solheim employees during both the Class and PAGA Periods. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("Dunk/Kullar").

2.7 The Court has not granted class certification in the Action.

2.8 The Parties, Class Counsel, and Defense Counsel all jointly represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by settlement of the Related Actions.

3. MONETARY TERMS.

3.1 **Gross Settlement Amount**. Except as otherwise provided in Paragraph 8 below, Solheim hereby agrees to pay $225,000.00 and no more as the Gross Settlement Amount in order to fully settle, resolve, and extinguish all claims raised in the Related Actions. Solheim also agrees to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Solheim shall have no obligation to pay any portion of the Gross Settlement Amount (or any payroll taxes) prior to the deadline established in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Solheim.

3.2 **Payments from the Gross Settlement Amount**. The Administrator shall make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval Order:

3.2.1 **To Plaintiff**: A Class Representative Service Payment to the Class Representative of not more than $2,500.000 (in addition to any payment for the separate Individual Settlement and Release). Solheim shall not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the Final Approval motion, Plaintiff will seek Court approval of any Class Representative Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment that is less than the amount requested, the Administrator shall retain the remainder in the Net Settlement Amount. The Administrator shall pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full and sole responsibility and liability for any and all taxes owed on this Class Representative Service Payment.

3.2.2 **To Class Counsel**: A Class Counsel Fees Payment of not more than 33.33% (currently estimated to be $75,000.00) of the Gross Settlement Amount, and a Class Counsel Litigation Expenses Payment of not more than $10,000.00. Solheim will not oppose requests for these payments, provided that they do not exceed these amounts. As part of the Final Approval motion, Plaintiff and/or Class Counsel shall request approval of the Class Counsel Fees Payment and Class Litigation Expenses Payment. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment that is less than the amounts requested, the Administrator shall allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator shall pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full and sole responsibility and liability for any and all taxes owed on the Class Counsel Fees Payment and/or the Class Counsel Litigation Expenses Payment, and hereby agrees to hold Defendant and Released Parties harmless (and indemnify them) from any dispute or controversy which may arise regarding any division or sharing of any or all of these Payments.

3.2.3 **To the Administrator**: An Administrator Expenses Payment not to exceed $7,000.00 (except upon a showing of good cause if approved by the Court). To the extent the Administration Expenses are less, or if the Court approves payment less than $7,000.00, the Administrator shall retain the remainder in the Net Settlement Amount.

3.2.4 **To Each Participating Class Member**: An Individual Class Payment which shall calculated on an individual for each Participating Class Member on the following basis: (a) First by dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period, and then (b) by multiplying the result by each individual Participating Class Member's Workweeks.

3.2.4.1 **Tax Allocation of Individual Class Payments**. 20% of each Participating Class Member's Individual Class Payment shall be allocated to the settlement of wage claims (the "Wage Portion"). These Wage Portions are subject to tax withholding, and shall be reported on an IRS W-2 Form. The remaining 80% of each Participating Class Member's Individual Class Payment shall be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). These Non-Wage Portions are not subject to wage withholdings, and will be reported on IRS 1099 Forms. Participating Class Members assume full and sole individual responsibility and liability for any taxes that they may individually owed on their respective Individual Class Payment. In accordance with applicable law, the Settlement Administrator shall make required tax withholdings from the Wage Portion of each Individual Class Payment and shall remit the withholding to the appropriate taxing authorities. The Settlement Administrator shall also issue any necessary Form W-2 and 1099 statements to Participating Class Members for their respective Individual Class Payments. No opinion regarding the tax consequences of this Settlement to any individual Participating Class Member is being given, or shall be given, by Defendant, Counsel for Defendants, any other Released Party, or Class Counsel. Individual Participating Class Members are instead expected to separately consult their own tax advisors (as they deem necessary and/or appropriate) regarding the tax consequences of this Settlement on an individual basis, including but not limited to any payments provided and/or any tax reporting obligations. Individual Participating Class Members assume full and sole responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.2.4.2 **Effect of Non-Participating Class Members on Calculation of Individual Class Payments**. Non-Participating Class Members will not receive any Individual Class Payments. Instead, the Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.2.5 **To the LWDA and Aggrieved Employees**: PAGA Penalties in the amount of $25,000.00 shall be drawn and paid from the Gross Settlement Amount, with 75% ($18,750.00) allocated to the LWDA PAGA Payment and 25% ($6,250.00) allocated to the Individual PAGA Payments.

3.2.5.1 The Administrator shall calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties ($6,7250.00) by the total number of PAGA Period Pay Periods worked by all

Aggrieved Employees during the PAGA Period, and then (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. No payroll taxes shall be withheld or deducted from Aggrieved Employee's Individual PAGA Payments, and the Settlement Administrator will issue to Aggrieved Employees an IRS Form 1099 for each such payment. Aggrieved Employees assume full and sole responsibility and liability for any taxes owed on their Individual PAGA Payment, and will indemnify and hold harmless Defendant, Counsel for Defendant, and the Released Parties from any claim or liability for taxes, penalties, or interest arising as a result of any Individual PAGA Payment.

3.2.5.2 If the Court approves PAGA Penalties of less than the amount requested, then the Administrator shall allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 **Class Workweeks and Aggrieved Employee Pay Periods**. Based on a review of its business records to date, Solheim estimates that there are 169 Class Members who collectively worked a total of 12,583 Workweeks between December 14, 2017 and May 30, 2024, and 357 Aggrieved Employees who worked a total 12,855 PAGA Pay Periods from January 15, 2021 through May 30, 2024.

