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RHINA VILLEDADA

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF LOS ANGELES

RHINA VILLEDADA, as an individual and on
behalf of all others similarly situated,

Plaintiff,

v.

SOLHEIM LUTHERAN HOME, a California
corporation; and DOES 1-100 inclusive,

Defendants.

CASE NO. 21STCV45430

Assigned for All Purposes to:
Hon. Lawrence P. Riff
Dept. SSC-7

**DECLARATION OF SEPIDEH
ARDESTANI IN SUPPORT OF MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION AND PAGA
SETTLEMENT**

Date: December 9, 2024
Time: 9:00 a.m.
Dept.: SSC-7

1 I, SEPIDEH ARDESTANI, declare as follows:

2 1. I am an attorney duly licensed to practice in California and before this Court, and I am
3 associated with Crosner Legal, PC, counsel of record for Plaintiff in the above-captioned matter.
4 If called to testify as to the facts within, I would and could competently do so.

5 2. **Settlement Agreement and Notice.** Attached hereto as **Exhibit 1** is a true and correct
6 copy of the Parties' Class Action and PAGA Settlement Agreement and Class Notice
7 ("Agreement"). Attached hereto as **Exhibit 2** is a true and correct redline copy of the Agreement
8 showing changes from the Court's model agreement. Attached hereto as **Exhibit 3** is a true and
9 correct copy of the Parties' Class Action Notice of Settlement to the Class members.

10 3. **LWDA PAGA Notice.** Attached hereto as **Exhibit 4** is a true and correct copy of the
11 November 29, 2021 PAGA letter to the LWDA and proof of submission.

12 4. **Complaint Uploaded to LWDA.** Attached hereto as **Exhibit 5** is a true and correct copy
13 of the proof of submission that the operative complaint was uploaded to the LWDA.

14 5. **Settlement Agreement Uploaded to LWDA.** Attached hereto as **Exhibit 6** is a true and
15 correct copy of the proof of submission that the Settlement Agreement was uploaded to the LWDA.

16 **CROSNER LEGAL'S EXPERIENCE**

17 6. I graduated from the University of California Los Angeles (UCLA) with a bachelor's
18 degree in science in Anthropology in 2004. I then attended Whittier Law School and earned my
19 Juris Doctorate in 2009. Thereafter, I graduated from Santa Clara University School of Law in
20 2010 with a masters in intellectual property law. I have been a member of the California Bar since
21 2010. Prior to joining Crosner Legal, P.C. I worked as a litigation attorney at Sirkin Law Group,
22 P.C. from 2010-2012 and worked as a senior attorney at Gaines & Gaines, APLC from 2012-2021
23 representing employees in wage and hour class action and Private Attorneys General Act
24 representative actions. I was selected by Super Lawyers as a "Southern California Rising Star"
25 from 2020-2022.

26 7. Zachary M. Crosner is a 2010 graduate of University of San Diego School of Law, and has
27 some 14 years of experience as a practicing attorney, all of which have focused on litigation of
28

employment, labor law, consumer, and class action claims. Following graduation, he immediately began working for a nationally recognized plaintiff's complex litigation firm, CaseyGerry, where he had the fortune of working directly with past presidents of the consumer attorneys and recipients of trial attorneys of the year awards. He also worked for former CAALA and CLAY trial attorney of the year recipient, attorney Conal Doyle, as his sole associate attorney. During his tenure at these firms, he focused on advocating for the rights of consumers and employees in class action litigation, civil rights and employment litigation, catastrophic injuries, insurance bad faith, and appellate litigation.

8. In 2013, Mr. Crosner founded the law firm of Crosner Legal, P.C., which since its inception has focused almost exclusively on wage and hour class actions and other labor and employment law cases representing plaintiffs. Currently, over ninety percent (90%) of the firm's practice is dedicated exclusively to the prosecution of wage and hour class actions, and the law firm is currently responsible as lead counsel or co-lead counsel for prosecuting well over fifty (50) wage and hour class actions and/or PAGA representative actions in both federal and state courts throughout California.

9. Mr. Crosner currently is an executive board member of the Wage and Hour Committee and the Legislative Committee for the California Employment Lawyers Association; a member of the Grassroots Advocacy Team for the National Employment Lawyers Association; Wage and Hour Committee member and Class Action Committee member for the National Trial Lawyers; a member of the American Association for Justice; and a member of the Pound Civil Justice Institute. He was selected by Super Lawyers as a “Southern California Rising Star” for employment and labor law for 2018-2020.

10. Jamie Serb is a partner with Crosner Legal and head of the firm's Wage and Hour Practice Group. She graduated from the University of California, San Diego in 2004 and graduated from California Western School of Law in 2013, and has been a member of the California Bar since 2013. She gained extensive experience in wage and hour litigation, beginning work as a class action attorney in 2015 at the Mara Law Firm, PC (previously Turley & Mara Law Firm, APLC;

Turley Law Firm, APLC). She joined Crosner Legal on January 4, 2021 as an associate attorney. She has handled wage and hour class actions and PAGA lawsuits for over eight years and has assisted in obtaining millions of dollars for employees during her years of practice.

11. Crosner Legal, P.C. has obtained several multi-million dollar wage and hour class action settlements while serving as lead class counsel in recent years, including but not limited to a \$1.9 million wage and hour class action settlement in 2015 (*Smith v. Lux Retail North America, Inc.*, Case No. 3:13-cv-01579-WHA (N.D. Cal.)); a \$4.1 million wage and hour class action settlement in 2016 (*Aguirre v. Mariani Nut Company, Inc. et al.*, Case No. 34- 2016-00190252 (Sacramento Cty. Super Ct.)); a \$1.35 million wage and hour class action settlement in 2017 (*Montelone v. Ocean Cities Pizza, Inc.*, Case No. 56-2014-00458249 (Ventura Cty. Super. Ct.)), a \$1.8 million wage and hour class action settlement in 2018 (*Latham v. K.W.P.H. Enterprises, Inc. dba American Ambulance*, Case No. 17C-0162 (Kings Cty. Super Ct.)), a \$1.3 million wage and hour class action settlement in 2019 (*Means, et al. v. AirGas USA, LLC*, Case No. 17-CV-2160 JGB (C.D. Cal.)), a \$1.5 million wage and hour settlement in 2020 (*Babouchian, et al. v. Wyndham Vacation Ownership, et al.*, Case No. CV18-14601 (San Diego Cty. Super. Ct.)), a \$1.15 million wage and hour class action settlement in 2020 (*Buford v. Medical Solutions LLC*, Case No. 4:18-CV-04864-YGR (N.D.Cal.)); a \$7.25 million wage and hour class action settlement in 2020 in *Avina, et al. v. First Alarm Security & Patrol, Inc.*, Case No. 18CV323753 (Santa Clara Cty. Super Ct.); a \$2.2 million wage and hour class action settlement in 2021 (*Ghorchian, et al. v. West Hills Hospital, et al.*, Case No. LS029737 (Los Angeles Cty. Super. Ct.)); a \$2.85 million dollar wage and hour settlement in 2021 (*Valencia v. The Original Mowbray's Tree Service, Inc.*, Case No. CIVDS1825518 (San Bernardino Cty. Super. Ct.)); a \$1 million wage and hour class action settlement in 2022 (*Duong v. Loan Factory, Inc.*, Case No. 21CV382467 (Santa Clara Cty. Super. Ct.)), a \$1.4 million wage and hour class action settlement in 2023 in *Correa, et al. v. FedEx Supply Chain, Inc.*, Case No. CIVDS2023369 (San Bernardino Cty. Super. Ct.)), a \$2.38 million wage and hour class action settlement in 2023 in *Michel, et al. v. Valley Thrift Store, Inc.*, Case No. 21STCV00925 (Los Angeles Cty. Super. Ct.); a \$2.5 million wage and hour class action

1 settlement in 2023 in *Jajuga v. Pilot Travel Centers*, Case No. CIVDS1931464 (San Bernardino
2 Cty. Super. Ct.); \$1.015 million wage and hour class action settlement in 2023 in *Gotishan v. Kyo*
3 *Autism Therapy*, Case No. CGC-21-596378 (San Francisco Cty. Super. Ct); and a \$1.15 million
4 wage and hour PAGA settlement in 2023 in *Vaughn v. Public Health Foundation Enters., Inc.*,
5 Case No. 21STCV18512 (Los Angeles Cty. Super. Ct.); a \$1.5 million wage and hour class action
6 settlement in *McKinnie v. Iron Mountain*, Case No. 21STCV05707 (Los Angeles Cty. Super.
7 Court); a \$1.3 million wage and hour class action settlement in *Ellsworth, et al. v. Hallcon*, Case
8 No. 20STCV06618 (Los Angeles Cty. Super. Court); a \$1.925 million wage and hour class
9 settlement in 224 in *Lo v. Cyberpower, Inc.*, Case No. 21STCV31479 (Los Angeles Cty. Super.
10 Ct); and a \$1.19 million dollar wage and hour class action settlement in 2024 in *Herrera v.*
11 *Signature Flight Support LLC*, Case No. 22STCV18367 (Los Angeles Cty. Super. Ct.).

12 **BACKGROUND/LITIGATION HISTORY**

13 12. Defendant Solheim is a senior facility in Eagle Rock, California, that provides
14 residential living, assisted living, memory care, skilled nursing and rehabilitation services to its
15 clients. Plaintiff Villeda worked for Defendant from 1994 through January 2021 as a non-exempt
16 Certified Nursing Assistant. Her duties included providing physical support to clients in performing
17 daily living activities, including rising out of bed, bathing, dressing, toileting, walking or exercising,
18 and social actions. Due to the physically demanding nature of her position, Plaintiff slowly became
19 unable to perform her duties due to the pain and injuries she suffered throughout the years of her
20 employment and filed a worker's compensation claim. After her doctor ordered that she perform light
21 duties only, per Plaintiff Solheim claimed it was unable to accommodate her work restrictions, which
22 Plaintiff contends was wrongful.

13. During her employment and during the class period, Plaintiff contends she lost compensable time while waiting in line to clock in/out for her shifts and lunch breaks, and also that Defendant failed to pay overtime at the correct rate because it did not properly calculate the employees' "regular rate of pay" used to determine the overtime rate. Plaintiff further alleges she and other class members frequently were denied the opportunity to take compliant meal and rest periods due to the nature of the work, and breaks regularly were late, shortened or interrupted. Per Plaintiff, Defendant rarely paid any premiums for these missed/non-compliant breaks. Finally, Plaintiff alleges she and the class members had to use their personal phones on company business, such as communicating with supervisors, and never received any reimbursement.

14. Based on these allegations, on December 14, 2021, Plaintiff filed a class action complaint against Defendant. On May 9, 2022, after notice to the LWDA and Defendant and exhausting administrative remedies, Plaintiff filed a First Amended Complaint (the “Operative Complaint”), alleging a cause of action against Solheim pursuant to the Private Attorneys General Act (“PAGA”). The Operative Complaint alleges claims for failure to pay wages, including overtime wages, meal and rest break violations, inaccurate wage statements, waiting time penalties, failure to reimburse expenses, and unfair competition. (Agreement, § 2.1.)

15. In July 2024, the Parties participated in mediation with Henry Bongiovi, Esq., a respected wage and hour class action mediator. The mediation lasted a full day and with the mediator's assistance the Parties reached agreement on all major issues and ultimately prepared and executed the Agreement now before the Court for approval.

INVESTIGATION

16. Prior to the mediation, the Parties engaged in written discovery and, after agreeing to mediation, engaged in further informal discovery. As a result, Defendant provided Plaintiff with extensive informal discovery, including Plaintiff's personnel, time, and payroll records, time and payroll records for a randomly selected sampling of 75% of the Class Members (which Plaintiff's expert suggested was statistically reliable), wage statement exemplars, Defendant's

employee handbooks, including Defendant's policies and procedures regarding the payment of wages, the provision of meal and rest breaks, timekeeping policies (including recording hours), issuance of wage statements, and termination wages, as well as information regarding the number of putative Class Members who are current and former employees, the number of Aggrieved Employees, the number of workweeks throughout the Class Period, and the number of pay periods throughout the PAGA Period. From this information, Plaintiff was able to analyze Defendant's liability for the claims asserted in this case and, with the assistance of Plaintiff's experts at Berger Consulting Group, the potential exposure and damages.

17. Based on this informal discovery, Plaintiff contends the Class Members were not paid all wages due, not provided with legally compliant meal and rest periods, did not receive compliant wage statements, did not receive required expense reimbursement, and did not receive all wages due on separation of employment. In considering the reasonableness of the proposed settlement, Plaintiff considered each of Defendant's counterarguments, which sharply contested Plaintiff's claims. Plaintiff and counsel weighed the strength of Defendant's arguments, including the risks of prevailing at class certification and on the merits, Defendant's financial condition, and determined that the proposed settlement is in the best interests of the Class. Although remaining confident in the strength of her claims, these factors led Plaintiff to discount the exposure analysis, as discussed below.

TERMS OF THE PROPOSED SETTLEMENT

1 18. The Parties have agreed (subject to the Court’s approval) to resolve this matter for
2 the non-reversionary total sum of \$225,000.00 (“Gross Settlement Amount” or “GSA”)
3 (Agreement, § 3.1.) The GSA includes: (a) reasonable attorney’s fees of up to \$75,000.00
4 (33.33% of the GSA) to compensate Class Counsel for work already performed and all work
5 remaining to be performed (Agreement, § 3.2.2.); (b) actual litigation expenses as documented
6 and not to exceed \$10,000.00 (Agreement, § 3.2.2.); (c) an Enhancement Award to Plaintiff in an
7 amount not to exceed \$2,500.00 (Agreement, § 3.2.1.); (d) Administration Costs to Simpluris,
8 Inc. (the proposed settlement administrator) in an amount not to exceed \$7,000 (Agreement, §
9 3.2.3.); and (e) PAGA penalties to the LWDA of \$18,750.00 (which is 75% of the \$25,000.00
10 PAGA Payment, with the remaining 25% or \$6,250.00 to Aggrieved Employees) (Agreement, §
11 3.2.5.). Defendant will pay all applicable employer-side payroll taxes separate and apart from the
12 GSA. (Agreement, § 3.1.)

13 19. After all Court-approved deductions from the GSA, it is estimated that at least
14 \$100,500 (“Net Settlement Amount” or “NSA”), less any applicable employee-side taxes, will be
15 distributed to the estimated 169 Class Members, with an average individual settlement amount of
16 around \$595. Additionally, it is estimated that the 25% PAGA Payment (\$6,250.00) will be
17 distributed to the estimated 357 Aggrieved Employees, resulting in an average payment of about
18 \$17.50 per Aggrieved Employee. (Ardestani Decl., ¶ 19.) Under no circumstances will any
19 portion of the Settlement revert to Defendant. (Agreement, § 3.1.)

20 20. Simpluris will calculate and issue Individual Class Payments to Participating
21 Class Members by “(a) dividing the Net Settlement Amount by the total number of Workweeks
22 worked by all Participating Class Members during the Class Period and (b) multiplying the result
23 by each Participating Class Member’s Workweeks.” (Agreement, § 3.2.4.) Additionally,
24 Simpluris will calculate and issue payments to Aggrieved Employees based (a) dividing the
25 amount of the Aggrieved Employees’ 25% share of PAGA Penalties (\$6,250) by the total
26 number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA
27 Period and (b) multiplying the result by each Aggrieved Employee’s PAGA Period Pay Periods.”

(Agreement, § 3.2.5.1.) Each Class Member's class settlement award will be apportioned as 20% wages and 80% percent statutory penalties and interest, while the PAGA awards are allocated 100% to penalties. (Agreement, § 3.2.4.) Simpluris will be responsible for issuing Forms W-2 and 1099 for the portions allocated to wages and penalties/interest. (Agreement, §§ 3.2.4.1 and 3.2.5.2.)

21. Settlement checks must be cashed or deposited within 180 days after issuance. (Agreement, § 4.4.1.) In the event a settlement check remains uncashed, such uncashed funds shall be transmitted to the California State Controller's Unclaimed Property Fund. (Agreement, § 4.4.3.)

22. Within 30 calendar days after entry of the Preliminary Approval Order, Defendant will provide Simpluris with the Class Data, which Simpluris will maintain as private and confidential. (Agreement, § 4.2.)

23. Prior to mailing, Simpluris will perform a search for updated addresses in the National Change of Address database, and will use the NCOA database and skip traces to attempt to find current addresses for any Notice returned as undeliverable. (Agreement, 7 8.4.2-3.) If Simpluris is unable to obtain a better address for a Class Member, it will be under no obligation to make further attempts to locate or notice the Class Member. (Agreement, § 7.4.3.) Within 14 days after receipt of the Class Data, Simpluris will mail the Notice to all Class Members via First-Class mail. (Agreement, §§ 4.4 and 7.4.2.)

24. The contents of the Notice are consistent with the terms of the Agreement and California Rule of Court 3.769. The Notice informs Class Members how and when to request exclusion from or object to the settlement and of their estimated payment amount which they will automatically receive a settlement payment if they do nothing.

25. Class Members will have 45 days from the initial mailing of the Notice to respond to the settlement by submitting a challenge to the number of weeks or pay periods attributed to them, objecting, or requesting exclusion. (Agreement, § 1.46.) Class Members can also request for exclusion from the settlement by mailing or faxing a written request, including his or her

1 name, address, phone number or email address, last four digits of their Social Security Number
2 or Employment Authorization number, and a statement demonstrating his or her intent to opt out
3 of the settlement. (Agreement, § 7.5.) The Notice also informs the Class Members/Aggrieved
4 Employees that they can dispute the number of workweeks/pay periods used to calculate their
5 settlement payments by contacting Simpluris before the Response Deadline and providing
6 documentation to support their dispute. Simpluris will investigate the dispute, request additional
7 information from Defendant, and make a final decision as to the number of eligible work
8 weeks/pay periods. (Agreement, § 7.6.). Finally, Class Members can object to the settlement in
9 writing via mail or fax by submitting a document with their name, the words “Notice of
10 Objection” or “Formal Objection” and the arguments supporting their objection, or they may be
11 heard at the Final Approval Hearing. (Agreement, § 7.7.)

12 26. Defendant will fund the settlement the full GSA, plus all amounts needed to pay
13 employer-side payroll taxes, within 14 days of the Effective Date. The Settlement Administrator
14 will disburse all payments required under this Settlement within 14 days of receipt of the
15 settlement funds. (Agreement, § 4.3.)

16 28. Upon final approval, Participating Class Members shall forever release the
17 Released Parties for the Released Claims for the Class Period, including all claims pleaded in the
18 Operative Complaint, and which could reasonably have been alleged, based on the Class Period
19 facts, allegations, and/or claims stated in the Operative Complaint, for work performed during
20 the Class Period, and as specifically detailed in Sections 5 of the Agreement. (Agreement, § 5.2).
21 Additionally, the Aggrieved Employees will the Released Parties from all claims for PAGA
22 penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period
23 facts stated in the Operative Complaint, and PAGA Notice, and as more specifically detailed in
24 Section 5.3 of the Agreement.

