

STIPULATION OF SETTLEMENT

This Stipulation of Settlement (“Settlement Agreement”) is reached by and between Plaintiff Anita Ramirez (“Plaintiff”), individually and on behalf of all members of the Settlement Class, defined below, and Defendant California Mentor Family Home Agency (“CMFHA” or “Defendant”) (Plaintiff and Defendant are referred to herein collectively as the “Parties”). Plaintiff and the Settlement Class are represented by Scott Lidman, Elizabeth Nguyen and Milan Moore of Lidman Law (“Class Counsel”). CMFHA is represented by Daniel J. Coyle and Caroline M. Colangelo of Delfino Madden O’Malley Coyle & Koewler LLP.

This settlement resolves a lawsuit that was filed by Plaintiff against CMFHA on February 16, 2022 in San Bernardino County Superior Court, in the matter initially entitled *Anita Ramirez v. California Mentor Family Home Agency*, Case No. CIVSB2203812 (the “Action”). The operative First Amended Complaint (“FAC”) in this Action alleges that CMFHA misclassified Mentor Recruiters until April 25, 2021 and as a result: (a) failed to pay all overtime wages; (b) failed to provide proper meal periods, or premium pay for non-compliant meal periods; (c) failed to authorize and permit all rest periods, or premium pay for non-compliant rest periods; (d) failed to issue accurate and complete itemized wage statements; (e) CMFHA is liable for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories described above; and (f) CMFHA is liable for Labor Code Private Attorneys General Act of 2004, California Labor section 2698 *et seq.* (“PAGA”) civil penalties based on the foregoing Labor Code Violations.

Given the uncertainty of litigation, Plaintiff and CMFHA wish to settle both individually and on behalf of the Settlement Class. Accordingly, Plaintiff and CMFHA agree as follows:

1. **Settlement Class/ (collectively “Settlement Class”).** For the purposes of this Settlement Agreement only, Plaintiff and CMFHA stipulate to certification of the following Settlement Class:

All current and former Mentor Recruiters employed by CMFHA in California between February 16, 2018 and April 25, 2021 (the “Class Period”) who were classified as exempt and who do not opt out of the Action and who did not execute arbitration agreements with CMFHA.

For purposes of this Settlement Agreement only, Plaintiff and CMFHA stipulate that Plaintiff will represent the following aggrieved employees for purposes of recovering PAGA penalties (“PAGA Employees”):

All current and former Mentor Recruiters employed by CMFHA in California between February 16, 2021 and April 25, 2021 (the “PAGA Period”) who were classified as exempt and who did not execute arbitration agreements with CMFHA.

The Parties agree that certification for purposes of settlement is not an admission that class certification is proper under Section 382 of the Code of Civil Procedure. If for any reason this Settlement Agreement is not approved or is terminated, in whole or in part, this conditional agreement to class certification will be inadmissible and will have no effect in this matter or in

any claims brought on the same or similar allegations, and the parties shall revert to the respective positions they held prior to entering into the Settlement Agreement.

2. **Amended Complaint.** As part of this Settlement and in conjunction with obtaining preliminary approval of the Settlement, the Parties agree to stipulate that Plaintiff be granted leave to file a Second Amended Complaint to add a cause of action for failure to pay all wages upon separation of employment (waiting time penalties). Defendant shall cooperate, as necessary, with respect to Plaintiff sending a supplemental letter to the Labor & Workforce Development Agency asserting a claim based on waiting time penalties. Defendant's cooperation is solely for purposes of settlement and Defendant expressly disputes the causes of action and allegations in the supplemental letter and the Second Amended Complaint and does not waive any rights or defenses to the Second Amended Complaint or claims therein by its consent to the filing of the Second Amended Complaint for settlement purposes.

3. **Releases by Settlement Class.** Plaintiff and every member of the Settlement Class (except those who opt out) will fully release and discharge CMFHA and each of its past and present agents, officers, directors, employees, owners, shareholders, investors, members, payroll agents, attorneys, parents, subsidiaries, sister entities, joint and/or integrated employers, affiliates, insurers and/or third-party administrators, including all entities and persons associated with Sevita, and all other persons and entities related thereto (collectively the "Released Parties"), as follows:

A. Settlement Class members will release all claims and causes of action, alleged or which could have reasonably been alleged based on the allegations in the SAC, including claims for: (a) failure to pay overtime wages; (b) failure to provide all meal periods, or premium pay in lieu thereof; (c) failure to authorize and permit all rest periods, or premium pay in lieu thereof; (d) failure to provide complete and accurate wage statements; (e) all claims for waiting time penalties; (f) all claims for unfair business practices that could have been premised on the claims, causes of action or legal theories plead in the SAC; (g) all claims under the California Labor Code Private Attorneys General Act of 2004 ("PAGA") that could have been premised on the claims, causes of action or legal theories pled in the SAC; and (h) all damages, penalties, interest, costs (including attorney fees) and other amounts recoverable under said claims or causes of action as to the facts and/or legal theories alleged in the SAC (collectively, the "Released Claims"). The period of the Release shall extend to the limits of the Class Period. The *res judicata* effect of the judgment will be the same as that of the Release.

B. PAGA Release: PAGA Employees, including Plaintiff and the Settlement Class members as well as those who opt-out from the Class portion of the Settlement, will release and forever discharge the Released Parties from all claims, demands, rights, liabilities and causes of action for civil penalties under the California Labor Code Private Attorneys General Act of 2004 ("PAGA") which were pled in the letters to the LWDA dated February 16, 2022 and December 20, 2023 (**Exhibit 1**) and the proposed

Second Amended Complaint in the Action, or which could have been pled based upon the facts alleged in the operative Second Amended Complaint in the Action that arose during the PAGA Period predicated on the following alleged violations: (a) failure to pay all minimum wages owed; (b) failure to pay all overtime wages owed; (c) failure to provide meal periods and pay premium wages for non-compliant meal periods; (d) failure to authorize and permit rest periods and pay premium wages for non-compliant rest periods; (e) failure to issue accurate, itemized wage statements and (f) failure to timely pay all wages due upon separation of employment; (collectively, “PAGA Released Claims”). The time period for the release of the PAGA Released Claims shall be the same time period as the PAGA Period.

- C. In light of her Class Representative Service Award, Plaintiff has agreed to release, in addition to the Released Claims described above, all claims, whether known or unknown, under federal law or state law against the Released Parties. Plaintiff understands that this release includes unknown claims and that they are, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

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.

Notwithstanding the above, nor anything else in this Settlement, the waiver and release in this Settlement by Plaintiff does not apply to (i) those rights that as a matter of law cannot be waived, including, but not limited to, workers’ compensation claims, pending or otherwise and/or benefits to be received by Plaintiff in workers’ compensation pursuant to the jurisdiction of workers’ compensation; and (ii) rights or claims arising out of this Settlement.

- D. The releases identified herein will only be effective upon the date on which Defendant fully funds the Gross Settlement Amount and employer’s share of payroll taxes (“Effective Date of the Releases”).

4. **Gross Settlement Amount.** As consideration, CMFHA agrees to pay a non-reversionary gross amount (“Gross Settlement Amount”) of Three Hundred Thousand Dollars and Zero Cents (\$300,000.00) (unless such Gross Settlement Amount is increased pursuant to Paragraph 4.E below) in full and complete settlement of this matter, as follows:

- A. The Parties have agreed to engage Phoenix Settlement Administrators as the “Settlement Administrator” to administer this Settlement. All administrative costs due and owing to the Settlement Administrator shall be paid from the Gross Settlement Amount.

- B. The Gross Settlement Amount and the required employer-side taxes shall be deposited with the Settlement Administrator into an interest-bearing settlement account for the benefit of the Settlement Class members, within ten (10) business days after Final Approval (which, for this purpose shall be defined as the date on which the Court enters an Order granting Final Approval) or, solely in the event that there are any objections to the settlement (the filing of an objection being a prerequisite to the filing of an appeal), the later of: (1) the last date on which any appeal might be filed or (2) the successful resolution of any appeal(s) – including expiration of any time to seek reconsideration or further review.
- C. This is a non-reversionary settlement. The Gross Settlement Amount includes:
- (1) All payments (including interest) to the Settlement Class;
 - (2) All costs of the Settlement Administrator and settlement administration, which are anticipated to be no greater than Five Thousand Dollars and Zero Cents (\$5,000.00);
 - (3) Up to Ten Thousand Dollars and Zero Cents (\$10,000.00) for Plaintiff's Class and Representative Service Award in recognition of Plaintiff's contributions to the Action, her services to the Settlement Class, and her general release of all claims against Defendant and waiver under section 1542 of the Civil Code. Even in the event that the Court reduces or does not approve the requested Class Representative Service Award, Plaintiff shall not have the right to revoke this settlement, and it will remain binding;
 - (4) Up to one-third of the Gross Settlement Amount in attorneys' fees [estimated to be One Hundred Thousand Dollars and Zero Cents (\$100,000.00), unless the Gross Settlement Amount is increased pursuant to Paragraph 4.E below], plus actual costs and expenses related to the Action as supported by declaration, which are not to exceed Thirty Thousand Dollars and Zero Cents (\$30,000.00). In the event that the Court reduces or does not approve the requested Class Counsel Award and costs, Plaintiff's counsel shall not have the right to revoke this settlement, and it will remain binding;
 - (5) Twenty Thousand Dollars and Zero Cents (\$20,000.00) of the Gross Settlement Amount has been set aside by the Parties as PAGA civil penalties. Per Labor Code § 2699(i), seventy-five percent (75%) of such penalties, or Fifteen Thousand Dollars and Zero Cents (\$15,000.00) will be payable to the Labor & Workforce Development Agency ("LWDA"), and the remaining twenty-five percent (25%), or Five Thousand Dollars and Zero Cents (\$5,000), will be payable to PAGA Employees as the "PAGA Amount," as described below.