4.2 **Class Data**. Not later than 30 days after the Court grants Preliminary Approval of the Settlement, Solheim will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. In order to protect Class Members' privacy rights, the Administrator shall agree to maintain this Class Data in confidence; use Class Data only for purposes of this Settlement and for no other purpose; and restrict access to the Class Data to only those Administrator employees who need to access it in order to effect and perform their relevant job duties under the terms of this Agreement. Solheim also has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data has omitted class member-identifying information that is otherwise in its possession, and to provide corrected and/or updated Class Data as soon as reasonably feasible under any such circumstances. Without any extension of the deadline by which Solheim must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts and work together in good faith to address and/or resolve any issues related to missing or omitted Class Data that may arise.

4.3 **Funding of Gross Settlement Amount**. Solheim shall fully fund the Gross Settlement Amount, and also fully fund the amount necessary to fully pay Solheim's share of payroll taxes by transmitting all such funds to the Administrator no later than 14 days after the Effective Date and receipt from the Administrator of the amount owed for payroll taxes.

4.4 **Payments from the Gross Settlement Amount**. Within 14 days after Solheim funds the Gross Settlement Amount, the Administrator shall mail checks for all Individual Class

Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.4.1 The Administrator shall issue checks for the Individual Class Payments and Individual PAGA Payments and send them to the Participating Class Members and Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (which shall not be less than 180 days after the date of mailing) after which the check will be voided (the "Void Date"). The Administrator shall cancel all checks not cashed by the Void Date. The Administrator shall send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator shall send checks for Individual PAGA Payments to all Aggrieved Employees, including Non-Participating Class Members who qualify as Aggrieved Employees (and also including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining both the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator shall take reasonable and appropriate steps to confirm (and as necessary update) the recipients' mailing addresses using the National Change of Address Database.

4.4.2 The Administrator shall conduct a Class Member Address Search for all Participating Class Members and Aggrieved Employees whose checks are returned undelivered without a USPS forwarding address. Within 7 days of receiving a returned check, the Administrator shall re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Participating Class Members and Aggrieved Employees whose re-mailed checks are returned as undelivered after having taken these additional steps. The Administrator shall also promptly send a replacement check to any Participating Class Member and/or Aggrieved Employee whose original check was lost or misplaced, if requested by the Participating Class Member and/or Aggrieved Employee prior to the Void Date.

4.4.3 For any Participating Class Member and/or Aggrieved Employee whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the Void Date, the Administrator shall transmit the funds represented by such checks to the California Controller's

Unclaimed Property Fund in the name of the Class Member and/or Aggrieved Employee, thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

4.4.4 Aside from the requirements of the separate Individual Settlement and Release, the payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to any Participating Class Members or Aggrieved Employees (such as, by way of illustration, 401(k) contributions or bonuses) beyond those which are expressly specified in this Agreement.

5. RELEASES OF CLAIMS.

Effective on the date when Solheim fully funds the entire Gross Settlement Amount and also funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, Class Counsel, and Aggrieved Employees to the full extent allowable by law will individually and jointly release any and all claims at issue in the Related Actions with respect to any and all Released Parties, as follows:

5.1 **Plaintiff's Release**. The releases by Plaintiff and her respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns are set forth in the Individual Settlement and Release.

5.2 **Release by Participating Class Members**: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, shall be deemed to release the Released Parties from any and all claims, causes of actions, demands, debts, obligations, penalties, damages or liability of any nature whatsoever, based on or arising out of the facts, circumstances, or primary rights that were alleged, or reasonably could have been alleged, in the Operative Complaint, including but not limited to: (1) failure to pay wages (including but not limited to overtime pay, double time, minimum wage, regular wages, vacation pay, sick pay, and wages at the regular rate of pay); (2) failure to provide meal periods or pay meal period premiums at the regular rate of pay; (3) failure to authorize or permit rest periods or pay rest period premiums at the regular rate of pay; (4) failure to timely pay all wages during employment; (5) failure to pay all wages due to discharged or resigned employees, or other benefits; (6) failure to maintain required records; (7) failure to reimburse necessary expenditures; (8) claims for interest, penalties, or premiums in connection therewith; (9) claims for failure to comply with the employee itemized wage statement provision under California Labor Code section 226; (10) penalties for violations of the California Labor Code (this does not include PAGA penalties); (11) violation of California Business and Professions Code Section 17200, et seq.; and (12) all other claims under California common law, the

California Labor Code, California Wage Orders, the California Business and Professions Code set forth in the Operative Complaint including alleged violation of California Labor Code sections 201-204, 206, 218.6, 223, 226, 226.7, 510, 512, 1182.12, 1194, 1194.2, 1197, 1198, 2800, and 2802, California Civil Code sections 1021.5, 3287, 3288, California Business and Professions Code sections 17000 and 17200 et. seq., the applicable Wage Orders issued by the Industrial Welfare Commission, or any other claim for any statutory or civil penalty that have been, or could have been, asserted based on the facts, circumstances, or primary rights alleged in the Operative Complaint and PAGA Notice under California law that arise from the allegations as pled including claims for damages, reimbursement, restitution, losses, penalties, fines, liens, attorney's fees, costs, expenses, debts, interest, injunctive or declaratory relief, liquidated damages or similar relief. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

5.3 **Release by Aggrieved Employees**: All Aggrieved Employees shall be deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and any amendments thereto, the PAGA Notice, and ascertained in the course of the Action, including, any and all claims for PAGA penalties involving any alleged unpaid wages, including, but not limited to, failure to pay minimum wages; straight time compensation, overtime, double time compensation; failure to timely pay regular and final wages; failure to pay the proper rate of pay for overtime, meal and rest period premiums, vacation pay, and sick pay; failure to provide meal and rest periods or provide premium pay; failure to provide accurate itemized wage statements; failure to keep accurate records of wages paid and hours worked; failure to reimburse business expenses; late payment of final wages; and failure to issue accurately itemized wage statements. For the avoidance of confusion, Aggrieved Employees only release these claims for the duration of the PAGA Period.