25 **The Class Representative Service Award Is Justified**

26 29. The requested service award is reasonable in light of the benefits Plaintiff
27 conferred upon the entire Class, resulting in a benefit to all Class Members and the State of

1 California, the time spent assisting counsel with the investigation and prosecution of these
2 claims, commitment to responding to discovery, and consenting to the proposed Agreement.
3 Furthermore, by attaching her name to this lawsuit, Plaintiff also took on the reputational risk
4 that future employers would learn of her participation in this case and would unfairly associate
5 them with costly litigation, costing her future employment opportunities. Any future employer
6 could easily perform a simple Google search – an unauthorized simple background check
7 unknown to Plaintiff that can still provide a plethora of information – and conclude that Plaintiff
8 is not worth the risk of hiring given her prior involvement in a lawsuit against a former
9 employer. This is the kind of reputational risk, borne only by Plaintiff, that the incentive award is
10 meant to compensate. Furthermore, in pursuing this action on behalf of the Class, Plaintiff risked
11 a judgment against her for attorney’s fees and costs in the event this matter should Solheim
12 prevail. For these reasons, at final approval, Plaintiff will request the Court award an
13 enhancement payment in an amount that does not exceed \$2,500.

14 **The Settlement is Fair and Reasonable Based on the Strengths of Plaintiff’s Case and the**
15 **Risks and Costs of Further Litigation**

16 30. The proposed settlement was reached as a result of arm’s-length negotiations
17 facilitated by a respected mediator. Though cordial and professional, the settlement negotiations
18 have been, at all times, adversarial and non-collusive. Following mediation, counsel for the
19 Parties conducted further extensive and arm’s length negotiations on the settlement terms
20 memorialized in the Agreement.

21 31. While Plaintiff believes in the merits of her case, she also recognizes the inherent
22 risks of litigation and understand the benefit of Class Members receiving significant settlement
23 funds immediately as opposed to risking continued litigation in achieving class certification, the
24 merits of the case before and after trial, the damages awarded and/or an appeal that can take
25 several more years to litigate.

1 32. The Parties thoroughly investigated and evaluated the strengths and weaknesses
2 of their factual and legal arguments before reaching the proposed settlement, and engaged in
3 sufficient investigation, research and discovery to support the settlement. The proposed
4 settlement was only possible following significant analysis and evaluation of Defendant's
5 relevant policies and procedures, as well as the data it produced for the putative Class.

6 33. The proposed settlement was only possible following significant analysis and
7 evaluation of Defendant's relevant policies and procedures, as well as the data that Defendant
8 produced for the Class. This permitted Plaintiff's Counsel to engage in a comprehensive analysis
9 of liability and potential damages. The discovery conducted resulted in Plaintiff's central
10 theories of liability, which are based on Plaintiff's claims that Defendant failed to pay all wages
11 due, failed to provide compliant meal and rest periods, failed to reimburse expenses, failed to
12 provide accurate, itemized wage statements and failed to pay all wages due on separation of
13 employment As explained above, Defendant maintains that the discovery produced demonstrates
14 it likely would prevail on both class certification and the merits.

15 34. Plaintiff believes this case is suitable for certification as she contends there are
16 company-wide policies that violate California law and uniformly affect the Class Members.
17 Defendant's counterarguments, however, raise uncertainties with respect to both class
18 certification and success on the merits. While remaining confident in the strengths of her claims,
19 all of these factors led Plaintiff to discount the following maximum potential damage claims.

20 35. Defendant provided Plaintiff with class-wide data from which Plaintiff's Counsel
21 extrapolated a damage analysis in preparation of mediation. For purposes of the mediation, there
22 were a total of 169 Class Members who worked approximately 12,583 work weeks, and 357
23 Aggrieved Employees and 12,855 pay periods, through May 30, 2024.

24 36. First, Plaintiff contends she and class members were not paid for time spent waiting
25 in line to clock in and out for shifts and as meal periods. As the California Supreme Court has held,
26 time spent by employees waiting in line for and undergoing exit searches was time subject to
27 employer control and therefore compensable. Plaintiff contends the time she spent waiting for the

time clock likewise was subject to Solheim's control and she estimates that she was not paid for about an hour per week while waiting to clock in/out. On the other hand, Solheim argued its time keeping policies fully complied with California law and that it accurately recorded and paid for all hours worked by the class members. Solheim further argued (a) there were ample time clocks available and (b) there would not be more than a handful of employees clocking in/out at the same time, such that there would be no need to wait longer than a few seconds to use a time clock. Without taking into account any of Solheim's defenses, Plaintiff estimated about **\$166,725** in unpaid minimum wages. (12,583 weeks * 1 hour/week * \$13.25/avg. minimum wage = \$166,725)

37. Plaintiff also contends Solheim underpaid employees for their overtime because it didn't correctly calculate the "regular rate of pay" and failed to include certain forms of non-discretionary compensation, such as shift differentials and bonuses, in the calculation as required under law. While Plaintiff believes this is one of her stronger claims, she also notes the issues occurs only in about 15% of pay periods and the amount of underpaid overtime typically is modest and amounts to only a few dollars per pay period. Here, Plaintiff's experts estimated the damages at about **\$46,000**.

38. Plaintiff also alleges Defendant failed to provide legally compliant meal and rest breaks. Specifically, as to meal breaks, Plaintiff contends numerous violations where Defendant's time records show breaks were untimely, short, not taken at all, or subject to an "auto deduct" policy that recorded a 30 minute break regardless of actual time records. Thus, per Plaintiff, regardless of whether Solheim had a compliant written policy, its records suggest numerous "de facto" violations, and Plaintiff's expert's analysis suggested around 65% of shifts reflected a unique meal violation. Further, Plaintiff's analysis showed only a small percentage of violations were compensated with the required extra hour of pay.

39. Plaintiff also contends Solheim failed to provide duty-free rest periods to class members by instructing them to stay on Defendant's premises during their rest periods to help assist patients if needed, thus resulting in on-duty rest periods which must be compensated by

1 Defendant. In addition to being restricted to Defendant's premises during rest breaks, Plaintiff
2 also alleges rest breaks frequently were cut short and/or interrupted by work and did not last a
3 net 10 minutes.

4 40. Defendant denies Plaintiff's contentions, claiming it made meal and rest breaks
5 available to Class Members in compliance with California law. Defendant contends its meal and
6 rest break policies are lawful and that Class Members were frequently reminded they were
7 required to take all meal and rest breaks. Defendant also contends that time records demonstrate
8 that Class Members took duty-free, timely meal and rest breaks. Defendant also contends its
9 meal and rest break policies and practices comported with the flexibility the *Brinker* court held
10 was integral to California's meal and rest period requirements. Finally, Defendant argues that
11 Plaintiff's meal and rest break claims are not susceptible to common proof, as the claims would
12 require individualized inquiry, including whether there was an unlawful companywide policy,
13 whether employees had the opportunity to take meal and rest periods, whether they voluntarily
14 chose to forego their meal and rest periods, and whether Defendant ever prevented them from
15 taking meal and rest periods. Accordingly, Defendant contends these claims are vulnerable to a
16 ruling that class treatment is not appropriate. Without taking into consideration any of
17 Defendant's defenses to certification or on the merits, Plaintiff estimates Solheim faces around
18 **\$672,730** in damages for meal period violations (50,860 eligible shifts * 65% violation rate *
19 \$21.88/hour avg. rate = \$723,330 minus \$50,600 paid premiums). On the rest period claims,
20 Plaintiff estimates around **\$591,930** in damages, again assuming a 50% violation rate (54,107
21 shifts * 50% violation rate * \$21.88/hour avg. rate = \$591,930)

22 41. For the expense reimbursement claim, Plaintiff alleged Defendant failed to
23 reimburse necessary business expenses for use of personal cell phones, as supervisors would
24 contact Plaintiff and other employees on their personal phones both at and away from work.
25 Defendant countered there typically would be no need for employees to communicate via phone
26 or text while performing their job duties, or for them to otherwise use their personal phones for
27 any reason. Per Defendant, to the extent Plaintiff or other employees used their individual

phones for work purposes, it was done purely for personal convenience and was neither required nor necessary in order to perform their job duties. Thus, per Defendant, no reimbursement was required. Without taking into consideration any of Defendant's defenses to certification or on the merits, Plaintiff estimates Solheim faces around **\$62,915** in damages assuming \$5/week in reimbursement (12,583 weeks * \$5/week = \$62,915).

42. As a result of the above alleged violations, Plaintiff also derivatively alleges that Solheim's wage statements violated Section 226 and further that Solheim failed to timely pay all wages that were due and owing upon separation of employment. Thus, should the primary claims fail, Plaintiff's claim for inaccurate wage statements and waiting time penalties would also fail. Defendant also contends it would not be liable for waiting time penalties because a "good faith dispute" exists over the payment of past wages. Further, Defendant contends Plaintiff would have to prove Defendant "willfully" failed to pay Class Members appropriate wages due upon separation of employment. Without taking into consideration any of Defendant's defenses to certification or on the merits, Plaintiff calculated Defendant's maximum exposure for statutory penalties for inaccurate wage statements at **\$287,450** (73 initial violations * \$50 + 2,838 subsequent violations * \$100/violation = \$287,450), and exposure for waiting time penalties at about **\$245,520** based on 50 former employees during the limitations period (50 * (240 * \$20.46/hour) = \$245,520).

43. As far as potential PAGA liability, the theoretical civil penalties likely are around \$5.8 million should Plaintiff prevail on all claims and establish violations of the multiple Labor Code sections at issue. As with the class claims, Plaintiff discounted the potential PAGA penalties based on Defendant's various defenses on the merits and also accounted for the Court's wide discretion to reduce such penalties, or to decline to award penalties at all. Accordingly, the Parties allocated \$25,000 to PAGA penalties. (Agreement, § 3.2.5.)

44. Plaintiff submits this amount is reasonable under the circumstances and in line with comparable settlements in other wage and hour class actions in California. Additionally, the

1 LWDA has been informed of the terms of the PAGA portion of the settlement, and will be able
2 to weigh in as necessary.

3 45. Thus, Plaintiff and her counsel discounted the value of the class claims consistent
4 with the risks discussed above, and carefully weighed the likelihood of the class receiving
5 substantially greater benefit if the litigation continued. Plaintiff and counsel concluded – in light
6 of these very real and substantial risks, including the risk of any judgment being uncollectible –
7 settlement on the proposed terms and without prolonged and costly litigation was in the best
8 interests of the class. The overall \$225,000 recovery represents a significant percentage of
9 Defendant’s potential exposure. Given Defendant’s multi-layered defenses and all other potential
10 risks of continued litigation, a total recovery for the class of \$225,000, which will result in
11 average award of at least \$595 per class member, plus additional sums under PAGA, is a
12 significant result well within the range of reasonableness considering all potential outcomes, and
13 it will provide direct awards to all Class Members without further delay.

14 **Provisional Class Certification Should be Granted**

15 46. First, the class is both sufficiently numerous, consisting of approximately 167
16 individuals, and ascertainable by reference to Defendant’s personnel and payroll records. Thus,
17 the ascertainability requirement is met.

18 47. Plaintiff’s claims are typical of the Class Members’ claims because they arise
19 from the same factual basis and are based on the same legal theories applicable to the Class
20 Members. Plaintiff further contends Defendant’s policies applied to all Class Members and each
21 Class Member is challenging the same policies and practices. As such, the typicality requirement
22 is satisfied for purposes of settlement.

23 48. Plaintiff has been and will continue to be committed to vigorously prosecuting
24 this case, and she has no conflicts of interest with the Class. Plaintiff has been and will continue
25 to be committed to vigorously prosecuting this case, and he has no conflicts of interest with the
26 Class. In this regard, the settlement of her individual wrongful termination and failure to
27 accommodate claim is not an obstacle to her ability to serve as class representative for several

1 reasons. First, her independent claim in no way impacted negotiation of the final class
2 settlement, which was achieved with a mediator’s assistance that took into account Plaintiff’s
3 individual claims – in other words, the settlement amount represents a professional neutral’s
4 independent evaluation of the value of the case. Further, Plaintiff is seeking an enhancement
5 award substantially less than is typical in this kind of case in recognition of the fact she is
6 receiving additional monies for her individual claims, and is waiving her right to receive a pro
7 rata share of the class settlement proceeds. Thus, Plaintiff has in no way placed her own
8 interests ahead of the class members’ interests, nor has she acted for own personal benefit. She
9 simply has received fair value for her separate employment tort claims in addition to securing a
10 positive result for the absent class members. For these reasons, Plaintiff contends she is an
11 adequate class representative.

12 49. Common questions of law and fact predominate – particularly for purposes of a
13 settlement class – as the Class Members all were subject to the same meal and rest break policies
14 and alleged “de facto” policies resulting in meal period violations, and similarly subject to the
15 same failure to correctly calculate the regular rate of pay. Since the focus of the claims against
16 Defendant concerns the legality of common policies applied uniformly to the entire class,
17 common issues predominate over individualized inquiries concerning liability. For instance,
18 whether Solheim paid overtime at the correct rate and/or correctly calculated the “regular rate of
19 pay” is company-wide policy applied equally and consistently to all class members, and this
20 policy is either compliant with California law or it is not. Regardless of that determination, it
21 will decide liability for all class members one way or another.

22 50. Resolving this matter as a class action is superior to other available means for the
23 fair and efficient adjudication of this controversy for multiple reasons, including inter alia: (a)
24 individual joinder of all members of the class is impractical, (b) class action treatment will
25 permit a large number of similarly situated persons to resolve their common claims in a single
26 forum simultaneously, efficiently, and without unnecessary duplication of effort and expense;
27 and (c) the damages suffered by many of the individual class members are relatively small and
28

1 the expenses and burden of individual litigation would make it difficult or impossible for them to
2 seek redress on their own.

3 **Simpluris Should be Appointed as the Settlement Administrator**

4 51. The Parties agreed to use Simpluris, Inc. as the Settlement Administrator in this
5 matter. (Agreement, §§ 1.2 and 8.1.) Simpluris is highly qualified and experienced as a
6 settlement administrator, committed to the security of data, carries insurance for the theft of
7 money or data, and has no relationship with my office outside of previously serving as a
8 settlement administrator.

9 52. For the foregoing reasons, it is respectfully requested that the Court preliminarily
10 approve the settlement in its entirety.

11 I declare under penalty of perjury under the laws of the State of California that the
12 foregoing is true and correct. Executed on November 18, 2024, at Los Angeles, California.

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15 Sepideh Ardestani
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EXHIBIT

1

CONFIDENTIAL
INDIVIDUAL SETTLEMENT AGREEMENT AND GENERAL RELEASE

This Individual Settlement Agreement and General Release (“Agreement”) is entered into by and between Plaintiff RHINA VILLEDA (“Plaintiff”), on the one hand, and Defendant SOLHEIM LUTHERAN HOME D/B/A SOLHEIM SENIOR COMMUNITY (“Solheim” or “Defendant”), on the other hand. Plaintiff and Solheim are referred to collectively as the “Parties” and individually as a “Party”.

RECITALS

WHEREAS, on December 14, 2021, Plaintiff filed a Class Action Complaint in the Los Angeles County Superior Court (Case No. 21STCV45430) against Solheim for the following causes of action: (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 (collectively, the “Class Action”); and

WHEREAS, on May 9, 2022, Plaintiff filed a First Amended Complaint, adding a claim pursuant to the Private Attorneys General Act of 2004 (Labor Code sections 2699 et. seq.) (the “PAGA Cause of Action”); and

WHEREAS, pursuant to this Agreement, Defendant and Plaintiff now seek to resolve any and all individual claims alleged in the Class Action and pursuant to the PAGA Cause of Action against Defendant as of the Effective Date of this Agreement (the “Individual Claims in the Lawsuit”); and

WHEREAS, the Parties agree that the PAGA Cause of Action brought by Plaintiff *on behalf of* aggrieved employees and that the claims in the Class Action brought by Plaintiff *on behalf of* the putative class members outside of Plaintiff (the “Class Claims”) are not subject to this Agreement, and are instead subject to a separate written settlement agreement that the Parties are separately negotiating and memorializing; and

WHEREAS, Solheim denies all claims and allegations asserted by Plaintiff and denies it engaged in any wrongdoing whatsoever against Plaintiff; and

WHEREAS, the Parties accordingly agree that they enter into this Agreement without any admission of guilt or wrongdoing on the part of the Solheim or any current or former employees or agents of Solheim; and

WHEREAS, the Parties now wish to fully and finally resolve Plaintiff’s Individual Claims in the Lawsuit and enter into a general release in accordance with the terms, covenants, and conditions of this Agreement to avoid the uncertainty, time, and expense of litigation, and accordingly do hereby agree that the terms and release contained herein represent the full and final resolution of any and all Individual Claims in the Lawsuit;

NOW, THEREFORE, in consideration of these promises and the terms and conditions contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

1. Terms of Settlement

In exchange for the resolution of Plaintiff's Individual Claims in the Lawsuit; Plaintiff's resignation from her employment at Solheim; the releases and provisions set forth herein; and delivery of counterpart of this Agreement duly signed by Plaintiff, Solheim hereby agrees to pay Plaintiff the sum of Twenty-Five Thousand Dollars and No Cents (\$25,000.00) (the "Settlement Payment"), which encompasses claimed and disputed claims, wages, damages, attorneys' fees, and costs. This Settlement Payment shall be fulfilled by three (3) separate checks, as follows:

- (1) One check in the amount of Ten Thousand Hundred Dollars and Zero Cents (\$10,000.00) made payable to "Crosner Legal, P.C." This check shall be mailed to Crosner Legal, P.C., 9440 Santa Monica Blvd., Suite 301, Beverly Hills, CA 90210. The amount shall be 1099 reported to "Crosner Legal, P.C." and included in the 1099-misc report to Plaintiff for the section 1.(b) sum.
- (2) One check in the amount of Five Hundred Dollars and Zero Cents (\$500.00) made payable to "Rhina Villeda," for disputed lost wages for which Defendant shall also issue an IRS Form W-2. This check shall be mailed to Rhina Villeda, 17381 Orange Way, Fontana, CA 92335.
- (3) One check in the amount of Fourteen Thousand Five Hundred Dollars and Zero Cents (\$14,500.00) made payable to "Rhina Villeda" for non-wage damages, penalties and interest for which an IRS Form 1099 shall be issued. This check shall be mailed to Rhina Villeda, 17381 Orange Way, Fontana, CA 92335.