- D. CMFHA's share of payroll taxes shall be paid by CMFHA separately from, and in addition to, the Gross Settlement Amount.
- E. Escalator Clause. CMFHA represents that there are an estimated 2,563 workweeks worked by Class Members during the Class Period. If the number of workweeks worked during the Class Period by Class Members is more than 10% greater than this figure (i.e., if there are 2,820 or more workweeks) worked by the settlement Class Members), CMFHA agrees to increase the Gross Settlement Amount on a proportional basis (i.e., if there was an 11% increase in the number of workweeks worked during the Class Period by Class Members, CMFHA will increase the Gross Settlement Amount by 11%).

5. **Payments to the Settlement Class.** Settlement Class members are not required to submit a claim form to receive a payment ("Individual Settlement Payment") from the Settlement. Individual Settlement Payments will be determined and paid as follows:

- A. The Settlement Administrator shall first deduct from the Gross Settlement Amount the amounts approved by the Court for Class Counsel's attorneys' fees, Class Counsel's costs and expenses, Plaintiff's Class Representative Service Awards, the Settlement Administrator's fees and expenses for administration, and the PAGA payment to the LWDA. The remaining amount shall be known as the "Net Settlement Fund" ("NSF").
- B. From the Net Settlement Fund, the Settlement Administrator will calculate each Settlement Class member's Individual Settlement Payment based on the following formula:
 - i. Payments to all participating Settlement Class members: Ninety percent (90%) of the NSF will be distributed to all participating Settlement Class members based on each Settlement Class member's proportionate gross payroll paid during the Class Period, by multiplying 90% of the Net Settlement Fund by a fraction, the numerator of which is the Settlement Class member's gross payroll paid during the Class Period, and the denominator of which is the total gross payroll paid to all Settlement Class members during the Class Period.
 - ii. Waiting Time Amount: Five percent (5%) of the NSF shall be designated as the "Waiting Time Amount." Each participating Settlement Class member whose employment with CMFHA ended at any time from February 16, 2019 through April 25, 2021 (the "Waiting Time Period") shall receive an equal share of the Waiting Time Amount. In other words, the Waiting Time Amount will be divided equally among all participating Settlement Class members whose employment with CMFHA ended during the Waiting Time Period.
 - iii. Wage Statement Amount: Five percent (5%) of the NSF shall be designated as the "Wage Statement Amount." Each participating

Settlement Class member who was employed by CMFHA at any time from February 16, 2021 through April 25, 2021 (“Wage Statement/PAGA Period”), shall receive a portion of the Wage Statement Amount proportionate to the number of pay periods worked by that participating Settlement Class member during the Wage Statement/PAGA Period, and which will be calculated by multiplying 5% of the NSF by a fraction, the numerator of which is the participating Settlement Class member’s number of pay periods worked during the Wage Statement/PAGA Period, and the denominator of which is the total number of pay periods worked by all participating Settlement Class members during the Wage Statement/PAGA Period.

- iv. PAGA Amount: In addition to the NSF, Five Thousand Dollars and Zero Cents (\$5,000.00), of the Gross Settlement Amount has been designated as the “PAGA Amount” as described above. Each PAGA Employee, shall receive a portion of the PAGA Amount proportionate to the number of pay periods worked during the period February 16, 2021 to April 25, 2021, the numerator of which is the PAGA Employees’ gross number of pay periods worked during this period, and the denominator of which is the total number of pay periods worked by all PAGA Employees during this period. The payments to PAGA Employees shall be reported as penalties on a Form 1099.

- C. Within ten (10) calendar days following the deposit of the Gross Settlement Amount with the Settlement Administrator by CMFHA, the Settlement Administrator will calculate Individual Settlement Payment amounts, as well as the amount of the employer’s share of payroll taxes due on the wage portion of the Individual Settlement Payments, and provide the same to counsel for review and approval. Within seven (7) calendar days of approval by counsel, the Settlement Administrator will prepare and mail Individual Settlement Payments, less applicable taxes and withholdings, to participating Settlement Class members. The Settlement Administrator shall simultaneously pay the withholdings to the applicable authorities with the necessary reports, submitting copies to CMFHA’s counsel.
- D. For purposes of calculating applicable taxes and withholdings for the Settlement Class members, each Individual Settlement Payment shall be allocated as follows: 33 percent as wages and 67 percent as penalties and interest. The Settlement Administrator will be responsible for issuing to participating Settlement Class members an IRS Form W-2 for amounts deemed “wages” and an IRS Form 1099 for the portions allocated as penalties and interest. Notwithstanding the treatment of the payments to each Settlement Class member above, none of the payments called for by this Settlement Agreement, including the wage portion, are to be treated as earnings, wages, pay or compensation for any purpose of any applicable benefit or retirement plan, unless required by such plans.

- E. Each member of the Settlement Class who receives an Individual Settlement Payment must cash that check within 180 days from the date the Settlement Administrator mails it. Any funds payable to Settlement Class members whose checks were not cashed within 180 days after mailing will escheat to the California State Controller pursuant to the Unclaimed Property Law, California Civil Code § 1500 *et seq.*, in the name of the Settlement Class member to whom the check was issued, until such time that they claim their property. Any uncashed funds from the PAGA Amount shall be handled in the same manner.
- F. Neither Plaintiff nor CMFHA shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by its own acts of omission or commission, the same is true for the Settlement Administrator.

6. **Attorneys' Fees and Costs.** CMFHA will not object to a request for a total award of attorneys' fees of one-third of the Gross Settlement Amount, which is currently estimated to be One Hundred Thousand Dollars and zero cents (\$100,000.00), plus actual costs and expenses as supported by declaration, in an amount not to exceed Thirty Thousand Dollars and Zero Cents (\$30,000.00). These amounts will cover any and all work performed and any and all costs incurred in connection with this litigation, including without limitation: all work performed and all costs incurred to date; and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel will be issued an IRS Form 1099 by the Settlement Administrator when it pays the fee award allowed by the Court.

7. **Class and Representative Service Award.** CMFHA will not object to a request for Class and Representative Service Award of up to Ten Thousand Dollars and Zero Cents (\$10,000.00) to Plaintiff for her time and risks in prosecuting this case, and for her services to the Settlement Class. This award will be in addition to Plaintiff's Individual Settlement Payments as Settlement Class members and shall be reported on an IRS Form 1099 by the Settlement Administrator. Even in the event that the Court reduces or does not approve the requested Class Representative Service Award, Plaintiff shall not have the right to revoke this Settlement, and it will remain binding.

8. **Settlement Administrator.** CMFHA will not object to the appointment of Phoenix Settlement Administrators as Settlement Administrator nor to Class Counsel seeking permission to pay up to Five Thousand Dollars and Zero Cents (\$5,000.00) for its services from the Gross Settlement Amount. The Settlement Administrator shall be responsible for sending notices and for calculating Individual Settlement Payments and preparing all checks and mailings. The Settlement Administrator shall be authorized to pay itself from the Gross Settlement Amount by Class Counsel only after checks have been mailed to all participating Settlement Class members.

9. **Preliminary Approval.** Upon execution of this Settlement Agreement, Plaintiff shall apply to the Court for the entry of an Order:

- A. Conditionally certifying the Settlement Class for purposes of this Settlement Agreement;

- B. Appointing Scott Lidman, Elizabeth Nguyen and Milan Moore of Lidman Law as Class Counsel;
- C. Appointing Anita Ramirez as Class Representatives for the Settlement Class;
- D. Approving Phoenix Settlement Administrators as Settlement Administrator;
- E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;
- F. Approving the form and content of the Notice Packet (which is comprised of the Class Notice and the Notice of Settlement Award, attached hereto as **Exhibits 2 and 3**, respectively), and directing the mailing of same; and
- G. Scheduling a Final Approval hearing.

10. **Notice to Settlement Class.** Following preliminary approval, the Settlement Class shall be notified as follows:

- A. Within twenty (20) calendar days after entry of an order preliminarily approving this Agreement, CMFHA will provide the Settlement Administrator with the names, last known addresses, and social security numbers (in electronic format) of the members of the Settlement Class, including the dates of employment the workweeks worked by each Settlement Class member, and the number of pay periods worked while employed in a position covered by the Settlement Class definition during the Class Period and PAGA Period.
- B. Within ten (10) business days from receipt of this information, the Settlement Administrator shall: (i) run the names of all Settlement Class members through the National Change of Address (“NCOA”) database to determine any updated addresses for Settlement Class members; (ii) update the addresses of any Settlement Class member for whom an updated address was found through the NCOA search; (iii) calculate the estimated Individual Settlement Payment for each Settlement Class member; (iv) provide its calculations to Counsel for approval; and (v) mail the Notice Packet to each Settlement Class member at his or her last known address or at the updated address found through the NCOA search, and retain proof of mailing.
- C. Requests for Exclusion. Any Settlement Class member who wishes to opt-out of the settlement must complete and mail a Request for Exclusion (defined below) to the Settlement Administrator within sixty (60) calendar days of the date of the initial mailing of the Notice Packets (the “Response Deadline”).
 - i. The Notice Packet shall state that Settlement Class members who wish to exclude themselves from the settlement must submit a Request for Exclusion by the Response Deadline. The Request for Exclusion: (1) must contain the name, address, telephone number and the last four digits of the Social Security number of the Settlement Class member, (2) contain a statement that the

Settlement Class member wishes to be excluded from the Settlement; (3) must be signed by the Settlement Class member; and (4) must be postmarked by the Response Deadline and mailed to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion does not contain the information listed in (1)-(3), it will not be deemed valid for exclusion from this settlement, except a Request for Exclusion form not containing a Class Member's telephone number and/or last four digits of the Social Security number will be deemed valid. The date of the postmark on the Request for Exclusion shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Settlement Class member who requests to be excluded from the Settlement Class will not be entitled to any recovery under this Settlement Agreement and will not be bound by the terms of the settlement or have any right to object, appeal or comment thereon.

