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CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement ("Agreement") is made by and between Plaintiffs Fernando Herrera ("Herrera"), Victoria Garcia ("Garcia"), and Martha Ayala ("Ayala") (all collectively referred to as "Plaintiffs") and Defendants St. Paul's Episcopal Home, Inc. (including St. Paul's Senior Homes and Services, St. Paul's Senior Services, St. Paul's Manor, St Paul's Villa, St. Paul's Plaza, St. Paul's McColl Health Center, St. Paul's Community Care Center, St. Paul's Senior Day Services, St. Paul's Child Care Services, St. Paul's Villa, Inc., and/or St. Paul's Retirement Homes Foundation) and Community Eldercare of San Diego, Inc. (dba St. Paul's PACE) (all collectively referred to as "Defendants"). Plaintiffs and Defendants are collectively referred to herein as the "Parties," or individually as a "Party."

1. DEFINITIONS

In addition to other terms defined in this Agreement, the terms below have the following meaning:

1.1. "Action" means: (1) Plaintiff Fernando G. Herrera's class-action lawsuit alleging wage and hour violations against Defendants captioned *Herrera v. St. Paul's Episcopal Home, Inc.,* San Diego County Superior Court Case No. 37-2021-00050163-CU-OE-CTL ("*Herrera* Class Action") initiated on November 30, 2021; (2) Plaintiff Victoria Garcia's lawsuit seeking penalties pursuant to the Private Attorneys General Act, Labor Code §§ 2698 *et seq.*, against Defendants captioned *Garcia v. St. Paul's Episcopal Home, Inc.,* San Diego County Superior Court Case No. 37-2022-00022641-CU-OE-CTL; and (3) Plaintiff Martha Ayala's class-action lawsuit alleging wage and hour violations against Defendants captioned *Ayala v. Community Eldercare of San Diego,* San Diego County Superior Court Case No. 37-2023-00002553-CU-OE-CTL, which have been consolidated in San Diego County Superior Court with the *Herrera* Class Action designated as the lead case.

1.2. "Administrator" means ILYM Group, Inc., the neutral entity the Parties have agreed to appoint to administer the 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 submitted to the Court in connection with Preliminary Approval of the Settlement.

1.4. "Aggrieved Employees" means any and all non-exempt employees who worked for Defendants during the PAGA Period (i.e. November 30, 2020 to September 21, 2024), irrespective of whether they signed an arbitration agreement containing a class action waiver.

1.5. "Class" means any and all non-exempt employees who worked for Defendants during the Class Period (i.e. November 30, 2017 to September 21, 2024), and did not sign an arbitration agreement containing a class action waiver or who signed arbitration

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agreements that contained the same language as in the arbitration agreements signed by Plaintiffs Herrera and Ayala.

1.6. "Class Counsel" means Norman B. Blumenthal, Kyle R. Nordrehaug, and Aparajit Bhowmik of Blumenthal Nordrehaug Bhowmik De Blouw LLP ("BNBD"); Samuel A. Wong, Kashif Haque, and Jessica L. Campbell of Aegis Law Firm, PC ("Aegis"); and Jill J. Parker and S. Emi Minne of Parker & Minne, LLP ("P&M").

1.7. "Class Counsel Fees Payment" and "Class Counsel Litigation Expenses Payment" mean the amounts to be paid to Class Counsel for fees and expenses, respectively, as approved by the Court, to compensate Class Counsel for their legal work in connection with the Action, including their pre-filing investigation, their filing of the Action, all related litigation activities, all Settlement work, all post-Settlement compliance procedures, and related litigation expenses billed in connection with the Action.

1.8. "Class/PAGA Data" means Class Member and Aggrieved Employee identifying information in Defendants' possession including each Class Member's and/or Aggrieved Employee's name, last-known mailing address, Social Security number, email address (if known and available to Defendants), and dates of employment for the purposes of calculating the number of Class Period Workweeks and PAGA Pay Periods.

1.9. "Class Member" means a member of the Class, as either a Participating Class Member or Non-Participating Class Member.

1.10. "Address Search" means the Administrator's investigation and search for current Class Member and/or Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members and Aggrieved Employees by use of available email addresses, phone numbers, social security numbers, credit reports, LinkedIn and Facebook.

1.11. "Class Notice" means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English with a Spanish translation in the form, without material variation (other than formatting changes to facilitate printing by the Administrator), attached as Exhibit A and incorporated by reference into this Agreement.

1.12. "Class Period" means the period of time from November 30, 2017 through September 21, 2024.

1.13. "Class Representatives" means Fernando Herrera and Martha Ayala, the named Plaintiffs in the Operative Complaint in the Action seeking Court approval to serve as Class Representatives.

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1.14. "Class Representative Service Payment" means the service payment made to Plaintiffs Herrera and Ayala as Class Representatives in order to compensate for, *inter alia*, initiating the Action, performing work in support of the Action, and undertaking the risk of liability for Defendants' expenses.

1.15. "Court" means the Superior Court of California, County of San Diego.

1.16. "Defendants" mean St. Paul's Episcopal Home, Inc. (including St. Paul's Senior Homes and Services, St. Paul's Senior Services, St. Paul's Manor, St Paul's Villa, St. Paul's Plaza, St. Paul's McColl Health Center, St. Paul's Community Care Center, St. Paul's Senior Day Services, St. Paul's Child Care Services, St. Paul's Villa, Inc., and/or St. Paul's Retirement Homes Foundation) and Community Eldercare of San Diego, Inc. (dba St. Paul's PACE).

1.17. "Defense Counsel" means Marie Burke Kenny and Ashley N. Fasano of Procopio, Cory, Hargreaves & Savitch LLP.

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) the Judgment is final. The Judgment is final as of the latest of the following 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" means the Court's order and judgment granting final approval of the Settlement substantially in the form attached hereto as Exhibit C to this Agreement and incorporated by reference into this Agreement.

1.20. "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval of the Settlement to determine whether to approve finally and implement the terms of this Agreement and enter the Judgment.

1.21. "Gross Settlement Amount" means One Million Two-Hundred Fifty Thousand Dollars ($1,250,000), which is the total amount to be paid by Defendants as provided by this Agreement, except as provided in Paragraph 9 below. The Gross Settlement Amount will 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 Payments, PAGA Representative Service Payment, and the Administration Expenses Payment. This Gross Settlement Amount is an all-in amount without any reversion to Defendants, and excludes any employer payroll taxes, if any, due on the portion of the Individual Class Payments allocated to wages which shall not be paid from the Gross Settlement and shall be the

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separate additional obligation of Defendants.

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

1.23. "Individual PAGA Payment" means the Aggrieved Employee's *pro rata* share of twenty-five percent (25%) of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.

1.24. "Judgment" means the Court's order and judgment entered by the Court based upon Final Approval substantially in the form attached hereto as Exhibit C to this Agreement and incorporated by reference into this Agreement.

1.25. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.26. "LWDA PAGA Payment" means the seventy-five percent (75%) of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.27. "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, PAGA Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The Net Settlement Amount is to be paid to Participating Class Members as Individual Class Payments.

1.28. "Non-Participating Class Member" means a Class Member who opts out of the Class portion of the Settlement by submitting a valid and timely Request for Exclusion to the Administrator.

1.29. "Operative Complaint" means the consolidated complaint encompassing Plaintiffs' Class and PAGA claims, consolidated in conjunction with this Agreement on June 12, 2024.

1.30. "PAGA Pay Period" means any pay period during which an Aggrieved Employee was employed by Defendants for at least one day during the PAGA Period.

1.31. "PAGA Period" means the period of time from November 30, 2020 through September 21, 2024.

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

1.33. "PAGA Notices" collectively means Plaintiff Fernando Herrera's November 30, 2021 letter to Defendants and the LWDA, Plaintiff Victoria Garcia's March 16, 2022

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letter to Defendants and the LWDA, and Plaintiff Martha Ayala's November 15, 2022 letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a). As a condition of the Settlement, Plaintiff Herrera agrees to submit an amended PAGA notice letter to the LWDA to add all Labor Code violations alleged in Plaintiff Garcia and Plaintiff Ayala's PAGA notices, hereinafter referred to as "Amended PAGA Notice."

1.34. "PAGA Penalties" means the total amount of PAGA civil penalties of $300,000 to be paid from the Gross Settlement Amount, allocated twenty-five percent (25%) to the Aggrieved Employees ($75,000) and the seventy-five percent (75%) to LWDA ($225,000) in settlement of Plaintiffs' PAGA claims.

1.35. "PAGA Representative" means Plaintiff Victoria Garcia.

1.36. "PAGA Representative Service Payment" means the service payment made to Plaintiff Garcia as PAGA Representative in order to compensate for initiating the Action, performing work in support of the Action, undertaking the risk of liability for Defendants' expenses, and for the general release of all claims by Plaintiff Garcia.

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. "Plaintiffs" mean Fernando Herrera, Victoria Garcia, and Martha Ayala, the named plaintiffs in the Action.

1.39. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement, substantially in the form attached hereto as Exhibit B to this Agreement and incorporated by this reference herein.

1.40. "Released Class Claims" means all class claims being released as described in Paragraph 6.2 below.

1.41. "Released PAGA Claims" means all PAGA claims being released as described in Paragraph 6.3 below.

1.42. "Released Parties" means: Defendants and their present and former parent companies, subsidiaries, affiliates, divisions, and joint ventures, and all of their past and present shareholders, officers, directors, employees, agents, servants, owners, members, executors, administrators, general partners, limited partners, real or alleged alter egos, predecessors, successors, transferees, assigns, registered representatives, attorneys, insurers, partners, profit sharing, savings, health and other employee benefit plans of any nature, the successors of such plans and those plans' respective trustees, administrators, agents, employees, attorneys, fiduciaries, and other persons acting on their behalf, and each of them, and the predecessors and successors, assigns and legal representatives of all such entities and individuals.

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

1.44. "Response Deadline" means forty-five (45) calendar days after the Administrator mails the Class Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) submit Requests for Exclusion from the Settlement, (b) submit his or her Objection to the Settlement, or (c) submit Challenges to Workweeks and/or PAGA Pay Periods. Class Members to whom Class Notices are resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the expiration of the Response Deadline.

1.45. "Settlement" means the disposition of the Action and all related claims effectuated by this Agreement and the Judgment.

1.46. "Workweek" means any week during the Class Period in which a Class Member was employed by Defendants as a Class Member for at least one day.

2. RECITALS

2.1. On November 30, 2021, Plaintiff Herrera commenced the *Herrera* Class Action by filing a class action complaint against Defendants in the Superior Court of the State of California, County of San Diego. Plaintiff Herrera's complaint asserted the following claims:

(a) Failure to Pay Minimum Wages;
(b) Failure to Pay Overtime Wages;
(c) Failure to Provide Meal Periods;
(d) Failure to Permit Rest Breaks;
(e) Failure to Reimburse Business Expenses;
(f) Failure to Provide Accurate Itemized Wage Statements;
(g) Failure to Pay All Wages Due Upon Separation of Employment;
(h) Violation of Business and Professions Code §§ 17200, et seq.; and
(i) Enforcement of Labor Code §§ 2968, et seq. ("PAGA").