Plaintiff acknowledges and agrees to pay -- *and to be fully and solely responsible for* -- all State, local, and federal taxes (if any) which she may be required by applicable law to pay with respect to the Settlement Payment and/or this Agreement. Plaintiff agrees to hold Solheim and the Releasees (as defined in Paragraph 2 hereof) harmless and to fully indemnify them for any costs, assessments, penalties, taxes, and/or attorneys' fees which Solheim and/or the Releasees may incur arising out of any and all claims made, sought, or imposed by the I.R.S., the Tax Board, and/or any other federal, state or local taxing board and/or agency in regard to any amounts due, or claimed to be due, by Plaintiff to such authority or agency as a result of the tax treatment of this Settlement Payment.

The Settlement Payment checks shall be mailed within thirty (30) days after all Parties have signed this Agreement and after counsel for Solheim' receipt of the fully executed W-9 form for the Trust Account -- provided that the Revocation Period has also expired, and that this Agreement has not been timely revoked pursuant to Paragraph 10.

The Settlement Payment as set forth in this paragraph shall be deemed timely delivered if paid or deposited with an overnight delivery service on or before the date the Settlement Payment is due to be delivered. Upon delivery of the Settlement Payment, Solheim will have fully met its obligations under this Agreement and will not be liable in any manner for the distribution, division, or payment of any portion of the Settlement Payment to or between Plaintiff and any counsel or employee of counsel Plaintiff may have retained and/or consulted -- including, but not limited to, Zachary Crosner, Jamie Serb, Sepideh Ardestani, as well as Crosner Legal, PC and any of its attorneys and employees. By execution of this Agreement, Plaintiff authorizes payment to be made as set forth in this Paragraph.

2. Resignation.

As part of this Agreement, Plaintiff agrees and acknowledges that she has resigned her employment with Defendant, effective on the date of the Revocation Period ending. Plaintiff also agrees and acknowledges that she has been fully paid all outstanding wages which may be owed to her by Solheim. (Plaintiff need not come into work during the period of the Revocation Period.)

3. Release.

(a) In consideration for the Settlement Payment, and except for the PAGA Cause of Action, the Class Claims, any pending workers compensation claims against Solheim, and the obligations arising out of this Agreement, Plaintiff (including her agents, successors, beneficiaries, heirs, guardians and assigns) hereby irrevocably and unconditionally releases, acquits, and forever discharges Solheim, each of Solheim' past and present subsidiaries, parents, affiliates, divisions, predecessors and successors in interest, assignees, nominees, authorized franchisees, servants, agents, investors, stockholders, directors, officers, board members, members, owners, employees, representatives, insurers, consultants, advisors, and attorneys (and the servants, agents, directors, officers, consultants, advisors, board members, members, owners, employees, representatives, insurance carriers and attorneys of any past or present subsidiaries, parents, or affiliates), and all persons acting by, through, under or in concert with Solheim and their respective heirs, successors, and assigns (collectively, "Releasees"), or any of them, from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts and expenses of any nature whatsoever that Plaintiff may now have, own, or claim to have against the Releasees, known or unknown, suspected or unsuspected, regarding or relating to any alleged acts or omissions by any of the Releasees that have ever arisen up to the Effective Date of this Agreement, including without limitation all claims for damages, fees and costs related to the Individual Claims in the Lawsuit; all claims related in any way to Plaintiff's employment, compensation, resignation, termination, wage or penalty related to Plaintiff's employment, and other terms and conditions of employment or termination of employment; all claims that were or could have been asserted by Plaintiff or on Plaintiff's behalf: (i) in any court or tribunal; (ii) under any public policy or common law theory; or (iii) under any employment, contract, tort, law, regulation, ordinance, or executive order; and any statutory claims and any tort arising out of Plaintiff's employment and separation of employment, including, without limitation: any and all claims or causes of action Plaintiff may now have under the Age Discrimination in Employment Act of 1967 (ADEA); Title VII of the Civil Rights Act of 1964; Civil Rights Act of 1871; Employee Retirement Income Security Act; Uniformed Services Employment and Re-Employment Rights Act, (USERRA), Sections 1981 through 1988 of Title 42 of the United States Code; Immigration Reform Control Act; Occupational Safety and Health Act (OSHA); Americans with Disabilities Act (ADA); Americans with Disabilities Act Amendments Act; Rehabilitation Act of 1973; Fair Labor Standards Act; Health Insurance Portability and Accountability Act; Equal Pay Act of 1963; Executive Order 11246; Family and Medical Leave Act; Older Workers' Benefit Protection Act; federal WARN Act; California Constitution; California statutes and regulations providing similar protection, including but not limited to the California Fair Employment & Housing Act, California Business & Professions Code section 17200 *et seq.*, the California Whistleblower Protection Act, California Code of Regulations, and Industrial Welfare Commissions' Wage Orders; Labor Code section 970, Labor Code section 2802, the Families First Coronavirus Relief Act, all as amended to date or any other federal, state or local constitution, law, order or regulation prohibiting any form of employment discrimination, harassment, retaliation, wrongful discharge and termination, violation of public policy, breach of any express or implied covenant of good faith and fair dealing, intentional or negligent infliction of mental/emotional distress,

negligence, civil battery or assault, false imprisonment, failure to accommodate, breach of a statutory duty, fraudulent inducement, fraud, negligent misrepresentation, defamation, slander, libel, damage or loss to reputation, invasion of privacy, intentional interference with contractual or business relations, unfair competition, unpaid compensation, penalties or benefits, breach of contract, any tort under federal, state or local law (including, but not limited to negligence), any claim for compensation, damages, penalties, injunctive relief, attorneys' fees or costs regarding any wage-and-hour violation, the nonpayment of any wages, including but not limited to unpaid wages or overtime wages, bonus, commissions, off-the-clock wages, minimum wages, unpaid wages, expense reimbursements, improper deductions or contributions, meal or rest period violations, paystub violations and waiting-time penalties, and any other statutory or administrative claims waivable by law and any and all other claims or causes of action arising out of Plaintiff's employment and/or separation of employment, defamation, slander, libel, damage or loss to reputation, invasion of privacy, intentional interference with contractual or business relations, unfair competition, unpaid compensation, penalties or benefits, breach of contract, any tort under federal, state or local law (including but not limited to negligence). Plaintiff agrees not to sue Solheim or Releasees for any claims herein released up to the Effective Date of this Agreement.

(b) Plaintiff acknowledges that she has been informed and is aware of the provisions of California Civil Code section 1542. Plaintiff further hereby expressly waives and relinquishes all rights and benefits which she has or may have under section 1542, which reads as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

(c) Plaintiff further acknowledges that she understands the significance and consequences of this specific waiver of Section 1542. Plaintiff accordingly assumes full responsibility for any damages or losses sustained by her of any sort or nature that might otherwise have been or be asserted as claims in light of her waiver of Section 1542.

(d) Plaintiff further understands and agrees that this constitutes a full, complete, and final general release of any and all claims described as aforesaid, and that it is intended to and shall apply to any and all unknown, unanticipated, unsuspected and undisclosed claims, demands, liabilities, actions or causes of action, sounding in law, in equity, or otherwise, as well as those which are now known, anticipated, suspected or disclosed, to the fullest extent permitted by law. Plaintiff expressly waives all rights afforded by any statute that limits the effect of a release with respect to unknown or unsuspected claims. In addition, Plaintiff represents, warrants and agrees that this Settlement Payment is a good faith compromise of her individual claims, and that as of the date she executes this Settlement Agreement, she has been paid all wages due and owing to her from Solheim, including all regular time, overtime, commissions, expense reimbursements, bonuses, meal and rest break compensation/violations, pay stub violations and waiting time penalties and that she has no claims for unpaid compensation of any kind, including but not limited to, claims of unpaid wages, overtime wages, expense reimbursements, improper deductions or contributions, meal or rest break violations/reimbursement, pay stub violations, bonuses, commissions, waiting time penalties and any other statutory violations or administrative claims. Plaintiff agrees this release will remain in effect as a general release of her claims, notwithstanding any additional or different facts or claims she may discover about the matters herein released.

(e) The Parties agree that the general release set forth in Subparagraphs (b) – (d) do not apply to the PAGA Cause of Action, to the Class Claims, or to any pending workers compensation claims. This Agreement also does not apply to Plaintiff's requested enhancement payment in the amount of \$2,500 for her role as a representative Plaintiff in the Class Action.

3. **Dismissal of Any and All Pending Proceedings.** To the extent they are not dismissed and/or a judgment is not entered as to the Individual Claims in the Lawsuit as part of the separate settlement agreement between the Parties, Plaintiff agrees that she shall cause any and all claims and/or charges she has pending against Solheim to be dismissed in their entirety with prejudice, including all Individual Claims in the Lawsuit. (This does not include the claims on behalf of class members and aggrieved employees in the Lawsuit and Plaintiff's requested enhancement in the amount of \$2,500.00.)

4. **Covenant Not To Sue.** Plaintiff (on behalf of herself and her agents, assigns, and anyone acting on her behalf) agrees she will not make, assert, or maintain against Solheim or against any person, partnership, board member or corporation, or other Releasee released herein, any claim, demand, action or suit arising out of or in connection with the matters herein released up to the Effective Date of this Agreement.

6. **No Assignment of Released Claims.** Plaintiff represents and warrants that neither she, nor any of her agents, successors, assigns, and affiliates, have assigned or transferred or purported to transfer or assign any matter herein released, and she further agrees to indemnify and hold Solheim and Releasees harmless from and against any claim, demand, damage, debt, liability, cost or expense or cause of action, including attorneys' fees paid or incurred, arising out of any breach of these representations or warranties.

7. **Independent Legal Advice.** Each Party to this Agreement represents and agrees that their respective execution of this document comes with full knowledge of their respective rights vis-à-vis the other Party to this Agreement, and that they have received independent legal advice regarding these rights and the effect that this Agreement has on these rights.

8. **Denial of Liability.** Nothing herein shall be construed as an admission by any Party of any liability of any kind with respect to any other Party and/or Releasee(s).

9. **Medicare.** Plaintiff represents and warrants that she is not Medicare eligible for any accident(s), injury(ies), or illness(es) that have any connection with this Agreement. Plaintiff further represents and warrants that Medicare has not made any conditional payments for medical services or products received by Plaintiff (pursuant to 42 U.S.C. § 1395y(b) and the corresponding regulations) related to any accident(s), injury(ies), or illness(es) having any connection with this Agreement. Further, Plaintiff represents and warrants that, if conditional payments related to the accident(s), injury(ies), or illness(es) having any connection with this Agreement are or have been made by Medicare, then within sixty (60) days of the execution of this Agreement Plaintiff shall be solely and fully responsible for reimbursing Medicare for such conditional payments as required by Medicare Secondary Payer law, including Medicare regulations at 42 C.F.R. § 411.24(g) and (h). The Parties to this Agreement agree that all representations and warranties made herein shall survive settlement.

10. Older Worker's Benefit Act.

(a) Plaintiff acknowledges that she is knowingly and voluntarily waiving and releasing any rights she may have under the Age Discrimination in Employment Act of 1967 ("ADEA"). She also

acknowledges that the consideration given for the waiver and release set forth in this Agreement is in addition to anything of value to which she was already entitled. Plaintiff further acknowledges that she has been advised by this writing, as required by the Older Workers' Benefit Protection Act, that: (a) this waiver and release does not apply to any rights or claims that may arise after the Effective Date of this Agreement; (b) she should consult with an attorney prior to executing this Agreement; (c) she has at least twenty-one (21) days to consider this Agreement (although she may by her own choice execute this Agreement earlier and thereby waive the 21 day period); (d) she has seven (7) days following the execution of this Agreement by the Parties to revoke her release of her rights under the ADEA (the "Revocation Period"); and (e) this Agreement shall not be effective until the date upon which the Revocation Period has expired ("Effective Date"). Upon execution, Plaintiff's counsel shall provide a fully executed copy of this Agreement to Solheim's counsel, Adam C. Hackett. **Plaintiff may only revoke this Agreement by giving Mr. Hackett formal written notice of her revocation of this Agreement, which should be addressed to the attention of Adam C. Hackett, Ogletree, Deakins, Nash, Smoak & Stewart, P.C., 19191 South Vermont Avenue, Suite 950, Torrance, CA 90502, Email: adam.hackett@ogletree.com; and which must be received by Mr. Hackett by the close of business on the seventh (7th) day following Plaintiff's execution of this Agreement. The written notice of revocation shall state, "I hereby revoke my acceptance of the Settlement Agreement and General Release of All Claims." If the last day of the Revocation Period falls on a Sunday or legal holiday in the State of California, then the Revocation Period shall "roll over" and not expire until the next following day which is not a Sunday or legal holiday in the State of California.**

(b) Plaintiff acknowledges that she has already attained the age of 40, and that she understands that this is a full release of all existing claims, whether currently known or unknown, including, but not limited to, claims for age discrimination under the ADEA.

(c) Plaintiff further acknowledges that she has consulted with an attorney of her own choosing before signing this Agreement, in which she is waving important rights (including those arising under the ADEA).

(d) By executing this Agreement, Plaintiff also acknowledges that she has been afforded at least twenty-one (21) calendar days to consider the meaning and effect of this Agreement, as well as the alternatives to signing this Settlement Agreement, with an attorney of her choosing, and she affirms that she has done so. Plaintiff agrees that the twenty-one (21) day consideration period began on the date that this Agreement first was first delivered to her attorney, and that if Solheim change any of the terms of the offer contained in this Agreement (whether the changes are material or not) during that time period then the twenty-one (21) day consideration period shall not be restarted but shall instead continue on without interruption.

(e) Plaintiff understands that the releases contained in this Agreement do not extend to any rights or claims that she has under the ADEA that *first arise* after execution of this Agreement.

(f) Plaintiff acknowledges that, should she sign this Agreement before the twenty-one (21) day consideration period expires, the seven (7) day Revocation Period, described above, shall immediately begin. If Plaintiff signs this Agreement before the twenty-one (21) day consideration period expires, she agrees that she has knowingly and voluntarily accepted the shortening of the twenty-one (21) day consideration period of her own volition, and that Solheim has not promised her anything or made any representations that are not contained in this Agreement in an attempt to induce her to do so. In addition, should Plaintiff sign this Agreement before the twenty-one (21) day consideration period

expires, she also acknowledges and affirms that Solheim have not threatened to withdraw or alter the offer contained in this Agreement prior to the expiration of the twenty-one (21) day consideration period.

11. Non-Disparagement. Plaintiff agrees that she shall not in any way or manner disparage or denigrate Solheim and Releasees (including Solheim's and/or Releasees' employees, directors, board members, officers, consultants, members, advisors, agents, or any parent, subsidiary or affiliated entity) after the date of this Agreement. Solheim agrees that it shall not disparage or denigrate Plaintiff. Defendant also agrees to provide a neutral reference for Plaintiff, confirming only position held and dates of employment for Plaintiff through its Human Resources Department. Nothing in this Agreement prevents Plaintiff and Solheim from making a truthful disclosure of factual information related to Plaintiff's claims to the extent Code of Civil Procedure §1001 applies.

12. Miscellaneous:

12.1. Entire Agreement. Aside from the separate written agreement with respect to Plaintiff's PAGA Cause of Action and the Class Claims which she has brought *on behalf of* other Aggrieved Workers and putative Class Members, this Agreement contains all representations and the entire understanding among the Parties, and as such it supersedes any and all prior written and/or oral agreements that existed or may currently exist between the Parties. This Agreement may only be modified via a written instrument that is signed by all the Parties hereto.

12.2. Attorneys' Fees and Costs. Aside from the separate written agreement with respect to Plaintiff's PAGA Cause of Action and the Class Claims which she has brought *on behalf of* other Aggrieved Workers and putative Class Members, the Parties understand and agree that each shall bear their own costs and attorneys' fees incurred to date in connection with Case No. 21STCV45430 -- including any costs and attorneys' fees incurred in connection with the negotiation, preparation, and execution of this Agreement. Should a dispute arise over the enforcement of a material term in this Agreement, the prevailing party in any litigation seeking to enforce the Agreement (whether a Party or a third party beneficiary) shall be entitled to recovery of the costs and reasonable attorneys' fees incurred in connection with such litigation.

12.3. Waiver / Validity. No waiver of any provision of this Agreement shall constitute a waiver of any other provision; nor shall such waiver constitute a continuing waiver. In the event that any provision of this Agreement is found to be void or unenforceable by a court of law of competent jurisdiction, the remaining provisions shall nonetheless continue to be binding upon the Parties with the same effect as though the void or unenforceable parts were deleted.

12.4. Binding Effect. This Agreement shall be binding upon and inure to the benefit of all Parties hereto, and their respective heirs, representatives, successors and assigns.

12.5. Additional Documents. Each Party shall, at the request of the other, promptly execute, acknowledge, and deliver whatever additional instruments, and do whatever such other acts, as may be required or convenient to carry out the intent and purpose of this Agreement.

12.6. California Law. This Agreement shall be governed by and construed under and in accordance with the laws of the State of California. The Parties hereby agree this Agreement is enforceable under Code of Civil Procedure section 664.6, so as to allow the Parties to enforce the terms of their settlement until performance has been made in full.

12.7. Gender/Paragraph Headings/Construction. As used in this Agreement, the masculine, feminine, or neutral gender, and the singular or plural number, shall each be deemed to include the others whenever the context so indicates. Furthermore, paragraph headings contained in this Agreement are included for convenience only and shall not be considered for any purpose in the course of construing this Agreement. This Agreement shall be construed without regard to the Party or Parties responsible for the preparation of the same, and instead the entire Agreement shall be deemed to have been prepared jointly by the Parties hereto. Any ambiguity or uncertainty existing herein shall not be interpreted against or in favor of either Party, but instead according to the application of other rules of contract interpretation.

12.8. Counterparts. This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same agreement.

12.9. Facsimile/Electronic Signatures. A facsimile or electronic signature shall have the same force and effect as an original signature, and trigger the obligations under this Agreement.

12.10. Satisfaction of Liens. Plaintiff hereby agrees, represents and warrants that she has the sole responsibility for the satisfaction of any and all liens in law, equity, or otherwise, against any of the matters released herein, and that she will fully satisfy all liens, if any, immediately upon receipt of the Settlement Payment. Plaintiff further represents that she is not a Medicare or Medicaid beneficiary for the claims alleged herein, and there are no liens.

Plaintiff also represents, agrees and warrants that she shall hold Solheim and Releasees harmless from, and defend and indemnify them from, any liabilities or costs which they may incur as a result of any liens against any of the matters released herein, any for Medicare/Medicaid and/or Plaintiff's failure to satisfy any such liens. Additionally, in case of violation of the requirements of this Paragraph by Plaintiff, Plaintiff agrees to pay all of Solheim' and Releasees' reasonable attorneys' fees and other costs associated with enforcing the provisions of this Paragraph.

12.11. Authority. The signatory below represents he or she is authorized to execute this Agreement on behalf of Solheim, and to bind it to the terms of this Agreement.

