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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

ALBERT WALKER, individually, and on
behalf of other members of the general
public similarly situated, and individually,
and on behalf of other aggrieved employees
under the California Private Attorney
General Act of 2004;

Plaintiff,

vs.

THE CHRYSALIS CENTER, an unknown
business entity; and DOES 1 through 100,
inclusive,

Defendants.

Case No. 22STCV22659 [*consolidated with*
Case No. 22STCV22510]

Honorable Samantha P. Jessner
Department 7

**DECLARATION OF MARGAUX GUNDZIK
IN SUPPORT OF PLAINTIFF'S MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION AND PAGA
SETTLEMENT**

Date: August 21, 2025
Time: 10:00 AM

Complaint Filed: July 12, 2022

DECLARATION OF MARGAUX GUNDZIK

I, Margaux Gundzik, hereby declare as follows:

1. I am an attorney licensed to practice law in the State of California. I am a member of Lawyers for Justice, PC, attorneys of record for Plaintiff Albert Walker (“Plaintiff”). The facts set forth in this declaration are within my personal knowledge or based on information and belief, and if called as a witness, I could and would competently testify thereto.

PROCEDURAL HISTORY

2. On April 20, 2022, Plaintiff provided written notice by certified mail to the LWDA and Defendant of the specific provisions of the California Labor Code that were alleged to be violated (“PAGA Notice”). Aside from confirmation of receipt of the PAGA Notice, the LWDA did not respond to the PAGA Notice. Marked and attached hereto as “**EXHIBIT 1**” is a true and correct copy of Plaintiff's PAGA Notice.

3. This matter involves two (2) cases: the above-captioned action entitled *Albert Walker v. The Chrysalis Center*, Los Angeles Superior Court Case No. 22STCV22659, (the “Action”), and the action entitled *Albert Walker v. The Chrysalis Center*, Los Angeles Superior Court Case No. 22STCV22510 (the “PAGA Action”). On July 12, 2022, Plaintiff separately filed the Class Action Complaint for Damages and the Complaint for Damages and Enforcement Under the Private Attorneys General Act, Cal. Lab. Code § 2698, Et Seq. in the Superior Court for the County of Los Angeles, thereby commencing both actions in the above-captioned now-consolidated action (“Actions”).

4. On December 7, 2022, Defendant filed its Answer to Plaintiff's Class Action Complaint.

5. On January 11, 2023, Defendant filed its Answer to Plaintiff's PAGA Complaint.

6. On April 9, 2025, the Parties filed a Joint Stipulation to consolidate the Actions. The Court granted the Parties' Joint Stipulation on April 14, 2025, consolidating the Actions under Case Number 22STCV22659.

THE PROPOSED SETTLEMENT

7. Marked and attached hereto as “**EXHIBIT 2**” is a true and correct copy of the Joint

1 Stipulation of Class Action and PAGA Settlement (“Settlement,” “Agreement,” or “Settlement
2 Agreement”) entered into by and between Plaintiff, individually and on behalf of all others
3 similarly situated and other aggrieved employees, on the one hand, and Defendant, on the other
4 hand (together, the “Parties”). The Parties and their counsel have approved the proposed Notice of
5 Class Action Settlement (“Class Notice”), which is attached to the Settlement Agreement as
6 “**Exhibit A**” and respectfully request that the Court approve it as well.

7 8. The Settlement provides for a Gross Settlement Amount of \$1,450,000.00 to be
8 paid in three payments on a non-reversionary basis (hereinafter “Annual Installments”). The Net
9 Settlement Amount is the Gross Settlement Amount (\$1,450,00.00) less the following amounts
10 subject to approval by the Court: (1) Attorneys’ Fees not to exceed \$507,500.00 (if the Gross
11 Settlement Amount remains \$1,450,000.00) and litigation costs and expenses in an amount not to
12 exceed \$40,000.00 (Attorneys’ Fees and Costs”) to Class Counsel; (2) Enhancement Payment to
13 Plaintiff Walker not to exceed \$10,000.00; (3) Settlement Administration Costs which are
14 currently estimated not to exceed \$34,500.00 to the Settlement Administrator (“Settlement
15 Administration Costs”); and (4) The PAGA amount of \$200,000.00. Assuming that the amounts
16 allocated under the Settlement toward these payments are awarded by the Court, the Net
17 Settlement Amount that will be available for distribution to Settlement Class Members is currently
18 \$658,000.00. Additionally, 25% of the PAGA Amount (i.e., PAGA Employee Amount), which is
19 \$50,000.00 out of \$200,000.00, will be distributed to the PAGA Employees, for their respective
20 portions of the PAGA Employee Amount. The Gross Settlement Amount will be fully distributed
21 in accordance with the terms of the Settlement and there is no reversion to Defendant.

22 9. The Settlement Agreement provides for Class Counsel to apply for attorneys’ fees
23 in an amount of up to 35% of the Gross Settlement Amount (i.e., \$507,500.00, if the Gross
24 Settlement Amount remains \$1,450,000.00) and expenses and costs of not more than \$40,000.00,
25 which will be paid out of the Gross Settlement Amount, subject to approval by the Court. It should
26 be noted that Class Counsel has borne all of the risks and costs of litigation and will not receive
27 any compensation until recovery of the Gross Settlement Amount is obtained in full. A description
28 of the qualifications of Class Counsel, the work performed by Class Counsel, and the results

1 achieved by Class Counsel in this matter can be found in paragraphs 18 through 23, *infra*.

2 10. The Settlement Agreement provides for payment of up to \$10,000.00 to Plaintiff as
3 an Enhancement Payment, to be paid out of the Gross Settlement Amount subject to approval by
4 the Court. Plaintiff endured considerable risks in pursuing this action while remaining employed
5 by The Chrysalis Center, spent considerable time and effort, particularly in light of his lack of
6 access to adequate resources to carry out these tasks (i.e. Plaintiff has lacked access to a personal
7 laptop and/or personal computer, a home mailing address, a personal printer and/or scanner, etc.)
8 to produce relevant documents and past employment records and to provide the facts and evidence
9 necessary to attempt to prove the allegations. Plaintiff was available whenever Class Counsel
10 needed him, including, but not limited to being available to have his deposition taken in January of
11 2025, which was taken off calendar upon the Parties reaching a settlement. Plaintiff actively tried
12 to obtain information that would benefit the Class. Accordingly, it is appropriate and just for
13 Plaintiff to receive an Enhancement Payment, in addition to his individual settlement payment, for
14 his services on behalf of the Class, PAGA Employees, and the State of California.

15 11. The Parties have agreed to retain Simpluris, Inc. (“Simpluris” or “Settlement
16 Administrator”) to handle the notice and settlement administration process. The Parties
17 respectfully request that the Court appoint Simpluris to handle these procedures and serve as the
18 Settlement Administrator. No later than 15 days after the Court grants Preliminary Approval,
19 Defendant will provide the Settlement Administrator with a Microsoft Excel spreadsheet
20 containing all Class Member identifying information in Chrysalis’s possession including the Class
21 Member’s name, last-known mailing address, Social Security number, and either (a) a check
22 register reflecting the employee’s Class Period Workweeks and PAGA Pay Periods (for each Class
23 Member who is categorized in Defendant’s records as “transitional employees”); or (b) the
24 hire/rehire and termination dates of the employee (for each Class Member who is categorized in
25 Defendant’s records as “permanent staff “). The Settlement Administrator will calculate each
26 Class Member’s estimated share of the Net Settlement Amount (“Individual Settlement Share”)
27 and each PAGA Employee's estimated pro rata share of the 25% portion of the PAGA Amount.
28 The Settlement Administrator will be responsible for translating, printing, distributing, and

1 tracking Class Notices and other documents for the Settlement, calculating and distributing
2 payments due under the Settlement, issuing of 1099 and W-2 IRS Forms and all required tax
3 reporting, filings, withholdings, and remittances, providing necessary reports and declarations,
4 transmitting funds representing uncashed checks after the void date to the California Controller's
5 Unclaimed Property Fund in the name of each Class Member and/or PAGA Employee to whom
6 the checks were issued, and other duties and responsibilities set forth to process the Settlement,
7 and as requested by the Parties. Settlement Administration Costs and other duties and
8 responsibilities set forth to process the Settlement, and as requested by the Parties. Settlement
9 Administration Costs are currently estimated not to exceed \$34,500.00 and will be paid out of the
10 Gross Settlement Amount, subject to approval of the Court.