2.2. On June 13, 2022, Plaintiff Victoria Garcia ("Plaintiff Garcia") filed a representative complaint against Defendants in the Superior Court of the State of California, County of San Diego asserting a single cause of action for violation of PAGA, Case No. 37-2022-00022641 (hereinafter, "*Garcia* PAGA Action").

2.3. On January 19, 2023, Plaintiff Ayala filed a class action complaint against Defendants in the Superior Court of the State of California, County of San Diego (hereinafter, "*Ayala* Class Action"). The *Ayala* Class Action asserted the following claims:

(a) Violation of California Labor Code §§ 1194, 1197, and 1197.1 (Unpaid Minimum Wages);

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(b) Violation of California Labor Code §§ 510, 1194, and 1198 (Unpaid Overtime Wages);
(c) Violation of California Labor Code § 226.7 & 512(a) (Unpaid Meal Period Premiums);
(d) Violation of California Labor Code § 226.7 (Unpaid Rest Period Premiums);
(e) Violation of California Labor Code § 226(a) (Failure to Issue Compliant Wage Statements);
(f) Violation of California Labor Code §§ 201 and 203 (Final Wages Not Timely Paid);
(g) Violation of California Labor Code § 2800 and 2802 (Unreimbursed Business Expenses);
(h) Violation of California Business and Professions Code § 17200 et seq.;
(i) Violation of California Labor Code § 2698, *et seq.* (California Labor Code Private Attorneys General Act of 2004).

2.4. On December 11, 2023, the Parties participated in an all-day mediation presided over by Cynthia Remmers, a respected mediator of wage and hour representative and class actions. The Parties were unable to resolve the matter at mediation, but remained in settlement negotiations. Following the mediation, each side, represented by its respective counsel, were able to agree to settle the Action based upon a mediator's proposal which was memorialized in the form of a Memorandum of Understanding. This Agreement replaces and supersedes the Memorandum of Understanding and any other agreements, understandings, or representations between the Parties.

2.5. In conjunction with this Agreement, on June 12, 2024, the *Garcia* PAGA Action and the *Ayala* Class Action were consolidated with the lower numbered *Herrera* Class Action as the lead action.

2.6. Defendants deny the allegations in the Action and deny any and all liability, including any liability for the violations of the California Labor Code Plaintiffs allege against Defendants. Defendants contend that, during the Class Period and PAGA Period, they have continually made good faith efforts to comply with applicable California and federal law with respect to the wage and hour-related claims asserted in the Action. Among other things, Defendants required their hourly employees to accurately report all hours worked in their timekeeping system to ensure employees were paid fully for all wages, including minimum, overtime and double-time wages, and provided employees with an opportunity to report any off-the-clock work or otherwise adjust their time records to ensure their time records were accurate. Defendants kept complete payroll records and timely paid wages to hourly employees based on the actual hours reported by them in Defendants' timekeeping system during and upon termination of employment. Defendants provided hourly employees with a reasonable opportunity to take compliant meal periods and authorized and permitted hourly employees to take compliant rest periods. In addition, Defendants provided hourly employees with an opportunity to report any involuntary non-compliant meal or rest periods and paid premium pay to employees for any reported or known involuntary non-compliant meal or rest periods.

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Defendants have asserted and continue to assert that the claims alleged by Plaintiffs have no merit and do not give rise to any liability, damages, restitution, penalties or other payments. This Settlement is a compromise of disputed claims. Nothing contained in this Settlement, no documents referred to herein, and no action taken to carry out this Settlement, shall be construed or used as an admission by or against Defendants as to the merits or lack thereof of the claims asserted in the Action. Defendants contend that they have complied with all applicable state, federal and local laws. In the event this Settlement is not approved by the Court, Defendants retain all rights to defend themselves in this matter and to take any available actions in defense of them.

2.7. Defendants recognize the defense of Class and PAGA litigation would be prolonged and expensive, requiring substantial amounts of time, energy, and resources devoted to the defense of the litigation, especially if the findings are appealed. Litigation is also carried out in a public forum and can create a stressful experience for all parties involved. As a not-for-profit organization dedicated to serving the spiritual, physical, and social needs of older adults through independent, assisted living, and skilled nursing communities, Defendants prefer to continue focusing on their mission and serve their communities. By reaching a settlement, Defendants are able to resolve the case and take funds that would otherwise go to litigation and reinvest them in their mission. Prior to mediation, Plaintiffs obtained sufficient documents and information to sufficiently investigate the claims such that Plaintiffs' 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"*).

2.8. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendants that the claims in the Action of Plaintiffs or the Class and Aggrieved Employees have merit or that Defendants bear any liability to Plaintiffs or the Class and Aggrieved Employees on those claims or any other claims, or as an admission by Plaintiffs that Defendants' defenses in the Action have merit. The Parties agree to certification of the Class for purposes of this Settlement only. If for any reason the Settlement does not become effective, Defendants reserve the right to contest certification of any class for any reason and reserve all available defenses to the claims in the Action.

2.9. The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any other pending class or PAGA matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, Defendants promise to pay $1,250,000 and no more as the Gross Settlement Amount. This amount is all-inclusive of all payments contemplated in this Settlement, excluding any employer-side payroll taxes on the portion of the Individual Class Payments allocated to wages which shall be separately paid by Defendants to the Administrator. Defendants have no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the

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deadline stated 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 Defendants.

3.2. Payments from the Gross Settlement Amount. Subject to the terms and conditions of this Agreement, the Administrator will make the following payments out of the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval.

(a) To Plaintiffs: Class Representative Service Payments to the Class Representatives and a PAGA Representative Service Payment to the PAGA Representative of not more than $15,000 each (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representatives and PAGA Representative are entitled to receive as a Participating Class Member). Defendants will not oppose Plaintiffs' request for Class Representative Service Payments and a PAGA Representative Service Payment that do not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiffs will seek Court approval for any Class Representative Service Payments and PAGA Representative Service Payment no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves the Class Representative Service Payments and/or PAGA Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payments and PAGA Representative Service Payment using IRS Form 1099s. Plaintiffs assume full responsibility and liability for employee taxes owed on the Class Representative Service Payments and PAGA Representative Service Payment. In addition, Plaintiff Ayala is separately settling her individual claims for (1) whistleblower retaliation; (2) wrongful termination; and (3) discrimination, harassment, and retaliation in violation of the Fair Employment and Housing Act ("FEHA") ("Ayala's Non-Wage Claims"). The payment for the settlement of the Ayala's Non-Wage Claims is not being made in consideration of the settlement and dismissal of the Class and PAGA claims in the Action.

(b) To Class Counsel: A Class Counsel Fees Payment of not more than one-third (1/3) of the Gross Settlement Amount, which is currently estimated to be $416,625, and a Class Counsel Litigation Expenses Payment of not more than $36,000. Class Counsel Fees Payment awarded shall be allocated forty percent (40%) to Aegis, forty percent (40%) to BNBD and twenty percent (20%) to P&M. Defendants will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than sixteen (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 less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiffs' Counsel arising from any claim to any portion of any Class Counsel Fee Payment and/or Class Counsel

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Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these payments.

(c) To the Administrator: An Administration Expenses Payment not to exceed $12,000 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses Payment is less or the Court approves payment less than $12,000, the Administrator will retain the remainder in the Net Settlement Amount for distribution to Participating Class Members.

(d) To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of $300,000 to be paid from the Gross Settlement Amount, with seventy-five percent (75%) ($225,000) allocated to the LWDA PAGA Payment and twenty-five percent (25%) ($75,000) allocated to the Individual PAGA Payments.

i. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' twenty-five percent (25%) share of PAGA Penalties ($75,000) by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

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

(e) To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.

i. Tax Allocation of Individual Class Payments. Ten percent (10%) of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Forms. Ninety percent (90%) of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for non-wages, expense reimbursement, interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

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ii. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. 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.

4. SETTLEMENT FUNDING

4.1. Class Workweeks. Based on its records, Defendants estimate that the Class Members worked approximately 42,083 workweeks during the Class Period up until April 9, 2024.

4.2. Class/PAGA Data. Not later than twenty (20) days after the Court grants Preliminary Approval of the Settlement, Defendants will deliver the Class/PAGA Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' and Aggrieved Employees' privacy rights, the Administrator must maintain the Class/PAGA Data in confidence, use the Class Data/PAGA only for purposes of this Settlement and for no other purpose, and restrict access to the Class/PAGA Data to Administrator employees who need access to the Class/PAGA Data to effect and perform under this Agreement. Defendants have a continuing duty to immediately notify Class Counsel if it discovers that the Class/PAGA Data omitted Class Member or Aggrieved Employee identifying information and to provide corrected or updated Class/PAGA Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the Class/PAGA Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class/PAGA Data.

4.3. Funding of the Gross Settlement Amount. Defendants shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendants' share of payroll taxes, by transmitting the funds to the Administrator no later than thirty (30) days after the Effective Date.

5. PAYMENTS FROM THE GROSS SETTLEMENT AMOUNT

5.1. Within fifteen (15) days after Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, the PAGA Representative Service Payment, and the Class Representative Service Payments.

5.2. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members and Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than one hundred eighty (180) days after the date of mailing) when the check will be voided. Before checks are mailed, the Administrator shall update address information through the National Change of Address database. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for

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Individual Settlement Payments to all Participating Class Members (including those for whom a Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom a Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. If a Participating Class Member's or Aggrieved Employee's check is not cashed within one hundred twenty (120) days after its last mailing to the affected individual, the Settlement Administrator will also send the individual a notice informing him or her that unless the check is cashed in the next sixty (60) days, it will expire and become non-negotiable, and offer to replace the check if it was lost or misplaced but not cashed.

5.3. The Administrator must conduct an Address Search for all other Class Members and Aggrieved Employees whose checks are retuned undelivered without USPS forwarding address. Within seven (7) days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Address Search. The Administrator need not take further steps to deliver checks to Class Members and Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member or Aggrieved Employee whose original check was lost or misplaced, requested by the Class Member or Aggrieved Employee prior to the void date.

5.4. For any Class Member 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 a Court-approved nonprofit organization or foundation consistent with Code of Civil Procedure Section 384(b) ("*Cy Pres* Recipient"). The Parties shall meet and confer in good faith to mutually agree to the selection of the *Cy Pres* Recipient. Upon the selection of a *Cy Pres* Recipient, the Parties, Class Counsel and Defense Counsel shall represent that they have no interest or relationship, financial or otherwise, with the intended *Cy Pres* Recipient.