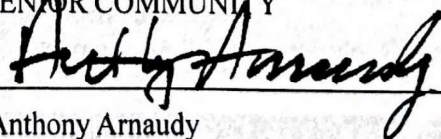
IN WITNESS WHEREOF, the following have executed this Agreement as of the date and year set forth adjacent to each of their respective signatures.

Dated: _____, 2024
11 / 04 / 2024



RHINA VILLEDA

Dated: 11.15, 2024

SOLHEIM LUTHERAN HOME D/B/A SOLHEIM
SENIOR COMMUNITY


Anthony Arnaudy
Chief Financial Officer

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This 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 up to the date of preliminary approval of this Agreement.
- 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 still 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, Individual Class Payment

and the Individual PAGA Payment that the Class Representative is additionally entitled to receive). 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 be 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 owe 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 (\$6,250.00) 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, known or unknown, based on or arising out of the facts, circumstances, or primary rights that were alleged, or reasonably could have been alleged, in any version of the complaints filed in the Related Actions (any amendments thereto), 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; (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 shall 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 an 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 be 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. If the number of Pay Periods during the PAGA Period exceeds 12,855 by more than ten percent (10%), and/or if the number of Workweeks during the Class Period exceeds 12,583 by more than ten percent (10%), then at its option Defendant reserves the right to *either*: (1) choose to increase the Gross Settlement Amount on a pro rata basis per Pay Period and Workweek exceeding the 10% increase (i.e. if the number increases by 11%, the Gross Settlement Amount shall be increased by 1%); or (2) choose to cut-off the Class Period and PAGA Period at these 10% increase(s).

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
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To Solheim:

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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: 11 / 04 / 2024

Plaintiff RHINA VILLEDA

Dated: 11/15/2024

Anthony Arnaudy
Chief Financial Officer

Dated: November 4, 2024

CROSNER LEGAL, PC

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

Dated: November 4, 2024

OGLETREE, DEAKINS, NASH, SMOAK &
STEWART, P.C.



Lyne A. Richardson

Ryan H. Crosner

Adam C. Hackett

Attorneys for Solheim

EXHIBIT

A

**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 \$ [REDACTED] (less withholding), and your Individual PAGA Payment is estimated to be \$ [REDACTED]. 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 [REDACTED] workweeks during the Class Period, and that you worked [REDACTED] 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 be eligible to receive an 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 Employees' 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, known or unknown, based on or arising out of the facts, circumstances, or primary rights that were alleged, or could reasonably have been alleged, in any version of the complaints filed in this Action (any amendments thereto), 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; (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.

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.

Class Counsel:

Zachary Crosner
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Jamie Serb
jamie@crosnerlegal.com
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OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.
19191 S. Vermont Avenue, Suite 950
Torrance, CA 90502
Telephone: 310-217-8191

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.

EXHIBIT

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~~[MODEL]~~ CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is ~~made entered into~~ by and between ~~plaintiff~~ Plaintiff Rhina Villeda (“Plaintiff”) and ~~defendant~~ (“XYZ”). Defendant Solheim Lutheran Home d/b/a Solheim Senior Community (“Solheim” or “Defendant”). The Agreement refers to Plaintiff and XYZ 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 XYZ 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 ~~the 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 ~~the this~~ Settlement.
- 1.4 “Aggrieved Employee” means ~~[e.g., a person]~~ all current and former non-exempt employees who were employed by XYZ in California and classified as a ~~_____~~ who worked for XYZ Solheim at any point during the PAGA Period.
- 1.5 “Class” means ~~[define class, e.g., all persons]~~ all current and former non-exempt employees who are not bound by Solheim’s arbitration agreement and who were employed by XYZ in California and classified as ~~_____~~ who worked for XYZ 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 “Class 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.

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- 1.8 “Class Data” means Class Member identifying information in XYZ’s Solheim’s possession, including the Class Member’s name, last-known mailing address, Social Security number, and 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 investigation and efforts to search for and identify the current Class Member mailing addresses of all Class Members using all reasonably available sources, methods, and means, including, but not limited to, the National Change of

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- 1.10 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, ~~to which shall be~~ mailed out to all Class Members in English ~~(with a Spanish translation, if applicable)~~ 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.
- 1.13.14 “Class Representative” means the named Plaintiff in the operative ~~complaint~~ Operative Complaint in the Action who is seeking Court approval to serve as a Class Representative.
- 1.14.15 “Class Representative Service Payment” means the payment, described herein, to the Class Representative ~~for to reimburse her for her time and efforts spent~~ initiating the Action and providing services in support of the prosecution of the Action.
- 1.15.16 “Court” means the Superior Court of California, County of Los Angeles.
- 1.16 “XYZ” means named Defendant.
- 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:
 1.18 (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 is final. The Judgment is 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~~ Notice of ~~appeal~~ Appeal from the Judgment; or (c) if a timely appeal

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- from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a ~~remittitur~~Remittitur.
- 1.19 “Final Approval” or “Final Approval Order” means the Court’s ~~order granting final approval~~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~~entered by the Court upon ~~Granting~~granting Final Approval of the Settlement.
- 1.22 “Gross Settlement Amount” means \$~~225,000.00~~, which is the total amount ~~XYZthat~~
~~Solheim~~ agrees to pay under the ~~Settlement~~terms of this Agreement, except as provided in Paragraph 98, below. The Gross Settlement Amount ~~will~~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~~~~Payment~~m and the Administrator’s Expenses.
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1.23 “Individual Class Payment” means ~~the 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.

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1.24 “Individual PAGA Payment” means ~~the each~~ Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties, calculated according to the number of ~~Workweeks 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”).

~~1.251.26~~ “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.

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~~1.261.27~~ “LWDA” means the California Labor and Workforce Development Agency, which is the agency entitled, under Labor Code section 2699, ~~subdivision subd. (i)-1~~, to recover a portion of PAGA Penalties assessed in this Action.

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~~1.271.28~~ “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, ~~subdivision subd. (i)~~.

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~~1.281.29~~ “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 ~~remainder is~~ Net Settlement Amount is the total remaining amount to be paid to Participating Class Members ~~as in the form of~~ Individual Class Payments.

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~~1.291.30~~ “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.

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

- 1.301.32 “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for XYZSolheim for at least one day during the PAGA Period.
- 1.341.33 “PAGA Period” means the period running from January 15, 2021 up to the date of Preliminary Approval of this Agreement.
- 1.321.34 “PAGA” means the Private Attorneys General Act (Lab Labor Code, §§ 2698, et seq.).
- 1.331.35 “PAGA Notice” means Plaintiff’s November 29, 2021 letter to XYZSolheim and the LWDA [and Plaintiff’s letter to XYZ and the LWDA], providing notice of the alleged PAGA violations that are at issues in this Action pursuant to Labor Code section 2699.3, subdivision (a) (LWDA Case No. LWDA-CM-854797-21).
- 1.34 “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
- 1.36 () (\$6,250.00), and the 75% to LWDA ((\$18,750.00) in settlement of Plaintiff’s PAGA claims.
- 1.351.37 “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

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1.361.38 “Plaintiff” means ~~—Rhina Villeda, the named plaintiff~~ Plaintiff in the Action.

1.371.39 “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.

1.381.40 “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval ~~and Approval of~~ ~~PAGA~~ the Settlement.

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

1.391.42 “Released Class Claims” means the claims being released as described in Paragraph 5.2, below.

1.401.43 “Released PAGA Claims” means the claims being released as described in Paragraph 5.3, below.

1.411.44 “Released Parties” means ~~XYZ: Defendant~~ and each ~~and all of its current and former~~ ~~and present~~ directors, officers, shareholders, owners, ~~{members}~~, attorneys, insurers, predecessors, successors, assigns ~~—{ employees, managing agents, subsidiaries}~~, ~~{ parents, affiliates}~~, and/or any related companies, without exception.

1.421.45 “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.

1.431.46 “Response Deadline” means ~~{e.g., 60}~~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 Members~~ Member may: (a) ~~timely~~ fax, email, or mail ~~Requestsa Request~~ for Exclusion from the Settlement, or (b) ~~timely~~ fax, email, or mail ~~his, her, or their~~an Objection to the Settlement. Class Members to whom ~~Class Notice Packets are re-sent~~is re-sent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days ~~beyond the~~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.~~

1.441.47 “Settlement” means the disposition of the ~~Action~~Related Actions effected by this Agreement and the Judgment; ~~apart from the Individual Settlement and Release~~

1.451.48 “Workweek” means any week during which a Class Member worked for ~~XYZ~~Solheim for at least one day, during the Class Period;^{iv}

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2. RECITALS.

2.1 On December 14, 2021, Plaintiff commenced ~~this~~the Action by filing a Complaint alleging the following causes of action against XYZ for _____. [The Complaint is the operative complaint in the Action (the "Operative Complaint.")] [On _____ 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.

2.12.2 On May 9, 2022, Plaintiff filed a [e.g., First Amended Complaint] (the "Operative Complaint") in the Action, alleging causesan additional cause of action against XYZ for _____. The [e.g., First Amended] Complaint is the operative complaint in the Action (the "Operative Complaint"). XYZ denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint and denies any and all liability for the causes of action alleged. Solheim pursuant to the Private Attorneys General Act of 2004 (Labor Code sections 2699 et. seq.).

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2.22.3 Pursuant to Labor Code section 2699.3, subdivision (a), Plaintiff gave timely written notice to XYZboth 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 still 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.

2.3 On July 1, 2024, the Parties participated in an all-day mediation presided over by which Henry Bonjiovi, Esq. Those mediations efforts led to this Agreement to settle the Action [or describe alternative means of negotiation].
(describe alternative means of negotiation)

2.42.5 Prior to mediation negotiating the 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, Plaintiff obtained, through and Release,

2.6 formal informal discovery, (documents, testimony and information obtained). 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

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1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“Dunk/Kullar”).

2.52.7 The Court ~~has~~ has not granted class certification in the Action.

(insert details as needed)

2.62.8 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 Settlement Related Actions.

3. MONETARY TERMS.

3.1 **Gross Settlement Amount.** Except as otherwise provided by in Paragraph 8 below, XYZ promises 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. XYZ has. Solheim shall have no obligation to pay any portion of the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated 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 XYZ Solheim.

3.2 **Payments from the Gross Settlement Amount.** The Administrator will 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, Individual Class Payment and any the Individual PAGA Payment that the Class Representative is additionally entitled to receive as a Participating Class Member). XYZ will). 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 for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for of any Class Representative Service Payments no

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3.2.1 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 ~~will~~shall retain the remainder in the Net Settlement Amount. ~~The Administrator will~~shall pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full ~~and sole~~ responsibility and liability for ~~employee~~any and all taxes owed on ~~the~~this Class Representative Service Payment.

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3.2.2 **To Class Counsel:** A Class Counsel Fees Payment of not more than ~~—%, which is 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 \$~~—, XYZ10,000.00.~~ 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 will file a motion for ~~shall~~ request approval of the Class Counsel Fees Payment and Class Litigation Expenses Payment ~~no later than 16 court~~ days prior to the Final Approval Hearing. 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 ~~will~~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 will~~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 holds XYZ, and hereby agrees to hold Defendant and Released Parties harmless, (and indemnifies XYZ, indemnify them)~~ from any dispute or controversy ~~which may arise~~ regarding any division or sharing of any ~~or all~~ of these Payments.

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3.2.3 **To the Administrator:** An Administrator Expenses Payment not to exceed ~~—, \$7,000.00 (except for upon a showing of good cause, and as 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 ~~will~~shall retain the remainder in the Net Settlement Amount.

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3.2.4 **To Each Participating Class Member:** An Individual Class Payment ~~which shall~~ shall be calculated ~~by~~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~~, and then (b) by multiplying the result by each individual Participating Class Member's Workweeks.

~~(b) multiplying the result by each 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 will~~shall be allocated to ~~the~~ settlement of wage claims (the "Wage Portion"). ~~The~~These Wage Portions are subject to tax withholding, and ~~will~~shall be reported on an IRS W-2 Form. ~~The remaining 80% of each Participating Class Member's Individual Class Payment will~~shall be allocated to settlement of claims for ~~[e.g., interest and penalties]~~ (the "Non-Wage Portion"). ~~The~~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.

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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. ~~The~~ 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.

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~~3.2.5~~ To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$ ~~to 25,000.00~~ shall be drawn and paid from the Gross Settlement Amount, with 75%

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~~3.2.5~~ (\$18,750.00) allocated to the LWDA PAGA Payment and 25% (~~\$6,250.00~~) allocated to the Individual PAGA Payments.

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~~3.2.4.13.2.5.1~~ The Administrator will ~~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.

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4. **SETTLEMENT FUNDING AND PAYMENTS.**

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4.1 **Class Workweeks and Aggrieved Employee Pay Periods.** Based on a review of its business records to date, XYZSolheim 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 of 612,855 PAGA Pay Periods from January 15, 2021 through May 30, 2024.

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4.2 **Class Data.** Not later than 15130 days after the Court grants Preliminary Approval of the Settlement, XYZSolheim will simultaneously deliver the Class Data to the

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Administrator, in the form of a Microsoft Excel spreadsheet. ~~To~~In order to protect Class Members' privacy rights, the Administrator ~~must shall agree to~~ maintain ~~the~~this Class Data in confidence; use ~~the~~ 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 ~~to the Class Data~~it in order to effect and perform their relevant job duties under the terms of this Agreement. XYZSolheim 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 XYZSolheim 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 reconstruct or otherwise address and/or resolve any issues related to missing or omitted Class Data that may arise.

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- 4.3 ~~_____~~ **Funding of Gross Settlement Amount.** ~~XYZSolheim~~ shall fully fund the Gross Settlement Amount, and also fully fund the ~~amounts~~amount necessary to fully pay ~~XYZ'sSolheim's~~ share of payroll taxes by transmitting ~~theall 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.

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- 4.4 ~~_____~~ **Payments from the Gross Settlement Amount.** Within ~~[14]~~ days after ~~XYZSolheim~~ funds the Gross Settlement Amount, the Administrator ~~willshall~~ 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.

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- 4.4.1 The Administrator ~~willshall~~ issue checks for the Individual Class Payments ~~and/or~~ 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) whenafter which the check will be voided: (the "Void Date"). The Administrator ~~willshall~~ cancel all checks not cashed by the ~~void date~~Void Date. The Administrator ~~willshall~~ send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator ~~willshall~~ 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 ~~must update~~shall take reasonable and appropriate steps to confirm (and as necessary update) the recipients' mailing addresses using the National Change of Address Database.

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- 4.4.2 The Administrator ~~mustshall~~ conduct a Class Member Address Search for all ~~other~~Participating Class Members and Aggrieved Employees whose checks are ~~retuned~~returned undelivered without United States Postal Service ("a USPS") forwarding address. Within ~~[7]~~ days of receiving a returned check, the Administrator ~~mustshall~~ 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

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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 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 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 Section 384, subdivision subd. (b). [or to a Court-approved nonprofit organization or foundation consistent with Code of Civil Procedure section 384, subdivision (b) ("Cy").]

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Pres Recipient”) ____]. The Parties, Class Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with Aside from the intended Cy Pres Recipient.

- 4.4.4 ~~The requirements of the separate Individual Settlement and Release, the~~ payment of Individual Class Payments and Individual PAGA Payments shall not obligate ~~XYZ 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.

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5. RELEASES OF CLAIMS.

5. Effective on the date when XYZ 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, and Class Counsel, and Aggrieved Employees to the full extent allowable by law will individually and jointly release any and all claims against 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 his, her, or their, respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors and assigns generally, release and discharge Released Parties from all claims, transactions or occurrences [that occurred during the Class Period], including, but not limited to:, and assigns are set forth in the Individual Settlement and Release.

~~(a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, Plaintiff's PAGA Notice, [or ascertained during the Action and released under 5.2, below]. ("Plaintiff's Release.") Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.~~

- 5.1.1 ~~Plaintiff's Waiver of Rights Under Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the Civil Code, which reads:~~

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

5.2 Release by Participating Class Members Who Are Not Aggrieved Employees:
~~: 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 (i) all claims that were alleged, or reasonably could have~~

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5.2 ~~been alleged, based on the Class Period facts stated in the Operative Complaint [and ascertained in the course of the Action] [including, e.g., "(a) any and all claims involving any alleged failure to pay minimum wage; etc.], 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, known or unknown, based on or arising out of the facts, circumstances, or primary rights that were alleged, or reasonably could have been alleged, in any version of the complaints filed in the Related Actions (any amendments thereto), 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; (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.

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5.3 ~~Release by Non-Participating Class Members Who Are Aggrieved Employees: All Non-Participating Class Members who are Aggrieved Employees~~ ~~are~~ 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

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reasonably could have been alleged, based on the ~~PAGA Period~~ facts stated in the Operative Complaint~~, and~~ ~~any amendments thereto~~, the PAGA Notice~~, and~~ ascertained in the course of the Action~~, including, e.g., "(a) 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; etc.~~ 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.

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6. MOTION FOR PRELIMINARY APPROVAL.

~~6.~~ 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.

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6.1 XYZ's Defendant's Declaration in Support of Preliminary Approval.

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Within ~~30~~ days of the full execution of this Agreement, ~~XYZ will~~ Defendant and Defense Counsel shall prepare and deliver to Class Counsel a signed Declaration from ~~XYZ 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.

~~6.1~~ **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 and Cy Pres Recipient. In their Declarations, ~~Defense~~Class Counsel and ~~XYZ~~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.

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~~6.2-6.3~~ **Plaintiff's Responsibilities.** Plaintiff ~~will~~shall prepare and deliver to Defense Counsel ~~any and all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice~~Notice, and ~~memorandum in support~~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~~Section 2699, ~~subdivisionsubd. (f)(2);~~ (ii) a draft ~~proposed~~Proposed Order Granting Preliminary Approval and Approval of PAGA

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Settlement; (iii) a draft ~~proposed~~Proposed Class Notice; (iv) a signed ~~declaration~~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/or the proposed Cy Pres~~; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed ~~declaration~~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/or~~ the Administrator ~~and/or the proposed Cy Pres~~; (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely

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transmission to the LWDA of all necessary PAGA documents (i.e., initial notice of violations (~~Lab. Labor~~ Code, ~~§ section~~ 2699.3, subd. (a)(1)), Operative Complaint (~~Lab. Labor~~ Code, ~~§ section~~ 2699, subd. (1)(1)), this Agreement (~~Lab. Labor~~ Code, ~~§ section~~ 2699, subd. (1)(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 withbetween Class Members, and the Administrator and/or the Cy Pres Recipient. In their Declarations, Plaintiff and Class Counsel Declaration 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.

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6.3 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 for 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.

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6.4 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 willshall expeditiously work together in good faith on behalf of the Parties by meeting in person or by telephone, and in good faith, in order to resolve theany such disagreement. If the Court does not grant Preliminary Approval, or if it conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel willshall expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, on in order to appropriately modify the Agreement and/or otherwise satisfy the Court's concerns.