- ii. Plaintiff agrees that she shall not request to be excluded from the Settlement.
- iii. The Parties agree there is no statutory or other right for any Settlement Class member to opt out or otherwise exclude himself or herself from the PAGA portion of the Settlement. A Settlement Class member who submits a valid and timely Request for Exclusion shall still receive his or her proportionate share of the PAGA Amount.

F. Objections. Members of the Settlement Class who do not request exclusion may object to this Agreement as explained in the Class Notice by filing a written objection with the Settlement Administrator (who shall serve all objections as received on Class Counsel and CMFHA's counsel, who shall then promptly file all such objections with the Court). CMFHA's counsel and Class Counsel shall file any responses to objections no later than the deadline to file the Motion for Final Approval, unless an objection is filed within ten (10) days of the Motion for Final Approval filing deadline, in which case CMFHA's counsel and Class Counsel shall have ten (10) days to respond. To be valid, any objection must: (1) contain the objecting Settlement Class member's full name and current address, as well as contact information for any attorney representing the objecting Settlement Class member for purposes of the objection; (2) include all objections and the factual and legal bases for same; (3) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence; and (4) be postmarked no later than the Response Deadline. Members of the Settlement Class who do not request exclusion may also object to the Settlement by appearing at the Final Approval Hearing in person or virtually irrespective of whether they submitted any written objections.

G. Notice of Settlement Award / Disputes. Each Notice Packet mailed to a Settlement Class member shall contain a Notice of Settlement Award, in which shall be disclosed the amount of the Settlement Class member's estimated Individual Settlement Payment as well as all of the information that was used from CMFHA's records in order to calculate the Individual Settlement Payment, including the Settlement Class member's workweeks worked during the Class

Period, whether the Settlement Class member separated employment during the Waiting Time Period, and the number of workweeks worked by the Settlement Class member during the Wage Statement/PAGA Period. Settlement Class members will have the opportunity, should they disagree with CMFHA's records regarding the information stated in their Notice of Settlement Award, to provide documentation and/or an explanation to show contrary information. Any such dispute, including any supporting documentation, must be mailed to the Settlement Administrator and postmarked by the Response Deadline. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual Settlement Payments under the terms of this Agreement. The Settlement Administrator's determination of the eligibility for and amount of any Individual Settlement Payment shall be binding upon the Settlement Class member and the Parties. If a resolution cannot be reached by and among the Parties and the Settlement Administrator, the Court will render all final decisions on disputes.

- H. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a "skip trace," to obtain an updated mailing address within five (5) business days of receiving the returned Notice Packet. If an updated mailing address is identified, the Settlement Administrator shall resend the Notice Packet to the Settlement Class member immediately, and in any event within three (3) business days of obtaining the updated address. Settlement Class members to whom Notice Packets are re-sent after having been returned as undeliverable to the Settlement Administrator shall have fourteen (14) calendar days from the date of re-mailing, or until the Response Deadline has expired, whichever is later, to mail a Request for Exclusion or Objection or dispute. Notice Packets that are re-sent shall inform the recipient of this adjusted deadline. If a Settlement Class member's Notice Packet is returned to the Settlement Administrator more than once as non-deliverable, then an additional Notice Packet shall not be mailed. Nothing else shall be required of, or done by, the Parties, Class Counsel, or CMFHA's Counsel to provide notice of the proposed settlement.

11. **Final Approval.** Following preliminary approval and the close of the period for filing requests for exclusion, objections, or disputes under this Settlement Agreement, Plaintiff shall apply to the Court for entry of an Order:

- A. Granting final approval to the Settlement Agreement and adjudging its terms to be fair, reasonable, and adequate;
- B. Approving Plaintiff's and Class Counsel's application for attorneys' fees, costs, Class Representative Service Awards, and Settlement Administration costs; and

- C. Entering judgment pursuant to California Rule of Court 3.769 and posting notice of the judgment on a static website created and maintained by the Settlement Administrator.

12. **Non-Admission of Liability.** Nothing in this Agreement shall operate or be construed as an admission of any liability by the Released Parties or that class certification is appropriate in any context other than this settlement. Each of the Parties has entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to California Evidence Code Section 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement. If Final Approval does not occur, the Parties agree that this Settlement Agreement is void, but remains protected by California Evidence Code Section 1152.

13. **Nondisclosure and Nonpublication.** Plaintiff and Class Counsel agree not to disclose or publicize the Settlement Agreement among the parties contemplated herein, the fact of the Settlement Agreement, its terms or contents, and the negotiations underlying the Settlement Agreement, in any manner or form, directly or indirectly, to any person or entity, except Settlement Class members and as shall be contractually required to effectuate the terms of the Settlement Agreement as set forth herein. However, for the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other actions, Class Counsel may disclose the names of the Parties in this action and the venue/case number of this action for such purposes.

14. **Waiver and Amendment.** The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by all of the Parties, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

15. **Enforcement Action:** The Parties agree that this Settlement is enforceable pursuant to the provisions of Code of Civil Procedure §664.6. Further, in the event of any dispute arising out of the interpretation, performance, or breach of any provision of this Settlement Agreement, the prevailing party in such dispute(s) shall be entitled to recover their, his and/or its reasonable attorneys' fees and costs, including any expert witness fees, incurred arising from such dispute.

16. **Notices.** All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery and by e-mail at the addresses set forth below, or such other addresses as either Party may designate in writing from time to time:

if to CMFHA: Daniel J. Coyle, Delfino Madden O'Malley Coyle & Koewler
LLP, 500 Capitol Mall, Suite 1550, Sacramento, California 95814,
dcoyle@delfinomadden.com.

if to Plaintiff: Scott Lidman, Elizabeth Nguyen, and Milan Moore, Lidman Law,
APC, 2155 Campus Drive, Suite 150, El Segundo, California
90245, slidman@lidmanlaw.com; enguyen@lidmanlaw.com and
mmoore@lidmanlaw.com.

17. **Entire Agreement.** This Settlement Agreement contains the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts and writings prior to the date hereof relating to the subject matters hereof.

18. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

DATED:

Defendant CALIFORNIA MENTOR FAMILY
HOME AGENCY

By: _____

Its: _____

DATED: 01/19/2024

Plaintiff ANITA RAMIREZ

By:  _____
Anita Ramirez (Jan 19, 2024 17:14 PST)
Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED:

DELFINO MADDEN O'MALLEY COYLE &
KOEHLER LLP

By: _____
Daniel J. Coyle
Caroline M. Colangelo
Attorneys for Defendant
CALIFORNIA MENTOR FAMILY HOME
AGENCY

DATED: January 19, 2024

LIDMAN LAW, APC

By:  _____
Scott Lidman
Milan Moore
Attorneys for Plaintiff

17. **Entire Agreement.** This Settlement Agreement contains the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts and writings prior to the date hereof relating to the subject matters hereof.

18. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

DATED: January 12, 2024

Defendant CALIFORNIA MENTOR FAMILY
HOME AGENCY

By: 
Signed: 1/12/2024

Its: Chief Legal Officer

DATED:

Plaintiff ANITA RAMIREZ

By: _____
Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED: January 22, 2024

DELFINO MADDEN O'MALLEY COYLE &
KOEHLER LLP

By: Caroline M Colangelo

Daniel J. Coyle
Caroline M. Colangelo
Attorneys for Defendant
CALIFORNIA MENTOR FAMILY HOME
AGENCY

DATED:

LIDMAN LAW, APC

By: _____

Scott Lidman
Milan Moore
Attorneys for Plaintiff

EXHIBIT 1

EXHIBIT 1

LIDMAN LAW

2155 CAMPUS DRIVE, SUITE 150, EL SEGUNDO, CA 90245
OFFICE: (424) 322-4772
FAX: (424) 322-4775

February 16, 2022

VIA LWDA WEBSITE

Labor and Workforce Development Agency
Attn: PAGA Administrator
1515 Clay Street, Suite 801
Oakland, CA 94612

VIA U.S. CERTIFIED MAIL – RETURN RECEIPT REQUESTED

California Mentor Family Home Agency LLC, a Delaware limited liability company
c/o CSC – Lawyers Incorporating Service
2710 Gateway Oaks Drive, Suite 150N
Sacramento, CA 95833

VIA U.S. CERTIFIED MAIL – RETURN RECEIPT REQUESTED

California Mentor Family Home Agency LLC, a Delaware limited liability company
313 Congress Street, 5th Floor
Boston, MA 02210

Re: *Anita Ramirez v. California Mentor Family Home Agency LLC, a Delaware limited liability company*

To Whom It May Concern:

Please be advised that this law firm represents Anita Ramirez in claims arising from her employment with California Mentor Family Home Agency LLC, a Delaware limited liability company (“Defendant”). Ms. Ramirez is an “aggrieved employee” as defined by Labor Code sections 2699, *et seq.* due to Defendant’s numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code section 2699.3, which requires aggrieved employees to notify their employer and the Labor and Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated. For purposes of this letter, if the LWDA decides not to investigate, Ms. Ramirez intends to pursue a lawsuit on behalf of other “Aggrieved Employees”, which should be considered to include all of Defendant’s current and former employees in California with the title of Mentor Recruiter and/or similar job titles who were classified by Defendant as exempt, at least in part, during the one year immediately preceding the date of this letter through the date of trial, the date judgment is entered, the date of settlement and/or other date approved by the Court.