5.5. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

6. RELEASE OF CLAIMS. Upon the occurrence of the Effective Date and the full funding of the entire Gross Settlement Amount and employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiffs, Participating Class Members, Aggrieved Employees, Class Counsel, and the LWDA will release claims against all Released Parties as follows:

6.1. Plaintiffs' Release. Plaintiffs and 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

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occurred during the Class Period, including, but not limited to: (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 and the Amended PAGA Notice ("Plaintiffs' Release"). Plaintiffs' 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, or workers' compensation benefits that arose at any time, or based on facts occurring after the Effective Date of this Agreement. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless, that Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

(a) Plaintiffs' Waiver of Rights Under Civil Code Section 1542. For purposes of Plaintiffs' Release, Plaintiffs expressly waive and relinquish the provisions, rights, and benefits, if any, of section 1542 of the California 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.

(b) Plaintiff Ayala's Other Claims. Plaintiff Ayala has also asserted the following claims against Defendants in her individual capacity: (1) whistleblower retaliation; (2) wrongful termination; and (3) discrimination, harassment, and retaliation in violation of FEHA. Ayala's Non-Wage Claims are the subject of a separate settlement agreement. Class Counsel will be filing a declaration with the Court affirming that the consideration given for Ayala's Non-Wage Claims is unrelated to and separate from the settlement of her Class claims and PAGA claims and is based on separate facts and claims.

6.2. Release by Participating Class Members("Class Release"). All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, shall release Released Parties from (i) all claims, rights, demands, liabilities and causes of action that were alleged, or reasonably could have been alleged, based on the facts stated in the Action, during the Class Period, based upon the following categories of allegations: failure to pay minimum, overtime or doubletime wages (including for rounding, time-shaving, reporting time, on-call time, off-the-clock work, time spent undergoing mandatory testing or training of any kind, time spent undergoing COVID-19 temperature checks, health screenings or vaccinations), failure to include bonuses, commissions, shift differentials, or other incentive pay in the regular rate of pay for overtime or doubletime, failure to properly pay all accrued, unused vacation or paid time off, failure to provide meal periods, failure to provide rest periods, failure to pay meal or period premiums at the regular rate of pay, failure to provide required paid sick leave, failure to pay paid sick leave at the regular rate of pay, failure to provide accurate itemized wage statements, failure to

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maintain accurate records, failure to reimburse business expenses, failure to provide suitable seating, failure to timely pay wages during employment, and failure to pay all wages due upon termination of employment ("Alleged Violations"); (ii) all claims for violations of the Industrial Welfare Commission Wage Orders, California Labor Code, and California's unfair business practices laws that arise from the Alleged Violations; and (iii) as any potential penalties, interest or attorneys' fees associated with these causes of action under California or federal law. Except as set forth in this Paragraph 6.2 of this Agreement, Participating Class Members, including Plaintiff Ayala and Plaintiff Herrera, do not release any other claims, including claims for vested benefits, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period. Participating Class Members, except for Plaintiff Ayala and Plaintiff Herrera, do not release any claims for wrongful termination or violation of the Fair Employment and Housing Act.

6.3. Release by Aggrieved Employees ("PAGA Release"). All Aggrieved Employees and the State of California and LWDA 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 attorneys' fees or PAGA penalties based on Labor Code violations that were specifically alleged in Plaintiff Herrera's Amended PAGA Notice to the LWDA (to be filed as a condition of this Settlement) including failure to pay minimum, overtime or doubletime wages (including for rounding, time-shaving, reporting time, on-call time, off-the-clock work, time spent undergoing mandatory testing or training of any kind, time spent undergoing COVID-19 temperature checks, health screenings or vaccinations), failure to include bonuses, commissions, shift differentials, or other incentive pay in the regular rate of pay for overtime or doubletime, failure to properly pay all accrued, unused vacation or paid time off, failure to provide meal periods, failure to provide rest periods, failure to pay meal or period premiums at the regular rate of pay, failure to provide required paid sick leave, failure to pay paid sick leave at the regular rate of pay, failure to provide accurate itemized wage statements, failure to maintain accurate records, failure to reimburse business expenses, failure to provide suitable seating, failure to timely pay wages during employment, failure to pay all wages due upon termination of employment, and violations of the California Labor Code that were alleged in Plaintiff Herrera's Amended PAGA Notice to the LWDA.

7. 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 procedures and instructions.

7.1. Defendants' Responsibilities. Within fourteen (14) business days of the full execution of this Agreement, Defendants will prepare and deliver to Class Counsel a signed Declaration disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator and *Cy Pres* Recipient. In the Declaration, Defendants 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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7.2. Plaintiffs' Responsibilities. At least seven (7) business days before Plaintiffs' Motion for Preliminary Approval is due to be filed with the Court, Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an 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 and Approval of PAGA Settlement; (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; operative procedures for protecting the security of Class/PAGA 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 Aggrieved Employees; and the nature and extent of any financial relationship with Plaintiffs, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiffs confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, Aggrieved Employees, and/or the Administrator; (v) 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 (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)); and (vi) all facts relevant to any actual or potential conflict of interest with Class Members, Aggrieved Employees, the *Cy Pres* Recipient, and/or the Administrator. In their Declarations, Plaintiffs and Class 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

7.3. Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than thirty (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 advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

7.4. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

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8. SETTLEMENT ADMINISTRATION

8.1. Selection of Administrator. The Parties have jointly selected ILYM Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, ILYM Group, Inc. agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Administrator's duties will include preparing, printing, and mailing the Class Notice to all Class Members and/or Aggrieved Employees; conducting a National Change of Address search to update Class Member and/or Aggrieved Employee addresses before mailing the Class Notices; re-mailing Class Notices that are returned to the Class Member's and/or Aggrieved Employee's new address; setting up a toll-free telephone number and email and a fax number to receive communications from Class Members and/or Aggrieved Employees; receiving and reviewing for validity completed Requests for Exclusion; providing the Parties with weekly status reports about the delivery of Class Notices and receipt of Requests for Exclusion, objections and disputes; calculating Individual Class Payments and Individual PAGA Payments; issuing the checks to effectuate the payments due under the Settlement; issuing the tax reports required under this Settlement; and otherwise administering the Settlement pursuant to this Agreement. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

8.2. 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.

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

8.4. Notice to Class Members.

(a) No later than three (3) business days after receipt of the Class/PAGA Data, the Administrator shall notify Class Counsel and Defense Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks, and PAGA Pay Periods in the Class/PAGA Data.

(b) Using best efforts to perform as soon as possible, and in no event later than fourteen (14) days after receiving the Class/PAGA Data, the Administrator will send to all Class Members and Aggrieved Employees identified in the Class/PAGA Data, via first-class United States Postal Service ("USPS") mail, 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/or Aggrieved Employee, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices,

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the Administrator shall update Class Member and Aggrieved Employee addresses using the National Change of Address database.

(c) Not later than seven (7) 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 an Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members and Aggrieved Employees whose Class Notice is returned by the USPS a second time.

(d) The deadlines for Class Members' and Aggrieved Employees' written objections, Challenges to Workweeks and/or PAGA Pay Periods, and Requests for Exclusion will be extended an additional fourteen (14) days beyond the Response Deadline otherwise provided in the Class Notice for all Class Members and Aggrieved Employees whose notice is re-mailed. The Administrator will inform the Class Member or Aggrieved Employee of the extended deadline with the re-mailed Class Notice.

(e) If the Administrator, the Parties, Defense Counsel or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class/PAGA 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 agree on whether to include them as Class Members and/or Aggrieved Employees. If the Parties agree, such persons will be Class Members and/or Aggrieved Employees entitled to the same rights as other Class Members and Aggrieved Employees, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than fourteen (14) days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

8.5. Requests for Exclusion (Opt-Outs).

(a) Class Members who wish to exclude themselves (opt-out of) the Class portion of the Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than the Response Deadline (plus an additional fourteen (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 Class portion of the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

(b) 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 the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable

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or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

(c) Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Class Release in Paragraph 6.2 of the Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

(d) Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and 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 6.3 of this Agreement and are eligible for an Individual PAGA Payment. If a Class Member submits both a Request for Exclusion and an objection, only the Request for Exclusion will be accepted and the objection will be void.

8.6. Challenges to Calculation of Workweeks. Each Class Member and Aggrieved Employee shall have until the Response Deadline (plus an additional fourteen (14) days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks (if any) and PAGA Pay Periods (if any) allocated to the Class Member and/or Aggrieved Employee in the Class Notice. The Class Member or Aggrieved Employee may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member or Aggrieved Employee to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks or PAGA Pay Periods contained in the Class Notice are correct so long as they are consistent with the Class/PAGA Data. The Administrator's determination of each Class Member's and Aggrieved Employees' allocation of Workweeks and/or PAGA Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or PAGA Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination as to the challenges

8.7. Objections to Settlement.

(a) 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 Payments.

(b) Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, or in addition to a written objection,

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Participating Class Members may 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 the Response Deadline (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

(c) Non-Participating Class Members have no right to object to any of the class action components of the Settlement. If a Class Member submits both a Request for Exclusion and an objection, only the Request for Exclusion will be accepted and the objection will be void.

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

(a) 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 and Aggrieved Employees including the date, time and location for the Final Approval Hearing and copies of the 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, PAGA Representative Service Payment and Class Representative Service Payments, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member and Aggrieved Employee calls, faxes and emails.

(b) Request for Exclusion (Opt-Outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than seven (7) 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; (c) copies of all Requests for Exclusion from the Settlement submitted (whether valid or invalid).

(c) Workweek and/or PAGA Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member or Aggrieved Employee challenges over the calculation of Workweeks and/or PAGA Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

(d) Weekly Reports. The Administrator must, on a weekly basis, provide written reports to 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 PAGA Pay Periods received and/or resolved, and checks mailed

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for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include provide the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

(e) Administrator's Declaration. Not later than seven (7) business days before the date by which Plaintiffs are required to file the Motion for Final Approval of the Settlement, the Administrator will provide to 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 Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

(f) Final Report by Administrator. Within ten (10) days after the Administrator disburses all funds of the Gross Settlement Amount, the Administrator will provide 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 seven (7) business days before any deadline set by the Court, the Administrator will prepare, and submit to 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 is responsible for filing the Administrator's declaration in Court. If a second declaration attesting to the distribution of uncashed checks is required, the Administrator shall provide this second declaration at least seven (7) business days before any deadline for a second declaration and Class Counsel shall be responsible for filing the second declaration with the Court.