6. MOTION FOR PRELIMINARY APPROVAL.

The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals.

6.1 **Defendant's Declaration in Support of Preliminary Approval**. Within 30 days of the full execution of this Agreement, Defendant and Defense Counsel shall prepare and deliver to Class Counsel a signed Declaration from Defendant and

Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest vis-à-vis the Administrator. In their Declaration(s), Defendant and Defense Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 **Plaintiff's Declaration in Support of Preliminary Approval.** Within 30 days of the full execution of this Agreement, Plaintiff will prepare and deliver to Class Counsel and Defense Counsel a signed Declaration from Plaintiff and Class Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator. In their Declarations, Class Counsel and Plaintiff shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.3 **Plaintiff's Responsibilities**. Plaintiff shall prepare and deliver to Defense Counsel any and all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the Notice, and the Supporting Memorandum, of the Motion for Preliminary Approval that includes an appropriate analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft Proposed Order Granting Preliminary Approval; (iii) a draft Proposed Class Notice; (iv) a signed Declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve, competency, and operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed Declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and the Administrator; (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (i.e., initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); (vii) a redlined version of the parties' Agreement showing any and all modifications made to the Model Agreement, ready for filing with the Court; and (viii) all facts relevant to any actual or potential conflict of interest between Class Members and the Administrator. In their Declarations, Plaintiff and Class Counsel shall also aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.4 **Responsibilities of Counsel**. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and appearing in Court to jointly advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

6.5 **Duty to Cooperate**. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, then Class Counsel and Defense Counsel shall expeditiously work together in good faith on behalf of the Parties in order to resolve any such disagreement. If the Court does not grant Preliminary Approval, or if it conditions Preliminary Approval on any material change to this Agreement, shall expeditiously work together in good faith on in order to appropriately modify the Agreement and/or otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

7.1 **Selection of Administrator**. The Parties have jointly selected Simpluris to serve as the Administrator in the Related Actions, and they have verified that, as a condition of its appointment to that role, Simpluris agrees to be bound by the relevant terms of this Agreement and also to perform (as a fiduciary) and any all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with Simpluris other than a purely professional relationship arising out of prior experience(s) with Simpluris administering other settlements.

7.2 **Employer Identification Number**. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.

7.3 **Qualified Settlement Fund**. The Administrator shall establish a settlement fund that satisfies all of the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

7.4 **Notice to Class Members**.

7.4.1 No later than three (3) business days after its receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and identify the number of Class Members, PAGA Members, Workweeks, and Pay Periods according to the Class Data in its possession.

7.4.2 Using best efforts to perform this work as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator wshall then send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, a copy of the Class Notice (with Spanish translation) substantially in the form attached to this Agreement as "**Exhibit A**." The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing these Class Notices, however, the Administrator shall first check and as appropriate update Class Member addresses using the National Change of Address database.

7.4.3 Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make any further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.4.4 The deadlines for timely submission of Class Members' written objections, Challenges to Workweeks and/or Pay Periods, and/or Requests for Exclusion will be extended an additional 14 days (beyond the 45 days otherwise provided in the Class Notice) for any and all Class Members whose notice is re-mailed. The Administrator will also inform any such Class Member of this extended deadline when the Class Notice is re-mailed, as provided above.

7.4.5 In the event that the Administrator, Defendant, and/or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in good faith in an effort to reach and agreement on whether to include any such individuals as Class Members. If the Parties agree, then such persons shall be deemed and treated as Class Members entitled to the same rights as other Class Members, and the Administrator shall send, via either email or overnight delivery as appropriate, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline identified in the Class Notice, whichever date is later.

7.5 Requests for Exclusion ("Opt-Outs").

7.5.1 Class Members who wish to exclude themselves ("opt-out" of) the Class Settlement must send the Administrator, either by fax, email, or mail, a signed written Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. In order to be deemed timely, a Request for Exclusion must be faxed, emailed, or postmarked by the Response Deadline.

7.5.2 The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and also reasonably ascertain the Class Member's desire to be excluded. The Administrator's determination in this regard shall be treated as final, and shall not be appealable or otherwise susceptible to challenge by the Parties. If the Administrator has reason to question the authenticity of any Request for Exclusion, then it shall lie within the Administrator's discretion to demand additional proof of the Class Member's identity. The Administrator's determination of authenticity in any such case shall also be treated as final and shall not appealable or otherwise susceptible to challenge by the Parties.

7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion shall be deemed to be a Participating Class Member under the terms of this Agreement, and as such they shall be entitled to all benefits and bound by all terms and conditions of this Settlement, including the Participating Class Members' Release and Aggrieved Employee Release (under Paragraphs 5.2 and 5.3 above), regardless of whether the Participating Class Member actually received the Class Notice or objected to the Settlement.