11 12. Under the Settlement Agreement, Defendant is responsible for any employer-side
12 tax obligations associated with the Gross Settlement Amount and will deposit that amount into the
13 settlement fund in addition to the Gross Settlement Amount. Defendants will fund the Settlement
14 in three installments: one installment no later than 30 days after preliminary approval is granted in
15 the amount of \$483,333.00 ("First Installment"), a second installment no later than one year after
16 preliminary approval is granted in the amount of \$483,333.00, plus the entire amount of the
17 employer's share of taxes owed on the Wage Portion of Individual Class Payments ("Second
18 Installment"), and a third installment no later than two years after preliminary approval is granted,
19 the amount of \$483,334.00 ("Third Installment" and together with the First and Second
20 Installments, the "Payment Plan"). The Settlement Administrator will all issue payments due under
21 the Settlement, with the exception of the attorneys' fees and litigation costs, 15 days after
22 Defendant pays the second payment or 15 days after the Settlement becomes Final, whichever is
23 later. Each Settlement Class Member's Individual Settlement Share will be allocated 20% to
24 wages and 80% to penalties and interest. The Settlement Administrator will withhold the
25 employee's share of taxes and withholdings with respect to the wages portion of the Individual
26 Settlement Shares.

27 13. The Settlement Administrator will, 15 days after Defendant pays the third payment
28 or 15 days after the Settlement becomes final, whichever is later, pay all sums due under this

1 settlement to Lawyers *for* Justice, PC for attorneys' fees and costs.

2 **CONDITIONAL CERTIFICATION OF THE PROPOSED CLASS IS APPROPRIATE**

3 14. **Ascertainability:** The proposed Class is defined as all current and former hourly-
4 paid or non-exempt employees of Defendant within the State of California employed at any time
5 during the Class Period, which is the period from July 12, 2018 through the date of Preliminary
6 Approval.

7 15. **Numerosity:** Based on data provided by Defendants, the Class is estimated to be
8 approximately 5,647 individuals who worked an estimated total of 200,000 workweeks.

9 16. **Commonality:** Based on investigation and information discovered, Class Counsel
10 believes that there is sufficient evidence to support the allegations made in the lawsuit, including
11 the allegations that Defendant, with respect to Plaintiff, Class Members, and PAGA Employees,
12 *inter alia*, failed to properly pay overtime and minimum wages and associated premium pay, failed
13 to provide compliant meal and rest periods and to pay associated premium pay, failed to timely pay
14 wages during employment and upon termination of employment, failed to provide compliant wage
15 statements, failed to maintain requisite payroll records, and failed to reimburse necessary business
16 expenses, and thereby engaged in unfair business practices and conduct giving rise to civil
17 penalties recoverable under the Private Attorneys General Act of 2004 (California Labor Code
18 sections 2698, et seq.). Plaintiff also asserted that Class Members were expected to perform similar
19 job duties and were subject to the same or similar operations and employment policies, practices,
20 and procedures. Additionally, Plaintiff asserted that Defendant's recordkeeping practices with
21 respect to Plaintiffs, Class Members, and PAGA Employees were substantially the same during the
22 time period at issue. As a result of said alleged uniform practices, Plaintiff claims that the Class
23 Members were not paid all of the compensation that was owed to them by Defendant. Thus, in
24 Class Counsel's view, it is clear that the outcome of this litigation would be determined by
25 Defendant's uniform operations and employment practices, policies, and procedures that Plaintiffs
26 allegations applied across its hourly-paid or non-exempt employees in California during the
27 relevant time period.

28 17. **Adequacy and Typicality:** Plaintiff undertook the responsibility of representing a

1 class action against his employer. Plaintiff spent considerable time and effort to review relevant
2 documents and past employment records and to provide the facts and evidence necessary to
3 attempt to prove the allegations. Plaintiff was available whenever Class Counsel needed him and
4 actively tried to obtain information that would benefit the Class. Plaintiff has no interests that are
5 adverse to the Class. Plaintiff was employed by Defendant during the Class Period and subject to
6 the same alleged violations and the same policies, practices, and procedures. Plaintiff took on the
7 challenge and risk of commencing and maintaining this action, and has not yet received any
8 monetary benefit for his service to date. Plaintiff put his own interests aside and brought a publicly
9 filed lawsuit against an employer not just for his own benefit, but, instead, on behalf of other
10 hourly-paid employees and the State of California.

11 **EXPERIENCE AND ADEQUACY OF LAWYERS *for* JUSTICE, PC**

12 18. For over a decade, Lawyers *for* Justice, PC has almost exclusively focused on the
13 prosecution of consumer and employment class actions, involving wage-and-hour claims, race
14 discrimination, unfair business practices, or consumer fraud. Currently, Lawyers *for* Justice, PC is
15 the attorney of record in well over a dozen employment-related putative class actions in both state
16 and federal courts in the State of California. Lawyers *for* Justice, PC is comprised of attorneys
17 who focus on litigating complex wage-and-hour class and Private Attorneys General Act
18 (“PAGA”) representative actions. Lawyers *for* Justice, PC has successfully litigated cases
19 involving the executive, administrative, and other overtime exemptions to the State of California
20 and federal overtime compensation requirements. During a relatively short time, in association
21 with other law firms, Lawyers *for* Justice, PC has recovered millions of dollars on behalf of
22 thousands of individuals in California.

23 19. Edwin Aiwazian is the Managing Member and Shareholder of Lawyers *for* Justice,
24 PC. He received his Bachelor of Arts degree from Pepperdine University in April of 1999 and
25 earned a Juris Doctor degree from Pepperdine University School of Law in May of 2004. He has
26 extensive formal training in dispute resolution and negotiation from the Straus Institute for
27 Dispute Resolution as part of its Masters in Dispute Resolution degree program. In addition, he
28 has previously served as a pro bono mediator for the Los Angeles County Superior Court. In

1 October of 2000, he obtained a Litigation Paralegal Certificate from the UCLA Extension
2 Program. During the summer of 2000, he studied Legal Writing at Harvard University. From
3 approximately September 2002 to approximately December 2002, he served as a Judicial Extern
4 to the Honorable Kim McLane Wardlaw of the United States Court of Appeals for the Ninth
5 Circuit. From approximately June 2002 to approximately August 2002, he served as a Judicial
6 Extern to the Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second
7 Appellate District. In December of 2004, he obtained a license to practice law from the California
8 State Bar. Since in or around October of 2008, through his work at Lawyers *for* Justice, PC, he
9 has almost exclusively focused on the prosecution of consumer and employment class actions,
10 involving wage-and-hour claims, race discrimination, unfair business practices, or consumer
11 fraud. While employed by Lawyers *for* Justice PC, he has argued over one hundred (100)
12 motions, taken or defended over one hundred fifty (150) depositions, prepared dozens of expert
13 witnesses for deposition or trial, and attended over one hundred seventy-five (175) mediations.
14 Together with other attorneys at the firm, and in many cases in conjunction with co-counsel, he
15 has successfully litigated cases involving the executive, administrative, and other overtime
16 exemptions to the State of California and federal overtime compensation requirements. Under his
17 supervision, Lawyers *for* Justice, PC has successfully obtained class certification by contested
18 motion practice in approximately sixteen (16) cases in the last decade, and litigated over 1,000
19 class action or representative action cases.

20 20. Arby Aiwasian is a Member and Shareholder of Lawyers *for* Justice, PC. He
21 received his Bachelor of Arts degree from University of California, Los Angeles and graduated
22 magna cum laude. He earned a Juris Doctor degree, cum laude, from Southwestern Law School.
23 From approximately May 2007 to approximately July 2007, he served as a Judicial Extern to the
24 Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second Appellate District.
25 From approximately August 2008 to approximately December 2008, he served as a Judicial
26 Extern to the Honorable Kim McLane Wardlaw of the United State Court of Appeals for the
27 Ninth Circuit. He was admitted to practice law in California in 2010. He is admitted to practice
28 before all courts of the State of California and all United States District Courts in the State of

1 California. He has worked on many wage-and-hour class action and representative action cases,
2 taking the lead in taking and defending depositions, arguing motions, and attending mediations.
3 He has played an integral role in preparing matters for class certification, including and not
4 limited to, successful certification of a class in *Upson v. Sur La Table* (Los Angeles County
5 Superior Court Case No. BC424012), *Montazemi v. Regus Management* (Los Angeles County
6 Superior Court Case No. BC478769), and *Abdulhaqq v. Urban Outfitters* (Alameda County
7 Superior Court Case No. RG13680477). Under his supervision, dozens of class action or
8 representative action cases have resulted in settlements that have been granted court approval. He
9 has handled over one hundred and fifty (150) mediations and has worked on over two hundred
10 and fifty (250) class action or representative action cases which have resulted in settlement.