9. **CLASS SIZE MODIFICATION AND ESCALATOR CLAUSE**. Based on its records, Defendants estimate that the Class Members worked a total of 42,083 workweeks through April 9, 2024. Defendants estimate the number of PAGA Pay Periods through April 9, 2024 is 56,899. Should the number of Workweeks worked by Class Members in the Class Period increase by more than ten percent (10%) of the estimate stated herein in Paragraph 4.1 (i.e. if the workweeks exceed 46,292), Defendants, at their option, can either choose to: (1) cut off the end date for the Class Period as of the date on which the number of workweeks reaches 46,292, or (2) increase the Gross Settlement Amount on a proportional basis equal to the percentage increase in number of workweeks worked by the Class Members above the 10% (i.e., if there was an 11% increase in the number workweeks during the Class Period, Defendants would agree to increase the Gross Settlement Amount by 1%). Should the PAGA Pay Periods ultimately increase by more than 10% (i.e., if the pay periods exceed 62,589), Defendants, at their option, can either choose to: (1) cut off the end date for the PAGA Period as of the date on which the number of pay periods reaches 62,589, or (2) increase the PAGA Payment on a proportional basis equal to the percentage increase in number of pay periods worked by the PAGA Members above the 10% (i.e., if there was 11% increase in the number

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pay periods during the PAGA Period, Defendants would agree to increase the PAGA Payment by 1%).

10. **DEFENDANT'S RIGHT TO WITHDRAW**. If the number of valid Requests for Exclusion identified in the Exclusion List exceeds five percent (5%) of the total of all Class Members, Defendants may, but are not obligated to, elect to withdraw from the Settlement. The Parties agree that if Defendants withdraw the Settlement shall be void *ab initio*, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendants will remain responsible for paying all Settlement Administration Expenses incurred as of the date Defendants make this election to withdraw. Defendants must notify Class Counsel and the Court of their election to withdraw not later than fourteen (14) days after the Administrator sends the final Exclusion List to Defense Counsel. Invalid Requests for Exclusion will have no effect on this threshold for an election.

11. **MOTION FOR FINAL APPROVAL**. Unless otherwise ordered by the Court, not later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiff will 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(l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiffs shall provide drafts of these documents to Defense Counsel not later than seven (7) business days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

    11.1. Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, 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.

    11.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), 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 Payments, PAGA Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administration Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

    11.3. Continuing Jurisdiction of the Court. The Court will enter Judgment in this Action barring all Participating Class Members and Aggrieved Employees from prosecuting against any of the Released Parties, any individual or class, or representative, including PAGA representative, claims released herein pursuant to this Agreement, upon satisfaction of all payments and obligations hereunder. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement

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under C.C.P. section 664.6 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.

11.4. Waiver of the Right to Appeal. Provided 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, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, 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, the Parties' obligations to perform under this Agreement will 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.

11.5. 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 Class Members or Aggrieved Employees), this Agreement shall be null and void. 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 an equal basis, any additional Administration Expenses reasonably incurred at the time of remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payments, PAGA 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.

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

13. ADDITIONAL PROVISIONS

13.1. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint or the Amended PAGA Notice have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Defendants' defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval or Judgment pursuant to this Agreement, Defendants reserve the right to contest certification of any class for any

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reasons, and Defendants reserve all available defenses to the claims in the Action, and Plaintiffs reserve the right to move for class certification on any grounds available and to contest Defendants' defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

13.2. Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, Defendants and Defense Counsel separately 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 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, all of whom will 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 other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiffs, Class Counsel, Defendants and Defense Counsel 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 does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

13.3. No Solicitation. The Parties separately agree that they and their respective counsel and employees have not and will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

13.4. 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 relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

13.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement 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.

13.6. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying

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the Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon 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 seek the assistance of a mediator and/or the Court for resolution.

13.7. 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.

13.8. No Tax Advice. Neither Plaintiffs, Class Counsel, Defendants nor Defense Counsel are providing 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.

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

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

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

13.12. 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.

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

13.14. Use and Return of Class/PAGA Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class/PAGA Data provided to Class Counsel by Defendants 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 ninety (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, Plaintiffs shall destroy, all paper and electronic versions of Class/PAGA Data received from Defendants. Notwithstanding this provision, Class Counsel is entitled to retain an archival copy of all pleadings, motion papers, deposition transcripts, hearing transcripts, legal memoranda,

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correspondence, expert reports, mediation briefs, attorney work product, and consultant and expert work product, even if such materials contain Class/PAGA Data.

13.15. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

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

13.17. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and 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 Plaintiffs and the Class:

Norman B. Blumenthal
Kyle R. Nordrehaug
Blumenthal Nordrehaug Bhowmik De Blouw LLP
2255 Calle Clara
La Jolla, CA 92037
Tel.: (858) 551-1223
Fax: (858) 551-1232
E-Mail: norm@bamlawca.com
kyle@bamlawca.com

Samuel A. Wong
Kashif Haque
Jessica L. Campbell
Aegis Law Firm, PC
9811 Irvine Center Drive, Suite 100
Irvine, CA 92618
Tel.: (949) 379-6250
Fax: (949) 379-6251
Email: jcampbell@aegislawfirm.com

Jill J. Parker
S. Emi Minne
Parker & Minne, LLP
700 S. Flower Street, Ste. 1000
Los Angeles, CA 90017
Tel.: (310) 882-6833
Fax: (310) 889-0822

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Email: jill@parkerminne.com
emi@parkerminne.com

To Defendants:

Marie Burke Kenny
Ashley N. Fasano
Procopio, Cory, Hargreaves & Savitch LLP
525 B Street, Suite 2200
San Diego, CA 92101
Tel.: (619) 238-1900
Fax: (619) 235-0398
E-mail: marie.kenny@procopio.com
Ashley.fasano@procopio.com

13.18. 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 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.

13.19. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process from the mediation on December 11, 2023, until the earlier of the Effective Date or the date this Agreement shall no longer be of any force or effect.

13.20. Fair Settlement. The Parties, Class Counsel and Defense Counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arms-length negotiations, considering all relevant factors, both current and potential.

14. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel hereby execute this Agreement.

Dated: 2/22/2025 | 8:41 PM PST

Signed by:
346DE9CA202541A...

Plaintiff Fernando Herrera

Dated: _____

_____
Plaintiff Victoria Garcia

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Dated: _____ _____
Plaintiff Martha Ayala

Dated: _____ _____
Michael McHale
Present/CEO
For Defendant St. Paul's Episcopal Home, Inc. and Community Eldercare of San Diego, Inc. (dba St. Paul's PACE)

Dated: _____ Jessica Campbell _____
Samuel A. Wong
Aegis Law Firm, PC
Attorneys for Plaintiff Fernando G. Herrera

Dated: _____ _____
Kyle Nordrehaug
Blumenthal Nordrehaug Bhowmik De Blouw LLP
Attorney for Plaintiff Victoria Garcia

Dated: _____ _____
Jill J. Parker
Parker & Minne, LLP
Attorneys for Plaintiff Martha Ayala

Dated: _____ _____
Marie Burke Kenny
Procopio, Cory, Hargreaves & Savitch LLP
Attorney for Defendants St. Paul's Episcopal Home, Inc. and Community Eldercare of San Diego

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EXHIBIT A

[NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION AND HEARING DATE FOR FINAL COURT APPROVAL]

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NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION

Herrera v. St. Paul's Episcopal Home, Inc. **Superior Court of the State of California, County of San Diego, Case No. 37-2021-00050163-CU-OE-CTL[1]**

YOU MAY BE ENTITLED TO RECEIVE MONEY FROM A CLASS AND REPRESENTATIVE ACTION SETTLEMENT. YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER OR NOT YOU ACT. PLEASE READ THIS NOTICE.

The California Superior Court, County of San Diego, has granted preliminary approval of a proposed settlement ("Settlement") in the above-captioned class and representative action lawsuit ("Action"). Because your rights may be affected by this Settlement is important that you read this Notice of Proposed Settlement of Class Action ("Notice") carefully. **You will not be retaliated against you for actions you take with respect to the proposed Settlement.**

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT INCLUDE THE FOLLOWING:	
DO NOTHING	You will receive a payment from the Settlement. No action is required. In exchange, you will give up your right to assert the claims against Defendants that are covered by this Settlement (defined below).
EXCLUDE YOURSELF	You can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. You will not receive a payment from the class portion of the Settlement.[2] This is the only option that allows you to file your own lawsuit against Defendants for the claims released in this Settlement. **The Opt-out Deadline is _____.**
OBJECT	You may object to the class portion of this Settlement. The Court may or may not agree with your objection. This will not exclude you from receiving a payment from the Settlement.

WHAT IS IN THIS NOTICE

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2. What is the Case About? ..... Page 2
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[1] This case was consolidated with Case No. 37-2022-00022641-CU-OE-CTL and 37-2023-00002553-CU-OE-CTL on June 12, 2024.

[2] Regardless of whether you exclude yourself from the Settlement, you may still receive a portion of the settlement for release of the penalty claim under the Private Attorneys General Act, Labor Code sections 2698-2699.6 ("PAGA").

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1. Why Should I Read this Notice?

You have received this Notice because the personnel records of Defendants St. Paul's Episcopal Home, Inc.[3] and Community Eldercare of San Diego[4] ("Defendants") indicate that you are a member of the settlement class and/or the group covered by the Private Attorneys General Act ("PAGA") settlement in this Action ("PAGA group").

The **settlement class** is comprised of all non-exempt employees who worked for Defendants during the Class Period (i.e. November 30, 2017 to September 21, 2024), and did not sign an arbitration agreement containing a class action waiver or who signed an arbitration agreement that contained the same language as in the arbitration agreements signed by Plaintiffs Herrera and Ayala ("Class Members").

The **PAGA group** is comprised of all non-exempt employees who worked for Defendants during the PAGA Period (i.e. November 30, 2020 to September 21, 2024), irrespective of whether they signed an arbitration agreement containing a class action waiver ("Aggrieved Employees").

The purpose of this Notice is to provide a brief description of the claims alleged in the Action, the key terms of the Settlement, and your rights and options with respect to the Settlement. There was a Preliminary Approval hearing on <<INSERT PRELIMINARY APPROVAL DATE>>, in San Diego County Superior Court. At that time, the Court preliminarily approved the Plaintiffs to serve as the Class Representatives, and the law firms of Blumenthal Nordrehaug Bhowmik De Blouw LLP, Aegis Law Firm, PC, and Parker & Minne, LLP to serve as Class Counsel. The Court determined only that there is sufficient evidence to suggest that the proposed settlement might be fair, adequate, and reasonable. The Court also ordered that you receive this Notice. The Court did not make any determination regarding the merits of the Action.

The Court will hold a Final Approval Hearing on _____, 2025, at _____a.m. in Department 74 of San Diego County Superior Court, located at 330 West Broadway, San Diego, CA 92101. If the Court approves the Settlement and there are no objections or appeals, payments will be mailed approximately two months after the Final Approval Hearing. If there are objections or appeals, resolving them can take time and significantly delay the Settlement. Please be patient.