Ms. Ramirez a current employee, has been employed by Defendant since approximately September 2014 through the present as a Mentor Recruiter. At the time of hiring until approximately April 25, 2021, Ms. Ramirez was unlawfully classified and paid as an exempt, salaried employee. On or around April 22, 2021, Defendant informed Ms. Ramirez that effective April 25, 2021 she would be converted to a non-exempt hourly

employee but would continue to perform the same duties she performed when classified as a salaried, exempt employee. Further, Defendant changed her job title at that time from “Mentor Recruiter” to “Mentor Recruiter, CA.”

From the start of her employment through approximately April 25, 2021, Ms. Ramirez was improperly classified by Defendant as an exempt employee and was paid solely by way of an annual salary even though she did not meet any recognized exemption from the payment of overtime wages under California law. Specifically, Ms. Ramirez did not qualify for the “executive” exemption as she spent none of her time directing the work of other employees; she retained no authority to hire, fire, or discipline employees; and she did not exercise any independent judgment or discretion with respect to matters of consequence while carrying out her job duties. Further, Ms. Ramirez did not make any suggestions and recommendations as to the hiring, firing, advancement, promotion or any other change of status of other employees nor would any of her suggestions, if made, were given any particular weight.

Indeed, since the start of her employment through the present (both when she was improperly classified as exempt and after when she was reclassified to non-exempt), Ms. Ramirez’s job duty of recruiting families to place children and adults with disabilities has remained exactly the same.

Specifically, from four years prior to the filing of the Complaint through approximately April 25, 2021, when Defendant reclassified Ms. Ramirez and other Aggrieved Employees from exempt to non-exempt without any change in their job duties, Ms. Ramirez and other Aggrieved Employees routinely worked in excess of 8.0 hours per workday and/or more than 40.0 hours per workweek, but due to Defendant’s intentional and improper misclassification of them as exempt, Ms. Ramirez and other Aggrieved Employees did not receive any overtime compensation for these hours. Upon information and belief, Defendant did not track the actual hours that Ms. Ramirez and other Aggrieved Employees worked when they were classified as a salaried, exempt employees. Instead, Defendant paid Ms. Ramirez and other Aggrieved Employees a flat salary which was not based on the number of hours actually worked. Ms. Ramirez and other Aggrieved Employees regularly worked more hours than scheduled and on average worked in excess of 10.0 to 12.0 hours per day. This was because in addition to their 8 hours, Defendant often required them to work weekends, nightly recruiting events, and make home visits. Due to Defendant’s misclassification of Ms. Ramirez and other Aggrieved Employees, Defendant failed to pay any overtime wages for hours worked in excess of 8.0 hours per workday and/or 40.0 hours per workweek and have therefore deprived Ms. Ramirez and other Aggrieved Employees of earned wages. Defendant also failed to pay Ms. Ramirez and other Aggrieved Employees any double-time wages for hours worked in excess of 12.0 in a day.

During her employment with Defendant when she was classified as salaried, exempt, Defendants failed to provide Ms. Ramirez and other Aggrieved Employees with all required meal periods due to Defendant’s meal period policies and practices. Specifically, due to the work demands imposed by Defendant, including without limitation,

traveling to clients' residences, Ms. Ramirez and other Aggrieved Employees were often unable to take a duty-free 30-minute meal period before the end of the fifth hour of work as they were often travelling between the office and home visits. As a result, their meal periods were often late, short, missed, or otherwise unlawful. In addition, during the time they were classified as salaried, exempt Ms. Ramirez and other Aggrieved Employees were not provided a second meal period when they worked shifts in excess 10.0 hours.

Despite failing to provide all legally-required meal periods to Ms. Ramirez and other Aggrieved Employees when they were classified as salaried, exempt, Defendant never paid them one hour of meal period premium wages for each day that they experienced a meal period violation as required by Labor Code § 226.7.

In addition, throughout Ms. Ramirez's employment with Defendant when she was classified as salaried, exempt, Ms. Ramirez and other Aggrieved Employees were not authorized and permitted to take legally required rest periods due to Defendant's unlawful rest period policies and practices. Specifically, as a result of the work demands imposed by Defendant, Defendant did not authorize and permit one rest period for every four hours worked, or *major fraction thereof*. Indeed, Defendant failed to authorize and permit Ms. Ramirez and other Aggrieved Employees to take any rest periods during their shifts.

Although Ms. Ramirez and other Aggrieved Employees were not authorized and permitted to take all legally-compliant rest periods to which they were entitled when they were classified as salaried, exempt, Defendant failed to compensate Ms. Ramirez and other Aggrieved Employees with the required rest period premium for each workday in which they experienced a rest period violation as mandated by Labor Code § 226.7.

As a result of Defendant's failure to pay all overtime wages, as well as all meal and rest period premium wages, Defendant maintained inaccurate payroll records and issued inaccurate wage statements to Ms. Ramirez and other Aggrieved Employees up until the first pay period when they received a wage statement based on their new non-exempt classification for the period ending May 8, 2021.

As described above, Defendant committed the following violations of the Labor Code and Industrial Welfare Commission Wage Order No. 5 ("Wage Order 5"):

Overtime Violations

Defendant was required to pay Ms. Ramirez and other Aggrieved Employees overtime wages for all hours worked in excess of eight hours per workday and/or forty hours per workweek. See Labor Code §§ 1194(a) and 1198; the Wage Order 5, § 3. According to Labor Code § 510(a), "Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee." This Section further provides, "Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in

excess of eight hours on any seventh day of a workweek shall be compensated equal to one and one-half times their regular rate of pay for all overtime hours worked. As explained above, up until approximately April 25, 2021, when Defendant reclassified Ms. Ramirez and other Aggrieved Employees from exempt to non-exempt without any change in their job duties, Ms. Ramirez and other Aggrieved Employees routinely worked in excess of 8.0 hours per workday and/or more than 40.0 hours per workweek, but due to Defendant's intentional and improper misclassification of them as exempt, Ms. Ramirez and other Aggrieved Employees did not receive any overtime compensation for these hours. Due to Defendant's misclassification of Ms. Ramirez and other Aggrieved Employees, Defendant failed to pay any overtime wages for hours worked in excess of 8.0 hours per workday and/or 40.0 hours per workweek and have therefore deprived Ms. Ramirez and other Aggrieved Employees of earned wages. Defendant also failed to pay Ms. Ramirez and other Aggrieved Employees any double-time wages for hours worked in excess of 12.0 in a day.

Meal Period Violations

As alleged above, Defendant failed to provide Ms. Ramirez and other Aggrieved Employees with all required and compliant meal periods. *See* Labor Code §§ 226.7 and 512; Wage Order 5, § 11. Specifically, due to the work demands imposed by Defendant, including without limitation, traveling to clients' residences, Ms. Ramirez and other Aggrieved Employees were often unable to take a duty-free 30-minute meal period before the end of the fifth hour of work as they were often travelling between the office and home visits. As a result, their meal periods were often late, short, missed, or otherwise unlawful. In addition, during the time they were classified as salaried, exempt Ms. Ramirez and other Aggrieved Employees were not provided a second meal period when they worked shifts in excess 10.0 hours. As a result, Ms. Ramirez and other Aggrieved Employees are owed an additional hour of wages at their regular rate of compensation for each workday they experienced a meal period violation. *See* Labor Code § 226.7 ("If an employer fails to provide an employee a meal or rest or recovery period in accordance with ... [an] order of the Industrial Welfare Commission ... the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided."). Although Ms. Ramirez and other Aggrieved Employees were not provided with all legally-compliant meal periods to which they were entitled, Defendant failed to compensate Ms. Ramirez and other Aggrieved Employees with the required meal period premium for each workday in which they experienced a meal period violation as mandated by Labor Code § 226.7.

Rest Period Violations

Defendant also failed to authorize and permit Ms. Ramirez and other Aggrieved Employees to take all required rest periods. *See* Labor Code §§ 226.7 and 516; Wage Order 5, § 12. As alleged above, Defendant's rest period policies/practices fail to authorize and permit all rest periods for every four hours worked, or *major fraction thereof*. Specifically, as a result of the work demands imposed by Defendant, Defendant did not authorize and permit one rest period for every four hours worked, or *major fraction*

thereof. Indeed, Defendant failed to authorize and permit Ms. Ramirez and other Aggrieved Employees to take any rest periods during their shifts. As a result, Ms. Ramirez and other Aggrieved Employees are owed an additional hour of wages at their regular rate of compensation for each workday that they were not authorized and permitted to take all legally required rest periods. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest period is not provided.”)

Wage Statement Violations

As alleged above, Defendant maintained inaccurate payroll records and issued inaccurate wage statements to Ms. Ramirez and other Aggrieved Employees up until the first pay period when they received a wage statement based on their new non-exempt classification for the period ending May 8, 2021. Defendant’s failure to furnish Ms. Ramirez and other Aggrieved Employees with complete and accurate, itemized wage statements resulted in actual injury, as said failures led to, among other things, the non-payment of all overtime wages earned, and meal and rest period premium wages, and deprived them of the information necessary to identify discrepancies in Defendant’s reported data. Defendant knowingly and intentionally, as a matter of uniform practice and policy, failed to furnish Ms. Ramirez and other Aggrieved Employees with accurate and complete, itemized wage statements that included, among other requirements, all overtime wages earned, and total meal and rest period premium wages, in violation of Labor Code § 226 *et seq.*

As an “aggrieved employee,” Ms. Ramirez will initiate a civil action on behalf of herself and other Aggrieved Employees to recover damages, statutory penalties, and civil penalties resulting from the wage and hour violations alleged herein. Based on Ms. Ramirez’s own investigation, and on information and belief, Defendant committed the following Labor Code violations:

- a) Defendant violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to pay Ms. Ramirez and other Aggrieved Employees all overtime compensation earned;
- b) Defendant violated Labor Code §§ 226.7, 512, and 558 by failing to provide all legally required meal periods and failing to pay meal period premiums to Ms. Ramirez and other Aggrieved Employees;
- c) Defendant violated Labor Code §§ 226.7, 516, and 558 by failing to provide all legally required rest periods and failing to pay rest period premiums to Ms. Ramirez and other Aggrieved Employees;

- d) Defendant violated Labor Code § 226 by failing to furnish Ms. Ramirez and other Aggrieved Employees with accurate and compliant itemized wage statements;
- e) Defendant violated Labor Code § 204 by failing to pay Ms. Ramirez and other Aggrieved Employees all earned wages at least twice during each calendar month; and
- f) Defendant violated Labor Code § 1174 by failing to maintain accurate records on behalf of Ms. Ramirez and other Aggrieved Employees.