11 21. Joanna Ghosh is a Managing Member of Lawyers for Justice, PC. She received a
12 Bachelor of Arts degree from California State University, Los Angeles in 2006, a Master of
13 Science degree from the London School of Economics in 2007, and a Juris Doctor degree from
14 Georgetown University Law Center in 2010. She is admitted to practice in California (since
15 2010) and in New York (since 2013) and is also admitted to practice in all U.S. District Courts in
16 California, the U.S. Bankruptcy Court for the Central District of California, and the U.S. Supreme
17 Court. She has taken and defended dozens of depositions and successfully handled motion
18 practice in class action cases regarding discovery (including and not limited to, regarding class
19 contact information), class certification (both contested class certification and stipulated class
20 certification), arbitration agreements, coordination, intervention. She has successfully handled
21 briefing and oral argument on appeal and obtained notable decisions regarding Private Attorneys
22 General Act and employer efforts to compel arbitration of such claims, e.g., *Betancourt v.*
23 *Prudential Overall Supply*, 9 Cal.App.5th 439 (Cal. Ct. App., Mar. 7, 2017), cert. denied (Cal.,
24 May 24, 2017), cert. denied (U.S., Dec. 11, 2017) and *ZB, N.A. v. Superior Court*, 8 Cal.5th175
25 (2019). She also has extensive experience with class actions, including and not limited to
26 working on cases to obtain class certification through contested motion practice and working on
27 cases in the post-certification stage (e.g., post-certification discovery, appeal, statistical sampling
28 and pilot study, and trial preparation in conjunction with co-counsel in a case involving a certified

1 class consisting of approximately 2,600 individuals). She also has extensive experience with
2 class action and/or representative action settlements, and she has handled this process in over five
3 hundred (500) cases. Under her, Edwin Aiwazian, and Arby Aiwazian's supervision, Lawyers *for*
4 Justice, PC has handled the class certification and court approval process for hundreds of class
5 action and/or representative action matters that have successfully resolved. She is a member of
6 the California Employment Lawyers Association and, on several occasions, has been a speaker
7 regarding topics in wage and hour law at the organization's continuing legal education events.

8 22. Tara Zabehi is an attorney duly licensed to practice before all courts of the State of
9 California and an attorney at Lawyers *for* Justice, PC. In May of 2016, she graduated from
10 Pepperdine University School of Law with a Juris Doctorate degree. She has extensive formal
11 training in dispute resolution and negotiation from the Straus Institute for Dispute Resolution as
12 part of its Certificate in Dispute Resolution program. In June of 2013, she obtained a Bachelor of
13 Arts degree in History and graduated with college honors from University of California, Los
14 Angeles. She attended Pepperdine School of Law starting in 2013 and graduated in 2016. From
15 approximately August 2014 to approximately November 2014, she served as a Judicial Extern to
16 the Honorable James Kaddo of the Los Angeles Superior Court. In 2017, she obtained a license
17 to practice law from the California State Bar. Since 2017, she has worked at Lawyers *for* Justice,
18 PC and her practice has almost exclusively focused on the prosecution of employment class
19 actions and representative actions for which she has taken the lead in taking and defending
20 depositions, arguing motions, attending mediations, and preparing for trial. She has played an
21 integral role in preparing matters for class certification, including and not limited to, successful
22 certification of a class in *Davis v. Superior Med Surgical, Inc.* (San Bernardino County Superior
23 Court Case No. CIVDS1505744), *Tellez v. Harvest Container Co., Inc.* (Tulare County Superior
24 Court Case No. VCU64528), *Vilitchai v. Ametek Programmable Power, Inc.*, et al. (San Diego
25 County Superior Court Case No. 37-2015-00025968-CU-OE-CTL), and *Sanchez, et al. v. Auto-*
26 *Chlor System of Washington, Inc.* (Los Angeles County Superior Court Case No. BC707670).
27 She has worked on over two hundred fifty (250) class action or representative action cases which
28 have resulted in settlement.

23. I am an attorney duly licensed to practice before all courts of the State of California and a member of Lawyers for Justice, PC. I received my Bachelor of Arts degree from the University of California, Santa Barbara in 2016, and I earned my Juris Doctor degree from the University of California, Los Angeles School of Law in 2021. I am admitted to practice before all courts of the State of California and the Northern, Southern, Eastern, and Central federal district courts in the State of California. I have worked on many wage-and-hour class action and PAGA representative cases. I have taken and defended upwards of approximately twenty depositions and successfully handled extensive motion practice in class action and PAGA representative cases regarding, *inter alia*, discovery (including and not limited to, regarding class contact information), enforcement of arbitration agreements, jurisdiction (including several successful; motions to remand) and coordination, and motions for class certification. I have successfully handled briefing and oral argument on numerous issues raised under the Private Attorneys General Act and employer efforts to compel arbitration. I have significant experience with class actions, including and not limited to working on cases to obtain class certification through contested motion practice. I also have experience with successfully negotiating settlements of class and/or representative actions. I am also a member of the Los Angeles County Bar Association. I, along with attorneys at Lawyers for Justice, PC, have handled the class certification and court approval process for hundreds of class action and/or representative action matters that have successfully resolved.

THE SETTLEMENT AND SUMMARY OF WORK PERFORMED

24. The effectiveness of Lawyers for Justice, PC (“Class Counsel”) in prosecuting this matter has translated into tangible monetary benefits in the following respects: (1) Class Members, PAGA Employees, and the State of California recover over a reasonably short period of time as opposed to waiting additional years for the same, or possibly worse, result; (2) a guaranteed result that compares favorably with other similar class action settlements of this type given the strengths and weaknesses of the case; and (3) significant savings in Class Counsel’s fees and/or costs that would have only increased significantly had the case progressed through certification, trial, and/or appeals.

1 25. Class Counsel litigated the case for over 2 years and was actively preparing the
2 matter for class certification and trial. The Parties have engaged in numerous extensive settlement
3 negotiations that commenced in a full-day mediation conducted by Steve Rottman, Esq., a well-
4 respected mediator experienced in mediating complex labor and employment matters. Although
5 the Parties did not reach a settlement at mediation, they continued to intermittently discuss
6 potential settlement as they resumed litigation efforts and thereafter reached the Settlement.

7 26. Throughout the course of the this lawsuit and in connection with the mediation and
8 settlement negotiations, the Plaintiff has obtained extensive information and documents from
9 Defendant and engaged in discussions regarding their evaluations of the case and various aspects
10 of the case, including but not limited to, the risks and delays of further litigation, the law relating
11 to off-the-clock theory, rounding, inadequate recordkeeping and retention practices, on-duty meal
12 and rest breaks, PAGA representative claims, and state wage-and-hour law and enforcement, as
13 well as the evidence produced and analyzed, and Defendant's ability to fund a settlement and
14 status as a 501(c)3 organization, among other things. During all settlement discussions, the Parties
15 conducted their negotiations at arm's length in an adversarial position. Arriving at a settlement
16 that was acceptable to all Parties was not easy. Defendant and its counsel felt strongly about its
17 ability to prevail on the merits, and Plaintiff and Class Counsel believed in the strength of their
18 position and that they would be able to prevail at trial. After conducting investigations, formal
19 discovery (including but not limited to deposing Defendant's Persons Most Knowledgeable),
20 informal exchange of information, extensive settlement negotiations, and with the aid of the
21 mediator's evaluation, the Parties have agreed that the matter is well-suited for settlement given
22 the legal issues relating to Plaintiffs' principal claims, as well as the costs and risks to both sides
23 that would attend further litigation. The Settlement is a fair, reasonable, and adequate resolution
24 of the Released Class Claims of Plaintiffs and Settlement Class Members, and of the Released
25 PAGA Claims of Plaintiffs and the State of California, with respect to aggrieved employees,
26 Released Parties.