2. What is the Case About?

Plaintiffs Fernando Herrera, Victoria Garcia, and Martha Ayala ("Plaintiffs") assert the following alleged violations of the California Labor Code and Business and Professions Code against Defendants: (1) failure to pay minimum wages, (2) failure to pay overtime wages, (3) failure to provide required meal periods or premium pay in lieu thereof, (4) failure to provide required rest periods or premium pay in lieu thereof, (5) failure to reimburse employees for required expenses, (6) failure to provide accurate itemized wage statements, (7) failure to provide wages when due, and (8) unfair competition. Plaintiffs also seek penalties under the Private Attorneys General Act,

[3] Including St. Paul's Senior Homes and Services, St. Paul's Senior Services, St. Paul's Manor, St Paul's Villa, St. Paul's Plaza, St. Paul's McColl Health Center, St. Paul's Community Care Center, St. Paul's Senior Day Services, St. Paul's Child Care Services, St. Paul's Villa, Inc., and/or St. Paul's Retirement Homes Foundation.
[4] Doing business as St. Paul's PACE.

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Cal. Labor Code §§ 2698, *et seq*. ("PAGA"), which allows a private citizen to pursue civil penalties on behalf of the State of California Labor Workforce Development Agency ("LWDA") related only to the Released PAGA Claims (defined below).

Defendants deny the allegations in the Action and deny any and all liability, including any liability for the violations of the California Labor Code Plaintiffs allege against Defendants. Defendants contend that, during the Class Period and PAGA Period, they have continually made good faith efforts to comply with applicable California and federal law with respect to the wage and hour-related claims asserted in the Action. Among other things, Defendants required hourly employees to accurately report all hours worked in their timekeeping system to ensure employees were paid fully for all wages, including minimum, overtime and double-time wages, and provided employees with an opportunity to report any off-the-clock work or otherwise adjust their time records to ensure their time records were accurate. Defendants kept complete payroll records and timely paid wages to hourly employees based on the actual hours reported by them in Defendants' timekeeping system during and upon termination of employment. Defendants provided hourly employees with a reasonable opportunity to take compliant meal periods and authorized and permitted hourly employees to take compliant rest periods. In addition, Defendants provided hourly employees with an opportunity to report any involuntary non-compliant meal or rest periods and paid premium pay to employees for any reported or known involuntary non-compliant meal or rest periods.

Defendants have asserted and continue to assert that the claims alleged by Plaintiffs have no merit and do not give rise to any liability, damages, restitution, penalties or other payments. Nonetheless, Defendants recognize the defense of class action litigation would be prolonged and expensive, requiring substantial amounts of time, energy, and resources devoted to the defense of the litigation, especially if the findings are appealed. By reaching a settlement, Defendants are able to resolve the case and reinvest funds that would otherwise go to litigation in its mission.

The Court has not ruled on the merits of Plaintiffs' claims. However, to avoid additional expense, inconvenience, and interference with the business operations of Defendants, the Parties concluded that it is in their best interests and the interests of the Class Members and Aggrieved Employees to settle the Action now on the terms summarized in this Notice. The Settlement was reached after mediation and arm's-length negotiations between the Parties. The Plaintiffs and Class Counsel think the Settlement is in the best interest of all Class Members.

3. What Are the Terms of the Settlement?

Gross Settlement Amount. **Defendants have agreed to pay an "all in" amount of One Million Two-Hundred Fifty Thousand Dollars ($1,250,000) (the "Gross Settlement Amount") to fund the Settlement of the Action.** The following payments, subject to Court approval at the Final Approval Hearing, will be deducted from the Gross Settlement Amount:

- Administration Expenses Payment. The Settlement Administrator will be paid the costs of administration in an amount not exceed $12,000.
- Attorneys' Fees and Costs. Class Counsel will be paid one-third (1/3) of the Gross Settlement Amount, which presently equals $416,625, and an additional amount to reimburse actual litigation costs incurred by the Plaintiffs not to exceed $36,000.
- Class Representative Service Payments. Plaintiffs will be paid Class Representative

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Service Payments in an amount not more than $15,000 to each Plaintiff.

- PAGA Penalties. The Parties agree that $300,000 shall be allocated to the settlement of Plaintiffs' claim under PAGA claim, with $225,000 (75%) to be paid to State of California's LWDA, and the remaining $75,000 (25%) to be distributed to the Aggrieved Employees.

The remaining portion of the Gross Settlement Amount after all deductions, i.e. the "Net Settlement Amount," shall be distributed to Class Members who do not request exclusion from the Settlement ("Participating Class Members"). The Net Settlement Amount is estimated to be at least $_____.

Participating Class Members have the right to object to any of the above deductions. The Court will consider all objections.

Tax Matters. Ten Percent (10%) of each Participating Class Member's Individual Class Payment is in settlement of wage claims (the "Wage Portion"). Accordingly, the Wage Portion is subject to wage withholdings, and shall be reported on IRS Form W-2. Ninety Percent (90%) of each Participating Class Member's Individual Class Payment is in settlement of claims for alleged claims for non-wages, expense reimbursement, interest and penalties due to employees (collectively the "Non-Wage Portion"). The Non-Wage Portion shall not be subject to wage withholdings and shall be reported on IRS Form 1099. The employee portion of all applicable income and payroll taxes will be the responsibility of the Participating Class Members. Neither Class Counsel nor Defendants' Counsel intend anything contained in this Class Notice to constitute advice regarding taxes or taxability. The tax issues for each Participating Class Member are unique to him/her, and each Participating Class Member may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

Need to Promptly Cash Payment Checks. The front of every check issued will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be transmitted to a Court-approved nonprofit organization or foundation consistent with Code of Civil Procedure Section 384(b) ("*Cy Pres* Recipient"). Subject to Court approval, the Parties have proposed _____ to be this *Cy Pres* Recipient.

4. What Claims Do I Release Under the Settlement?

Released Class Claims. Effective on the date when Defendants fully fund the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, all Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, shall release Released Parties[5] from (i) all claims, rights, demands, liabilities and

[5] "Released Parties" means the Defendants and their present and former parent companies, subsidiaries, affiliates, divisions, and joint ventures, and all of their past and present shareholders, officers, directors, employees, agents, servants, owners, members, executors, administrators, general partners, limited partners, real or alleged alter egos, predecessors, successors, transferees, assigns, registered representatives, attorneys, insurers, partners, profit sharing, savings, health and other employee benefit plans of any nature, the successors of such plans and those plans' respective

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causes of action that were alleged, or reasonably could have been alleged, based on the facts stated in the Action, during the Class Period, based upon the following categories of allegations: failure to pay minimum, overtime or doubletime wages (including for rounding, time-shaving, reporting time, on-call time, off-the-clock work, time spent undergoing mandatory testing or training of any kind, time spent undergoing COVID-19 temperature checks, health screenings or vaccinations), failure to include bonuses, commissions, shift differentials, or other incentive pay in the regular rate of pay for overtime or doubletime, failure to properly pay all accrued, unused vacation or paid time off, failure to provide meal periods, failure to provide rest periods, failure to pay meal or period premiums at the regular rate of pay, failure to provide required paid sick leave, failure to pay paid sick leave at the regular rate of pay, failure to provide accurate itemized wage statements, failure to maintain accurate records, failure to reimburse business expenses, failure to provide suitable seating, failure to timely pay wages during employment, and failure to pay all wages due upon termination of employment ("Alleged Violations"); (ii) all claims for violations of the Industrial Welfare Commission Wage Orders, California Labor Code, and California's unfair business practices laws that arise from the Alleged Violations; and (iii) as any potential penalties, interest or attorneys' fees associated with these causes of action under California or federal law.

This means that, if you do not timely and formally exclude yourself from the Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendants or any other Released Party regarding the Released Class Claims resolved by this Settlement. It also means that all of the Court's orders in the Action will apply to you and legally bind you.

Released PAGA Claims. Effective on the date when Defendants fully fund the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, all Aggrieved Employees and the State of California and LWDA 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 attorneys' fees or PAGA penalties based on Labor Code violations that were specifically alleged in Plaintiff Herrera's Amended PAGA Notice to the LWDA (to be filed as a condition of this Settlement) including failure to pay minimum, overtime or doubletime wages (including for rounding, time-shaving, reporting time, on-call time, off-the-clock work, time spent undergoing mandatory testing or training of any kind, time spent undergoing COVID-19 temperature checks, health screenings or vaccinations), failure to include bonuses, commissions, shift differentials, or other incentive pay in the regular rate of pay for overtime or doubletime, failure to properly pay all accrued, unused vacation or paid time off, failure to provide meal periods, failure to provide rest periods, failure to pay meal or period premiums at the regular rate of pay, failure to provide required paid sick leave, failure to pay paid sick leave at the regular rate of pay, failure to provide accurate itemized wage statements, failure to maintain accurate records, failure to reimburse business expenses, failure to provide suitable seating, failure to timely pay wages during employment, failure to pay all wages due upon termination of employment, and violations of the California Labor Code that were alleged in Plaintiff Herrera's Amended PAGA Notice to the LWDA.

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trustees, administrators, agents, employees, attorneys, fiduciaries, and other persons acting on their behalf, and each of them, and the predecessors and successors, assigns and legal representatives of all such entities and individuals.

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Regardless of whether an individual opts out of the Settlement, all Aggrieved Employees will be deemed to have released Defendants of all Released PAGA Claims.

5. How Much Will I Be Paid?

The Individual Class Payment for each Participating Class Member calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.[6]

Defendants' records reflect that you worked <<_____>> Workweeks during the Class Period (November 30, 2017 through September 21, 2024).

Based on this information, your estimated Individual Class Payment from the Net Settlement Amount is <<_____>>.

The Individual PAGA Payment for each Aggrieve Employee will be calculated by (a) dividing 25% of the PAGA Penalties by the total number of Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employees' Pay Periods.

[Defendants' records reflect that you worked <<_____>> PAGA Pay Periods during the during the PAGA Period (November 30, 2020 through September 21, 2024). Based on this information your estimated Individual PAGA Payment is <<_____>>.]

If you wish to challenge the information set forth above, then you must submit a written, signed dispute challenging the information along with supporting documents, to the Administrator at the address provided in this Notice no later than the Response Deadline, which is _____ [45 days after the mailing of the Notice, plus 14 days if re-mailing].

You may also fax the dispute to _____ or email the dispute to _____ by no later than the Response Deadline. Any dispute should include credible written evidence and will be resolved by the Administrator.

The actual amount you may receive likely will be different and will depend on a number of factors. If no amount is stated for your Individual PAGA Payment, this means you are not eligible for an Individual PAGA Payment because you did not work during the PAGA Period according to Defendants' records.

6. How Can I Get a Payment?

If the Settlement is approved by the Court and you do not exclude yourself, you will automatically be mailed a check for your Individual Class Payment to the same address as this Notice. You do not have to do anything to receive a payment.

[6] "Workweek" means any week during the Class Period in which a Class Member worked for Defendants as a Class Member for at least one day.

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If your address has changed, you must immediately contact the Administrator to inform them of your correct address to ensure you receive your payment. The Administrator is: ILYM Group, _____ (800) _____.