Pursuant to Labor Code section 2699.3(a)(2)(A), please notify us and Defendant if the LWDA intends to investigate these alleged violations of the Labor Code. Please contact me should you require additional information.

Very truly yours,

LIDMAN LAW, APC



Scott M. Lidman

LIDMAN LAW

2155 CAMPUS DRIVE, SUITE 150, EL SEGUNDO, CA 90245
OFFICE: (424) 322-4772
FAX: (424) 322-4775

December 20, 2023

VIA LWDA WEBSITE

Labor and Workforce Development Agency
Attn: PAGA Administrator
1515 Clay Street, Suite 801
Oakland, CA 94612

VIA U.S. CERTIFIED MAIL – RETURN RECEIPT REQUESTED

DELFINO MADDEN O'MALLEY COYLE & KOEWLER LLP

Daniel J. Coyle
Shaye Schrick
Caroline M. Colangelo
Justin J. Lomas
500 Capitol Mall, Suite 1550
Sacramento, CA 95814
Attorneys for Defendant California Mentor Family Home Agency LLC

Re: *Anita Ramirez v. California Mentor Family Home Agency LLC, a Delaware limited liability company*
LWDA Case No. LWDA-CM-868549-22

To Whom It May Concern:

Please be advised that this law firm represents Anita Ramirez in claims arising from her employment with California Mentor Family Home Agency LLC, a Delaware limited liability company (“Defendant”). Ms. Ramirez is an “aggrieved employee” as defined by Labor Code sections 2699, *et seq.* due to Defendant’s numerous violations of the Labor Code as set forth below. Defendant’s numerous violations of the Labor Code as set forth below and in her prior correspondence to the Labor and Workforce Development Agency (“LWDA”) dated February 16, 2022 (the “LWDA Letter”). Attached hereto as **Exhibit A** is a true and correct copy of the LWDA Letter and is incorporated herein by reference. By this letter, Ms. Ramirez hereby supplements her prior LWDA Letter. The purpose of the LWDA Letter and the instant supplement letter is to comply with Labor Code section 2699.3, which requires aggrieved employees to notify their employer and the LWDA of the specific provisions of the Labor Code allegedly violated.

Waiting Time Penalties

Labor Code §§ 201 and 202 require that employees receive all of their final wages at the time of their separation of employment. Defendant failed to timely pay Ms. Ramirez and other Aggrieved Employees all of their final wages at the time of separation, which included, among other things, underpaid minimum and overtime wages, and meal and rest period premium wages. Pursuant to Labor Code § 203, Defendant’s failure to pay all final wages due to Ms. Ramirez and other aggrieved employees was willful and, consequently,

entitles Ms. Ramirez and other similarly aggrieved employees to waiting time penalties equal to one day of wages at their standard hourly rate for each day Defendant failed to pay their final wages after their separation, up to a maximum of thirty days.

Pursuant to Labor Code section 2699.3(a)(2)(A), please notify us and Defendant if the LWDA intends to investigate these alleged violations of the Labor Code. Please contact me should you require additional information.

Very truly yours,

LIDMAN LAW, APC



Scott M. Lidman

EXHIBIT A

EXHIBIT A

LIDMAN LAW

2155 CAMPUS DRIVE, SUITE 150, EL SEGUNDO, CA 90245
OFFICE: (424) 322-4772
FAX: (424) 322-4775

February 16, 2022

VIA LWDA WEBSITE

Labor and Workforce Development Agency
Attn: PAGA Administrator
1515 Clay Street, Suite 801
Oakland, CA 94612

VIA U.S. CERTIFIED MAIL – RETURN RECEIPT REQUESTED

California Mentor Family Home Agency LLC, a Delaware limited liability company
c/o CSC – Lawyers Incorporating Service
2710 Gateway Oaks Drive, Suite 150N
Sacramento, CA 95833

VIA U.S. CERTIFIED MAIL – RETURN RECEIPT REQUESTED

California Mentor Family Home Agency LLC, a Delaware limited liability company
313 Congress Street, 5th Floor
Boston, MA 02210

Re: *Anita Ramirez v. California Mentor Family Home Agency LLC, a Delaware limited liability company*

To Whom It May Concern:

Please be advised that this law firm represents Anita Ramirez in claims arising from her employment with California Mentor Family Home Agency LLC, a Delaware limited liability company (“Defendant”). Ms. Ramirez is an “aggrieved employee” as defined by Labor Code sections 2699, *et seq.* due to Defendant’s numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code section 2699.3, which requires aggrieved employees to notify their employer and the Labor and Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated. For purposes of this letter, if the LWDA decides not to investigate, Ms. Ramirez intends to pursue a lawsuit on behalf of other “Aggrieved Employees”, which should be considered to include all of Defendant’s current and former employees in California with the title of Mentor Recruiter and/or similar job titles who were classified by Defendant as exempt, at least in part, during the one year immediately preceding the date of this letter through the date of trial, the date judgment is entered, the date of settlement and/or other date approved by the Court.

Ms. Ramirez a current employee, has been employed by Defendant since approximately September 2014 through the present as a Mentor Recruiter. At the time of hiring until approximately April 25, 2021, Ms. Ramirez was unlawfully classified and paid as an exempt, salaried employee. On or around April 22, 2021, Defendant informed Ms. Ramirez that effective April 25, 2021 she would be converted to a non-exempt hourly

employee but would continue to perform the same duties she performed when classified as a salaried, exempt employee. Further, Defendant changed her job title at that time from “Mentor Recruiter” to “Mentor Recruiter, CA.”

From the start of her employment through approximately April 25, 2021, Ms. Ramirez was improperly classified by Defendant as an exempt employee and was paid solely by way of an annual salary even though she did not meet any recognized exemption from the payment of overtime wages under California law. Specifically, Ms. Ramirez did not qualify for the “executive” exemption as she spent none of her time directing the work of other employees; she retained no authority to hire, fire, or discipline employees; and she did not exercise any independent judgment or discretion with respect to matters of consequence while carrying out her job duties. Further, Ms. Ramirez did not make any suggestions and recommendations as to the hiring, firing, advancement, promotion or any other change of status of other employees nor would any of her suggestions, if made, were given any particular weight.

Indeed, since the start of her employment through the present (both when she was improperly classified as exempt and after when she was reclassified to non-exempt), Ms. Ramirez’s job duty of recruiting families to place children and adults with disabilities has remained exactly the same.

Specifically, from four years prior to the filing of the Complaint through approximately April 25, 2021, when Defendant reclassified Ms. Ramirez and other Aggrieved Employees from exempt to non-exempt without any change in their job duties, Ms. Ramirez and other Aggrieved Employees routinely worked in excess of 8.0 hours per workday and/or more than 40.0 hours per workweek, but due to Defendant’s intentional and improper misclassification of them as exempt, Ms. Ramirez and other Aggrieved Employees did not receive any overtime compensation for these hours. Upon information and belief, Defendant did not track the actual hours that Ms. Ramirez and other Aggrieved Employees worked when they were classified as a salaried, exempt employees. Instead, Defendant paid Ms. Ramirez and other Aggrieved Employees a flat salary which was not based on the number of hours actually worked. Ms. Ramirez and other Aggrieved Employees regularly worked more hours than scheduled and on average worked in excess of 10.0 to 12.0 hours per day. This was because in addition to their 8 hours, Defendant often required them to work weekends, nightly recruiting events, and make home visits. Due to Defendant’s misclassification of Ms. Ramirez and other Aggrieved Employees, Defendant failed to pay any overtime wages for hours worked in excess of 8.0 hours per workday and/or 40.0 hours per workweek and have therefore deprived Ms. Ramirez and other Aggrieved Employees of earned wages. Defendant also failed to pay Ms. Ramirez and other Aggrieved Employees any double-time wages for hours worked in excess of 12.0 in a day.

During her employment with Defendant when she was classified as salaried, exempt, Defendants failed to provide Ms. Ramirez and other Aggrieved Employees with all required meal periods due to Defendant’s meal period policies and practices. Specifically, due to the work demands imposed by Defendant, including without limitation,

traveling to clients' residences, Ms. Ramirez and other Aggrieved Employees were often unable to take a duty-free 30-minute meal period before the end of the fifth hour of work as they were often travelling between the office and home visits. As a result, their meal periods were often late, short, missed, or otherwise unlawful. In addition, during the time they were classified as salaried, exempt Ms. Ramirez and other Aggrieved Employees were not provided a second meal period when they worked shifts in excess 10.0 hours.

Despite failing to provide all legally-required meal periods to Ms. Ramirez and other Aggrieved Employees when they were classified as salaried, exempt, Defendant never paid them one hour of meal period premium wages for each day that they experienced a meal period violation as required by Labor Code § 226.7.