7.5.4 Every Class Member who does submit a valid and timely Request for Exclusion shall be deemed to be a Non-Participating Class Member under the terms of this Agreement, and as such they shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.6 **Challenges to Calculation of Workweeks**. Each Class Member shall have 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to them within the Class Notice. Each Class Member may challenge their individual allocation by communicating with the Administrator via either fax, email, or mail. In the event of any such communication, the Administrator shall have a responsibility to encourage the challenging Class Member to submit supporting documentation. In the absence of receipt of any such contrary documentation, however, the Administrator shall be entitled to presume that the Workweeks contained in the

Class Notice are in fact correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be treated as final and shall not be appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel, and also provide documentation establishing the Administrator's final determination with respect to any and all such challenges.

7.7 Objections to Settlement.

7.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement -- including contesting the fairness of the Settlement and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Class Representative Service Payment.

7.7.2 Participating Class Members may send written objections to the Administrator by either fax, email, or mail. In the alternative, Participating Class Members may also elect to appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 45 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

7.7.3 Non-Participating Class Members shall have no right to object to any of the class action components of the Settlement.

7.8 **Administrator Duties**. The Administrator has a duty to perform and/or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

7.8.1 **Email Address and Toll-Free Number**. The Administrator will maintain and monitor both an email address and a toll-free telephone number set up to to receive Class Member calls, faxes, and/or emails.

7.8.2 **Requests for Exclusion ("Opt-outs") and Exclusion List**. The Administrator will promptly review, on a rolling basis, any and all Requests for Exclusion that it receives in order to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; and (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

7.8.3 **Weekly Reports**. The Administrator shall, on a weekly basis, provide written reports to both Class Counsel and Defense Counsel that, among other things, tally the number of Class Notices mailed or re-mailed; Class Notices returned undelivered; Requests for Exclusion (whether valid or invalid) received; Objections received; Challenges to Workweeks and/or Pay Periods received and/or resolved; and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). These Weekly Reports must also include the Administrator's assessment of the validity of any and all Requests for Exclusion, as well as attach copies of any and all Requests for Exclusion and Objections received.

7.8.4 **Workweek and/or Pay Period Challenges**. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement with respect to any and all Class Member challenges regarding the calculation of Workweeks and/or Pay Periods. The Administrator's decision shall be deemed to be final and shall not be appealable or otherwise susceptible to challenge.

7.8.5 **Administrator's Declaration**. Not later than 14 days after the Response Deadline, the Administrator shall provide to both Class Counsel and Defense Counsel a signed Declaration (suitable for filing in Court) attesting to its due diligence and compliance with all of its obligations under this Agreement -- including, but not limited to, its mailing of the Class Notice; the total number of Class Notices returned as undelivered; the re-mailing of Class Notices as necessary and appropriate; reasonable attempts undertaken to locate Class Members; the total number of Requests for Exclusion from the Settlement that have been received (both valid or invalid); and the number of written Objections received. It shall also attach to this Declaration a full and complete Exclusion List. The Administrator also agrees to supplement its Declaration as needed or requested by the Parties and/or the Court. Class Counsel shall be responsible for filing the Administrator's declaration(s) in Court.

7.8.6 **Final Report by Settlement Administrator**. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator shall provide both Class Counsel and Defense Counsel with a final report detailing its disbursements -- *by employee identification number only* -- of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator shall prepare, and submit to both Class Counsel and Defense Counsel, a signed Declaration (suitable for filing in Court) attesting to its disbursement of all payments required under this Agreement. Class Counsel shall be responsible for filing the Administrator's declaration in Court.

8. CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE.

8.1 Based on its records, Defendant estimates that as of the date of this Settlement Agreement, (1) there are 169 Class Members and 12,583 Workweeks between December 14, 2017 and May 30, 2024; and (2) there were 357 Aggrieved Employees who worked 12,855 Pay Periods from January 15, 2021 through May 30, 2024.

8.2 The Gross Settlement Amount identified in this Agreement is based upon Solheim's representations of the total number of Workweeks between December 14, 2017 and May 30, 2024 and total number of Pay Periods between January 15, 2021 and May 30, 2024.

9. SOLHEIM'S RIGHT TO WITHDRAW.

If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% of the total of all Class Members, then *at its sole election* Defendant *may* -- but is not obligated to -- choose to withdraw from the Settlement. The Parties agree however, that if Solheim does withdraw pursuant to this Section, then this Settlement shall be void ab initio and have no force or effect whatsoever, and at that point neither Party shall have any further obligation to perform under the terms of this Agreement; provided, however, that Defendant shall remain responsible for paying all Settlement Administration Expenses incurred to that point. If it chooses to exercise this option, then Defendant must notify both Class Counsel and the Court of its election to withdraw not later than ten (10) days after the Administrator sends the final Exclusion List to Defense Counsel; any later elections made after that date shall be deemed to have no effect.