27 27. Prior to reaching the Settlement, Class Counsel investigated the veracity, strength,
28 and scope of the claims, and was preparing the action for class certification and trial. Plaintiff

1 conducted significant investigation and formal and informal discovery regarding the facts of the
2 case, including and not limited to, the exchange, review, and analysis of tens of thousands of
3 pages of documents and data obtained from Defendant, Plaintiff, and other sources. The volume
4 of data and documents that Class Counsel reviewed and analyzed included and was not limited to:
5 Plaintiffs' and other Class Members' employment records and personnel files, a detailed sampling
6 of Class Members' time and pay data, multiple iterations of Defendant's Employee Handbook,
7 company policy acknowledgements, internal memoranda, job descriptions, new hire orientation
8 checklists, Defendant's operations and employment practices, forms, procedures and policies
9 (including but not limited to Defendant's Meal and Rest Period Policies and Orientation Forms),
10 and policies, among other information and documents. Class Counsel had the opportunity to
11 interview Plaintiff and dozens of Class Members to gather facts and identify potential witnesses.

12 28. Plaintiff's Counsel also gathered and considered information regarding Defendant's
13 financial circumstances and its non-profit status and related governance and management
14 structure and restriction on use of funds, all of which impacted potential financial terms of a
15 settlement resolution. Based on the review of Defendant's financial records by a jointly retained
16 financial expert, Defendant is unable to fund the Settlement without the Payment Plan.

17 29. Counsel for the Parties met and conferred on numerous occasions, e.g., to discuss
18 issues relating to the pleadings, the production of documents and data prior to the mediation and
19 in formal discovery following the mediation, and Defendant's financial and organizational
20 circumstances. Class Counsel drafted Plaintiff's pleadings, mediation brief, and also drafted (and
21 successfully argued) several rounds of motion practice, including but not limited to several
22 successful discovery motions and successfully opposing Defendant's Motions for Protective
23 Orders and for Relief from Waiver. Class Counsel also prepared for and attended numerous other
24 court proceedings, settlement negotiations, and mediation, among other tasks.

25 30. Counsel for the Parties have also invested time researching and investigating the
26 applicable law, which is constantly evolving as it relates to certification, representative PAGA
27 claims, off-the-clock theory, rounding, donning and doffing, meal and rest periods, state wage-
28 and-hour law and enforcement, Plaintiff's claims and damages, and Defendant's defenses thereto,

1 as well as facts discovered. Based on Class Counsel's analysis, the result achieved in this lawsuit
2 is fair, adequate, and reasonable.

3 31. Class Counsel is aware of the defenses and position of Defendant, but believes that
4 Plaintiff could obtain class certification despite many obstacles. Plaintiff and Class Counsel have
5 also taken into account the uncertainty and risk of the outcome of further litigation, and the
6 difficulties and delays inherent in such litigation. Plaintiff further recognizes the burdens of proof
7 necessary to establish liability for the claims asserted in the lawsuit, Defendant's defenses, and the
8 difficulties in establishing entitlement to monetary recovery. Plaintiff and Class Counsel have
9 also considered the Parties' settlement discussions, as well as the evaluations of the mediator,
10 who is experienced and well-regarded in complex labor and employment matters.

11 32. Defendant, on the other hand, denied and continues to deny any liability and
12 wrongdoing of any kind associated with the claims alleged in the lawsuit, and further denies that
13 this lawsuit is appropriate for class treatment or representative adjudication for any purpose other
14 than this Settlement. Both sides have also had the opportunity to interview witnesses and review
15 documents and information relating to Plaintiff's, Class Members', and PAGA Employees'
16 employment with Defendant, and Defendant's operations and employment policies, practices, and
17 procedures. The Parties also reviewed and analyzed thousands of pages of documents and data to
18 determine the potential value and strength of the claims. The available information enabled Class
19 Counsel to assess and value the class and PAGA claims and prepare violation, damages, and
20 penalties analyses models. Accordingly, counsel for the Parties have conducted adequate
21 investigation and discovery to be sufficiently informed of the nature and extent of the Class
22 Members' claims, and to enable both sides to fully evaluate the Settlement for its fairness,
23 adequacy, and reasonableness. The Settlement takes into account the strengths and weaknesses of
24 each side's position and the uncertainty of how the case might have concluded at trial and/or
25 appeals.

26 **ESTIMATE OF THE VALUE OF THE CLAIMS**

27 33. Plaintiff's action alleges that Defendant has violated the California Labor Code and
28 Industrial Welfare Commission Wage Orders by engaging in a uniform policy and systematic

1 scheme of wage abuse against Plaintiff and the Class Members, including *inter alia*, failing to
2 properly compensate overtime and minimum wages, failing to provide compliant meal and rest
3 periods and associated premium pay, failing to timely pay wages during employment, failing to
4 timely pay wages upon termination and associated waiting-time penalties, failing to provide
5 compliant wage statements, failing to maintain requisite payroll records, and failing to reimburse
6 necessary business expenses. Plaintiff further contends that Defendant's aforementioned conduct
7 constitutes unfair business practices (under the California Business and Professions Code
8 ("UCL") and gives rise to civil penalties recoverable under PAGA.

9 34. Based on data provided by Defendant, the total number of Class Members during
10 the period from July 12, 2018 to October 1, 2024 ("relevant time period") was estimated to be
11 approximately 5,647 individuals who worked an estimated total of 200,000 workweeks with an
12 average hourly rate of pay of \$16.65.

13 35. Plaintiff contended that Defendant required Class Members to perform work before
14 clocking-in and after clocking-out of their scheduled shifts. Plaintiff contended that Defendant
15 prevented the recordation of overtime hours by mandating supervisors record employee clock-in
16 and clock-out times, and required Class Members to perform work off-the-clock outside of these
17 hours. Plaintiff also contended that meal and rest periods were regularly missed, late, shortened,
18 and/or interrupted, that Class Members were required to remain on site during rest breaks, readily
19 available to assist with work tasks, and that Defendant failed to pay premiums for non-compliant
20 meal and rest periods. Additionally, Plaintiff alleged that Defendant intentionally and willfully
21 failed to pay Plaintiff and Class Members all wages due to them while they were employed by
22 Defendant, within the time period permissible under California law, and that Defendant failed to
23 pay all wages due upon termination, within the time period permissible under California law,
24 thereby triggering waiting-time penalties under California Labor Code section 203. Plaintiff
25 contended that, based on the violations described herein, the wage statements provided by
26 Defendant and the payroll records kept by Defendant were inaccurate. Finally, Plaintiff contended
27 that Defendant failed to reimburse Plaintiff and the other Class Members for necessary business
28 expenses, including, but not limited to, the costs associated with the usage of personal cell phones

1 and with the purchase of uniforms and of gloves and other Personal Protective Equipment
2 required to perform their work duties.

3 36. Class Counsel considered Defendant's arguments, e.g., that the employer's practices,
4 policies, and procedures complied with the law, that Defendant paid Class Members over the
5 California minimum wage for all hours worked, that Defendant correctly paid overtime for all
6 overtime hours worked, that no waiting-time penalties were due because waiting-time penalties
7 only arise from "willful" failure to pay wages due and owing at the time of termination or
8 resignation, that Plaintiff and Class Members suffered no actual injury from the alleged wage
9 statement violations and that this alleged violation and the alleged recordkeeping violation are
10 entirely derivative of the other causes of action, and that a policy and practice of reimbursing
11 employees for necessary business-related expenses exists. Class Counsel also considered the
12 likelihood of Plaintiff's success in establishing that any of provisions of the California Labor
13 Code, on which the civil penalties under PAGA and the UCL claim are predicated, were violated
14 and that such violations were injurious and/or warranted imposition of civil penalties. Class
15 Counsel also considered that trial courts have wide discretion when assessing penalties under
16 PAGA, and that it could be determined that individual liability issues predominate (e.g., due to
17 purported variation in "divisions" across which Class Members were employed and the
18 differences between those jobs across those divisions in shifts length, type of work performed.
19 locations, job duties, and other circumstances which could raise individualized questions of fact)
20 and could pose challenges to certification, manageability, and the merits of Plaintiffs' claims.