In addition, throughout Ms. Ramirez's employment with Defendant when she was classified as salaried, exempt, Ms. Ramirez and other Aggrieved Employees were not authorized and permitted to take legally required rest periods due to Defendant's unlawful rest period policies and practices. Specifically, as a result of the work demands imposed by Defendant, Defendant did not authorize and permit one rest period for every four hours worked, or *major fraction thereof*. Indeed, Defendant failed to authorize and permit Ms. Ramirez and other Aggrieved Employees to take any rest periods during their shifts.

Although Ms. Ramirez and other Aggrieved Employees were not authorized and permitted to take all legally-compliant rest periods to which they were entitled when they were classified as salaried, exempt, Defendant failed to compensate Ms. Ramirez and other Aggrieved Employees with the required rest period premium for each workday in which they experienced a rest period violation as mandated by Labor Code § 226.7.

As a result of Defendant's failure to pay all overtime wages, as well as all meal and rest period premium wages, Defendant maintained inaccurate payroll records and issued inaccurate wage statements to Ms. Ramirez and other Aggrieved Employees up until the first pay period when they received a wage statement based on their new non-exempt classification for the period ending May 8, 2021.

As described above, Defendant committed the following violations of the Labor Code and Industrial Welfare Commission Wage Order No. 5 ("Wage Order 5"):

Overtime Violations

Defendant was required to pay Ms. Ramirez and other Aggrieved Employees overtime wages for all hours worked in excess of eight hours per workday and/or forty hours per workweek. See Labor Code §§ 1194(a) and 1198; the Wage Order 5, § 3. According to Labor Code § 510(a), "Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee." This Section further provides, "Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in

excess of eight hours on any seventh day of a workweek shall be compensated equal to one and one-half times their regular rate of pay for all overtime hours worked. As explained above, up until approximately April 25, 2021, when Defendant reclassified Ms. Ramirez and other Aggrieved Employees from exempt to non-exempt without any change in their job duties, Ms. Ramirez and other Aggrieved Employees routinely worked in excess of 8.0 hours per workday and/or more than 40.0 hours per workweek, but due to Defendant's intentional and improper misclassification of them as exempt, Ms. Ramirez and other Aggrieved Employees did not receive any overtime compensation for these hours. Due to Defendant's misclassification of Ms. Ramirez and other Aggrieved Employees, Defendant failed to pay any overtime wages for hours worked in excess of 8.0 hours per workday and/or 40.0 hours per workweek and have therefore deprived Ms. Ramirez and other Aggrieved Employees of earned wages. Defendant also failed to pay Ms. Ramirez and other Aggrieved Employees any double-time wages for hours worked in excess of 12.0 in a day.

Meal Period Violations

As alleged above, Defendant failed to provide Ms. Ramirez and other Aggrieved Employees with all required and compliant meal periods. *See* Labor Code §§ 226.7 and 512; Wage Order 5, § 11. Specifically, due to the work demands imposed by Defendant, including without limitation, traveling to clients' residences, Ms. Ramirez and other Aggrieved Employees were often unable to take a duty-free 30-minute meal period before the end of the fifth hour of work as they were often travelling between the office and home visits. As a result, their meal periods were often late, short, missed, or otherwise unlawful. In addition, during the time they were classified as salaried, exempt Ms. Ramirez and other Aggrieved Employees were not provided a second meal period when they worked shifts in excess 10.0 hours. As a result, Ms. Ramirez and other Aggrieved Employees are owed an additional hour of wages at their regular rate of compensation for each workday they experienced a meal period violation. *See* Labor Code § 226.7 ("If an employer fails to provide an employee a meal or rest or recovery period in accordance with ... [an] order of the Industrial Welfare Commission ... the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided."). Although Ms. Ramirez and other Aggrieved Employees were not provided with all legally-compliant meal periods to which they were entitled, Defendant failed to compensate Ms. Ramirez and other Aggrieved Employees with the required meal period premium for each workday in which they experienced a meal period violation as mandated by Labor Code § 226.7.

Rest Period Violations

Defendant also failed to authorize and permit Ms. Ramirez and other Aggrieved Employees to take all required rest periods. *See* Labor Code §§ 226.7 and 516; Wage Order 5, § 12. As alleged above, Defendant's rest period policies/practices fail to authorize and permit all rest periods for every four hours worked, or *major fraction thereof*. Specifically, as a result of the work demands imposed by Defendant, Defendant did not authorize and permit one rest period for every four hours worked, or *major fraction*

thereof. Indeed, Defendant failed to authorize and permit Ms. Ramirez and other Aggrieved Employees to take any rest periods during their shifts. As a result, Ms. Ramirez and other Aggrieved Employees are owed an additional hour of wages at their regular rate of compensation for each workday that they were not authorized and permitted to take all legally required rest periods. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest period is not provided.”)

Wage Statement Violations

As alleged above, Defendant maintained inaccurate payroll records and issued inaccurate wage statements to Ms. Ramirez and other Aggrieved Employees up until the first pay period when they received a wage statement based on their new non-exempt classification for the period ending May 8, 2021. Defendant’s failure to furnish Ms. Ramirez and other Aggrieved Employees with complete and accurate, itemized wage statements resulted in actual injury, as said failures led to, among other things, the non-payment of all overtime wages earned, and meal and rest period premium wages, and deprived them of the information necessary to identify discrepancies in Defendant’s reported data. Defendant knowingly and intentionally, as a matter of uniform practice and policy, failed to furnish Ms. Ramirez and other Aggrieved Employees with accurate and complete, itemized wage statements that included, among other requirements, all overtime wages earned, and total meal and rest period premium wages, in violation of Labor Code § 226 *et seq.*

As an “aggrieved employee,” Ms. Ramirez will initiate a civil action on behalf of herself and other Aggrieved Employees to recover damages, statutory penalties, and civil penalties resulting from the wage and hour violations alleged herein. Based on Ms. Ramirez’s own investigation, and on information and belief, Defendant committed the following Labor Code violations:

- a) Defendant violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to pay Ms. Ramirez and other Aggrieved Employees all overtime compensation earned;
- b) Defendant violated Labor Code §§ 226.7, 512, and 558 by failing to provide all legally required meal periods and failing to pay meal period premiums to Ms. Ramirez and other Aggrieved Employees;
- c) Defendant violated Labor Code §§ 226.7, 516, and 558 by failing to provide all legally required rest periods and failing to pay rest period premiums to Ms. Ramirez and other Aggrieved Employees;

- d) Defendant violated Labor Code § 226 by failing to furnish Ms. Ramirez and other Aggrieved Employees with accurate and compliant itemized wage statements;
- e) Defendant violated Labor Code § 204 by failing to pay Ms. Ramirez and other Aggrieved Employees all earned wages at least twice during each calendar month; and
- f) Defendant violated Labor Code § 1174 by failing to maintain accurate records on behalf of Ms. Ramirez and other Aggrieved Employees.

Pursuant to Labor Code section 2699.3(a)(2)(A), please notify us and Defendant if the LWDA intends to investigate these alleged violations of the Labor Code. Please contact me should you require additional information.

Very truly yours,

LIDMAN LAW, APC



Scott M. Lidman

EXHIBIT 2

EXHIBIT 2

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN BERNARDINO

ANITA RAMIREZ, as an individual and on
behalf of all others similarly situated,

Plaintiff,

vs.

CALIFORNIA MENTOR FAMILY HOME
AGENCY, LLC, a Delaware limited liability
company and DOES 1 through 100, inclusive,

Defendants.

Case No. CIVSB2203812

**NOTICE OF PENDENCY OF CLASS
ACTION AND PROPOSED SETTLEMENT**

To: All current and former Mentor Recruiters employed at California Mentor Family Home Agency, LLC in California between February 16, 2018 and April 25, 2021, who were classified as exempt and who did not execute arbitration agreements with California Mentor Family Home Agency, LLC. Collectively, these employees will be referred to as “Settlement Class members.”

**PLEASE READ THIS NOTICE CAREFULLY
YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR NOT**

Why should you read this notice?

The Court has granted preliminary approval of a proposed class action settlement (the “Settlement”) in *Anita Ramirez v. California Mentor Family Home Agency, LLC*, San Bernardino County Superior Court Action No. CIVSB2203812 (the “Action”). Because your rights may be affected by the Settlement, it is important that you read this notice carefully.

You may be entitled to money from this Settlement. California Mentor Family Home Agency, LLC (“CMFHA”) records show that you were employed at CMFHA in California in the position of a Mentor Recruiter between February 16, 2018 and April 25, 2021 (the “Class Period”), were classified as exempt and that you did not execute an arbitration agreement with CMFHA. The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

The purpose of this notice is to provide you with a brief description of the Action, to inform you of the terms of the Settlement, to describe your rights in connection with the Settlement, and to explain what steps you may take to participate in, object to, or exclude yourself from the Settlement. If you do not exclude yourself from the Settlement and the Court finally approves the Settlement, you will be bound by the terms of the Settlement and any final judgment. You are bound by the PAGA judgment regardless of whether you exclude yourself from the settlement.

What is this case about?

Plaintiff Anita Ramirez (“Plaintiff”) brought this Action against CMFHA, seeking to assert claims on behalf of a class of current and former employees in the position of Mentor Recruiter, who were classified as exempt and who worked for CMFHA at any time beginning February 16, 2018. Plaintiff is known as the “Class Representative,” and her attorneys, who also represent the interests of all Settlement Class members, are known as “Class Counsel.”

The Action alleges that CMFHA misclassified Mentor Recruiters as exempt employees until April 25, 2021, and because of this misclassification failed to pay Settlement Class members for all earned overtime wages and failed to provide all required meal and rest periods or pay premiums for missed meal or rest periods to Settlement Class members. The Action also alleges that CMFHA failed to provide Settlement Class Members with accurate and complete wage statements, failed to timely pay all final wages at the time of separation of employment, and as a result of the foregoing alleged violations, engaged in unfair business practices and is liable for civil penalties under the Labor Code Private Attorneys General Act (“PAGA”).