10. MOTION FOR FINAL APPROVAL.

Not later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiff shall file in Court a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l); a Proposed Final Approval Order; and a proposed Judgment (collectively, the "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Counsel for Defendant not later than seven (7) days prior to filing this Motion for Final Approval. Class Counsel and Counsel for Defendant shall expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

10.1 **Response to Objections**. Each Party retains the right to respond to any objection raised by a Participating Class Member as it deems necessary and appropriate, including the right to file responsive documents in Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

10.2 **Duty to Cooperate**. If the Court does not grant Final Approval, or if it conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Participating Class Members or Aggrieved Employees), then the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall *not* constitute a material modification to the Agreement within the meaning of this paragraph. *The Parties agree to stipulate to class certification for purposes of settlement only. If the Court does not grant either Preliminary or Final Approval of this Settlement, then this class certification stipulation shall be revoked without prejudice.*

10.3 **Continuing Jurisdiction of the Court**. The Parties agree that, after entry of Judgment, the Court shall retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of: (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

10.4 **Waiver of Right to Appeal**. Provided that the Judgment is consistent with the terms and conditions of this Agreement (specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement) the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement hereby agree to waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings (i.e., the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals). The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, then the Parties' obligations to perform under this Agreement shall be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

10.5 **Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment**. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Participating Class Members or Aggrieved Employees), then this Agreement shall be treated as null and void. In such an instance the Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of

Judgment -- sharing, on a 50-50 basis, any additional Administration Expenses that may be reasonably incurred following remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, so long as the Gross Settlement Amount remains unchanged.

11. AMENDED JUDGMENT.

If any amended judgment is required under Code of Civil Procedure section 384, then the Parties will work together in good faith to jointly submit and a proposed amended judgment.

12. ADDITIONAL PROVISIONS.

12.1 **No Admission of Liability, Class Certification, or Representative Manageability for Other Purposes**. This Agreement represents a compromise and settlement between the Parties concerning a set of highly-disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations of unlawful activity or behavior raised in the Related Actions have any merit whatsoever, or that Defendant bears any liability for any such claims asserted; nor should this Agreement be intended or construed as an admission by Plaintiff that Solheim's defenses in the Related Actions have any merit. *The Parties agree that class certification and representative treatment is appropriate only for purposes of effectuating this Settlement.* If for any reason the Court does grant Preliminary Approval, Final Approval, or enter Judgment, then Defendant expressly reserves the right to contest certification of any class for any reasons, and further reserves any and all available defenses to the claims in the Related Actions; likewise, in that case Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement, and the Parties' willingness to settle the Related Actions shall have no bearing on, and shall not be deemed to be admissible in connection with, any dispute or litigation whatsoever (except for proceedings to enforce or effectuate the terms of this Settlement and this Agreement).

12.2 **Confidentiality Prior to Preliminary Approval**. Plaintiff, Class Counsel, Defendant, and Counsel for Defendant all separately and jointly agree that until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate, and/or publicize, or cause or permit another person to disclose, disseminate, or publicize any of the terms of the Agreement either directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity, *except*: (1) to the Parties' attorneys, accountants, or spouses, in which case all of whom shall also be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each and every other Party of its receipt of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant, and Counsel for Defendant also jointly and separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph shall not be deemed to restrict Class Counsel's communications with Class Members in accordance with the legal and ethical obligations that it owes to Class Members, however.

12.3 **No Solicitation**. The Parties also jointly and separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or seek to appeal from the Judgment. This paragraph shall not be deemed to restrict Class Counsel's communications with Class Members in accordance with the legal and ethical obligations that it owes to Class Members, however.

12.4 **No Publicity**. Plaintiff and Plaintiff's Counsel shall not contact the media about this Settlement, or respond to any inquiries made by the media regarding the Settlement, other than to state that the matter was amicably settled and that the Court did not find Defendant liable. Plaintiff and Class Counsel also agree not post any information regarding the terms of this settlement on social media and/or their websites.

12.5 **Integrated Agreement**. Upon execution by all Parties and their counsel, this Agreement (together with its attached exhibits) shall constitute the entire agreement between the Parties regarding and relating to this Settlement, and as such it shall be deemed to fully supersede any and all oral or other written representations, warranties, covenants, or inducements previously made to or by any or either Party.

12.6 **Attorney Authorization**. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and by Defendant, respectively, to undertake all appropriate action required or permitted to be undertaken by such Parties pursuant to this Agreement in order to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

12.7 **Cooperation**. The Parties and their counsel agree to cooperate with each other in good faith and to use their best efforts to implement the terms of this Settlement by, among other things, modifying the Settlement Agreement and/or submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event that the Parties are unable to agree in good faith regarding the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties agree to seek out the assistance of a mediator and/or the Court for resolution.

12.8 **No Prior Assignments**. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

12.9 **No Tax Advice**. Neither Plaintiff, Class Counsel, Defendant, or Counsel for Defendant are providing or purporting to provide any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

12.10 **Modification of Agreement**. This Agreement, and all parts of it, may be amended, modified, changed, or waived *only* by an express written instrument that is signed by all Parties or their legal representatives and then approved by the Court.

12.11 **Agreement Binding on Successors**. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

12.12 **Applicable Law**. All terms and conditions of this Agreement and its exhibits shall be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

12.13 **Cooperation in Drafting**. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will *not* be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

12.14 **Confidentiality**. To the extent permitted by law, all agreements made and/or orders entered during the Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

12.15 **Use and Return of Class Data**. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.

12.16 **Headings**. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only, and shall not itself be deemed to constitute a part of this Agreement for interpretive purposes.

12.17 **Calendar Days**. Unless otherwise noted, all reference to "days" in this Agreement shall be understood to refer to calendar days. In the event that any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be understood to "roll over" to the first business day thereafter.