21 37. Class Counsel considered information, data, and documents obtained from Plaintiff,
22 Defendant, and other sources, and created violation, damages, and penalties valuations and
23 models prior to reaching the Settlement. Based thereon, Plaintiff calculated the potential value of
24 the claims. However, the potential value of each claim assumed an exposure based on the above-
25 captioned action having been certified and Plaintiff having proven all elements of the claims and
26 entitlement to monetary recovery in the above-captioned action (on a class-wide and a
27 representative basis), despite risks associated with obtaining and maintaining certification and
28 demonstrating manageability, risks to establishing liability and any underlying California Labor

Code and IWC Wage Order violations and damages, and significant additional costs that would have to be incurred in order to certify the above captioned action and establish liability, damages, and penalties amounts in the cases. Plaintiff faced the risk of the Court finding that individualized issues predominate, such that the cases are not suitable for class treatment. While Class Counsel disagreed with Defendant's arguments and factual contentions, Class Counsel recognized the circumstances and realities of the cases, applicable case law and regulations, the extensive time and pay records produced by Defendant (a majority of which were hand-written and would require intensive hours of manual data entry if Plaintiff were to use them to certify this action), the costs and expenses of further litigation and certification, and risks to recovery, and applied appropriate discounts for them. Class Counsel calculated the potential and realistic values of each claim as follows:

a. Failure to Pay Overtime and Minimum Wages: Based on Plaintiff's Counsel's investigations and analysis, it was determined that the estimated potential value of the overtime claim is \$4,996,000.00 (200,000 workweeks x 1 hours of unpaid overtime wages x overtime hourly rate of \$24.98, which is based on the average hourly rate of \$16.65). At this juncture, a discount of 70% was applied to account for the risks associated with obtaining and maintaining class certification given the organizational structure of Defendant's operations (bringing the value of the overtime claim closer to \$1,498,800.00), a discount of 80% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to \$299,760.00), and a discount of 85% was applied for the risks associated with proving the extent of damages, obtaining an award, and collecting on a judgment thereon (bringing the value of this claim closer to \$44,964.00).

b. Failure to Pay Minimum Wages: The potential value of this claim was estimated to be \$3,330,000.00 (200,000 workweeks x 1 hours of unpaid minimum wages x average hourly rate of \$16.65). At this juncture, a discount of 70% was applied to account for the risks associated with obtaining and maintaining class certification, given the nature of the evidence that exists to show commonality (bringing the value of this claim closer to \$999,000.00), a discount of 80% was applied to account for the risks associated with succeeding on the merits and establishing

1 liability for this same reason (bringing the value of this claim closer to \$199,800.00), and a
2 discount of 85% was applied for the risks associated with proving the extent of damages,
3 obtaining an award, and collecting on a judgment thereon (bringing the value of this claim closer
4 to \$29,970.00).

5 c. Failure to Provide Compliant Meal Periods and Associated Premiums: The
6 potential value of this claim was estimated to be \$6,660,000.00 (200,000 workweeks x 2 meal
7 period premium x average hourly rate of \$16.65). At this juncture, a discount of 65% was applied
8 to account for the risks associated with obtaining and maintaining class certification (bringing the
9 value of this claim closer to \$2,331,000.00), a discount of 65% was applied to account for the risks
10 associated with succeeding on the merits and establishing liability (bringing the value of this claim
11 closer to \$815,850.00), and a discount of 80% was applied for the risks associated with proving the
12 extent of damages, obtaining an award, and collecting on a judgment thereon (bringing the value of
13 this claim closer to \$163,170.00).

14 d. Failure to Provide Compliant Rest Periods and Associated Premiums: The
15 potential value of this claim was estimated to be \$3,330,000.00 (200,000 workweeks x 1 rest
16 period premiums x average hourly rate of \$16.65). At this juncture, a discount of 65% was applied
17 to account for the risks associated with obtaining and maintaining class certification (bringing the
18 value of this claim closer to \$1,165,500.00), a discount of 65% was applied to account for the risks
19 associated with succeeding on the merits and establishing liability (bringing the value of this claim
20 closer to \$407,925.00), and a discount of 80% was applied for the risks associated with proving the
21 extent of damages, obtaining an award, and collecting on a judgment thereon (bringing the value of
22 this claim closer to \$81,585.00).

23 e. Failure to Timely Pay Wages During Employment: The value of this claim
24 is considered as a part of the valuation of the PAGA claim contained *infra*.

25 f. Failure to Timely Pay Wages After Termination (and Waiting-Time
26 Penalties): Based on information and data provided by Defendant, it was estimated that
27 approximately 3,585 Class Members had been terminated during the three-year statute of
28 limitations (i.e., from July 12, 2019). Assuming that these individuals were not timely paid all

wages due to them upon termination, the potential value of waiting-time penalties was estimated to be \$14,325,660.00 collectively (3585 individuals x [30 days x hourly rate of \$16.65 x 8 hours]), or approximately \$3,996.00 per individual. At this juncture, a discount of 65% was applied to account for the risks associated with obtaining and maintaining class certification (bringing the value of this claim closer to \$5,013,981.00), a discount of 80% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to \$1,002,796.20), and a discount of 85% was applied for the risks associated with proving the extent of damages, obtaining an award, and collecting on a judgment thereon (bringing the value of this claim closer to \$150,419.43).

g. Failure to Provide Compliant Wage Statements: The potential value of this claim was calculated to be \$11,914,400.00 ([3,078 initial violations x \$50 statutory penalty] + [117,605 subsequent violations x \$100 statutory penalty]). At this juncture, a discount of 65% was applied to account for the risks associated with obtaining and maintaining class certification (bringing the value of this claim closer to \$4,170,040.00), a discount of 75% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to \$1,042,510.00), and a discount of 80% was applied for the risks associated with proving the extent of damages, obtaining an award, and collecting on a judgment thereon (bringing the value of this claim closer to \$208,502.00).

h. Failure to Maintain Payroll Records: Arguably, civil penalties would only be recoverable by the Labor Commissioner, therefore, the value of this claim is considered as a part of the valuation of the PAGA claim contained infra.

i. Failure to Reimburse Necessary Business Expenses: The potential value of this claim was estimated to be \$1,616,000.00 (200,000 workweeks x \$8.08 unreimbursed business expenses). At this juncture, a discount of 75% was applied to account for the risks associated with obtaining and maintaining class certification (bringing the value of this claim closer to \$404,000.00) a discount of 85% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to \$60,600.00), and a discount of 85% was applied for the risks associated with proving the extent of damages, obtaining

1 an award, and collecting on a judgment thereon (bringing the value of this claim closer to
2 \$9,090.00).

3 j. PAGA Penalties: The amount of civil penalties at issue, which the Court
4 could determine whether or not to assess and whether or not to reduce based on the facts and
5 circumstances of the case (to avoid an award that is unjust, arbitrary and oppressive, or
6 confiscatory, pursuant to California Labor Code section 2699(e)(2)), were estimated to be
7 approximately \$10,526,100.00 (5,398 aggrieved employees estimated to have worked during one-
8 year statutory period x \$1,950 civil penalties). At this juncture a discount of 70% was applied to
9 account for the risks associated with possible bifurcation of discovery and/or trial (bringing the
10 value of this claim closer to \$3,157,830.00), a discount of 70% was applied to account for the risks
11 associated with succeeding on the merits and establishing liability (bringing the value of this claim
12 closer to \$947,349.00), and a discount of 80% was applied to account for the risks associated with
13 the Court's discretion to reduce civil penalties and obtaining an award of civil penalties (bringing
14 the value of this claim closer to \$189,469.80).

15 38. The foregoing discussion confirms that the amount of the Settlement is adequate in
16 light of Plaintiffs' allegations and causes of action, the evidence at issue with respect to those
17 allegations and causes of action, and legal and factual arguments and circumstances which pose
18 challenges to certification, manageability, merits, and monetary recovery. The conclusion to be
19 drawn from the foregoing analysis is that neither class certification, manageability, liability, nor
20 the ability to adjudicate and/or recover monetary relief on a class-wide or representative basis is
21 clear-cut, which is why the Parties elected to settle this matter. Class Counsel also recognized that
22 additional discounts could be made to the risk-adjusted value to account for the costs and
23 expenses associated with further litigation and the present value of obtaining a settlement now as
24 opposed to monetary recovery, if any, that may be obtained in the future after further litigation.
25 Class Counsel recognized the circumstances and realities of the case, applicable case law and
26 regulations, and risks to recovery and applied appropriate discounts.

27 39. Class Counsel submits that the Settlement is fair, reasonable, and adequate, and is
28 in the best interest of Plaintiff, the Class, and the State of California. Class Counsel further

1 submits that the Settlement is within an acceptable range of recovery for this type of litigation
2 given the strengths and weaknesses of the case, the inherent costs and risks of further litigation,
3 and the costs and risks associated with class certification, representative adjudication, trial, and/or
4 appeals.