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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;

7.1 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 the Administrator Simpluris other than a purely professional relationship arising out of prior experiencesexperience(s) with Simpluris administering other settlements.

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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 meets/satisfies all of the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section 468B-1.

7.4 **Notice to Class Members.**

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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 ~~state~~ identify the number of Class Members, PAGA Members, Workweeks, and Pay Periods ~~in~~ according to the Class Data in its possession.

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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 ~~will~~ shall 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, if applicable)}~~ 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.

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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.

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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 ~~{60}~~45 days otherwise provided in the Class Notice) for ~~any and all~~ Class Members whose notice is re-mailed. The Administrator will ~~also~~ inform ~~the~~any such Class Member of ~~the~~this extended deadline ~~with~~when the Class Notice is re-mailed ~~Class Notice, as provided above.~~

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7.4.5 ~~_____~~ ~~If~~In the event that the Administrator, XYZ-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 ~~person or by telephone, and in~~ good faith, in an effort to ~~agreed~~reach and agreement on whether to include ~~the~~many such individuals as Class Members. If the Parties

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agree, ~~then~~ such persons ~~will be~~ shall be deemed and treated as Class Members entitled to the same rights as other Class Members, and the Administrator ~~will~~ 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 ~~dates~~ identified in the Class Notice, ~~which ever are~~ whichever date is later.

7.5 Requests for Exclusion (“Opt-Outs”).

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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 60/45 days after the Administrator mails the Class Notice (plus an additional 141 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her/their 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. ToIn order to be validdeemed timely, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.~~

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7.5.2 ~~The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. 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, the Administrator maythen 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.~~

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7.5.3 ~~Every Class Member who does not submit a timely and valid Request for Exclusion isshall 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 thethis Settlement, including the Participating Class Members’ Releases-Release and Aggrieved Employee Release (under Paragraphs 5.2 and~~

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7.5.3 ~~5.3 of this Agreement, above), regardless of whether the Participating Class Member actually receivesreceived the Class Notice or objectsobjected to the Settlement.~~

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7.5.4 ~~Every Class Member who submitsdoes submit a valid and timely Request for Exclusion isshall be deemed to be a Non-Participating Class Member andunder 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~~

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identified in Paragraph 5.3 of this Agreement and are eligible for an Individual
PAGA Payment.

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
60 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 the Class Member in them
within the Class Notice. The Each Class Member may challenge the their individual
allocation by communicating with the Administrator via either fax, email, or mail. The In
the event of any such communication, the Administrator must 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
is 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

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7.6 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 ~~the~~with respect to any and all such challenges.

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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.

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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 ~~oral~~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 ~~60~~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.

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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 Website, Email Address and Toll-Free Number. The Administrator will ~~establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also 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.~~

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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

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7.8.2 (“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).

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7.8.3 **Weekly Reports.** The Administrator ~~must~~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~~ Objections received; ~~challenges~~ Challenges to Workweeks and/or Pay Periods received and/or resolved; and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). ~~The~~These Weekly Reports must also include ~~provide~~the Administrator’s assessment of the validity of ~~Requests for Exclusion~~any, and ~~all Requests for Exclusion, as well as~~ attach copies of ~~any and~~ all Requests for Exclusion and ~~objections~~Objections received.

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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 ~~on with respect to any and all Class Member challenges over~~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.

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7.8.5 **Administrator’s Declaration.** Not later than ~~14~~days before the ~~date by which Plaintiff is required to file the Motion for Final Approval of the Settlement~~ days after the Response Deadline, the Administrator ~~will~~shall provide to both Class Counsel and Defense Counsel, a signed ~~declaration~~ 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 and~~ Objections received. It shall also attach ~~to this Declaration~~ a full and complete Exclusion List. The Administrator ~~will also agree to~~ supplement its ~~declaration~~Declaration as needed or requested by the Parties and/or the Court. Class Counsel ~~is~~shall be responsible for filing the Administrator’s declaration(s) in Court.

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7.8.6 ~~Final Report by Settlement Administrator.~~ Within ~~{10}~~ days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator ~~will~~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 ~~will~~shall prepare, and submit to ~~both~~ Class Counsel and Defense Counsel, a signed ~~declaration~~ Declaration (suitable for filing in Court) attesting to its disbursement of all payments required under this Agreement. Class Counsel ~~is~~shall be responsible for filing the ~~Administrator's~~ Administrator's declaration in Court.

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~~8. CLASS SIZE ESTIMATES {and AND ESCALATOR CLAUSE}.~~

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~~8. Based on its records, XYZ Defendant estimates that, as of the date of this Settlement Agreement, (1) there are -169 Class Members and _____ Total 12,583 Workweeks during the Class period between December 14, 2017 and May 30, 2024; and (2) there were~~

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8.1 ~~357~~ Aggrieved Employees who worked ~~12,855~~ Pay Periods from January 15, 2021 through May 30, 2024.

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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. If the number of Pay Periods during the PAGA Period³⁰ exceeds 12,855 by more than ten percent (10%), and/or if the number of Workweeks during the Class Period exceeds 12,583 by more than ten percent (10%), then at its option Defendant reserves the right to *either*: (1) choose to increase the Gross Settlement Amount on a pro rata basis per Pay Period and Workweek exceeding the 10% increase (i.e. if the number increases by 11%, the Gross Settlement Amount shall be increased by 1%); or (2) choose to cut-off the Class Period and PAGA Period at these 10% increase(s).

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9. ~~XYZ'S~~SOLHEIM'S RIGHT TO WITHDRAW.

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9. If the number of valid Requests for Exclusion identified in the Exclusion List exceeds ~~10%~~ of the total of all Class Members, ~~XYZ then at its sole election Defendant may --~~ but is not obligated, ~~elect to -- choose~~ to withdraw from the Settlement. The Parties agree that, if XYZ withdraws, ~~the~~ 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 ~~will~~ shall have any further obligation to perform under the terms of this Agreement; provided, however, XYZ ~~will~~ that Defendant shall remain responsible for paying all Settlement Administration Expenses incurred to that point. ~~XYZ~~ 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 ~~seven~~ten (10) days after the Administrator sends the final Exclusion List to Defense Counsel; ~~late~~ any later elections ~~will~~ made after that date shall be deemed to have no effect.

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10. MOTION FOR FINAL APPROVAL.

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10. Not later than ~~sixteen (16)~~ court days before the calendared Final Approval Hearing, Plaintiff ~~will~~ 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, ~~subdivisionsubd. (1);~~ a Proposed Final Approval Order; and a proposed Judgment (collectively, the "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel for Defendant not later than ~~seven (7)~~ days prior to filing ~~the~~ this Motion for Final Approval. Class Counsel and Defense Counsel ~~will~~ 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.

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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 ~~that~~

~~{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 ~~will~~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~~

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10.4 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 will 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.

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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. The 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 after 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, as long as the Gross Settlement Amount remains unchanged.

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11. AMENDED JUDGMENT.

11. 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 XYZ Defendant that any of the allegations in the Operative Complaint of unlawful activity or behavior raised in the Related Actions have any merit whatsoever, or that XYZ has Defendant bears any liability for any such claims asserted; nor should it this Agreement be intended or construed as an admission by Plaintiff that XYZ's Solheim's defenses in the Action Related Actions have any merit. The Parties agree that class

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certification and representative treatment is appropriate only for purposes of effectuating this Settlement-only. If, for any reason the Court does grant Preliminary Approval, Final Approval, or enter Judgment, XYZthen Defendant expressly reserves the right to contest certification of any class for any reasons, and XYZfurther reserves any and all available defenses to the claims in the Action, andRelated Actions; likewise, in that case Plaintiff reserves the right to move for class certification on any grounds available and to contest XYZ'sDefendant's defenses. The Settlement, this Agreement, and the Parties' willingness to settle the Action-willRelated Actions shall have no bearing on, and willshall 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).

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12.2 **Confidentiality Prior to Preliminary Approval.** Plaintiff, Class Counsel, XYZ Defendant, and Defense 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 will 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.

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12.2 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, XYZ Defendant, and Defense 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 Class Counsel's the legal and ethical obligations owed that it owes to Class Members, however.

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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. Nothing in this This paragraph shall not be construed deemed to restrict Class Counsel's ability to communicate communications with Class Members in accordance with Class Counsel's the legal and ethical obligations owed that it owes to Class Members, however.

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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.

12.412.5 **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 the this Settlement, superseding 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.

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~~12.5~~12.6 ~~Attorney Authorization.~~ Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and ~~XYZ~~by Defendant, respectively, to ~~take~~undertake all appropriate action required or permitted to be ~~taken~~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.

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~~12.6~~12.7 ~~Cooperation.~~ The Parties and their counsel ~~will agree to~~ cooperate with each other in good faith and to use their best efforts, ~~in good faith~~, 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 ~~upon~~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 ~~will agree to~~ seek out the assistance of a mediator and/or the Court for resolution.

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12.712.8 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.

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12.812.9 No Tax Advice. Neither Plaintiff, Class Counsel, XYZ nor DefenseDefendant, 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.

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12.912.10 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.

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12.1012.11 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

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12.1212.13 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.

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12.1312.14 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.

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12.1412.15 Use and Return of Class Data. Information provided to Class Counsel pursuant to EvidenceCal. Evid. Code section §1152, and all copies and summaries of the Class Data provided to Class Counsel by XYZDefendant 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 California Rulesrule of Court rulecourt. 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 XYZDefendant, unless, prior to the Court's

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~~12.16~~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 ~~be~~understood to “roll over” to the first business day thereafter.

~~12.17~~12.18 **Notice.** All notices, demands, or other communications between the Parties in connection with this Agreement ~~will~~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 ~~Xyz~~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

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~~12.18~~~~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 ~~will, 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.

~~12.19~~~~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. ~~The Parties further agree that upon the signing of this Agreement that, pursuant to Code of Civil Procedure CCP section 583.330 to extend the date to bring a case to trial under Code of Civil Procedure section and 583.310 for the entire period of this settlement process.~~

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For Dated: _____

Plaintiff For XYZ RHINA VILLEDA

(date)

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Counsel

Dated: _____

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

Dated: CROSNER LEGAL, PC

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

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

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

Attorneys for ~~xyz~~Solheim

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

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[(case name and number)]

*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!

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

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You may be eligible to receive money from an employee class action lawsuit ("Action") brought against (abbreviate name; "XYZ" is used herein as Solheim Lutheran Home d/b/a placeholder) Solheim Senior Community ("Solheim") for alleged wage and hour violations. ~~The This~~ Action was filed by a ~~an~~ former XYZ Solheim employee ~~Rhina Villeda~~ ("Plaintiff"), and seeks (1) payment of (1) ~~back~~ for unpaid minimum wages, ~~unpaid overtime wages, meal and other relief 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 e.g., hourly current and former non-exempt employees who are not subject to Solheim's arbitration agreement ("Class Members") who worked for XYZ and employed by Solheim in California during the Class Period to (December 14, 2017 through)~~; and (2) penalties under the California Private Attorney General Act ("PAGA") for all ~~e.g., hourly current and former non-exempt employees ("Aggrieved Employees") who worked for XYZ 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 XYZ Solheim to fund Individual Class Payments, and (2) a PAGA Settlement requiring XYZ Solheim to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency ("LWDA").

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Based on XYZ's 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 \$-. The \$. 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 XYZ's Solheim's records, you are not eligible for an Individual PAGA Payment under the Settlement because you didn't work during the PAGA Period.)

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The above estimates are based on XYZ's Solheim's business records showing which indicate that you worked workweeks during the Class Period, and that you worked workweeks 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.

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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 act or not act. Read, and accordingly you should read this Notice carefully. You 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 and Plaintiff's attorneys ("Class Counsel"), and the Class and Aggrieved Employees. The Court will also decide whether to enter a judgment that requires XYZSolheim to make payments under the Settlement, and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against XYZSolheim.

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

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(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, ~~though~~, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against XYZSolheim.

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(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 XYZSolheim, 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.)~~

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

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SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

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You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against XYZ that are covered by this Settlement (Released Claims).
You Can Opt out of the Class Settlement but not the PAGA Settlement	If you don't want to fully participate in the proposed Settlement, you can opt out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice.
The Opt-out Deadline is _____	You cannot opt-out of the PAGA portion of the proposed Settlement. XYZ 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 _____	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, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or
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	Plaintiff 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 _____. You don’t have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), 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 _____	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 Class Period Workweeks and number of PAGA Period Pay Periods you worked according to XYZ’s records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by _____. See Section 4 of this Notice.

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 an 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).

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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~~ XYZ Solheim employee. The Action accuses XYZ Solheim of violating California labor laws by failing to pay ~~[e.g., all minimum wages, overtime wages, minimum wages, premium wages due upon termination in lieu of meal and reimbursable expenses]~~ rest periods, out-of-pocket business expense, timely payment of final wages, and failing to provide ~~[e.g., meal periods, rest breaks and accurate]~~ 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 (Lab. Labor Code, §§ 2698, et seq.) (“PAGA”). Plaintiff is represented by attorneys (“Class Counsel”) in the Action.

 (“Class Counsel.”)

XYZ strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

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?

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So far, the Court has ~~not~~ made ~~neany~~ determination ~~about~~ whether XYZSolheim violated any laws or ~~whether~~ Plaintiff is correct on the merits. ~~In the meantime~~ Instead, Plaintiff and

XYZSolheim have hired ~~an~~ an experienced, neutral mediator

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~~a retired judge~~ ~~(describe alternative means of negotiation)~~ in an effort to resolve the Action by negotiating an ~~to end to~~ the case ~~by~~ via mutual agreement (~~settle i.e., settling~~ the case) rather than continuing the expensive and time-consuming process of ~~litigation. The~~ litigating this dispute. Those negotiations were ~~successful. By, and by,~~ signing a ~~lengthy,~~ written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and ~~xyz~~ 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, ~~xyz~~ Solheim does not admit any violations or concede the merit of any claims ~~brought against it by Plaintiff.~~

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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) ~~XYZSolheim~~ 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 ~~Final Approval whether to finally approve the Settlement~~.

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

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~~1. XYZ Will Pay \$ Solheim will pay \$225,000.00 as the Gross Settlement Amount ("Gross Settlement", XYZ). 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. The This Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorneys' 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, XYZSolheim will then fund the Gross Settlement not more than fourteen (14) days after the Judgment entered by the Court becomebecomes final, and following receipt from the Administrator of the amount owed for payroll taxes. The Judgment will becomebecome 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.~~

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~~2. 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:~~

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~~A. 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.~~

~~B. Up to \$ 2,500.00 as a Class Representative Award Service Payment for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.~~

~~C. Up to \$ 7,000 to the Administrator for services administering the Settlement.~~

~~D. 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.~~

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

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3. **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.

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4. **Taxes Owed on Payments to Class Members.** Plaintiff and XYZSolheim are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages (“Wage Portion”) and 80% to ~~fe-g, penalties and interest, etc.~~ (“Non-Wage Portion”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. ~~Option 1: XYZSolheim 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.

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Although Plaintiff and XYZSolheim 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 the this proposed Settlement in your individual case.

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5. **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.

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~~will be deposited with the California Controller’s Unclaimed Property Fund in your name.~~

~~will irrevocably lost to you because they will be paid to a non-profit organization or foundation (“Cy-Pres”).~~

~~If the monies represented by your check is sent to the Controller’s Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.~~

6. **Requests for Exclusion from the Class Settlement (“Opt-Outs”).** You will be treated as a Participating Class Member, who is participating fully in the Class 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 Class Member you

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or his/her/their/your representative setting forth a Class Member's/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 XZSolheim.

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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.

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for Individual PAGA Payments and are required to give up their right to assert PAGA claims against XYZ based on the PAGA Period facts alleged in the Action.

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7. **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 XYZSolheim have agreed that, in either case, ~~the~~this Settlement will be void; ~~XYZ; that means that Solheim~~ will not pay ~~out~~ any money, and Class Members will not release any claims against XYZSolheim.

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8. **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 ~~decide~~consider and issue final decisions regarding any Class Member Challenges over Workweeks, ~~and/or Aggrieved Employees' 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.

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9. **Participating Class Members' Release.** After the Judgment is final and ~~XYZ~~after Solheim has fully funded the Gross Settlement ~~[Option 1: (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 ~~XYZ or related entities~~Solheim for wages ~~based on the Class Period facts and PAGA penalties based on PAGA Period facts~~, as alleged in the Action and resolved by this Settlement.

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The Participating Class Members will be bound by the following release:

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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 (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint [and ascertained in the course of the Action] [including, e.g., "(a) any and all claims involving any alleged failure to pay minimum wage; etc.]. Except as set forth in Section 5.3 of the Settlement Agreement, and assigns, release Released Parties from any and all claims, causes of actions, demands, debts, obligations, penalties, damages or liability of any nature whatsoever, known or unknown, based on or arising out of the facts, circumstances, or primary rights that were alleged, or could reasonably have been alleged, in any version of the complaints filed in this Action (any amendments thereto), 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~~

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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; (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.^{viii}

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10. **Aggrieved Employees' PAGA Release.** After the Court's judgment is final, and XYZSolheim has paid the Gross Settlement (and separately paid the employer-side payroll taxes), all Aggrieved Employees will be barred from asserting PAGA claims against XYZSolheim, 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.

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of the Class Settlement, cannot sue, continue to sue or participate in any other PAGA claim against XYZ or its related entities based on the PAGA Period 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 Participating and Non-Participating Class Members who are. 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 PAGA Period facts stated in the Operative Complaint, and any amendments thereto, the PAGA Notice, and ascertained in the course of the Action, including, e.g., (a) 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, etc., 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?

1. **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.

2. **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 PAGA Period Pay Periods worked by each individual Aggrieved Employee.

3. **Workweek/Pay Period Challenges.** The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in XYZ's 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 XYZ's Solheim's calculation of Workweeks and/or Pay Periods based on

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XYZ'sSolheim'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 XYZ'sSolheim's Counsel. ~~The~~Please note that the Administrator's decision is final. ~~You,~~ which means that you can't appeal or otherwise challenge its ~~final~~ decision on this point.

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5. HOW WILL I GET PAID?

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1. 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.

2. 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 Class 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?

~~Submit~~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 based on any writing communicating your request be excluded. 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. ~~The Administrator~~ You must be sent also make your request to be excluded by _____ no later than DATE, or it will not be invalid 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 ~~xyz~~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 ~~(1)~~ a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and ~~(2) a Motion for Fees, Litigation Expenses and Service Award stating 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 Award 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. You can also view them on the Administrator's Website

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(url) or the Court's website (url)

A Participating Class Member who disagrees with any aspect of the Agreement, or the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award 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 _____. Be sure to tell the Administrator what 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.

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you object to, why you object and any facts that support your objection. Make sure you identify the Action _____ and include your name, current address, telephone number and approximate dates of employment for [XYZ] and sign the objection. Section 9 of this Notice has the Administrator's contact information.