12.18 **Notice**. All notices, demands, or other communications between the Parties in connection with this Agreement shall be made in writing and shall be deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Zachary Crosner
zach@crosnerlegal.com
Jamie Serb
jamie@crosnerlegal.com
Sepideh Ardestani
sepideh@crosnerlegal.com
9440 Santa Monica Blvd., Suite 301
Beverly Hills, CA 90210

To Solheim:
Ryan H. Crosner, Esq.
ryan.crosner@ogletree.com
OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.
400 South Hope Street, Suite 1200
Los Angeles, CA 90071

Lyne A. Richardson, Esq.
lyne.richardson@ogletree.com
Adam C. Hackett, CA Bar No. 220679
adam.hackett@ogletree.com
OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.
19191 S. Vermont Avenue, Suite 950
Torrance, CA 90502

12.19 **Execution in Counterparts**. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts, and each of them, shall be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

12.20 **Stay of Litigation**. The Parties agree that upon the execution of this Agreement, the litigation shall be stayed indefinitely except to effectuate the terms of this Agreement, pursuant to CCP section 583.330 and 583.310.

Dated: ______________ ____

Plaintiff RHINA VILLEDA

Dated: ______________ ____

______________________________________ as a duly-authorized legal representative on behalf of Defendant SOLHEIM LUTHERAN HOME D/B/A SOLHEIM SENIOR COMMUNITY

Dated: ______________ **CROSNER LEGAL, PC**

____

Zachary Crosner, Esq.
Jamie Serb, Esq.
Sepideh Ardestani, Esq.
Attorneys for Plaintiff and the Class

Dated: ______________ **OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.**

____

Lyne A. Richardson
Ryan H. Crosner
Adam C. Hackett

Attorneys for Solheim

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

Rhina Villeda v. Solheim Lutheran Home d/b/a Solheim Senior Community, Los Angeles County Superior Court Case No. 21STCV45430 (the "Action")

The Superior Court for the State of California has authorized this Notice. Read it carefully!

This is not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

You may be eligible to receive money from an employee class action lawsuit ("Action") brought against Solheim Lutheran Home d/b/a Solheim Senior Community ("Solheim") for alleged wage and hour violations. This Action was filed by a former Solheim employee, Rhina Villeda ("Plaintiff"), and seeks (1) payment for unpaid minimum wages, unpaid overtime wages, meal and rest violations, unreimbursed business expenses, inaccurate wage statements, wages not timely paid upon separation of employment, liquidated damages and penalties for inaccurate wage statements for a class of current and former non-exempt employees who are not subject to Solheim's arbitration agreement ("Class Members") and employed by Solheim in California during the Class Period (December 14, 2017 through_________); and (2) penalties under the California Private Attorney General Act ("PAGA") for all current and former non-exempt employees ("Aggrieved Employees") who employed by Solheim during the PAGA Period (January 15, 2021 to ________) ("Aggrieved Employees").

The proposed Settlement has two main parts: (1) a Class Settlement requiring Solheim to fund Individual Class Payments, and (2) a PAGA Settlement requiring Solheim to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency ("LWDA").

Based on Solheim's business records and the Parties' current assumptions, your Individual Class Payment is estimated to be $________ (less withholding), and your Individual PAGA Payment is estimated to be $________. Please note that the actual amount you may receive likely will be different, and the scope of that difference will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Solheim's records you are not eligible for an Individual PAGA Payment under the Settlement because you didn't work during the PAGA Period.)

The above estimates are based on Solheim's business records which indicate that you worked ________ workweeks during the Class Period, and that you worked ________ pay periods during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval of the Settlement. Your legal rights are affected by whether you or not, and accordingly you should read this Notice carefully because you will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff, Plaintiff's attorneys ("Class Counsel"), and the Class and Aggrieved Employees. The Court will also decide whether to enter a judgment that requires Solheim to make payments under the Settlement, and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Solheim.

If you worked for Solheim during the Class Period and/or during the PAGA Period, then you have two basic options under the Settlement:

1. **Do Nothing**. You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Solheim.

2. **"Opt-Out" of the Class Settlement**. You can instead choose to exclude yourself from the Class Settlement ("opt-out") by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, please note that you will not receive an Individual Class Payment. You will, however, preserve your right to *personally* pursue Class Period wage claims against Solheim, and, if you are an Aggrieved Employee, you will remain eligible for an Individual PAGA Payment. (You cannot opt-out of the PAGA portion of the proposed Settlement.)

The decision is yours, and Solheim will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement. If you do nothing, you will be deemed to be a Participating Class Member and you will be eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to individually assert the wage claims against Solheim that are covered by this Settlement (Released Claims).

You Can "Opt-Out" of the Class Settlement but not the PAGA Settlement. The Opt-out Deadline is DATE . If you don't want to fully participate in the proposed Settlement, then you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, however, note that you will be a Non-Participating Class Member and you will no longer eligible to receive and Individual Class Payment. Non-Participating Class Members also cannot object to any portion of the proposed Settlement. See **Section 6** of this Notice.

You Cannot Opt-out of the PAGA Portion of the Proposed Settlement. Solheim *must* pay Individual PAGA Payments to all Aggrieved Employees, and the Aggrieved Employees *must* give up their rights to pursue Released Claims (defined below).

Participating Class Members Can Object to the Class Settlement, but not the PAGA Settlement. Written objections must be submitted by DATE. All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff. Other than the PAGA portion of this Settlement, you can object to any aspect of this Settlement if you think they are unreasonable. See **Section 7** of this Notice.