CMFHA denies that it has done anything wrong or that it misclassified Mentor Recruiters during the relevant time period. CMFHA denies that it owes Settlement Class members any wages, restitution, penalties, or other damages. Accordingly, the Settlement constitutes a compromise of disputed claims and should not be construed as an admission of liability on the part of CMFHA, which expressly denies all liability.

The Court has not ruled on the merits of Plaintiff’s claims. However, to avoid additional expense, inconvenience, and interference with its business operations, CMFHA has concluded that it is in its best interests and the interests of Settlement Class members to settle the Action on the terms summarized in this Notice. After CMFHA provided relevant information to Class Counsel, the Settlement was reached after mediation and arm’s-length negotiations between the parties.

The Class Representative and Class Counsel support the Settlement. Among the reasons for support are the defenses to liability potentially available to CMFHA, the risk of denial of class certification, the inherent risks of trial on the merits, and the delays and uncertainties associated with litigation.

If you are still employed by CMFHA, your decision about whether to participate in the Settlement will not affect your employment. California law and CMFHA’s policies strictly prohibit unlawful retaliation. CMFHA will not take any adverse employment action against or otherwise retaliate or discriminate against any Settlement Class member because of the Settlement Class member’s decision to either participate or not participate in the Settlement.

Who are the Attorneys?

Attorneys for the Plaintiff/Settlement Class members: LIDMAN LAW, APC Scott M. Lidman (SBN 199433) slidman@lidmanlaw.com Elizabeth Nguyen (SBN 238571) enguyen@lidmanlaw.com Milan Moore (SBN 308095) Mmoore@lidmanlaw.com 2155 Campus Drive, Suite 150 El Segundo, California 90245 Tel: (424) 322-4772 Fax: (424) 322-4775	Attorneys for Defendant CMFHA: DELFINO MADDEN O'MALLEY COYLE & KOEWLER LLP Daniel J. Coyle dcoyle@delfinomadden.com Caroline M. Colangelo ccolangelo@delfinomadden.com 500 Capitol Mall, Suite 1550 Sacramento, California 95814 Tel: (916) 661-5700 Fax: (916) 661-5701 delfinomadden.com
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What are the terms of the Settlement?

On <<PRELIM APPROVAL DATE>>, the Court preliminarily certified a class, for settlement purposes only, of all current and former employees in the position of Mentor Recruiter who worked for CMFHA between February 16, 2018 and April 25, 2021, who were classified as exempt and who did not execute arbitration agreements with CMFHA. Settlement Class members who do not opt out of the Settlement pursuant to the procedures set forth in this Notice will be bound by the Settlement and will release their claims against CMFHA as described below.

CMFHA has agreed to pay \$300,000 (the “Gross Settlement Amount”) to fully resolve all claims in the Action, including payments to Settlement Class members, attorneys’ fees and expenses, Settlement Administration costs, PAGA civil penalties, the Class Representative’s Service Award and the employer’s share of payroll taxes. The following deductions from the Maximum Settlement Amount will be requested by the parties:

Settlement Administration Costs. The Court has approved Phoenix Class Action Administration Solutions to act as the “Settlement Administrator,” who is sending this Notice to you and will perform many other duties relating to the Settlement. The Court has approved setting aside up to \$5,000.00 from the Gross Settlement Amount to pay the Settlement Administration costs.

Attorneys’ Fees and Expenses. Class Counsel have been prosecuting the Action on behalf of the Settlement Class members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys’ fees, which will be paid from the Gross Settlement Amount. Settlement Class members are not personally responsible for any of Class Counsel’s attorneys’ fees or expenses. Class Counsel will ask for fees of up to one-third of the Gross Settlement Amount, which is estimated to be \$100,000.00, as reasonable compensation for the work Class Counsel performed and will continue to perform

in this Action through Settlement finalization. Class Counsel also will ask for reimbursement of up to \$30,000.00 for verified costs Class Counsel incurred in connection with the Action.

Service Awards to Class Representative. Class Counsel will ask the Court to award the Class Representative a service award in the amount of \$10,000.00, to compensate her for her service and extra work provided on behalf of the Settlement Class members.

PAGA Payment to State of California. \$15,000.00 will be paid to the California Labor & Workforce Development Agency ("LWDA"), representing 75% of the \$20,000.00 the parties have agreed to allocate to the settlement of Plaintiff's claim on behalf of the Settlement Class members under the PAGA. The remaining \$5,000.00 will be payable to certain of the Settlement Class members employed between February 16, 2021, and April 25, 2021 ("PAGA Employees") as the "PAGA Amount," whether or not they submit a Request for Exclusion, as described below.

Calculation of Settlement Class Members' Individual Settlement Payments. After deducting the Court-approved amounts above, the balance of the Gross Settlement Amount will form the Net Settlement Fund ("NSF"), which will be distributed to all Settlement Class members who do not submit a valid and timely Request for Exclusion (described below), and all PAGA Employees. The NSF is estimated at approximately \$ [REDACTED] and will be divided as follows:

- (i) PAGA Amount: \$5,000.00 of the NSF has been designated as the "PAGA Amount" and will be allocated to PAGA Employees who were employed by CMFHA at any time from February 16, 2021 through April 25, 2021, who were classified as exempt, and who did not execute arbitration agreements, in proportion to the number of pay periods that he or she worked in California as a Mentor Recruiter between February 16, 2021 and April 25, 2021. The payments to PAGA Employees shall be reported as penalties on a Form 1099.
- (ii) Payments to all participating Settlement Class members: Ninety percent (90%) of the remaining NSF will be distributed to all participating Settlement Class members based on each Settlement Class member's proportionate gross payroll paid during the Class Period, by multiplying 90% of the Net Settlement Fund by a fraction, the numerator of which is the Settlement Class member's gross payroll paid during the Class Period, and the denominator of which is the total gross payroll paid to all Settlement Class members during the Class Period.
- (iii) Waiting Time Amount: Five percent (5%) of the remaining NSF shall be designated as the "Waiting Time Amount." Each participating Settlement Class member whose employment with CMFHA ended at any time from February 16, 2019 through April 25, 2021 (the "Waiting Time Period") shall receive an equal share of the Waiting Time Amount. In other words, the Waiting Time Amount will be divided equally among all participating Settlement Class members whose employment with CMFHA ended during the Waiting Time Period.
- (iv) Wage Statement Amount: Five percent (5%) of the remaining NSF shall be designated as the "Wage Statement Amount." Each participating Settlement Class member who was employed by CMFHA at any time from February 16, 2021

through April 25, 2021 (“Wage Statement/PAGA Period”), shall receive a portion of the Wage Statement Amount proportionate to the number of pay periods worked by that participating Settlement Class member during the Wage Statement/PAGA Period, and which will be calculated by multiplying 5% of the NSF by a fraction, the numerator of which is the participating Settlement Class member’s number of pay periods worked during the Wage Statement/PAGA Period, and the denominator of which is the total number of pay periods worked by all participating Settlement Class members during the Wage Statement/PAGA Period.

Payments to Settlement Class Members. If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to all Settlement Class members who did not submit a valid and timely Request for Exclusion and all PAGA Employees.

If you submit a Request for Exclusion, you will still receive a proportionate share of the PAGA Amount regardless of whether you exclude yourself from the Settlement if you are a PAGA Employee.

Settlement checks will be valid for 180 days from the date the Settlement Administrator mails them. Any funds payable to Settlement Class members whose checks were not cashed within 180 days after mailing will be transferred to the California’s Secretary of State Controller’s Office – Unclaimed Property Fund under the unclaimed property laws in the name of the Settlement Class Member or PAGA Employee

Within ten (10) calendar days following the deposit of the Gross Settlement Amount with the Settlement Administrator by CMFHA, the Settlement Administrator will calculate Individual Settlement Payment amounts, as well as the amount of the employer’s share of payroll taxes due on the wage portion of the Individual Settlement Payments, and provide the same to counsel for review and approval. Within seven (7) calendar days of approval by counsel, the Settlement Administrator will prepare and mail Individual Settlement Payments, less applicable taxes and withholdings, to participating Settlement Class members. Settlement Awards are expected to be disbursed in [insert estimated month and year].

Allocation and Taxes. For tax purposes, each Individual Settlement Payment will be treated as follows: all PAGA penalty shares to PAGA Employees shall be allocated 100 percent (100%) as penalties for which an IRS form 1099 will be issued; all remaining NSF payments shall be allocated Thirty-Three percent (33%) as “wages,” for which an IRS form W-2 will be issued and Sixty Seven percent (67%) as penalties and interest, for which an IRS form 1099 will be issued. Settlement Class members are responsible for the proper income tax treatment of the Individual Settlement Payments. The Settlement Administrator, CMFHA and its counsel, and Class Counsel cannot provide tax advice. Accordingly, Settlement Class members and PAGA Employees should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

Settlement Class Members’ Release. If the Court approves the Settlement, Plaintiff and every member of the Settlement Class (except those who opt out) will fully release and discharge CMFHA and each of its past and present agents, officers, directors, employees, owners,

shareholders, investors, members, payroll agents, attorneys, parents, subsidiaries, sister entities, joint and/or integrated employers, affiliates, insurers and/or third-party administrators, including all entities and persons associated with Sevita, and all other persons and entities related thereto (collectively the “Released Parties”) from all claims and causes of action, alleged or which could have reasonably been alleged based on the allegations in the Second Amended Complaint, including claims for: (a) failure to pay overtime wages; (b) failure to provide all meal periods, or premium pay in lieu thereof; (c) failure to authorize and permit all rest periods, or premium pay in lieu thereof; (d) failure to provide complete and accurate wage statements; (e) all claims for waiting time penalties; (f) all claims for unfair business practices that could have been premised on the claims, causes of action or legal theories plead in the Second Amended Complaint; (g) all claims under the California Labor Code Private Attorneys General Act of 2004 (“PAGA”) that could have been premised on the claims, causes of action or legal theories pled in the SAC; and (h) all damages, penalties, interest, costs (including attorney fees) and other amounts recoverable under said claims or causes of action as to the facts and/or legal theories alleged in the Second Amended Complaint (collectively, the “Released Claims”). The period of the Release shall extend to the limits of the Class Period. The *res judicata* effect of the judgment will be the same as that of the Release.