If your check is lost or misplaced, you should contact the Administrator immediately to request a replacement.

7. What if I Don't Want to Be a Part of the Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or "opt out." **If you opt out, you will not receive an Individual Class Payment from the Settlement, and you will not be bound by its terms, which means you will retain the right to sue Defendants for the Released Class Claims.** However, Aggrieved Employees who opt out will still be paid their Individual PAGA Payment and will remain subject to the release of the Released PAGA Claims regardless of whether they submit a request for exclusion. There is no option to "opt out" of the PAGA portion of the Settlement.

To opt out of the class portion of the settlement, you must submit to the Administrator a written, signed and dated request for exclusion ("opt-out") postmarked no later than the Response Deadline which is _____ [45 days after the mailing of the Notice, plus 14 days if re-mailing]. You may also fax your request to opt out to _____ or email to _____ by no later than the Response Deadline.

The request to opt-out should state in substance that you wish to be excluded from the class settlement in the *Herrera v. St. Paul's Episcopal Home, Inc.* lawsuit. The request to opt-out should state the Class Member's full name, address, and telephone number or email address. Please include the name and number of the case, which is *Herrera v. St. Paul's Episcopal Home, Inc.*, Case No. 37-2021-00050163-CU-OE-CTL. The request to opt-out must be completed and signed by you. No other person may opt-out for a living Class Member.

The address for the Administrator is _____. Written requests for exclusion that are postmarked after _____, or are incomplete or unsigned will be rejected, and those Class Members will remain bound by the Settlement and the Released Class Claims, described above.

8. How do I Object to the Settlement?

Only Participating Class Members have the right to object to the Settlement. Aggrieved Employees have no right to object to the PAGA portion of the Settlement. At least sixteen (16) court days before the Final Approval Hearing, scheduled for _____, Class Counsel and Plaintiffs will file in Court a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and a request stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiffs are requesting as Class Representative Service Payments. Upon reasonable request, Class Counsel (whose contact information is below) will send you copies of these documents at no cost to you. You can also view them on Class Counsel's website at www.bamlawca.com under "Class Notices" for *Herrera v. St. Paul's Episcopal Home, Inc.* or on the Court's website via by entering Case No. 37-2021-

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00050163 in the Register of Actions search page for the San Diego County Superior Court (https://www.sdcourt.ca.gov/sdcourt/generalinformation/accesscourtrecords).

A Participating Class Member who disagrees with any aspect of the Settlement 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 Plaintiffs are too high or too low. **The Response Deadline for sending written objections to the Administrator is_____**[45 days after mailing of Notice, plus 14 days if re-mailing]. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action, *Herrera v. St. Paul's Episcopal Home, Inc.*, Case No. 37-2021-00050163-CU-OE-CTL, and include your name, current address, telephone number, email address, and approximate dates of employment for Defendants and sign the objection. The Administrator's contact information is as follows:

Administrator:
Name of Company: ILYM Group
Email Address: _____
Mailing Address: _____
Telephone Number:
Fax Number: _____

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, and any facts that support your objection. If you do wish to appear at the hearing, check the Court's website for the most current information concerning appearances and procedures at the Court - https://www.sdcourt.ca.gov/virtualhearings. You may also have the option to appear at the hearing by audio or video. For assistance in making an appearance at the Final Approval Hearing, please contact Class Counsel below. See Section 9 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

The addresses for Parties' counsel are as follows:

CLASS COUNSEL:

Samuel A. Wong
Kashif Haque
Jessica L. Campbell
Aegis Law Firm, PC
9811 Irvine Center Drive, Suite 100
Irvine, CA 92618
Tel.: (949) 379-625
Fax: (949) 379-6251
Email: jcampbell@aegislawfirm.com

Kyle Nordrehaug
Blumenthal Nordrehaug Bhowmik DeBlouw
2255 Calle Clara
La Jolla, CA 92037
Tel.: (858) 551-1223
Fax: (858) 551-1232
E-Mail: kyle@bamlawca.com

Jill J. Parker
Parker & Minne, LLP
700 S. Flower Street, Ste. 1000
Los Angeles, CA 90017
Tel.: (310) 882-6833
Fax: (310) 889-0822
Email: jill@parkerminne.com

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COUNSEL FOR DEFENDANTS:

Marie Burke Kenny
Ashley N. Fasano
Procopio, Cory, Hargreaves & Savitch LLP
525 B Street, Suite 2200
San Diego, CA 92101

9. Can I Attend the Final Approval Hearing?

The Court will hold a Final Approval Hearing at 8:30 a.m. (Pacific Standard Time) on _____, in Department 74 of the Superior Court of California, County of San Diego, located at 330 West Broadway, San Diego, California 92101, before Judge Blaine K. Bowman. At this hearing the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval of the Settlement and to fix the amounts to be paid as attorneys' fees and costs to Class Counsel and as service payments to Plaintiffs. If there are objections, the Court will consider them. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing. Check the Court's website for the most current information concerning appearances and procedures at the Court - https://www.sdcourt.ca.gov/virtualhearings.

The Court may reschedule the Final Approval Hearing. If the hearing is continued, notice will be posted on Class Counsel's website at www.bamlawca.com under "Class Notices" for *Herrera v. St. Paul's Episcopal Home, Inc.* In addition, hearing dates can be accessed by entering Case No. 37-2021-00050163 in the Register of Actions search page for the San Diego County Superior Court (https://www.sdcourt.ca.gov/sdcourt/generalinformation/accesscourtrecords).

10. How Can I Get More Information?

You may call the Administrator at _____, email the Administrator at _____, or write to *Herrera v. St. Paul's Episcopal Home, Inc.* Administrator, c/o _____.

This Notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You may receive a copy of the Agreement, the Judgment, the Motion for Final Approval or other Settlement documents by going to Class Counsel's website at www.bamlawca.com under "Class Notices" for *Herrera v. St. Paul's Episcopal Home, Inc.* where these documents will be posted as they become available.

You may also get more details by examining the Court's file on the Internet via the Register of Actions for the San Diego County Superior Court (https://www.sdcourt.ca.gov/sdcourt/generalinformation/accesscourtrecords) and entering the Case No. 37-2021-00050163. If you wish to view the Court files in person, you must go to the Clerk's Office at the Hall of Justice, 330 West Broadway, San Diego, CA 92101.

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

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EXHIBIT B

[ORDER GRANTING PRELIMINARY APPROVAL]

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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN DIEGO

FERNANDO G. HERRERA, individually and on behalf of all others similarly situated,

Plaintiffs,

vs.

ST. PAUL'S EPISCOPAL HOME, INC.; and DOES 1 through 20, inclusive,

Defendants.

CASE NO.: **37-2021-00050163-CU-OE-CTL**
[Consolidated with Case No. 37-2022-00022641-CU-OE-CTL and Case No. 37-2023-00002553-CU-OE-CTL]

[PROPOSED] PRELIMINARY APPROVAL ORDER

Hearing Date:
Hearing Time:

Judge: Hon. Blaine K. Bowman
Dept.: 74

Date Action Filed: February 10, 2022
Trial Date: Not set

Docusign Envelope ID: BFEFCFD4-7AED-41DF-86A4-118616EC6A34

This matter, having come before the Honorable Blaine K. Bowman of the Superior Court of the State of California, in and for the County San Diego, on _____[DATE], for the motion by Plaintiffs Fernando Herrera, Victoria Garcia, and Martha Ayala ("Plaintiffs") for preliminary approval of the class settlement with Defendants St. Paul's Episcopal Home, Inc. (including St. Paul's Senior Homes and Services, St. Paul's Senior Services, St. Paul's Manor, St Paul's Villa, St. Paul's Plaza, St. Paul's McColl Health Center, St. Paul's Community Care Center, St. Paul's Senior Day Services, St. Paul's Child Care Services, St. Paul's Villa, Inc., and/or St. Paul's Retirement Homes Foundation) and Community Eldercare of San Diego, Inc. (dba St. Paul's PACE) (all collectively referred to as "Defendants"). The Court, having considered the briefs, argument of counsel and all matters presented to the Court and good cause appearing, hereby GRANTS Plaintiffs' Motion for Preliminary Approval of Class Action Settlement.

IT IS HEREBY ORDERED:

1. The Court preliminarily approves the Class Action and PAGA Settlement Agreement ("Agreement") attached as Exhibit ___ to the Declaration of Kyle Nordrehaug in Support of Plaintiffs' Motion for Preliminary Approval of Class Action Settlement. This is based on the Court's determination that the Settlement set forth in the Agreement is within the range of possible final approval, pursuant to the provisions of Section 382 of the California Code of Civil Procedure and California Rules of Court, rule 3.769.

2. This Order incorporates by reference the definitions in the Agreement, and all terms defined therein shall have the same meaning in this Order as set forth in the Agreement.

3. The Gross Settlement Amount is One Million Two-Hundred Fifty Thousand Dollars ($1,250,000). It appears to the Court on a preliminary basis that the settlement amount and terms are fair, adequate and reasonable as to all potential Class Members when balanced against the probable outcome of further litigation and the significant risks relating to certification, liability and damages issues. It further appears that investigation and research have been conducted such that counsel for the Parties are able to reasonably evaluate their respective positions. It further appears to the Court that settlement at this time will avoid substantial

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additional costs by all Parties, as well as avoid the delay and risks that would be presented by the further prosecution of the Action. It further appears that the Settlement has been reached as the result of serious and non-collusive, arms-length negotiations. The Court therefore preliminarily finds that the Settlement is fair, adequate, and reasonable when balanced against the probable outcome of further litigation and the significant risks relating to certification, liability, and damages issues.

4. The Agreement specifies an attorneys' fees award not to exceed one-third of the Gross Settlement Amount, an award of litigation expenses incurred, not to exceed $36,000, and proposed Class Representative Service Payments to the Plaintiffs in an amount not to exceed $15,000 each. The Court will not approve the amount of attorneys' fees and costs, nor the amount of any service award, until the Final Approval Hearing.

5. The Court recognizes that Plaintiffs and Defendants stipulate and agree to certification of a class for settlement purposes only. This stipulation will not be deemed admissible in this or any other proceeding should this Settlement not become final. For settlement purposes only, the Court conditionally certifies the following Class: "any and all non-exempt employees who worked for Defendants during the Class Period (i.e. November 30, 2017 to September 21, 2024), and did not sign an arbitration agreement containing a class action waiver or who signed arbitration agreements that contained the same language as in the arbitration agreements signed by Plaintiffs Herrera and Ayala."

6. The Court concludes that, for settlement purposes only, the Class meets the requirements for certification under section 382 of the California Code of Civil Procedure in that: (a) the Class is ascertainable and so numerous that joinder of all members of the Class is impracticable; (b) common questions of law and fact predominate, and there is a well-defined community of interest amongst the members of the Class with respect to the subject matter of the litigation; (c) the claims of the Plaintiffs are typical of the claims of the members of the Class; (d) the Plaintiffs can fairly and adequately protect the interests of the members of the Class; (e) a class action is superior to other available methods for the efficient resolution of this controversy; and (f)

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counsel for the Class is qualified to act as counsel for the Class and the Plaintiffs are adequate representatives of the Class.