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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 ~~object~~are objecting, and any facts that you believe support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

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You can, -- but you don't have to, -- attend the Final Approval Hearing on DATE at (time) TIME, in Department [7] of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At ~~the~~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 ~~objectors~~any and all Objectors, Class Counsel, and Defense Counsel before making a decision. ~~You~~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.

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

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9. HOW CAN I GET MORE INFORMATION?

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The Agreement sets forth everything ~~XYZSolheim~~ and Plaintiff have promised to do under the proposed Settlement. ~~The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to~~ (specify entity) website at (url).

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You can ~~also~~ 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>) ~~(confirm)~~(<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.

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

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Class Counsel: Name of Attorney: Email Address: Name of Firm: Mailing Address:

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'

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Defense Counsel:

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
Telephone: 213-239-9800

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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
Telephone: 310-217-8191

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.

☐ you should consult the Unclaimed Property Fund _____
for instructions on how to retrieve the funds

☐ you will have no way to recover the money.

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.

¹ This Model Class Action and PAGA Settlement Agreement has been approved by the Court, the Complex litigation judges, and a 2022 Ad Hoc Wage and Hour Committee co-chaired by Judge David Cunningham and Judge Amy Hogue and comprised of 16 attorneys who regularly represent plaintiffs and defendants in wage and hour case. It is written for settlements of single plaintiff wage and hour actions asserting class claims and PAGA

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claims against a single employer (XYZ). The parties will need to revise this form if there are multiple plaintiffs or multiple defendants. For settlements of wage and hour class actions that do not include PAGA claims, please use the Model Class Action Settlement Agreement and Class Notice. THE COURT ASKS ALL COUNSEL USING THIS MODEL AGREEMENT TO ATTACH A REDLINED VERSION TO THEIR MOTIONS FOR APPROVAL SO THAT THE COURT CAN EASILY SEE EXACTLY HOW THE PARTIES HAVE MODIFIED THIS MODEL AGREEMENT.

ⁱⁱ Whether the “date of preliminary approval” yields a fair and adequate payment to Class Members may depend on whether the Class Members, in exchange for their releases of claims, receive consideration for time worked between the date when parties reached a settlement and the date of preliminary approval. The Parties’ *Kullor* analysis must give the Court sufficient information to allow the Court to determine whether the Gross Settlement Amount “represents a reasonable compromise, given the magnitude and apparent merit of the claims being released, discounted by the risks and expenses of attempting to establish and collect on those claims by pursuing the litigation.” (*Luckey v. Superior Court* (2014) 228 Cal.App.4th 81, 94–95, internal quotation marks omitted.)

ⁱⁱⁱ See endnote ii above.

^{iv} The Parties may need to tailor this language to pay periods or shifts depending on the facts of the case.

^v The Parties are free to negotiate a payment plan structure, if appropriate, and payment deadlines may fall earlier as necessary thereto.

^{vi} Note that this is not the only possible appropriate breakdown depending on the claims at issue in the case (e.g. a settlement that is solely a Labor Code section 226, subdivision (a) claim.)

^{vii} Insert negotiated terms, if any, addressing the possibility that XYZ’s estimates of class size, Workweeks or Pay Periods turn out to be understated such as an ADR clause imposing a duty to engage in good faith negotiations or mediation or an “escalator” clause memorializing XYZ’s promise to increase the Gross Settlement Amount in an agreed upon proportion to the percentage by which the calculated class size, Workweeks, or Pay Periods exceeds XYZ’s estimates.

^{viii} Releases in Notice should track the releases in the Settlement Agreement.

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EXHIBIT

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**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 \$ [REDACTED] (less withholding), and your Individual PAGA Payment is estimated to be \$ [REDACTED]. 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 [REDACTED] workweeks during the Class Period, and that you worked [REDACTED] 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 be eligible to receive an 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 Employees' 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, known or unknown, based on or arising out of the facts, circumstances, or primary rights that were alleged, or could reasonably have been alleged, in any version of the complaints filed in this Action (any amendments thereto), 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; (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 [REDACTED] 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.

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.

Class Counsel:

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OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.
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Torrance, CA 90502
Telephone: 310-217-8191

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.

EXHIBIT

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CROSNER LEGAL

Public Interest Rights

Zachary Crosner, Esq.
Managing Attorney
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Ste. 301
Beverly Hills, CA 90210

zach@crosnerlegal.com
office: (310) 496-5818
fax: (310) 510-6429

November 29, 2021

VIA ONLINE FILING ONLY:

California Labor & Workforce
Development Agency
ATTN: PAGA Administrator
455 Golden Gate Avenue, 9th Floor
San Francisco, CA 94102
PAGAFilings@dir.ca.gov

VIA U.S. CERTIFIED MAIL:

Samuel T Oden
Agent for Service of Process for:
Solheim Lutheran Home
2236 Merton Avenue
Los Angeles, California 90041

NOTICE OF PRIVATE ATTORNEYS GENERAL ACT CLAIM

To: California Labor and Workforce Development Agency,
Solheim Lutheran Home
Date: November 29, 2021
Subject: *Rhina Villeda v. Solheim Lutheran Home*

Introduction

This office represents COMPLAINANT, Rhina Villeda (hereinafter "COMPLAINANT") in connection with COMPLAINANT's claims under the California Labor Code. COMPLAINANT was, at all relevant times herein mentioned, an employee of the following entities and individual

managing agents of said entities: Solheim Lutheran Home (hereinafter “EMPLOYER”). EMPLOYER may be contacted directly at the address listed above.

Pursuant to California Labor Code sections 2699.3 and 2699.5, COMPLAINANT, on behalf of COMPLAINANT, and on behalf of all non-exempt employees employed by EMPLOYER within one year of the date of this notice (“AGGRIEVED EMPLOYEES”), hereby gives written notice (“NOTICE”) of COMPLAINANT’s claims against EMPLOYER. This NOTICE is being provided via online filing to the California Labor and Workforce Development Agency (“LWDA”) and EMPLOYER via its Agent(s) for Service of Process as provided to the California Secretary of State.

This NOTICE also serves to demonstrate COMPLAINANT’s reasonable attempt at settlement with EMPLOYER. If EMPLOYER is interested in settling this matter before a lawsuit is filed, EMPLOYER may contact Crosner Legal, P.C. at the address listed at the close of this NOTICE. This settlement attempt is in compliance with relevant California law. *Graham v. Daimler Chrysler Corp.* (2004) 24 Cal.4th 553, 561.

This NOTICE is sent in compliance with the reporting requirements of California Labor Code sections 2699.3 and 2699.5. This NOTICE further reserves any and all rights by COMPLAINANT to amend this notice to include, amend, or add further charges upon discovery of new violations of any of the provisions of the California Labor Code. In addition, to the extent that entities and/or other individuals are named and charged with violations of the Labor Code—making them liable on an individual basis as permitted by numerous Labor Code sections including, but not limited to sections 558.1 and 1197.1—COMPLAINANT reserves any and all rights to add, substitute, or change the name of employer entities and/or individuals responsible for the violations at issue. Any further amendments and changes to this notice shall relate back to the date of this NOTICE. Consequently, EMPLOYER is on notice that COMPLAINANT continues its investigation, with the full intent to amend and/or change this notice, to add any undiscovered violations of *any* of the provisions of the California Labor Code—to the extent that are applicable to this case—and to change and/or add the identities of any entities and/or individuals responsible for the violations contained herein. If EMPLOYER intends to cure the alleged violations within the statutory time period set forth in sections 2699 and 2699.3(a), the EMPLOYER shall provide notice including a description of actions taken to cure. If the alleged violation is not cured within the statutory time period, COMPLAINANT will commence a civil action pursuant to section 2699.

Based on the following summary of the facts and theories upon which COMPLAINANT will base COMPLAINANT’s claims, COMPLAINANT requests that the LWDA regard this NOTICE as written notice of COMPLAINANT’s intent to seek civil penalties against EMPLOYER. The specific provisions of California law that EMPLOYER has violated, requiring this NOTICE, include but are not limited to: California Labor Code sections 201-203, 204, 216, 221-223, 226, 226.7, 245-248.5, 432.5, 432.7, 510, 512, 558, 558.1, 1024.5, 1174, 1194, 1197, 1197.1, 1198, 1198.3, 1199, 2802, 2810.5, and all applicable Wage Orders.

The Named Entities and Unknown Entities Are Joint Employers of COMPLAINANT and AGGRIEVED EMPLOYEES

California courts have recognized that the definition of “employer” for purposes of enforcement of the California Labor Code goes beyond the concept of traditional employment to reach irregular working arrangements for the purpose of preventing evasion and subterfuge of California’s labor laws. *Martinez v. Combs* (2010) 49 Cal.4th 35, 65. As such, anyone who directly or indirectly, or through an agent or any other person, engages, suffers, or permits any person to work or exercises control over the wages, hours, or working conditions of any person, may be liable for violations of the California Labor Code as to that person.

COMPLAINANT believes and hereon asserts that EMPLOYER and unknown entities must be classified as joint employers of COMPLAINANT for purposes of liability for civil penalties under PAGA, as the aforementioned entities engaged, suffered and permitted COMPLAINANT to perform services from which they benefited, and furthermore that the aforementioned entities had the right to exercise control over the wages, hours and/or working conditions of COMPLAINANT at all relevant times herein, so as to be considered the joint employers of Complainant. By reason of their status as joint employers of COMPLAINANT and AGGRIEVED EMPLOYEES, they are each liable for civil penalties for violation of the California Labor Code and applicable Wage Orders as to COMPLAINANT and other AGGRIEVED EMPLOYEES.

Individual Liability Under Labor Code § 558.1

Labor Code section 558.1 permits joint and several liability as to both an individual and employer for violations of Labor Code sections 203, 226, 226.7, 1194, and 2802. EMPLOYER, at all relevant times, was an employer or person acting on behalf of an employer(s) who violated COMPLAINANT and other AGGRIEVED EMPLOYEES’ rights by violating various sections of the California Labor Code. The California Legislature defines “other person acting on behalf of an employer” as “*a natural person* who is an owner, director, officer, or managing agent of the employer.” The “managing agent” definition mirrors that found in California’s punitive damages statute (subdivision (b) of section 3294 of the Civil Code). Under that statute and supporting case law, “managing agents” are all employees who exercise substantial independent authority and judgment in their corporate decision-making such that their decisions ultimately determine corporate policy. *White v. Ultramar, Inc.* (1999) 21 Cal. 4th 563, 566-67. For the reasons set forth above and others, at all relevant times, the above-listed individuals meet the criteria of managing agents under California law, and therefore, may be held liable under California Labor Code sections 558 and 558.1 for violations of Labor Code sections 203, 226, 226.7, and 1194 as further described in detail below.

COMPLAINANT intends to further name any unknown individuals responsible for violations arising under Labor Code sections 558 and 558.1 after further discovery. COMPLAINANT will ask the Court to relate the amendment of the PAGA charge and the operative complaint to the date of filing of these charges. COMPLAINANT asks and demands that EMPLOYER put these individuals on notice immediately to provide them as much notice possible to mount in defense.

In the alternative, COMPLAINANT also offers to EMPLOYER to place those individuals on notice if EMPLOYER voluntarily provides their contact information.

General Information

Solheim Lutheran Home dba Solheim Senior Community and its managing agents own, operate, or otherwise manage a senior living/retirement home in Los Angeles (Eagle Rock), California, that provides residential living, assisted living, skilled nursing, rehabilitation, and memory care services to seniors. While EMPLOYER may operate a successful company or have a noble mission, EMPLOYER does not comply with California labor law.

COMPLAINANT worked for EMPLOYER from in or about 1994 until the termination of COMPLAINANT's employment, in January 2021. COMPLAINANT's job title was Certified Nursing Assistant ("CNA"). COMPLAINANT's typical shift was from 7:00 a.m. to 3:00 pm. COMPLAINANT was occasionally scheduled to work shifts lasting longer than eight (8) hours.

EMPLOYER failed to compensate COMPLAINANT for all hours worked by virtue of its time-rounding policies and practices and auto-deduction policy and practice for on-duty, interrupted, shortened and or missed meal periods, as described herein. EMPLOYER required COMPLAINANT to clock out for a thirty-minute meal period each shift even though COMPLAINANT rarely, if ever, received uninterrupted, off-duty, thirty-minute meal periods due to a lack of relief nurses available, understaffing, having to constantly monitor work communication devices and respond to work communications and or attend to patients' needs/situations that arose whenever they arose. For example, COMPLAINANT's meal periods were consistently interrupted/cut short by calls on EMPLOYER's PA system instructing COMPLAINANT to return to work immediately to attend to one of the patients. Nevertheless, EMPLOYER deducted thirty minutes per shift for these on-duty, interrupted, shortened and or missed meal periods, resulting in significant uncompensated work time and the underpayment of minimum and overtime wages owed COMPLAINANT.

COMPLAINANT's work schedule typically entitled her to two (2) rest periods per shift. However, COMPLAINANT was consistently unable to take ten-minute, off-duty rest periods for every four (4) hours worked or major fraction thereof. COMPLAINANT rarely, if ever, received ten-minute, uninterrupted, off-duty, rest periods due to a lack of relief nurses available, understaffing, having to constantly monitor work communication devices and respond to work communications and or attend to patients' needs/situations that arose whenever they arose, including during any rest periods. EMPLOYER implemented policies and practices that failed to relieve COMPLAINANT of all duties and employer control during any rest periods. For example, per EMPLOYER's policy, COMPLAINANT was prohibited from leaving the work premises during any rest periods and thus remained under employer control during any rest periods, rendering said rest periods noncompliant with California law. EMPLOYER never paid COMPLAINANT any rest period premium for any missed/non-compliant rest period.

COMPLAINANT and other AGGRIEVED EMPLOYEES were pressured to complete their work tasks according to EMPLOYER's designated schedule and attend to the patients' needs throughout their shifts, such that meal and rest breaks were only taken when time permitted, were always on-duty and rarely, if ever, uninterrupted, timely, and or the proper length.

Based on information and belief, EMPLOYER failed to properly accrue and pay all owed sick leave wages. EMPLOYER either failed to provide paid sick leave at all or failed to base the owed sick leave on the actual hours worked due to EMPLOYER's time-shaving and auto-deduction policies and practices for meal periods. Based on further information and belief, failed to incorporate all non-discretionary remuneration, such as, shift differential pay and or multiple regular pay rates into the sick leave pay calculation, resulting in the denial of owed sick leave wages.

EMPLOYER further failed to furnish COMPLAINANT and other AGGRIEVED EMPLOYEES with accurate and complete wage statements that complied with Labor Code section 226. EMPLOYER's wage statements fail to list the true "total hours worked" by COMPLAINANT due to EMPLOYER's time-rounding and auto-deduction policies and practices as applied to on-duty, shortened, and or missed meal periods, as alleged herein.

Based on information and belief, EMPLOYER required COMPLAINANT and other AGGRIEVED EMPLOYEES to incur business expenses that are supposed to be the responsibility of the employer, such as, but not limited to, expenses incurred in connection with the purchase and or maintenance of work uniforms/work clothing, cellphone/mobile device and or vehicle-related expenses. EMPLOYER failed to reimburse COMPLAINANT and other AGGRIEVED EMPLOYEES for these business-related expenses, in violation of Labor Code section 2802.

Based on information and belief, as a condition of hire/maintaining employment, COMPLAINANT and other AGGRIEVED EMPLOYEES were required to undergo a financial, personal and or criminal background check. Based on further information and belief, EMPLOYER failed to comply with the disclosure and formatting requirements of the Investigative Consumer Reporting Agencies Act ("ICRAA") and or the Fair Credit Reporting Act ("FCRA"), and EMPLOYER required COMPLAINANT and other AGGRIEVED EMPLOYEES to sign off on the unlawful background checks, in violation of California Labor Code section 432.5.

Based on information and belief, EMPLOYER asked about arrests on its employment application in violation of Labor Code section 432.7 and or asked about criminal convictions prior to extending a conditional offer of employment in violation of the Fair Employment and Housing Act ("FEHA") and required COMPLAINANT and other AGGRIEVED EMPLOYEES to agree in writing to the unlawful disclosures as a condition of employment, in violation of Labor Code section 432.5.

Among other things, EMPLOYER (1) failed and continues to fail to keep accurate and complete time records for COMPLAINANT and similarly AGGRIEVED EMPLOYEES due to its time-rounding and meal period auto-deduction policies and practices described herein; (2) failed and continues to fail to pay COMPLAINANT and similarly AGGRIEVED EMPLOYEES for all hours worked due to EMPLOYER's time-rounding/time-shaving policies and practices and other mandated off-the-clock work described herein; (3) failed and continues to fail to pay employees at least minimum wage for all hours worked and overtime/regular rates for corresponding work due to, including but not limited to, failure to incorporate all non-discretionary remuneration and or multiple regular pay rates into the overtime rate calculation; (4) failed and continues to fail to provide COMPLAINANT and similarly AGGRIEVED EMPLOYEES with proper meal or rest breaks, and/or compensate COMPLAINANT and similarly AGGRIEVED EMPLOYEES an additional hour of premium pay for missed/improper meal and/or rest periods; (5) refused and continues to refuse to make and/or falsely denied the amount of payments due to COMPLAINANT and similarly AGGRIEVED EMPLOYEES, including but not limited to, owed sick pay; (6) failed and continues to fail to place COMPLAINANT and similarly AGGRIEVED EMPLOYEES on proper notice of their workplace rights, including but not limited to owed sick pay; (7) failed and continues to fail to provide legally compliant wage statements to COMPLAINANT and similarly AGGRIEVED EMPLOYEES; (8) made and continues to make unlawful deductions from COMPLAINANT and similarly AGGRIEVED EMPLOYEES' paychecks; (9) failed and continues to fail to timely pay all earned wages to COMPLAINANT and similarly AGGRIEVED EMPLOYEES during employment and upon separation of employment; (10) failed and continues to fail to reimburse COMPLAINANT and similarly AGGRIEVED EMPLOYEES for business expenses incurred on behalf of EMPLOYER; (11) conducted and continues to conduct illegal background checks as a condition of hire and or of maintaining employment; and (12) requires COMPLAINANT and similarly AGGRIEVED EMPLOYEES to impermissibly disclose arrests on their employment applications and or criminal conviction history prior to making a conditional of employment and to sign off on same. Further descriptions of the above-mentioned violations and others are explained below.

Labor Code Violations

Recordkeeping Requirement Violations: California Labor Code section 1174 requires employers to keep "accurate and complete" payroll records showing, among other things, the hours worked daily by COMPLAINANT and similarly AGGRIEVED EMPLOYEES. IWC Wage Order 5-2001 and all applicable IWC Wage Orders, section 7 similarly requires employers to keep time records reflecting the times during which all owed meal periods were provided each day.

At all relevant times, EMPLOYER has failed, and continues to fail, to keep accurate and complete payroll records as required by law.