You Can Participate in the Final Approval Hearing. The Court's Final Approval Hearing is scheduled to take place on DATE at _____. You don't have to attend, but note that you do have the legal right to appear (or to hire an attorney to appear on your behalf *at your own cost*) either in person, by telephone, or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See **Section 8** of this Notice.

You Can Challenge the Calculation of Your Workweeks/Pay Periods. Written Challenges Must be Submitted by DATE. The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number of Workweeks and number of Pay Periods you worked according to Solheim's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by DATE. See **Section 4** of this Notice.

1. WHAT IS THE ACTION ABOUT?

The Plaintiff in this Action is a former Solheim employee. The Action accuses Solheim of violating California labor laws by failing to pay all minimum wages, overtime wages, premium wages in lieu of meal and rest periods, out-of-pocket business expense, timely payment of final wages, and failing to issue accurately itemized wage statements. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA"). Plaintiff is represented by attorneys ("Class Counsel") in the Action.

From the outset of the case, Solheim has strenuously denied, and still continues to deny, all of Plaintiff's claims and allegations. Defendant vigorously maintains that it has at all times properly paid its employees. Defendant further denies that this lawsuit is appropriate for class treatment for any purpose other than settlement. The Court has not ruled on either the merits of Plaintiff's claims or Defendant's defenses.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has not made any determination about whether Solheim violated any laws or whether Plaintiff is correct on the merits. Instead, Plaintiff and Solheim have hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an end to the case via mutual agreement (i.e., settling the case) rather than continuing the expensive and time-consuming process of litigating this dispute. Those negotiations were successful, and by signing a written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Solheim have now negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree that the proposed

Settlement is a compromise of disputed claims. By agreeing to settle, Solheim does not admit any violations or concede the merit of any claims brought against it by Plaintiff.

Plaintiff and Class Counsel strongly believe that this Settlement is a good deal for you as an individual Class Member and Aggrieved Employee, because they believe that: (1) Solheim has agreed to pay a fair, reasonable, and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court has also preliminarily approved the proposed Settlement as fair, reasonable, and adequate; authorized this Notice; and scheduled a hearing to determine whether to finally approve the Settlement.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

Solheim will pay $225,000.00 as the Gross Settlement Amount ("Gross Settlement"). Solheim has agreed to deposit the Gross Settlement into an account controlled by the neutral third-party organization that will act as the Administrator of the Settlement. This Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming that the Court grants Final Approval, Solheim will then fund the Gross Settlement not more than fourteen (14) days after the Judgment entered by the Court becomes final and following receipt from the Administrator of the amount owed for payroll taxes. The Judgment will become final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:

- Up to $75,000.00 (33.33% of the Gross Settlement) to Class Counsel for attorneys' fees and up to $10,000 for their litigation expenses. *To date, Class Counsel have worked and incurred expenses on the Action without receiving any payment.*
- Up to $2,500.00 as a Class Representative Service Payment for filing the Action, working with Class Counsel and representing the Class.
- Up to $7,000 to the Administrator for services administering the Settlement.
- Up to $25,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

Participating Class Members have the right to object to any of these deductions, and the Court will consider all such objections.

Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.

Taxes Owed on Payments to Class Members. Plaintiff and Solheim are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages ("Wage Portion") and 80% to penalties and interest ("Non-Wage Portion.). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Solheim will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiff and Solheim have agreed to these allocations, please note that neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You alone are responsible for paying any and all taxes (including penalties and interest on back taxes) on any payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of this proposed Settlement in your individual case.

Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the "void date"). If you don't cash it by the void date, then your check will be automatically cancelled, and the monies will instead be deposited with the California Controller's Unclaimed Property Fund in your name. If the payment represented by your check is sent to the Controller's Unclaimed Property Fund, you should consult the rules of the Fund for instructions on how to retrieve your money.

Requests for Exclusion from the Class Settlement ("Opt-Outs"). You will be treated as a Participating Class Member who is participating fully in the Settlement unless you specifically notify the Administrator in writing, not later than DATE, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the Response Deadline. The Request for Exclusion should be a letter from a you or your representative setting forth your name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Solheim.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Solheim based on the PAGA Period facts alleged in the Action.

The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and Solheim have agreed that, in either case, this Settlement will be void; that means that Solheim will not pay out any money, and Class Members will not release any claims against Solheim.

Administrator. The Court has appointed a neutral company, Simpluris (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for

Exclusion. The Administrator will also consider and issue final decisions regarding any Class Member Challenges over Workweeks and/or Aggrieved Employes' Challenges over Pay Periods; mail and re- mail settlement checks and tax forms; and perform other tasks necessary to administer the terms of the Settlement. The Administrator's contact information is contained in **Section 9** of this Notice.

Participating Class Members' Release. After the Judgment is final and after Solheim has fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Solheim for wages as alleged in the Action and resolved by this Settlement.