7. The Court provisionally appoints Plaintiffs as the representatives of the Class. The Court provisionally appoints Blumenthal Nordrehaug Bhowmik De Blouw LLP, Aegis Law Firm, PC, and Parker & Minne, LLP as Class Counsel for the Class.

8. The Court hereby approves, as to form and content, the Court Approved Notice of Proposed Settlement of Class Action and Hearing Date for Final Court Approval ("Class Notice") attached to the Agreement as Exhibit A. The Court finds that the Class Notice appears to fully and accurately inform the Class of all material elements of the proposed Settlement, of the Class Members' right to be excluded from the Class by submitting a written opt-out request, and of each Class Member's right and opportunity to object to the Settlement. The Court further finds that the distribution of the Class Notice substantially in the manner and form set forth in the Agreement and this Order meets the requirements of due process, is the best notice practicable under the circumstances, and shall constitute due and sufficient notice to all persons entitled thereto. The Court orders the mailing of the Class Notice by first class mail, pursuant to the terms set forth in the Agreement.

9. The Court hereby appoints ILYM Group, Inc. as Administrator. No later than twenty (20) days after preliminary approval of the Settlement by the Court, Defendants shall provide to the Administrator an electronic spreadsheet with the Class Data. The Administrator will perform address updates and verifications as necessary prior to the mailing of the Class Notice. Using best efforts to mail it as soon as possible, and in no event later than fourteen (14) days after receiving the Class Data, the Administrator will mail the Class Notice Packets to all Class Members via first-class U.S. Mail. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

10. The Court hereby preliminarily approves the proposed procedure for exclusion from the Settlement. Any Class Member may individually choose to opt out of and be excluded from the Class as provided in the Class Notice by following the instructions for requesting

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exclusion from the Class that are set forth in the Class Notice. All Requests for Exclusion must be postmarked by no later than the Response Deadline, which is forty (45) calendar days after the date of the mailing of the Class Notice and be received by the Administrator. If the Class Notice Packet is re-mailed, the Response Deadline will be extended an additional 14 days. Any such person who chooses to opt out of and be excluded from the Class will not be entitled to any recovery under the Settlement and will not be bound by the class portion of the Settlement or have any right to object, appeal or comment thereon. Class Members who have not requested exclusion shall be bound by all determinations of the Court, the Agreement and the Judgment. A Request for Exclusion may only opt out that particular individual, and any attempt to affect an opt out of a group, class, or subclass of individuals is not permitted and will be deemed invalid. Subject to the Court's final approval of the Settlement, the Aggrieved Employees will be paid their allocation of the PAGA Penalties and will remain bound by the release of the Released PAGA Claims.

11. Any Class Member who has not opted out ("Participating Class Member") may appear at the final approval hearing and may object or express the Member's views regarding the Settlement and may present evidence and file briefs or other papers that may be proper and relevant to the issues to be heard and determined by the Court as provided in the Notice. Participating Class Members will have until the Response Deadline, which is forty-five (45) calendar days from the date of the mailing of the Class Notices, to submit their written objections to the Administrator in accordance with the instructions in the Class Notice. If the Class Notice Packet is re-mailed, the Response Deadline for written objections will be extended an additional 14 days. Alternatively, Participating Class Members may appear at the Final Approval Hearing to make an oral objection.

12. A Final Approval Hearing shall be held before this Court on _____ _____, 8:30 a.m. in Department 74 at the San Diego County Superior Court to determine all necessary matters concerning the Settlement, including: whether the proposed settlement of the Action on the terms and conditions provided for in the Agreement is fair, adequate and reasonable and should be finally approved by the Court; whether the Final Approval

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Order and Judgment should be entered herein; whether the plan of allocation contained in the Agreement should be approved as fair, adequate and reasonable to the Class Members; and to finally approve attorneys' fees and costs, the service awards, and the expenses of the Administrator. All papers in support of the motion for final approval and for attorneys' fees, costs and service awards, to be heard at the Final Approval Hearing, shall be filed with the Court and served on all counsel no later than sixteen (16) court days before the hearing.

13. Neither the Settlement nor any exhibit, document, or instrument delivered thereunder shall be construed as a concession or admission by Defendants in any way that the claims asserted have any merit or that this Action was properly brought as a class or representative action, and shall not be used as evidence of, or used against Defendants as, an admission or indication in any way, including with respect to any claim of any liability, wrongdoing, fault or omission by Defendants or with respect to the truth of any allegation asserted by any person. Whether or not the Settlement is finally approved, neither the Settlement, nor any exhibit, document, statement, proceeding or conduct related to the Settlement, nor any reports or accounts thereof, shall in any event be construed as, offered or admitted in evidence as, received as or deemed to be evidence for any purpose adverse to the Defendants, including, but not limited to, evidence of a presumption, concession, indication or admission by Defendants of any liability, fault, wrongdoing, omission, concession or damage.

14. In the event the Settlement does not become effective in accordance with the terms of the Agreement, or the Settlement is not finally approved, or is terminated, canceled or fails to become effective for any reason, this Order shall be rendered null and void and shall be vacated, and the Parties shall revert to their respective positions as of before entering into the Agreement, and expressly reserve their respective rights regarding the prosecution and defense of this Action, including all available defenses and affirmative defenses, and arguments that any claim in the Action could not be certified as a class action and/or managed as a representative action. In such an event, the Court's orders regarding the Settlement, including this Order, shall not be used or referred to in litigation for any purpose.

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15. The Court reserves the right to adjourn or continue the date of the final approval hearing and all dates provided for in the Agreement without further notice to Class Members and retains jurisdiction to consider all further applications arising out of or connected with the proposed Settlement.

16. The Action is stayed and all trial and related pre-trial dates are vacated, subject to further orders of the Court at the Final Approval Hearing.

IT IS SO ORDERED.

Dated: _____

_____
HON. BLAINE K. BOWMAN
JUDGE, SUPERIOR COURT OF CALIFORNIA

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EXHIBIT C

[FINAL APPROVAL ORDER AND JUDGMENT]

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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN DIEGO

FERNANDO G. HERRERA, individually and on behalf of all others similarly situated,

Plaintiff,

vs.

ST. PAUL'S EPISCOPAL HOME, INC.; and DOES 1 through 20, inclusive,

Defendants.

CASE NO.: **37-2021-00050163-CU-OE-CTL**
[Consolidated with Case No. 37-2022-00022641-CU-OE-CTL and Case No. 37-2023-00002553-CU-OE-CTL]

[PROPOSED] FINAL APPROVAL ORDER AND JUDGMENT

Hearing Date:
Hearing Time:

Judge: Hon. Blaine K. Bowman
Dept.: 74

Date Action Filed: February 10, 2022
Trial Date: Not set

Docusign Envelope ID: BFEFCFD4-7AED-41DF-86A4-118616EC6A34

The motion of Plaintiffs Fernando Herrera, Victoria Garcia, and Martha Ayala ("Plaintiffs") for an order finally approving the Class Action and PAGA Settlement Agreement ("Agreement") with Defendants St. Paul's Episcopal Home, Inc. (including St. Paul's Senior Homes and Services, St. Paul's Senior Services, St. Paul's Manor, St Paul's Villa, St. Paul's Plaza, St. Paul's McColl Health Center, St. Paul's Community Care Center, St. Paul's Senior Day Services, St. Paul's Child Care Services, St. Paul's Villa, Inc., and/or St. Paul's Retirement Homes Foundation) and Community Eldercare of San Diego, Inc. (dba St. Paul's PACE) (all collectively referred to as "Defendants") and for an award of attorneys' fees and costs, service payments, and the fees of the Administrator duly came on for hearing on _____ before the Honorable Blain K. Bowman.

I.

FINDINGS

Based on the oral and written argument and evidence presented in connection with the motion, the Court makes the following findings:

1. All terms used herein shall have the same meaning as defined in the Agreement.

2. This Court has jurisdiction over the subject matter of this litigation pending before the California Superior Court for the County of San Diego, and over all Parties to this litigation, including the Class.

3. Based on a review of the papers submitted by Plaintiffs and a review of the applicable law, the Court finds that the Gross Settlement Amount of One Million Two-Hundred Fifty Thousand Dollars ($1,250,000) and the terms set forth in the Agreement are fair, reasonable, and adequate.

4. The Court further finds that the Settlement was the result of arm's length negotiations conducted after Class Counsel had adequately investigated the claims and became familiar with the strengths and weaknesses of those claims. In particular, the amount of the Settlement, the significant risks relating to certification, liability, and damages issues, and the

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assistance of an experienced mediator in the settlement process, among other factors, support the Court's conclusion that the Settlement is fair, reasonable, and adequate.

Preliminary Approval of the Settlement

5. On _____, the Court granted preliminary approval of the Settlement. At this same time, the Court approved conditional certification of the Class for settlement purposes only.

Notice to the Class

6. In compliance with the Preliminary Approval Order, the Class Notice was mailed by first class mail to members of the Class at their last known addresses on or about _____. Mailing of the Class Notice to their last known addresses was the best notice option under the circumstances and was reasonably calculated to communicate actual notice of the litigation and the proposed settlement to the Class. The Class Notice given to the Class Members fully and accurately informed the Class Members of all material elements of the proposed Settlement and of their opportunity to object to or comment thereon or to seek exclusion from the Settlement; constituted valid, due, and sufficient notice to all Class Members; and complied fully with the laws of the State of California, the United States Constitution, due process and other applicable law. The Class Notice fairly and adequately described the Settlement and provided Class Members adequate instructions and a variety of means to obtain additional information.

7. The Response Deadline for opting out of the Class or submitting written objections to the Settlement was _____, which was extended by 14 days for re-mailed Class Notices. There was an adequate interval between mailing of the Class Notice and the response deadline to permit Class Members to choose what to do and act on their decision. A full opportunity has been afforded to the Participating Class Members to participate in this hearing, and all Participating Class Members and other persons wishing to be heard have been heard. Class Members also have had a full and fair opportunity to exclude themselves from the proposed Settlement and Class. Accordingly, the Court determines that all Class Members who did not

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timely and properly submit a request for exclusion are bound by the Settlement and this Final Approval Order and Judgment.

Fairness of Settlement

8. The Agreement is entitled to a presumption of fairness. *Dunk v. Ford Motor Co.* 48 Cal.App.4th 1794, 1801 (1996).

a. The settlement was reached through arm's-length bargaining between the parties during an all-day mediation before Cynthia Remmers, a respected and experienced mediator of wage and hour class actions. There has been no collusion between the parties in reaching the proposed settlement.

b. Plaintiffs' investigation and discovery have been sufficient to allow the Court and counsel to act intelligently.

c. Counsel for both parties are experienced in similar employment class action litigation. All counsel recommended approval of the Agreement.

d. The percentage of objectors and requests for exclusion is small. ____ objections were received. _____ requests for exclusion were received.

e. The participation rate was high. _____ Participating Class Members will be mailed a settlement payment, representing _____% of the overall Class.