5 40. After reasonable investigation and inquiry, Defendant and its Counsel have testified
6 that Defendant has no potential conflicts of interest with the Settlement Administrator and that no
7 other actions are currently pending against Defendant asserting claims that will be extinguished or
8 adversely affected by the Settlement. Defendant's declarations are filed concurrently in support of
9 Plaintiff's Motion for Preliminary Approval.

10 41. I have reviewed the Court's Checklist for Approval of Class Action and/or Private
11 Attorneys General Act ("PAGA") Settlements and confirm that the moving papers filed herewith
12 comply with the checklist.

13 I declare under penalty of perjury under the laws of the State of California that the
14 foregoing is true and correct.

15 Executed on this 28th day of May, 2025, at Glendale, California.

16 

17 _____
18 Margaux Gundzik
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EXHIBIT 1

LAWYERS FOR JUSTICE[®]

April 20, 2022

BY ONLINE SUBMISSION

California Labor & Workforce Development Agency
PAGAfilings@dir.ca.gov

Re: THE CHRYSALIS CENTER

Dear Representative:

We have been retained to represent Albert Walker against The Chrysalis Center (including any and all affiliates, subsidiaries, parents, directors, officers, and employees) (collectively referred to as "The Chrysalis Center") for violations of California wage-and-hour laws. Mr. Walker seeks penalties for violations of the California Labor Code, which are recoverable under California Labor Code section 2698, et seq., the Labor Code Private Attorneys General Act of 2004 ("PAGA") and all other remedies available under PAGA.

Mr. Walker seeks these remedies on behalf of the State of California and "aggrieved employees," as defined herein. This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3.

The Chrysalis Center employed Mr. Walker as an hourly-paid, non-exempt employee from approximately November 2018 to approximately November 2021, in the State of California.

The "aggrieved employees" that Mr. Walker may seek penalties on behalf of are all current and former hourly-paid or non-exempt employees who worked for any of the above-referenced entities within the State of California.

Based on the following facts and theories, The Chrysalis Center has violated and/or continues to violate, among other provisions of the California Labor Code and applicable wage law, California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and IWC Wage Orders including *inter alia*, Wage Orders 4-2001.

The Chrysalis Center required aggrieved employees to perform work before their scheduled shifts, after their scheduled shifts, during off-the-clock meal breaks, and/or during rest breaks and failed to compensate aggrieved employees for this time. Such work included, but was not limited to, unlocking doors and gates, walking to and inspecting assigned truck, responding to work-related inquiries, locking gates and doors, completing unfinished tasks including but not limited to, dumping truck, picking up bags, and providing work status to supervisors.

California Labor Code sections 510 and 1198 require employers to pay time-and-a-half or double time overtime wages, and make it unlawful to work employees for hours longer than eight hours in one day and/or over forty hours in one week without paying the premium overtime rates at one-and-one-half times or double the regular rate of pay, including additional remuneration. During the relevant time period, Mr. Walker and other aggrieved employees worked in excess of 8 hours in a day and 40 hours in a week. Therefore, Mr. Walker and other aggrieved employees were entitled to receive certain wages for overtime compensation, but they were not paid for all overtime hours worked.

California Labor Code sections 226.7 and 512 require employers to pay an employee one additional hour of pay at the employee's regular rate for each meal or rest period that is not provided. During the relevant time period, The Chrysalis Center required Mr. Walker and other aggrieved employees to work during meal and rest periods and failed to compensate them properly for non-compliant meal and rest periods including, *inter alia*, short, late, interrupted, and missed meal and rest periods. The Chrysalis Center also required aggrieved employees to stay on work premises during rest periods.

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. During the relevant time period, The Chrysalis Center failed to pay Mr. Walker and other aggrieved employees all wages due to them within any time period specified by California Labor Code sections 201 and 202, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, The Chrysalis Center failed to pay Mr. Walker and other aggrieved employees all wages due to them within any time period specified by California Labor Code section 204, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 226 requires employers to make, keep and provide complete and accurate itemized wage statements to their employees. During the relevant time period, The Chrysalis Center did not provide Mr. Walker and other aggrieved employees with complete and accurate itemized wage statements. The wage statements they received from The Chrysalis Center were in violation of California Labor Code section 226(a). The violations include, but are not limited to, the failure to include the total hours worked by Mr. Walker and other aggrieved

employees, including time spent working off-the-clock and during meal and rest periods as discussed above.

California Labor Code sections 551 and 552 require that every person employed in any occupation of labor is entitled to one day's rest in a seven-day workweek, that no employer of labor shall cause his employees to work more than six days in a workweek, and that an employer shall pay a civil penalty in the amounts of fifty dollars (\$50) for each aggrieved employee per pay period for the initial violation and one hundred dollars (\$100) for each aggrieved employee per pay period for each subsequent violation. During the relevant time period, Mr. Walker and the aggrieved employees were required to regularly and/or consistently work in excess of six (6) days in a workweek. During the relevant time period, Mr. Walker and the aggrieved employees were required to work in excess of thirty (30) hours in a week and/or six (6) hours in any one (1) day thereof, during workweeks in which they were required to work in excess of six (6) days. During the relevant time period, Mr. Walker and the aggrieved employees were required to work in excess of six (6) days in a workweek without accumulating or being provided the opportunity to take at least one (1) day of rest, and when Mr. Walker and the aggrieved employees accumulated days of rest, they were not actually provided the opportunity to take the equivalent of one (1) day's rest in seven (7) during each calendar month.

California Labor Code sections 1174(d) requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case shall be kept on file for not less than two years. During the relevant time period, The Chrysalis Center failed to keep accurate and complete payroll records showing the actual hours worked daily and the wages earned by Mr. Walker and other aggrieved employees, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code sections 1194, 1197, and 1197.1 provide the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful. During the relevant time period, The Chrysalis Center did not provide Mr. Walker and other aggrieved employees with the minimum wages to which they were entitled for work performed "off-the-clock."

California Labor Code section 1198 provides that "The employment of any employee ... under conditions of labor prohibited by the [Industrial Wage Orders] is unlawful." The applicable Industrial Wage Orders, including *inter alia*, Wage Orders 4-2001, require that for each workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee's usual or scheduled day's work, the employee shall be paid for half the usual or scheduled day's work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee's regular rate of pay. Further, if an employee is required to report for work a second time in any one workday and is furnished less than two (2) hours of work on the second reporting, said employee shall be paid for two (2) hours at the employee's regular rate of pay. During the relevant time period, The Chrysalis Center failed to pay Mr. Walker and other aggrieved employees half the usual or scheduled day's work in an amount no less than two (2) hours nor more than four (4) hours at the employee's regular rate of pay for workdays in which

Mr. Walker and the other aggrieved employees reported to work and were furnished less than half the usual or scheduled day's work. During the relevant time period, The Chrysalis Center failed to pay Mr. Walker and other aggrieved employees for two (2) hours at the employee's regular rate of pay on days in which Mr. Walker and the other aggrieved employees were required to report for work a second time in one workday and were furnished less than two (2) hours of work upon the second reporting.

California Labor Code sections 2800 and 2802 require an employer to reimburse its employee for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. During the relevant time period, Mr. Walker and other aggrieved employees incurred necessary business-related expenses and costs that were not fully reimbursed by The Chrysalis Center. These costs include, but are not limited to, usage of personal phone for work related tasks, purchasing and maintenance of footwear in compliance with the dress code, maintenance of clothing in compliance with the dress code, purchasing and maintenance of tools, equipment, and supplies, including but not limited to gloves.

Therefore, on behalf of all aggrieved employees, Mr. Walker seeks all applicable penalties arising out of the above-referenced wage, hour, and payroll practices, or which could be assessed and collected by the Labor and Workforce Development Agency, for violation of the California Labor Code pursuant to PAGA, including civil penalties pursuant to Labor Code section 558.

If you have any questions or require additional information, please do not hesitate to contact us. Thank you for your attention to this matter and the noble cause you advance each and every day.

With kind regards,



Edwin Aiwanian, Esq.