Participating Class Members will be bound by the following release. All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from any and all claims, causes of actions, demands, debts, obligations, penalties, damages or liability of any nature whatsoever, based on or arising out of the facts, circumstances, or primary rights that were alleged, or could reasonably have been alleged in the Operative Complaint, including but not limited to: (1) failure to pay wages (including but not limited to overtime pay, double time, minimum wage, regular wages, vacation pay, sick pay, and wages at the regular rate of pay); (2) failure to provide meal periods or pay meal period premiums at the regular rate of pay; (3) failure to authorize or permit rest periods or pay rest period premiums at the regular rate of pay; (4) failure to timely pay all wages during employment; (5) failure to pay all wages due to discharged or resigned employees, or other benefits; (6) failure to maintain required records; (7) failure to reimburse necessary expenditures; (8) claims for interest, penalties, or premiums in connection therewith; (9) claims for failure to comply with the employee itemized wage statement provision under California Labor Code section 226; (10) penalties for violations of the California Labor Code (this does not include PAGA penalties); (11) violation of California Business and Professions Code Section 17200, et seq.; and (12) all other claims under California common law, the California Labor Code, California Wage Orders, the California Business and Professions Code set forth in the Action including alleged violation of California Labor Code sections 201-204, 206, 218.6, 223, 226, 226.7, 510, 512, 1182.12, 1194, 1194.2, 1197, 1198, 2698 et seq., 2699, 2699.3, 2699.5, 2800, 2802, California Civil Code sections 1021.5, 3287, 3289, California Business and Professions Code sections 17000 and 17200 et. seq., the applicable Wage Orders issued by the Industrial Welfare Commission, or any other claim for any statutory or civil penalty that have been, or could have been, asserted based on the facts, circumstances, or primary rights alleged in the Action under California law that arise from the allegations as pled including claims for damages, reimbursement, restitution, losses, penalties, fines, liens, attorney's fees, costs, expenses, debts, interest, injunctive or declaratory relief, liquidated damages or similar relief. Except as set forth below as to the Aggrieved Employees' PAGA Release, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

Aggrieved Employees' PAGA Release. After the Court's judgment is final, and Solheim has paid the Gross Settlement and separately paid the employer-side payroll taxes, all Aggrieved Employees will be barred from asserting PAGA claims against Solheim, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Solheim based on the facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees' Releases for Participating and Non-Participating Class Members are as follows. All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and any amendments thereto, the PAGA Notice, and ascertained in the course of the Action, including, any and all claims for PAGA penalties involving any alleged unpaid wages, including, but not limited to, failure to pay minimum wages; straight time compensation, overtime, double time compensation; failure to timely pay regular and final wages; failure to pay the proper rate of pay for overtime, meal and rest period premiums, vacation pay, and sick pay; failure to provide meal and rest periods or provide premium pay; failure to provide accurate itemized wage statements; failure to keep accurate records of wages paid and hours worked; failure to reimburse business expenses; late payment of final wages; and failure to issue accurately itemized wage statements. Aggrieved Employees only release these claims for the duration of the PAGA Period.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and then (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.

Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing $6,250.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of Pay Periods worked by each individual Aggrieved Employee.

Workweek/Pay Period Challenges. The number of Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Solheim's business records, are stated in the first page of this Notice. You have until DATE to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. **Section 9** of this Notice has the Administrator's contact information.

You will need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Solheim's calculation of Workweeks and/or Pay Periods based on Solheim's records as accurate *unless* you send copies of records containing contrary information. You should send copies, rather than originals, because these documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Solheim's Counsel. Please note that the Administrator's decision is final, which means that you can't appeal or otherwise challenge its decision on this point.

5. HOW WILL I GET PAID?

Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.

Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Settlement (i.e., every Non-Participating Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. **Section 9** of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

In order to "opt-out" of this settlement, you must submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will then exclude you. Be sure to personally sign your request, identify the Action as *Rhina Villeda v. Solheim Lutheran Home*, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). *You must make the request yourself.* If someone else makes the request for you, it will not be deemed to be valid. You must also make your request to be excluded by no later than DATE, or it will not be deemed to be valid. **Section 9** of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Solheim are asking the Court to approve. At least 16 court days before the Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and includes (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Payment. Upon reasonable request, Class Counsel (whose contact information is in **Section 9** of this Notice) will also send you copies of these documents at no cost to you.

A Participating Class Member who disagrees with any aspect of the Agreement or the Motion for Final Approval may wish to object -- for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. The deadline for sending written objections to the Administrator is DATE. Be sure to tell the Administrator what you object to, why you are objecting, and any facts that you believe support your objection(s).

Make sure you identify the Action as *Rhina Villeda v. Solheim Lutheran Home*, and please make sure that you include your name, current address, telephone number, and approximate dates of employment with Solheim. You will also need to sign your objection. **Section** 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (*or personally retain a lawyer to object at your own cost*) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you are objecting, and any facts that you believe support your objection(s). See **Section 8** of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can -- but you don't have to -- attend the Final Approval Hearing on DATE at TIME in Department ________ of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At this Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from any and all Objectors, Class Counsel, and Defense Counsel before making a decision. If you want, you can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect (https://www.lacourt.org/lacc/. Check the Court's website for the most current information.

Please note that it's possible the Court might reschedule the Final Approval Hearing. You should check the Court's website beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

Final judgment will be provided on Simpluris' website. [INSERT WEBSITE].

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Solheim and Plaintiff have promised to do under the proposed Settlement. You can telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (http://www.lacourt.org/casesummary/ui/index.aspx) and entering the Case Number for the Action, Case No. 21STCV45430. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

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Settlement Administrator: Name of Company:

Email Address:

Mailing Address:

Telephone:

Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, then the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void, you should consult the Unclaimed Property Fund (https://www.sco.ca.gov/upd_msg.html) for instructions on how to retrieve the funds.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.