9. The consideration to be given to the Class Members under the terms of the Agreement is fair, reasonable and adequate considering the strengths and weaknesses of the claims asserted in this action and is fair, reasonable and adequate compensation for the release of Class Members' claims, given the uncertainties and significant risks of the litigation and the delays which would ensue from continued prosecution of the action.

10. The Agreement is approved as fair, adequate and reasonable and in the best interests of the Class Members.

Attorneys' Fees and Costs

11. An award of $416,625 for attorneys' fees, representing one-third of the Gross Settlement Amount, and $_____ for litigation costs and expenses, is reasonable, in

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light of the contingent nature of Class Counsel's fee, the hours worked by Class Counsel, and the results achieved by Class Counsel. The requested award has been supported by Class Counsel's lodestar and billing statement.

Class Representative Service Payments

12. The Agreement provides for Class Representative Service Payments of not more than $15,000 each to the Plaintiffs, subject to the Court's approval. The Court finds that Class Representative Service Payments in the amount of $_____to each of the Plaintiffs are reasonable in light of the risks and burdens undertaken by the Plaintiffs in the litigation and for their time and effort in bringing and prosecuting this matter on behalf of the Class.

Administration Expenses Payment

13. The Administrator shall calculate and administer the payment to be made to the Participating Class Members in the manner set forth in the Agreement, transmit payment for attorneys' fees and costs to Class Counsel, transmit the Class Representative Service Payments to the Plaintiffs, distribute the PAGA Penalties, issue any required tax reporting forms, calculate withholdings and perform the other remaining duties set forth in the Agreement. The Administrator has documented $_____ in fees and expenses, and this amount is reasonable in light of the work performed by the Administrator.

PAGA Penalties

14. The Agreement provides for PAGA Penalties out of the Gross Settlement Amount of $300,000, which shall be allocated with 75% ($225,000) allocated to the LWDA PAGA Payment and 25% ($75,000) allocated to the Individual PAGA Payments to be distributed to the Aggrieved Employees. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' twenty-five percent (25%) share of PAGA Penalties ($75,000) by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. "Aggrieved Employees" are any and all non-exempt employees who worked for Defendants during the PAGA Period (i.e. November 30, 2020 to September 21, 2024), irrespective of whether

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they signed an arbitration agreement containing a class action waiver. The Court finds the PAGA Penalties to be reasonable. All Aggrieved Employees will be sent their share of the PAGA Penalties and will be subject to the release of the Released PAGA Claims as set forth below, whether or not they opt out of the Settlement.

II.

ORDERS

Based on the foregoing findings, and good cause appearing, IT IS HEREBY ORDERED:

15. The certification of the Class for the purposes of settlement is confirmed. The Class is defined as follows:

> All any and all non-exempt employees who worked for Defendants during the Class Period (i.e. November 30, 2017 to September 21, 2024), and did not sign an arbitration agreement containing a class action waiver or who signed arbitration agreements that contained the same language as in the arbitration agreements signed by Plaintiffs Herrera and Ayala.

16. All persons who meet the foregoing definition are members of the Class, except for those individuals who filed a valid request for exclusion ("opt out") from the Class. [INSERT REFERENCE TO IDENTIFY ANY OPT OUTS].

17. The Agreement is hereby finally approved as fair, reasonable, adequate, and in the best interest of the Class. Defendants shall fund the Gross Settlement Amount and the amount necessary to pay Defendants' share of payroll taxes thereon within thirty (30) days of the Effective Date.

18. Class Counsel are awarded attorneys' fees in the amount of $416,625 and costs in the amount of $_____. In accordance with the Agreement, the attorneys' fees award shall be allocated 40% to Blumenthal Nordrehaug Bhowmik De Blouw LLP, 40% to Aegis Law Firm, PC, and 20% to Parker & Minne, LLP. Class Counsel shall not seek or obtain any other compensation or reimbursement from Defendants, Plaintiffs or members of the Class.

19. The payment of the Class Representative Service Payment in the amount of $_____ to each of the Plaintiffs is approved.

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20. The payment of $_____ to the Administrator for their fees and expenses is approved.

21. The PAGA Penalties in the amount of $300,000 are approved and shall be allocated in accordance with the Agreement.

22. The Agreement and this Settlement are not an admission by Defendants, nor is this Final Approval Order and Judgment a finding, of the validity of any claims in the Action or of any wrongdoing by Defendants or that this Action is appropriate for class treatment (other than for settlement purposes). Neither this Final Approval Order and Judgment, the Agreement, nor any document referred to herein, nor any action taken to carry out the Agreement is, may be construed as, or may be used as an admission by or against Defendants of any fault, wrongdoing or liability whatsoever. The entering into or carrying out of the Agreement, and any negotiations or proceedings related thereto, shall not in any event be construed as, or deemed to be evidence of, an admission or concession with regard to the denials or defenses by Defendants. Notwithstanding these restrictions, Defendants may file in the Action or in any other proceeding this Final Approval Order and Judgment, the Agreement, or any other papers and records on file in the Action as evidence of the Settlement to support a defense of res judicata, collateral estoppel, release, or other theory of claim or issue preclusion or similar defense as to the Released Class Claims and/or the Released PAGA Claims.

23. Notice of entry of this Final Approval Order and Judgment shall be given to all Parties by Class Counsel on behalf of Plaintiffs and all Class Members. The Final Approval Order and Judgment shall be posted on Class Counsel's website as set forth in the Class Notice to the Class. It shall not be necessary to send notice of entry of this Final Approval Order and Judgment to individual Class Members. Pursuant to Labor Code section 2699, subdivision (l)(2), Class Counsel shall submit a copy of this Final Approval Order and Judgment to the LWDA within 10 days after its entry.

24. If the Settlement does not become final and effective in accordance with the terms of the Agreement, then this Final Approval Order and Judgment, and all orders entered in

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connection herewith, shall be rendered null and void and shall be vacated, and the Parties shall revert to their respective positions as of before entering into the Agreement, and expressly reserve their respective rights regarding the prosecution and defense of this Action, including all available defenses and affirmative defenses, and arguments that any claim in the Action could not be certified as a class action and/or managed as a representative action.

IT IS HEREBY ORDERED, ADJUDICATED AND DECREED THAT:

25. Except as set forth in the Agreement and this Final Approval Order and Judgment, Plaintiffs, and all members of the Class, shall take nothing in the Action.

26. Pursuant to California Code of Civil Procedure section 664.6, the Court shall retain jurisdiction to construe, interpret, implement and enforce the Agreement, to hear and resolve any contested challenge to a claim for settlement benefits, and to supervise and adjudicate any dispute arising from or in connection with the distribution of settlement benefits.

27. The Parties are authorized to agree to and to adopt such amendments, modifications and expansions of the Agreement and all exhibits attached thereto which are consistent with this Final Approval Order and Judgment and as approved by the Court.

28. Each party shall bear its own attorneys' fees and costs, except as otherwise provided in the Agreement and in this Final Approval Order and Judgment.

29. Effective on the date when Defendants fully fund the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, all Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, shall release Released Parties from (i) all claims, rights, demands, liabilities and causes of action that were alleged, or reasonably could have been alleged, based on the facts stated in the Action, during the Class Period, based upon the following categories of allegations: failure to pay minimum, overtime or doubletime wages (including for rounding, time-shaving, reporting time, on-call time, off-the-clock work, time spent undergoing mandatory testing or training of any kind, time spent undergoing COVID-19 temperature checks, health screenings or vaccinations), failure

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to include bonuses, commissions, shift differentials, or other incentive pay in the regular rate of pay for overtime or doubletime, failure to properly pay all accrued, unused vacation or paid time off, failure to provide meal periods, failure to provide rest periods, failure to pay meal or period premiums at the regular rate of pay, failure to provide required paid sick leave, failure to pay paid sick leave at the regular rate of pay, failure to provide accurate itemized wage statements, failure to maintain accurate records, failure to reimburse business expenses, failure to provide suitable seating, failure to timely pay wages during employment, and failure to pay all wages due upon termination of employment ("Alleged Violations"); (ii) all claims for violations of the Industrial Welfare Commission Wage Orders, California Labor Code, and California's unfair business practices laws that arise from the Alleged Violations; and (iii) as any potential penalties, interest or attorneys' fees associated with these causes of action under California or federal law. Except as set forth in this Paragraph 6.2 of the Agreement, Participating Class Members, including Plaintiff Ayala and Plaintiff Herrera, do not release any other claims, including claims for vested benefits, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period. Participating Class Members, except for Plaintiff Ayala and Plaintiff Herrera, do not release any claims for wrongful termination or violation of the Fair Employment and Housing Act.

30. Effective on the date when Defendants fully fund the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, all Aggrieved Employees and the State of California and LWDA 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 attorneys' fees or PAGA penalties based on Labor Code violations that were specifically alleged in Plaintiff Herrera's Amended PAGA Notice to the LWDA (to be filed as a condition of this Settlement) including failure to pay minimum, overtime or doubletime wages (including for rounding, time-shaving, reporting time, on-call time, off-the-clock work, time spent undergoing mandatory testing or training of any kind, time spent undergoing COVID-19 temperature checks, health screenings

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or vaccinations), failure to include bonuses, commissions, shift differentials, or other incentive pay in the regular rate of pay for overtime or doubletime, failure to properly pay all accrued, unused vacation or paid time off, failure to provide meal periods, failure to provide rest periods, failure to pay meal or period premiums at the regular rate of pay, failure to provide required paid sick leave, failure to pay paid sick leave at the regular rate of pay, failure to provide accurate itemized wage statements, failure to maintain accurate records, failure to reimburse business expenses, failure to provide suitable seating, failure to timely pay wages during employment, failure to pay all wages due upon termination of employment, and violations of the California Labor Code that were alleged in Plaintiff Herrera's Amended PAGA Notice to the LWDA.

31. With this final approval of the Settlement, the Court permanently bars all Participating Class Members and Aggrieved Employees from prosecuting against any of the Released Parties, any individual or class, or representative, including PAGA representative, claims released pursuant to the Parties' Agreement.

32. As of the Effective Date and upon full funding of the Gross Settlement Amount by Defendants, Plaintiffs release and discharge the Defendants and the Released Parties from the Plaintiffs' Release as set forth fully in the Agreement.

LET JUDGMENT BE FORTHWITH ENTERED ACCORDINGLY. IT IS SO ORDERED.

Dated: _____

_____
HON. BLAINE K. BOWMAN
JUDGE, SUPERIOR COURT OF CALIFORNIA