PAGA Employees’ PAGA Release. If the Court approves the Settlement, PAGA Employees, including Plaintiff (and also including those who opt-out from the Class portion of the Settlement), will release and forever discharge the Released Parties from all claims, demands, rights, liabilities and causes of action for civil penalties under the California Labor Code Private Attorneys General Act of 2004 (“PAGA”) which were pled in the letters to the LWDA dated February 16, 2022 and December 20, 2023 and the Second Amended Complaint in the Action, or which could have been pled based upon the facts alleged in the operative Second Amended Complaint in the Action that arose during the PAGA Period predicated on the following alleged violations: (a) failure to pay all minimum wages owed; (b) failure to pay all overtime wages owed; (c) failure to provide meal periods and pay premium wages for non-compliant meal periods; (d) failure to authorize and permit rest periods and pay premium wages for non-compliant rest periods; (e) failure to issue accurate, itemized wage statements and (f) failure to timely pay all wages due upon separation of employment; (collectively, “PAGA Released Claims”). The time period for the release of the PAGA Released Claims shall be the same time period as the PAGA Period.

You cannot submit a Request for Exclusion from the PAGA Release.

The releases are null and void if Defendant fails to fully fund the Settlement. The releases identified herein will only be effective upon the date on which Defendant fully funds the Gross Settlement Amount and employer’s share of payroll taxes (“Effective Date of the Release”). Upon the Effective Date of the Release, all Class Members shall be deemed to have, and by operation of Judgment shall have, released, waived and relinquished the Released Claims.

Conditions of Settlement. The Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing finally approving the Settlement as fair, reasonable, adequate and in the best interests of the Settlement Class, and the entry of Judgment.

How can I claim money from the Settlement?

Do Nothing. If you do nothing, you will be entitled to a share of the Settlement in proportion to the gross dollar amount paid to you by CMFHA (as explained above), and as stated in the accompanying Notice of Settlement Award. You also will be bound by the Settlement, including the release of claims stated above.

If your address is incorrect or has changed, you must notify the Settlement Administrator. It is your responsibility to ensure that the Settlement Administrator has your current address on file, or you may not receive important information or a settlement payment. The Settlement Administrator is: _____ (800) _____.

What other options do I have?

Dispute Information in Notice of Settlement Award. Your award is based on the gross dollar amount paid to you by CMFHA between February 16, 2018 and April 25, 2021 for work performed as a Mentor Recruiter, as well as an amount proportionate to the number of pay periods you worked, if any, as a Mentor Recruiter between February 16, 2021 and April 25, 2021. The information contained in CMFHA's records regarding each of these factors, along with your estimated Individual Settlement Payment, is listed on the accompanying Notice of Settlement Award. If you disagree with the information in your Notice of Settlement Award, you may submit a dispute, along with any supporting documentation, in accordance with the procedures stated in the Notice of Settlement Award. Any disputes, along with supporting documentation, must be postmarked no later than <<RESPONSE DEADLINE>>. Send disputes directly to the Settlement Administrator at <<INSERT ADMINISTRATOR CONTACT INFO>>.

DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.

The Parties and the Settlement Administrator will evaluate the evidence submitted and discuss in good faith how to resolve any disputes submitted by Settlement Class members. The Settlement Administrator's decision regarding any dispute will be final.

Exclude Yourself from the Settlement. If you **do not** wish to take part in the Settlement, you may exclude yourself by sending (via mail, fax, or email) to the Settlement Administrator a written "Request for Exclusion" letter or card postmarked no later than <<RESPONSE DEADLINE>>, with your name, address, telephone number, last four digits of your social security number, and your signature. The request must also contain a statement that you wish to be excluded from the Settlement.

Send the Request for Exclusion directly to the Settlement Administrator at <<INSERT ADMINISTRATOR CONTACT INFO>>. Any person who submits a timely Request for Exclusion from the Settlement shall, upon receipt by the Settlement Administrator, no longer be a Settlement Class member, shall be barred from participating in the class portion of the Settlement, and shall receive no benefits from the Settlement except for the PAGA payment. **Do not submit both an Objection and a Request for Exclusion.** If you do, the Request for Exclusion will be invalid, you will be included in the Settlement Class, and you will be bound by the terms of the

Settlement. Please note that you are bound by the PAGA judgment regardless of whether you exclude yourself from the settlement.

Objecting to the Settlement. You also have the right to object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the Settlement, or any portion of it, you should send a written objection (via mail, fax, or email) to the Settlement Administrator. Your written objection must include your name, address, as well as contact information for any attorney representing you regarding your objection, the case name and number, each specific reason in support of your objection, and any legal or factual support for each objection together with any evidence in support of your objection. Objections should be in writing and must be postmarked on or before **<<RESPONSE DEADLINE>>**.

If you choose to object to the Settlement, you may also appear at the Final Approval Hearing scheduled for **<<FINAL APPROVAL HEARING DATE/TIME>>** in Department S17 of the San Bernardino County Superior Court, located at 247 West Third Street, San Bernardino, CA 92415 in person or by Court Call. You have the right to appear either in person or through your own attorney at this hearing. Any attorney who intends to represent an individual objecting to the Settlement must file a notice of appearance with the Court and serve counsel for all parties on or before **<<RESPONSE DEADLINE>>**. All objections or other correspondence must state the name and number of the case, which is *Anita Ramirez v. California Mentor Family Home Agency, LLC*, San Bernardino County Superior Court Action No. CIVSB2203812.

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Settlement Class members who do not object.

What is the next step?

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement on **<<FINAL APPROVAL HEARING DATE/TIME>>**, in Department S17 of the of the San Bernardino County Superior Court, located at 247 West Third Street, San Bernardino, CA 92415. The Court also will be asked to rule on Class Counsel's request for attorneys' fees and reimbursement of documented costs and expenses and the Service Award to the Class Representative. **You are not required to attend the Final Approval Hearing, although any Settlement Class member is welcome to attend the hearing.**

How can I get additional information?

This Notice is only a summary of the Action and the Settlement. For more information, you may inspect the Court's files and the Settlement Agreement at the Office of the Clerk of the San Bernardino County Superior Court, located at 247 West Third Street, San Bernardino, CA 92415, during regular court hours. You may get more details by examining the Court's file on the Court Access website for the California Superior Court for the County of San Bernardino (<https://cap.sb-court.org/search>) and entering the Case No. CIVSB2204688 in the Case Number Search field. You may also contact Class Counsel using the contact information listed above for more information.

**PLEASE DO NOT CALL OR WRITE THE COURT, CMFHA, OR ITS ATTORNEYS FOR
INFORMATION ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS**

REMINDER AS TO TIME LIMITS

The deadline for submitting any Disputes, Requests for Exclusion, or Objections is <<**RESPONSE DEADLINE**>>. These deadlines will be strictly enforced.

BY ORDER OF THE COURT ENTERED ON <<PRELIM APPROVAL DATE**>>.**

EXHIBIT 3

EXHIBIT 3

NOTICE OF SETTLEMENT AWARD

Anita Ramirez, Plaintiff, v. California Mentor Family Home Agency, LLC, Defendant
SAN BERNARDINO COUNTY SUPERIOR COURT CASE NO. CIVSB2203812

Please complete, sign, date and return this Form to <<ADMINISTRATOR CONTACT INFO>>
ONLY IF (1) your personal contact information has changed, and/or (2) you wish to dispute any of the items listed in Section (III), below. It is your responsibility to keep a current address on file with the Settlement Administrator.

(I) Please type or print your name:

(First, Middle, Last)

(II) Please type or print the following identifying information if your contact information has changed:

Former Names (if any)

New Street Address

City

State

Zip Code

(III) Information Used to Calculate Your Settlement Share:

According to California Mentor Family Home Agency, LLC's ("CMFHA") records:

(a) you received _____ gross dollars as payment for services performed as a Mentor Recruiter on behalf of CMFHA between February 16, 2018 and April 25, 2021;

(b) you were/were not a former employee of CMFHA at any time between February 16, 2019 and April 25, 2021.

(c) you worked _____ pay periods for CMFHA as a Mentor Recruiter in California between February 16, 2021 and April 25, 2021.

Based on the above, your Settlement Payment is estimated at \$ _____, which includes a PAGA Payment of \$ _____. These amounts are subject to change.

(IV) If you disagree with items (a), (b), and/or (c) in Section (III) above, please explain why in the space provided below and include copies of any supporting evidence or documentation with this Form:

If you dispute the above information from CMFHA's records, CMFHA's records will control unless you are able to provide documentation that establishes otherwise and that CMFHA's records are mistaken. If there is a dispute about whether CMFHA's information or yours is accurate, and the dispute cannot be resolved informally, the dispute will be resolved by the Parties and the Settlement Administrator as described in the "Notice of Pendency of Class Action and Proposed Settlement" that accompanies this Form.

ANY DISPUTES, ALONG WITH ANY SUPPORTING DOCUMENTATION, MUST BE POSTMARKED NO LATER THAN <<RESPONSE DEADLINE>>.