Cc: (By U.S. Certified Mail / Return Receipt Requested)

The Chrysalis Center
c/o Mark Loranger
Agent for Service of Process
11664 National Blvd. #102
Los Angeles, CA 90064

EXHIBIT 2

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Albert Walker (“Plaintiff”) and defendant The Chrysalis Center (“Chrysalis”). The Agreement refers to Plaintiff and Chrysalis collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1 “Actions” means the Plaintiff’s two following lawsuits alleging class wage and hour violations and representative PAGA claims against Chrysalis in the Superior Court of the State of California, County of Los Angeles: (a) *Walker v. The Chrysalis Center*, Los Angeles Superior Court Case No. 22STCV22659, filed on July 12, 2022; and (b) *Walker v. The Chrysalis Center*, Los Angeles Superior Court Case No. 22STCV22510, also filed on July 12, 2022.
- 1.2 “Administrator” means Simpluris, Inc.
- 1.3 “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4 “Aggrieved Employee” means all current and former hourly paid or non-exempt employees who worked for Chrysalis in California during the PAGA Period.
- 1.5 “Class” means all existing and former hourly paid or non-exempt employees who worked for Chrysalis in California during the Class Period, except that all settlement class members and their claims who were covered by and released claims under the *Jones vs. The Chrysalis Center* settlement up to January 31, 2021 shall be excluded from the Settlement Class in the Actions, except and unless they were employed by Chrysalis in California in hourly paid or non-exempt positions at any time after January 31, 2021. Even if such employees did work after January 31, 2021, only their post-January 31, 2021 workweeks shall be included in the Class Period Workweeks calculations.
- 1.6 “Class Counsel” means Edwin Aiwanian, Margaux Gundzik, Travis Maher, and Joanna Ghosh of Lawyers for Justice, PC.
- 1.7 “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Actions.
- 1.8 “Class Data” means Class Member identifying information in Chrysalis’s possession including the Class Member’s name, last-known mailing address, Social Security number, and a check register reflecting Class Period Workweeks for and PAGA Pay Periods for transitional employees in the Class and the hire/rehire and termination dates for permanent staff in the Class. The

Administrator shall calculate the PAGA Pay Periods and Workweeks as specified in Paragraphs 1.30 and 1.45 below.

- 1.9 “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non- Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10 “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.11 “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English with a Spanish translation, if applicable in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.12 “Class Period” means the period from July 12, 2018 through the date of Preliminary Approval of this Settlement or January 31, 2025 whichever is later.
- 1.13 “Class Representative” means the named Plaintiff in the operative complaints in the Actions seeking Court approval to serve as a Class Representative.
- 1.14 “Class Representative Service Payment” means the payment to the Class Representative for initiating the Actions and providing services in support of the Actions.
- 1.15 “Court” means the Superior Court of California, County of Los Angeles.
- 1.16 “Chrysalis” means named Defendant, The Chrysalis Center.
- 1.17 “Defense Counsel” means Hayward J. Kaiser of Mitchell Silberberg & Knupp LLP.
- 1.18 “Effective Date” means the date by when both of the following have occurred:
 - (a) The Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

- 1.19 “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.20 “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.21 “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.
- 1.22 “Gross Settlement Amount” means One Million Four Hundred Fifty Thousand Dollars and ZeroCents (\$1,450,000.00) which is the total amount Chrysalis agrees to pay under the Settlement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the Administrator’s Expenses.
- 1.23 “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.
- 1.24 “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.
- 1.25 “Judgment” means the judgment to be entered by the Court based upon the Final Approval. For purposes of implementing this settlement, the Parties agree that the two Actions shall be consolidated and a single judgment entered upon final approval.
- 1.26 “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subdivision (i).
- 1.27 “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subdivision (i).
- 1.28 “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.29 “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

- 1.30 “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Chrysalis for at least one day during the PAGA Period. The Administrator will calculate the PAGA Pay Periods using the check register for transition employees (calculating one PAGA Pay Period for each employee who received a pay check for work during the PAGA Period) and hire/rehire/termination dates for permanent staff, assuming the PAGA Pay Periods equal half the number of weeks employed during the PAGA Period as shown by the hire/rehire/termination dates.
- 1.31 “PAGA Period” means the period from April 20, 2021 through the date of Preliminary Approval of this settlement or January 31, 2025 whichever is later.
- 1.32 “PAGA” means the Private Attorneys General Act (Lab. Code, § 2698 et seq.).
- 1.33 “PAGA Notice” means Plaintiff’s letter to Chrysalis and the LWDA providing notice pursuant to Labor Code section 2699.3, subdivision (a).
- 1.34 “PAGA Penalties” means the Two Hundred Thousand Dollars and No Cents (\$200,000.00) amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (Fifty Thousand Dollars and Zero Cents (\$50,000.00)) and the 75% to LWDA (One Hundred Fifty Thousand Dollars and Zero Cents (\$150,000.00)) in settlement of PAGA claims.
- 1.35 “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.36 “Plaintiff” means Albert Walker, the named plaintiff in the Actions.
- 1.37 “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
- 1.38 “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.39 “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.
- 1.40 “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.41 “Released Parties” means Chrysalis and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, affiliates and agents (including, without limitation, any investment bankers, accountants, insurers, reinsurers, attorneys and any past, present or future officers, directors, employees), any payroll companies, alleged joint employers, and any other persons or entities who could be alleged to be liable for the wage and hour or PAGA violations asserted in the Actions.

- 1.42 “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.43 “Response Deadline” means 60 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email or mail Requests for Exclusion from the Settlement, or (b) fax, email or mail his, her, or their Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.
- 1.44 “Settlement” means the disposition of the Actions effected by this Agreement and the Judgment.
- 1.45 “Workweek” means any week during which a Class Member worked for Chrysalis for at least one day, during the Class Period. The Administrator will calculate the Workweeks using the check registers in the Class Data for transitional employees (calculating one Workweek for each employee who received a pay check for work during the Class Period) and hire/rehire/termination dates for permanent staff, assuming the Workweeks equal the weeks employed during the Class Period as shown by the hire/rehire/termination dates in the Class Data.

2. RECITALS.

- 2.1 On July 12, 2022, Plaintiff commenced the Class Action by filing a Complaint against Chrysalis alleging class claims for damages, in the Superior Court of the State of California for the County of Los Angeles, on behalf of himself and a putative class of non-exempt employees.
- 2.2 On July 12, 2022, Plaintiff also commenced the PAGA Action by filing a Complaint for Enforcement under the California Private Attorney General Act of 2004 against Chrysalis on behalf of himself and other Aggrieved Employees.
- 2.3 In both Actions, Plaintiff sought to recover for alleged violations of the California Labor Code and Industrial Commission Wage Orders for Defendants’ alleged failure to pay all wages due, failure to provide compliant meal periods and associated premiums, failure to provide compliant rest periods and associated premiums, failure to timely pay wages upon termination, failure to timely pay wages during employment, failure to provide complete and accurate wage statements, failure to keep requisite payroll records, failure to reimburse business expenses, and violation of UCL.
- 2.4 The Original complaints are the Operative Complaints. Chrysalis denies the allegations in the Operative Complaints, denies any failure to comply with the laws identified in in the Operative Complaints, and denies any and all liability for the causes of action alleged.

- 2.5 Pursuant to Labor Code section 2699.3, subdivision (a), Plaintiff gave timely written notice to Chrysalis and the LWDA by sending the PAGA Notice.
- 2.6 The Parties participated in a previous mediation on April 9, 2024 before Steven Rottman, Esq. The mediation did not result in settlement, but the Parties continued negotiating and reached this Settlement thereafter.
- 2.7 Plaintiff has obtained, through both formal and informal discovery, information about Defendant's wage hour and pay practices, and about the Class Members and Aggrieved Employees.
- 2.8 Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("Dunk/Kullar").
- 2.9 Plaintiff has not filed, and the Court has not granted certification of the Class.
- 2.10 The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Chrysalis promises to pay One Million Four Hundred and Fifty Thousand Dollars and No Cents (\$1,450,000.00) as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Chrysalis has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadlines stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Chrysalis.
- 3.2 Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:
 - 3.2.1 To Plaintiff: Class Representative Service Payment to the Class Representative of not more than Ten Thousand Dollars and No Cents (\$10,000.00) in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member and/or Aggrieved Employee. Chrysalis will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative

Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than 35%, which is currently estimated to be Five Hundred Seven Thousand Five Hundred Dollars and No Cents (\$507,500.00) and a Class Counsel Litigation Expenses Payment of not more than Forty Thousand Dollars and No Cents (\$40,000.00). Chrysalis will not oppose requests for these payments provided that do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion of any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Chrysalis harmless, and indemnifies Chrysalis, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3 To the Administrator: An Administrator Expenses Payment not to exceed the amount to be specified in the preliminary approval papers except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than such amount, the Administrator will retain the remainder in the Net Settlement Amount.