EMPLOYER has failed and continues to fail to keep accurate and complete records showing total hours worked by COMPLAINANT and similarly AGGRIEVED EMPLOYEES by virtue of

EMPLOYER's time rounding and auto deduction policies and practices and other mandated off-the-clock work, described herein.

EMPLOYER further failed, and continues to fail, to record the start and end times of COMPLAINANT and similarly AGGRIEVED EMPLOYEES' meal periods.

Additionally, EMPLOYER failed to keep accurate records and issue accurate wage statements by not documenting accrued sick time for COMPLAINANT and AGGRIEVED EMPLOYEES.

EMPLOYER's failure to keep "accurate and complete" payroll records for COMPLAINANT and similarly AGGRIEVED EMPLOYEES violates Labor Code sections 1174, 1198, 1199, and all applicable IWC Wage Orders, section 7. These violations subject EMPLOYER to civil penalties under Labor Code sections 558.1, 226.6, 1174.5 and 2699. Each violation of each Labor Code section and Wage Order provision, for each aggrieved employee, results in a separate civil penalty.¹

Meal Period Violations: California law requires employers to provide employees a duty-free, uninterrupted thirty (30) minute meal period when an employee works more than five (5) hours in a workday, and it must be provided within the first five (5) hours the employee works. Lab. Code section 512 (and all applicable IWC Wage Orders), section 11(A) and (C); *Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004. Employers must also provide employees with a second duty-free, uninterrupted thirty (30) minute meal period when an employee works more than (10) hours in a workday, and it must be provided before the end of the 10th hour of work. *Ibid.* Meal periods can be waived, but only under the following circumstances: (1) if an employee's total work period in a day is over five (5) hours but no more than six (6) hours, the required meal period may be waived by mutual consent of the employer and employee, and (2) if an employee's total work period in a day is over ten (10) hours but no more than twelve (12) hours, the required second meal period may be waived by mutual consent of the employer and employee, but only if the first meal period was not waived. *Ibid.*

Employers covered by any and all applicable IWC Wage Orders have an obligation to both (1) relieve their employees for at least one meal period for shifts over five hours (see above), and (2) to record having done so. If the employer fails to properly record a valid meal period, it is presumed that no meal period was provided. IWC Wage Order 5-2001 and all applicable IWC Wage Orders, section 7(A)(3) ("Meal periods . . . shall also be recorded"); *Brinker, supra*, 53 Cal.4th 1004, 1052-1053, citing section 7(A)(3) ("If an employer's records show no meal period for a given shift over five hours, a rebuttable presumption arises that the employee was not relieved of duty and no meal period was provided").

Employers must pay employees an additional hour of wages at the employees' regular rate of pay for each missed or improper (e.g., less than 30 minutes, interrupted meal period, first meal period provided after five (5) hours, second meal period provided after 10 hours) meal period. Lab. Code

¹ See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period").

§ 226.7; all applicable IWC Wage Orders, §11(B) (“If an employer fails to provide an employee a meal period in accordance with the employee’s regular rate of compensation for each workday that the meal period is not provided”).

COMPLAINANT and other AGGRIEVED EMPLOYEES consistently worked shifts of five and a half hours or more.

COMPLAINANT and other AGGRIEVED EMPLOYEES would not receive a single legally compliant thirty (30) minute first or second meal break. COMPLAINANT and similarly AGGRIEVED EMPLOYEES were consistently unable to take timely, off duty, thirty-minute, uninterrupted meal periods, often being forced to take late meal periods, interrupted meal periods, and/or work through part or all their meal periods due to the nature and constraints of their job duties and or commentary from supervisors pressuring them to take non-compliant breaks or skip breaks completely.

EMPLOYER implemented a policy and practice of automatically deducting at least thirty minutes per shift for these missed/improper meal periods, despite having actual and/or constructive knowledge that COMPLAINANT and other AGGRIEVED EMPLOYEES did not receive compliant meal periods.

EMPLOYER further implemented policies and practices that failed to relieve COMPLAINANT and other AGGRIEVED EMPLOYEES of all duties and EMPLOYER’s control during unpaid meal breaks. COMPLAINANT and similarly AGGRIEVED EMPLOYEES were required at all times to remain onsite, monitor their work communication devices, and attend to any patient/resident situations that arose during their shifts, including during unpaid meal breaks. Based on information and belief, EMPLOYER had actual and/or constructive knowledge that its policies and practices resulted in the denial of meal periods owed COMPLAINANT and other AGGRIEVED EMPLOYEES, in violation of California’s meal period laws.

Based on further information and belief, EMPLOYER illegally rounded the start and end times of employee meal periods resulting in COMPLAINANT and other AGGRIEVED EMPLOYEES not being paid for all time worked as well as late or shortened meal periods. *See Donohue v. AMN Services, LLC* (2021) 11 Cal.5th 58.

Based on information and belief, EMPLOYER did not have a written meal break policy, nor did EMPLOYER have any sort of compliant policy in practice. Liability for the aggrieved employees can be established by evidence that an employer adopted a uniform corporate break policy that failed to give full effect to California law and the applicable Wage Order requirements. The fact that employees may legally waive meal breaks does not affect this result. *Brinker, supra*, 53 Cal.4th 1004.

COMPLAINANT is further informed and believes and thereon alleges that EMPLOYER had actual or constructive knowledge that its time-rounding and auto-deduction policies and practices

resulted in the denial of meal periods owed COMPLAINANT and other AGGRIEVED EMPLOYEES, in violation of California's meal period laws.

EMPLOYER never paid COMPLAINANT and other AGGRIEVED EMPLOYEES, an additional hour of wages at their respective regular rates of pay for each workday a proper meal period was not provided. EMPLOYER either failed to pay a meal period premium at all for each workday a proper meal period was not provided or failed to pay the proper meal period premium for failure to incorporate all non-discretionary remuneration, including but not limited to, shift differential pay into the regular pay rate for purposes of calculating the owed meal period premium.

The aforementioned conduct results in violations of Labor Code sections 226.7, 512, and 1198-1199, and all applicable IWC Wage Orders, section 11(A) and (C) along with all applicable IWC Wage Orders. These violations subject EMPLOYER to civil penalties under Labor Code sections 558.1, 558 and 2699, and all applicable IWC Wage Orders, section 20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each aggrieved employee for each pay period during which the referenced statutes and Wage Order provisions were violated.² EMPLOYER's failure to provide valid meal periods, and the automatic deduction for meal periods that were not provided/valid, ultimately results in further violations, such as violation of Labor Code sections 1174, 1199, 226.6, discussed above, and other violations discussed below.

Rest Period Violations: California law requires employers to provide employees a paid, duty-free ten (10) minute rest period for each four (4) hours worked, or major fraction thereof. *See* applicable IWC Wage Order, section 12(A). Employers must pay employees an additional hour of wages at the employee's regular rate of pay for each missed or improper (e.g., less than 10 minutes, interrupted rest period, rest period(s) at improper time(s) during shift(s)) rest period. Lab. Code §226.7; applicable IWC Wage Order, section 12(B) ("If an employer fails to provide an employee a rest period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each work day that the rest period is not provided").

EMPLOYER did not properly authorize and provide COMPLAINANT and other AGGRIEVED EMPLOYEES with appropriate rest periods at a rate of every four (4) hours worked or major fraction thereof.

COMPLAINANT and other AGGRIEVED EMPLOYEES were not adequately informed, authorized, instructed about, nor permitted an opportunity to take proper rest breaks per California law.

² See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period"); Lab. Code §558 (establishing that the civil penalty is "for each underpaid employee for each pay period for which the employee was underpaid"); IWC Wage Order 5-2001 and all applicable IWC Wage Orders, §20 (establishing that "[i]n addition to any other civil penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid").

Any purported rest periods would be interrupted, cut short, on duty, and or late due to the nature and constraints of COMPLAINANT and other AGGRIEVED EMPLOYEES' job duties and or commentary from supervisors pressuring them to skip rest breaks completely or take non-compliant rest breaks.

COMPLAINANT and other AGGRIEVED EMPLOYEES were pressured to complete their work tasks according to a designated schedule and attend to the patients' needs throughout their shifts such that rest breaks were only taken once tasks were completed/if time permitted, were always on-duty and rarely, if ever, uninterrupted, timely, and or ten minutes in length.

EMPLOYER had no policy in place nor instruction as to the taking, timing, or duty-free nature of rest periods. COMPLAINANT and other AGGRIEVED EMPLOYEES were never paid a rest period premium for any missed/improper rest period in violation of California law. *Bluford v. Safeway Stores, Inc.* (2013) 216 Cal. App. 4th 864, 872.

EMPLOYER implemented policies and practices that failed to relieve COMPLAINANT and other AGGRIEVED EMPLOYEES of all duties and employer control during any rest periods. For example, EMPLOYER had a policy of requiring COMPLAINANT and other AGGRIEVED EMPLOYEES to remain on the work premises and monitor for and respond to any calls over EMPLOYER's PA system at all times during their shifts, including during any rest periods, rendering any purported rest periods noncompliant with California law. "One cannot square the practice of compelling employees to remain at the ready, tethered by time and policy to particular locations or communications devices, with the requirement to relieve employees of all work duties and employer control during 10-minute rest periods. [emphasis added]." *Augustus v. ABM Security Services, Inc.*, (2016) 5 Cal.5th 257, 269. By failing to provide rest periods for every four (4) hours or major fraction thereof worked per day by non-exempt employees, and by failing to provide premium pay for these on-duty, missed, late, shortened or interrupted rest periods, as alleged above, Employer willfully violated the provisions of Labor Code section 226.7.

The aforementioned conduct results in violations of Labor Code sections 226.7, and 1198-1199, and IWC Wage Order 5-2001 and all applicable IWC Wage Orders, section 12(A). These violations subject EMPLOYER to civil penalties under Labor Code section 2699, and all applicable IWC Wage Orders, section 20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each aggrieved employee for each pay period during which the referenced statutes and Wage Order provisions were violated.³

³ See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period"); IWC Wage Order 5-2001 and all applicable IWC Wage Orders, §20 (establishing that "[i]n addition to any other civil penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid").

Minimum Wage Violations: “Notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorneys’ fees, and costs of suit.” Labor Code section 1194.

Labor Code section 1197 states the California requirement that employees must be paid at least the minimum wage fixed by the Commission, and any payment of less than the minimum wage is unlawful. The minimum wage standard applies to each hour employees worked for which they were not paid. Therefore, an employer’s failure to pay for any particular hour worked by an employee is unlawful even if averaging an employee’s total pay over all hours worked, paid or not, results in an average hourly wage above minimum wage. *Armenta v. Osmose, Inc.* (2005) 135 Cal.App.4th 314, 324. Furthermore, “in any action under Section 98, 1193.6, 1194, or 1197.1 to recover wages because of the payment of a wage less than the minimum wage fixed by an order of the commission or by statute, an employee shall be entitled to recover liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon...” Labor Code section 1194.2.

EMPLOYER failed to compensate COMPLAINANT and other AGGRIEVED EMPLOYEES for all hours worked by virtue of EMPLOYER’S automatic deduction and time rounding policies, payment according to scheduled hours worked instead of actual time worked, mandated pre-shift and post-shift off-the clock work policies and practices and failure to relieve employees of all duties/employer control during unpaid meal periods or otherwise unlawful practices for missed or improper meal periods.

COMPLAINANT and other AGGRIEVED EMPLOYEES were consistently unable to take off duty, thirty-minute, uninterrupted meal periods, often being forced to work through part or all their meal periods due to the nature and constraints of their job duties and or commentary from supervisors pressuring COMPLAINANT and other AGGRIEVED EMPLOYEES to take non-compliant breaks or skip breaks completely.

EMPLOYER implemented a policy and practice of automatically deducting at least thirty minutes per shift for meal periods, despite having actual and/or constructive knowledge that COMPLAINANT and other AGGRIEVED EMPLOYEES were working through part or all these meal periods.

Based on information and belief, EMPLOYER rounded the start and end times of employee meal periods resulting in COMPLAINANT and other AGGRIEVED EMPLOYEES not being paid for all time worked.

Based on further information and belief, EMPLOYER rounded the start and end times of employee shifts resulting in COMPLAINANT and other AGGRIEVED EMPLOYEES not being paid for all time worked. COMPLAINANT alleges on information and belief that EMPLOYER implemented a time-rounding system that as applied systematically deprived COMPLAINANT and other AGGRIEVED EMPLOYEES of compensable time because the time-rounding system

implemented by EMPLOYER would almost always, if not always, result in understating actual compensable work time. EMPLOYER's failure to pay for all time worked by virtue of its time-rounding practices resulted in the underpayment of minimum wages owed to COMPLAINANT and AGGRIEVED EMPLOYEES as well as unpaid overtime wages for those AGGRIEVED EMPLOYEES who worked more than eight (8) hours in a day and or forty hours in a week.

Based on information and belief, EMPLOYER required/requires AGGRIEVED EMPLOYEES to undergo Covid testing outside of their scheduled shift times without compensating them for the travel time to/from the testing sites, time spent waiting for the tests to be performed, and time spent undergoing testing, resulting in significant off-the-clock work and the underpayment of minimum wages owed to AGGRIEVED EMPLOYEES.

Based on information and belief, EMPLOYER required/requires AGGRIEVED EMPLOYEES to undergo Covid-related temperature checks prior to clocking in for their shifts each workday, resulting in off-the-clock work and the underpayment of minimum and overtime wages owed AGGRIEVED EMPLOYEES.

Based on information and belief, EMPLOYER calculated hours of work based on a shift-to-shift work-day rather than a midnight to midnight work day which failed to take into account all hours worked during overnight shifts which were unaccounted for. This off-the-clock work resulted in not only record-keeping violations but also the underpayment of minimum and overtime wages to AGGRIEVED EMPLOYEES.

Based on information and belief, EMPLOYER had actual or constructive knowledge that its time-rounding and auto-deduction policies and practices and failure to provide off-duty meal periods, failure to properly calculate and account for all hours worked during overnight shifts and other mandated off-the-clock work described above resulted in the underpayment of minimum wages owed COMPLAINANT and other AGGRIEVED EMPLOYEES, in violation of California's minimum wage laws.

Based on information and belief, EMPLOYER had actual or constructive knowledge that its time-rounding policies and practices as well as other mandated off-the-clock work described above resulted in the underpayment of minimum wages owed COMPLAINANT and other AGGRIEVED EMPLOYEES, in violation of California's minimum wage laws.

These violations subject EMPLOYER, to civil penalties under Labor Code sections 558, 558.1, 1197.1 and all applicable IWC Wage Orders, section 20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each aggrieved employee, for each pay period during which the referenced statutes and Wage Order provisions were violated.⁴

⁴ See Lab. Code §1197.1(a) (establishing that the civil penalty is “for each underpaid employee for each pay period for which the employee was underpaid”); IWC Wage Order 5-2001 and all applicable IWC Wage Orders, §20 (establishing that “in addition to any other civil penalties provided by law, any employer or any other person acting

Overtime Violations: California law requires employers to pay overtime equal to one and one-half times the regular hourly rate of pay for each hour worked beyond eight (8) hours per workday and each hour worked beyond forty (40) hours per work week. Lab. Code section 510; IWC Wage Order 5-2001 and all applicable IWC Wage Orders, section 3. Employers must pay overtime equal to double the regular hourly rate of pay for each hour worked beyond twelve (12) hours per workday and for all hours worked in excess of eight (8) hours on the seventh consecutive day or work in a work week. *Ibid.*

EMPLOYER violated California's overtime laws by, among other things, failing to correctly calculate, or record at all, the total number of hours worked by COMPLAINANT and other AGGRIEVED EMPLOYEES and not paying proper overtime rates for overtime worked by virtue of same.

Namely, EMPLOYER's time-rounding/time-shaving and auto deduction policies and practices and other policies and practices resulting in off-the-clock work as described herein and thus the underpayment of earned minimum wages also resulted in the underpayment of earned overtime wages for those AGGRIEVED EMPLOYEES who worked more than eight (8) hours in a day or more than forty hours in a week.

Additionally, based on information and belief, EMPLOYER sometimes paid AGGRIEVED EMPLOYEES multiple rates of pay in one pay period for the same kind of work but failed to average the rates of pay when calculating overtime. Under California law, "[w]here two rates of pay are paid during a workweek, the California method for determining the regular rate of pay for calculating overtime in that workweek mirrors the federal method, based upon the weighted average of all hourly rates paid." DLSE Manual 49.2.5 (citing 29 CFR § 778.115). This "weighted average" method provides, "[w]here an employee in a single workweek works at two or more different types of work for which different non-overtime rates of pay (of not less than the applicable minimum wage) have been established, their regular rate for that week is the weighted average of such rates. That is, the total earnings (except statutory exclusions) are computed to include his compensation during the workweek from all such rates, and are then divided by the total number of hours worked at all jobs. . ." 29 CFR § 778.115. EMPLOYER's failure to average the rates of pay when calculating overtime resulted in underpaid overtime wages at times, as well as inaccurate and incomplete wage statements.

EMPLOYER failed to pay proper overtime rates to AGGRIEVED EMPLOYEES due to EMPLOYER's failure to incorporate all forms of non-discretionary compensation, including but not limited to, shift differential pay and or non-discretionary bonus pay, into the regular pay rate for purposes of calculating the owed overtime rate, resulting in the underpayment of overtime wages.

on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid").

This conduct results in violations of Labor Code sections 218.5, 510, 558, 558.1, 1198-1199, and IWC Wage Order 5-2001 and all applicable IWC Wage Orders, section 12(A). These violations subject EMPLOYER to civil penalties under Labor Code sections 558, 558.1, 218.5, and 2699, and Wage Order 5-2001 and all applicable IWC Wage Orders, section 20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each aggrieved employee, for each pay period during which the referenced statutes and Wage Order provisions were violated.⁵

Violation of California Labor Code Sections 245-248.5: Throughout the relevant period, EMPLOYER failed to provide paid sick leave at all to AGGRIEVED EMPLOYEES or failed to properly accrue all owed sick leave, due to, including but not limited to, EMPLOYER's failure to account for true actual hours worked (by virtue of EMPLOYER's time rounding and other mandated off-the-clock work, as described herein) and or failure to incorporate all forms of non-discretionary compensation, including but not limited to, shift pay differential and or non-discretionary bonus pay into the sick pay calculation.

EMPLOYER further failed to put AGGRIEVED EMPLOYEES on notice of their paid sick leave rights—or thereby putting their entitlement to sick leave in a Labor Code section 2810.5 notice.

In addition, EMPLOYER failed to maintain accurate records of used sick leave and the balance of paid sick leave left to the employee throughout the relevant period.

Throughout the relevant time period, EMPLOYER failed to provide notice of the accurate sick leave amount balance left for COMPLAINANT and all AGGRIEVED EMPLOYEES thus affecting their intelligent exercise of their paid sick leave.

But for this failure, AGGRIEVED EMPLOYEES who are no longer employed by EMPLOYER would have used their paid sick leave at least prior to their respective separations, for as on several occasions thereafter, he or she would have been entitled to use the banked sick leave and earn appropriate compensation.

This illegal retention of paid sick leave is unlawful, and COMPLAINANT seeks all forms of injunctive relief, restitution, and declaratory relief as permitted by California law, on behalf of COMPLAINANT and all AGGRIEVED EMPLOYEES.

In violation of Labor Code section 247.5, EMPLOYER failed to maintain records documenting the hours worked and paid sick days accrued and used by COMPLAINANT and all AGGRIEVED

⁵ See Lab. Code §2699(f)(2) (establishing that the civil penalty is “for each aggrieved employee per pay period”); Lab. Code §558 (establishing that the civil penalty is “for each underpaid employee for each pay period for which the employee was underpaid”); IWC Wage Order, §20 (establishing that “[i]n addition to any other civil penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid”).

EMPLOYEES, permitting the presumption that COMPLAINANT all AGGRIEVED EMPLOYEES were entitled to the maximum number of hours accruable under this article at the time of his termination.

EMPLOYER further failed and continues to fail to comply with Labor Code section 246, by failing to provide AGGRIEVED EMPLOYEES with a Labor Code section 226 wage statement, or separate writing containing amount of paid sick leave available, or paid time off leave an employer provides in lieu of sick leave, at the time it pays wages.

EMPLOYER unlawfully retained and continues to retain paid sick leave that should have been paid and was not as a result of its failure to properly institute a paid sick leave program.

COMPLAINANT requests all appropriate relief under the PAGA and these statutes, including but not limited to the restitution of earned paid sick leave that could have been used, but was not due to EMPLOYER's sole failure to institute such a paid sick leave entitlement or paid sick leave bank as required by California law.

Accordingly, COMPLAINANT and other AGGRIEVED EMPLOYEES are entitled to injunctive relief, attorney's fees, declaratory relief, restitution, and penalties as permitted by law. COMPLAINANT requests all relief pursuant to the aforementioned code provisions, including but not limited to Labor Code sections 233 and 234, which incorporates the paid sick leave requirements.

Refusal to Make Payment: Labor Code section 216 declares unlawful an employer's refusal to pay wages due and payable and/or denial of the validity of any claim to wages due.

EMPLOYER violated and continues to violate Labor Code section 216 by failing to pay COMPLAINANT and all AGGRIEVED EMPLOYEES for all hours worked at the proper wage rates and by failing to pay COMPLAINANT and all AGGRIEVED EMPLOYEES an additional hour of pay for each meal or rest period not provided or that was invalid. *Gould v. Maryland Sound Industries, Inc.* (1995) 31 Cal.App.4th 1137, 1154-1155.

These violations subject EMPLOYER to civil penalties under Labor Code section 225.5. Each violation results in a *separate* civil penalty, for each aggrieved employee, for each pay period during which the statute provisions were violated.⁶

Wage Statement Violations: California law requires every employer semi-monthly or at the time of each payment of wages to furnish each of his or her employees with an accurate itemized wage statement in writing that contains the following: (1) gross wages earned; (2) total hours worked by the employee; (3) the number of piece-rate units earned and any applicable piece rate if the

⁶ Labor Code § 225.5 (establishing that “[i]n addition to, and entirely independent and apart from, any other penalty provided in this article, every person who unlawfully withholds wages due any employee in violation of sections 212, 216, 221, 222, or 223 shall be subject to a civil penalty...for each failure to pay each employee”) (emphasis added).

employee is paid on a piece-rate basis; (4) all deductions; (5) net wages earned; (6) the inclusive dates of the period for which the employee is paid; (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number; (8) the name and address of the legal entity that is the employer; and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. Cal. Lab. Code. § 226.

Among other things, EMPLOYER's wage statements that it provided to COMPLAINANT and all AGGRIEVED EMPLOYEES fail to list the "total hours worked" by the COMPLAINANT and all AGGRIEVED EMPLOYEES, by virtue of EMPLOYER's time-rounding and auto deduction policies and practices and other mandated off-the-clock work, all described in greater detail *supra*, a stand-alone violation of Labor Code section 226(a).

Based on information and belief, EMPLOYER's wage statements fail to display the legal entity name and address of EMPLOYER or a registered DBA, in violation of Labor Code section 226(a).

In addition, because of the violations detailed above, including not paying regular and overtime wages for all hours worked and failing to provide meal and rest break premiums, EMPLOYER has violated California Labor Code section 226 by willfully failing to furnish COMPLAINANT and all AGGRIEVED EMPLOYEES with accurate, itemized wage statements.

As a result, the wage statements provided to COMPLAINANT and all AGGRIEVED EMPLOYEES were not accurate and did not include all of the statutorily required information.

These violations subject EMPLOYER to civil penalties under Labor Code section 226. Each violation results in a *separate* civil penalty, for each aggrieved employee, for each pay period during which the statute provisions were violated.⁷

Standard Conditions of Labor Violations: Together, Labor Code sections 1198 and 1199 make unlawful any employment of any employee under conditions of labor prohibited by the Wage Orders, and any violation, refusal, or neglect to comply with any provision within Part 4, Chapter 1 of the Labor Code, including sections 1174, 1197, and 1198, or order or ruling of the commission.

Therefore, EMPLOYER's violations with respect to meal periods, rest periods, recordkeeping provisions, minimum wages and overtime wages result in separate violations of sections 1198 and 1199, which subject EMPLOYER to civil penalties under Labor Code sections 1197.1 and 2699.

Statutory Wage Violations: California Labor Code section 223 makes it unlawful for an employer to secretly pay wages lower than required by statute while purporting to pay legal wages.

As described above, EMPLOYER willfully and systematically denied COMPLAINANT and other AGGRIEVED EMPLOYEES minimum wage and overtime compensation which resulted in the

⁷ See Lab. Code §226.3 (establishing that the civil penalty is "per employee per violation").

payment of less than statutorily required wages to them. EMPLOYER acted with the intent to deprive them of statutory wages, including, but not limited to, overtime wages and minimum wages, to which they were entitled to under California law.

Thus, EMPLOYER paid COMPLAINANT and all AGGRIEVED EMPLOYEES lower wages than those they were entitled to while purporting that COMPLAINANT and all AGGRIEVED EMPLOYEES were properly paid. COMPLAINANT and all AGGRIEVED EMPLOYEES are entitled to recover penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code section 2699(f)-(g).

Final Pay Violations: Labor Code section 201 requires employers to pay all wages earned and unpaid at the time of discharge, immediately upon discharge. Labor Code section 202 imposes timing requirements for the provision of final paychecks for employees who resign. Pursuant to Labor Code section 203, an employer that willfully fails to pay wages due an employee who is terminated or resigns must pay (in addition to the unpaid wages) a penalty equal to the employee's daily wages for each day, not exceeding 30 days, that the wages are unpaid. This 30-day waiting time penalty is recoverable under the PAGA via Labor Code Section 256. See, *Iskanian v. CLS Transportation Los Angeles, LLC*, 59 Cal.4th 348 (2014); see also, *Caliber Bodyworks, Inc. v. Superior Court*, 134 Cal. App. 4th 365 (2005).

EMPLOYER failed to timely pay AGGRIEVED EMPLOYEES who are no longer employed by EMPLOYER all wages that were due and owing upon termination or resignation.

Upon separation of employment, based upon information and belief, COMPLAINANT and AGGRIEVED EMPLOYEES' final paychecks were not timely provided, and COMPLAINANT and other AGGRIEVED EMPLOYEES' final paychecks, once provided, did not include all wages owed as they were devoid of, including but not limited to, all owed minimum and overtime wages and all owed sick leave wages at the properly accrued rates.

These violations subject EMPLOYER to civil penalties under Labor Code sections 203, 210, and/or 256. Each violation results in a *separate* civil penalty, for each aggrieved employee for each pay period during which the statute provisions were violated.⁸

Unreimbursed Business Expenses: California law requires employers to indemnify their employees for all necessary expenditures incurred by the employee in direct consequence of the discharge of their duties or of their obedience to the directions of the employer. See Cal. Lab. Code § 2802(a) and all applicable Wage Orders, § 9 (b). Furthermore, "for purposes of [section 2802], the term 'necessary expenditure or losses' shall include all reasonable costs, including, but not limited to, attorneys' fees incurred by the employee enforcing the rights granted by this section."

Among other things, under California law, when tools or equipment are required by the employer

⁸ (establishing that "[i]n addition to, and entirely independent and apart from, any other penalty provided in this article, every person who fails to pay the wages of each employee as provided in Sections 201.3, 204, 204b, 204.1, 204.2, 205, 205.5, 1197.5, shall be subject to a civil penalty...for each failure to pay each employee").

or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by employer, except that an employee whose wages are at least two (2) times the minimum wage provided herein may be required to provide and maintain hand tools and equipment customarily required by the trade or craft. See applicable IWC Wage Order, § 9 (b).

Among other things, under California law, when employees must use their personal cellphones for work-related purposes, the employer must reimburse them for a reasonable percentage of their cell phone bills. See *Cochran v. Schwan's Home Services, Inc.* (2014) 228 Cal.App.4th 1137, 1140. To show liability, an employee will only need to show that he or she was required to use their personal cellphone for work-related purposes and not reimbursed for the use. *Id.* 1144-1145. California law also requires employers to reimburse employees for automobile expenses incurred for the business use of personal vehicles, such as for mileage, gas, and the wear and tear on the vehicle. See *Gattuso v. Harte-Hanks Shoppers, Inc.* (2007) 42 Cal.4th 554. Further, "any contract or agreement, express or implied, made by any employee to waive the benefits of this article or any part thereof, is null and void, and this article shall not deprive any employee or his personal representative of any right or remedy to which he is entitled to under the laws of this State." See Cal. Lab. Code § 2804.

COMPLAINANT and other AGGRIEVED EMPLOYEES were improperly required to provide and maintain work tools that are supposed to be the responsibility of the employer.

As a pattern and practice, EMPLOYER regularly failed to reimburse and indemnify COMPLAINANT and other AGGRIEVED EMPLOYEES for business expenses. Pursuant to California Labor Code section 2802, COMPLAINANT and other AGGRIEVED EMPLOYEES were entitled to be reimbursed for all reasonable expenses associated with carrying out orders by their employer and/or carrying out the duties assigned by their employers.

Based on information and belief, COMPLAINANT and other AGGRIEVED EMPLOYEES were improperly required to pay for business expenses that are supposed to be the responsibility of EMPLOYER, including but not limited to, cell phone/data plan charges and or costs associated with having to purchase or maintain work uniforms/work clothing and or use their personal vehicles in the discharge of their job duties.

Based on information and belief, COMPLAINANT and other AGGRIEVED EMPLOYEES were improperly required to use their personal cellphones to communicate and conduct work-related activities, such as but not limited to, to receive text messages and or calls from EMPLOYER regarding, e.g., scheduling.

Based on information and belief, EMPLOYER required AGGRIEVED EMPLOYEES to travel to Covid-testing sites for Covid testing without providing any/full reimbursement for the travel expenses (e.g., bus fare) and or personal vehicle expenses (e.g., gas, vehicle wear and tear) incurred in connection with EMPLOYER's testing requirements.

EMPLOYER did not compensate for these vehicle-related expenses and or the amount offered fell far below the Internal Revenue Service (IRS) mandated per mile compensation for the relevant period.

EMPLOYERS' failure to provide COMPLAINANT and other AGGRIEVED EMPLOYEES with full reimbursement for all reasonable expenses associated with carrying out their duties required that COMPLAINANT and other AGGRIEVED EMPLOYEES subsidize and/or carry the burden of business expenses in violation of Labor Code section 2802.

Background Check Violations: The California Labor Code places certain procedural and substantive limits on employers' ability to conduct employee background checks and on how employers can use the information they obtain through those background checks. Labor Code section 1024.5 states that employers, except for financial institutions, may order a credit check only if the individual works (or is applying to work) in certain positions (e.g., managerial positions, financially-related positions, and certain government positions). Labor Code section 432.7 prohibits an employer from asking applicants about past arrest(s) unless they resulted in conviction(s) and even then, certain limitations apply. Additionally, the Investigative Consumer Reporting Agencies Act (ICRAA- CA Civil Code section 1786, et seq.) and the Fair Credit Reporting Act (FCRA - 15 U.S.C. section 1681, et seq.) mandate several requirements prior to and following an employee background check, including but not limited to identifying an appropriate reason for the background check, a separate consent form with required disclosures and certain formatting requirements, additional forms such as a summary of rights, as well as proper notice of adverse actions taken, among other statutory requirements.

Based on information and belief, EMPLOYER required COMPLAINANT and all AGGRIEVED EMPLOYEES to submit to an unlawful criminal and/or financial background check as a condition of obtaining and/or holding employment.

Based on information and belief, EMPLOYER required AGGRIEVED EMPLOYEES to disclose criminal conviction history prior to extending a conditional offer of employment, in violation of the Fair Chance Act/the California Fair Employment and Housing Act ("FEHA").

Based on information and belief, EMPLOYER asked about arrests not resulting in convictions on its employment application, in violation of Labor Code section 432.7, and EMPLOYER required AGGRIEVED EMPLOYEES to sign off on the unlawful disclosures/otherwise agree in writing to the disclosure of the impermissible criminal background check questions as a condition of employment, in violation of Labor Code section 432.5.

Based on information and belief, EMPLOYER also required AGGRIEVED EMPLOYEES to agree in writing to a background check which failed to abide by the requirements set forth in CA Civil Code section 1786, et seq. and 15 U.S.C. section 1681, et seq., and thus was an unlawful background check.

Based on further information and belief, EMPLOYER knew that requiring COMPLAINANT and AGGRIEVED EMPLOYEES to agree to these criminal and/or financial background checks as a condition of obtaining and/or holding employment was unlawful.

By having COMPLAINANT and other AGGRIEVED EMPLOYEES sign off on the illegal background checks, Employer violated Labor Code section 432.5 (stating that “no employer...shall require any employee or applicant for employment to agree, in writing, to any term or condition which is known by such employer...to be prohibited by law.”).

Based on information and belief, EMPLOYER, in violation of California law, including but not limited to, Labor Code section 432.7 and the Fair Chance Act (part of the FEHA), asked about arrests not resulting in convictions on its employment application, asked about convictions prior to extending a conditional offer of employment to AGGRIEVED EMPLOYEES and or otherwise impermissibly inquired into criminal history on its employment application in violation of California law. By asking about arrests not resulting in convictions, EMPLOYER violated Labor Code section 432.7. By asking about convictions on the employment application or prior to extending a conditional employment offer, EMPLOYER violated the Fair Chance Act, and thereby violated Labor Code section 432.5 by unlawfully requiring the AGGRIEVED EMPLOYEES to agree in writing to disclose arrests or convictions as a condition of employment.

Non-Compete/Non-Solicitation Agreements – Violation of Labor Code Section 432.5

Non-compete/non-solicitation agreements are illegal under California law. See California Business & Professions Code section 16600 - stating any non-compete provision between an employer and an employee, i.e., any contract that restrains a person from engaging in a profession, trade or business will not be enforceable under California law. California Labor Code section 432.5 states that it is illegal for an employer to require an employee to agree in writing to any term that the employer knows is illegal. Violations of Section 432.5 are actionable under the California Labor Code Private Attorneys’ General Act (“PAGA”).

Based upon information and belief, EMPLOYER required AGGRIEVED EMPLOYEES to sign non-compete/non-solicitation agreements as a condition of hire/maintaining employment. This is illegal under California law. By having AGGRIEVED EMPLOYEES sign off on the illegal non-compete/non-solicitation agreements as a condition of employment, EMPLOYER violated, inter-alia, Labor Code section 432.5 (stating that “no employer...shall require any employee or applicant for employment to agree, in writing, to any term or condition which is known by such employer...to be prohibited by law.”). Accordingly, AGGRIEVED EMPLOYEES are entitled to recover penalties, attorney’s fees, costs, and interest thereon, pursuant to Labor Code section 2699(f)-(g).

EMPLOYER has violated the above-referenced California Labor Code provisions, as well as other laws, and is liable for all applicable premium wages, statutory and civil penalties, interest, attorneys’ fees, and costs. The civil penalties COMPLAINANT and other AGGRIEVED EMPLOYEES seek to recover include, but are not limited to, the statutory and civil penalties specified above.

Conclusion

Labor Code section 2699.3 requires that a claimant send a certified letter (i.e. this NOTICE) to the employer in question and file an online claim to the LWDA setting forth the claims and the basis for the claims, thereby giving the LWDA an opportunity to investigate the claims and/or take any action it deems appropriate.

The purpose of this NOTICE is to satisfy the requirement created by Labor Code sections 2699, 2699.3(a), and 2699.5, prior to seeking penalties and premium wages allowed by law for the aforementioned statutory violations in a civil action. We look forward to determining whether the LWDA intends to take any action in reference to these claims. We kindly ask that you respond to this NOTICE according to the time frame contemplated by the code.

If the LWDA elects not to take any action with respect to any of the foregoing claims, COMPLAINANT will seek these penalties in a civil action, on behalf of COMPLAINANT and all other AGGRIEVED EMPLOYEES of EMPLOYER within one year of the date of this letter as allowed by law.

Please advise if your office intends to investigate any of the factual and legal allegations and provide notice within sixty days of this NOTICE to our office and to that of other charged parties. Thank you for your attention to this matter. If you have any questions, please contact me at the phone number or address below:

Zachary Crosner
Crosner Legal, PC
9440 Santa Monica Blvd., Ste. 301
Beverly Hills, CA 90210
Main: 310.496.5818
Fax: 310.510.6429
Email: zach@crosnerlegal.com

Thank you for your attention to this matter.

Best Regards,



Zachary M. Crosner, Esq.
CROSNER LEGAL, PC



Alberto Villavicencio <alberto@crosnerlegal.com>

Thank you for submission of your PAGA Case.

1 message

LWDA DO NOT REPLY <lwdadonotreply@dir.ca.gov>
To: "alberto@crosnerlegal.com" <alberto@crosnerlegal.com>

Mon, Nov 29, 2021 at 11:34 AM

11/29/2021

LWDA Case No. LWDA-CM-854797-21
Law Firm : Crosner Legal
Plaintiff Name : Rhina Villeda
Employer: Solheim Lutheran Home
Filing Fee : \$75.00
IFP Claimed : No

Item submitted: Initial PAGA Notice

Thank you for your submission to the Labor and Workforce Development Agency. Please make a note of the LWDA Case No. above as you may need this number for future reference when filing any subsequent documents for this Case.

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

EXHIBIT

5

Thank you for your Court Complaint Submission.

1 message

DIR PAGA Unit <no-reply@formassembly.com>
To: mathew@crosnerlegal.com

Mon, Oct 21, 2024 at 1:45 PM

10/21/2024 01:45:05 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Court Complaint

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

EXHIBIT

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