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

3.2.4.1 Tax Allocation of Individual Class Payments. 20% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported

on an IRS W-2 Form. The remaining 80% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

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

3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of Two Hundred Thousand Dollars and No Cents (\$200,000.00) to be paid from the Gross Settlement Amount, with 75% (One Hundred Fifty Thousand Dollars and No Cents (\$150,000.00)) allocated to the LWDA PAGA Payment and 25% (Fifty Thousand Dollars and No Cents (\$50,000.00)) allocated to the Individual PAGA Payments. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (Fifty Thousand Dollars and No Cents (\$50,000.00)) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

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

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1 Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records through October 1, 2024, Chrysalis estimates there are 5647 Class Members who collectively worked a total of 200,000 Workweeks and 5398 Aggrieved Employees who worked a total 126,460 PAGA Pay Periods.
- 4.2 Class Data. Not later than 15 days after the Court grants Preliminary Approval of the Settlement, Chrysalis will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in

confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Chrysalis has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted Class Member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Chrysalis must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

- 4.3 Funding of Gross Settlement Amount. Chrysalis shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Chrysalis's share of payroll taxes by transmitting the funds to the Administrator on the following schedule:
- 4.3.1 Payment 1: \$483,333 paid by Chrysalis to the Administrator no later than 30 days after preliminary approval or June 30, 2025, whichever is later, all such sums plus interest to be automatically returned to Chrysalis if final approval of the settlement is denied or the settlement otherwise becomes void.
 - 4.3.2 Payment 2: \$483,333 paid by Chrysalis to the Administrator along with the employer's share of taxes owed on the Wage Portion of Individual Class Payments no later than one year after preliminary approval or June 30, 2026, whichever is later, all such sums plus interest to be automatically returned to Chrysalis if final approval of the settlement is denied or the settlement otherwise becomes void.
 - 4.3.3 Payment 3: \$483,334 paid by Chrysalis to the Administrator no later than two years after preliminary approval or June 30, 2027, whichever is later, all such sums plus interest to be automatically returned to Chrysalis if final approval of the settlement is denied or the settlement otherwise becomes void.
- 4.4 Payments from the Gross Settlement Amount. The Administrator, 15 days after Chrysalis pays the second payment or 15 days after the Settlement becomes Final, whichever is later, shall pay all sums due under this settlement with the exception of the attorneys' fees and litigation costs. The Settlement Administrator, 15 days after Defendant pays the third payment or 15 days after the Settlement becomes final, whichever is later, shall pay all sums due under this settlement to Lawyers for Justice, PC for attorneys' fees and costs.
- 4.4.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of

mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

- 4.4.2 The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without United States Postal Service ("USPS") forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.
- 4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member or Aggrieved Employee thereby leaving no "unpaid residue" subject to the requirements of Code of Civil Procedure section 384, subdivision (b).
- 4.4.4 The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Chrysalis to confer any additional benefits or make any additional payments to Class Members or Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when Chrysalis fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:

- 5.1 Plaintiff's Release. Plaintiff and his respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors and assigns

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

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

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

- 5.1.2 Age Release. Plaintiff agrees and expressly acknowledges that his release includes a waiver and release of all claims that Plaintiff has or may have under the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. Section 621, et seq. ("ADEA"). The following terms and conditions apply and are part of the waiver and release of ADEA claims under this Agreement: The waiver and release of claims under the ADEA contained in this Agreement does not cover rights or claims that may arise after the date on which Plaintiff signs this Agreement. Plaintiff is advised to consult an attorney before signing this Agreement. Plaintiff is granted twenty-one (21) days after he is presented with this Agreement to decide whether or not to sign this Agreement. Plaintiff will have the right to revoke the waiver and release of claims under the ADEA within seven (7) days of signing this Agreement, and this Agreement shall not become effective or enforceable until the eighth (8th) day after Claimant signs the Agreement. Revocation may be made only by written notice of revocation to Hayward Kaiser of Mitchell Silberberg & Knupp LLP, 2049 Century Park East, 18th Floor, Los Angeles, California 90067. Plaintiff hereby acknowledges and agrees that he is knowingly and voluntarily waiving and releasing his rights and claims only in exchange

for consideration (something of value) in addition to anything of value to which he already is entitled.

5.2 Release by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaints including but not limited to any claims for:

- (1) Violation of California Labor Code; §§ 510 and 1198 (Unpaid Overtime);
- (2) Violation of California Labor Code; §§ 226.7 and 512(a) (Unpaid Meal Period Premiums);
- (3) Violation of California Labor Code; § 226.7 (Unpaid Rest Period Premiums);
- (4) Violation of California Labor Code; §§ 1194, 1197, and 1197.1 (Unpaid Minimum Wages);
- (5) Violation of California Labor Code; §§ 201 and 202 (Final Wages Not Timely Paid);
- (6) Violation of California Labor Code; § 204 (Wages Not Timely Paid During Employment);
- (7) Violation of California Labor Code; § 226(a) (Non-Compliant Wage Statements);
- (8) Violation of California Labor Code; §1174(d) (Failure To Keep Requisite Payroll Records);
- (9) Violation of California Labor Code; §§ 2800 and 2802 (Unreimbursed Business Expenses);
- (10) Violation of California Business & Professions Code; §§ 17200, et seq. (collectively, the “Released Claims”).

Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation or claims based on facts occurring outside the Class Period.

5.3 Release by Aggrieved Employees: All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns,

the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaints, and the PAGA Notice including but not limited to, any and all PAGA claims based on the claims identified in paragraph 5.2

6. **MOTION FOR PRELIMINARY APPROVAL.** The Parties agree to jointly prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”) that complies with the Court’s current checklist for Preliminary Approvals. For that purpose, the Parties will stipulate to consolidate the Actions and file a single Motion for Preliminary Approval in the consolidated Actions.

- 6.1 Chrysalis’s Declaration in Support of Preliminary Approval. Within 14 days of the full execution of this agreement, Chrysalis will prepare and deliver to Class Counsel a signed Declaration from Chrysalis and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator. In their Declarations, Defense Counsel and Chrysalis shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.
- 6.2 Plaintiff’s Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code section 2699, subdivision (f)(2); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its “not to exceed” bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Lab. Code, § 2699.3, subd. (a))), Operative Complaint (Lab. Code, § 2699, subd. (l)(1)), this Agreement (Lab. Code, § 2699, subd. (l)(2)); (vii) a redlined version of the parties’ Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (viii) all facts relevant to any actual or potential conflict of interest with Class Members, and the Administrator. In their Declarations, Plaintiff and Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

- 6.3 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 90 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval Order to the Administrator.
- 6.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have selected Simpluris, Inc. As a condition of appointment, the Administrator will agree to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel will represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.
- 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 7.4 Notice to Class Members.
- 7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks and PAGA Pay Periods in the Class Data.
- 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class USPS mail, the Class Notice with Spanish translation, substantially in the form attached to this Agreement as Exhibit A. The first page of the Class

Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

- 7.4.3 Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
- 7.4.4 The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay Periods and Requests for Exclusion will be extended an additional 14 days beyond the 60 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- 7.4.5 If the Administrator, Chrysalis, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

7.5 Requests for Exclusion (Opt-Outs).

- 7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her/their representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request

for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

- 7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.
- 7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.
- 7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.
- 7.6 Challenges to Calculation of Workweeks. Each Class Member shall have 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination the challenges.

7.7 Objections to Settlement.

- 7.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.
- 7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present oral objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 60 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).
- 7.7.3 Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

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

- 7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.
- 7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

- 7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or PAGA Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include provide the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.
- 7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or PAGA Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.
- 7.8.5 Administrator’s Declaration. Not later than 14 days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator’s declaration(s) in Court.
- 7.8.6 Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator’s declaration in Court.

8. **CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE.** Based on its records, Chrysalis estimates that, as of October 1, 2024, (1) there are 5647 Class Members and 200,000 Workweeks during the Class Period and (2) there were 5398 Aggrieved Employees who worked 126,400 PAGA Pay Periods during the PAGA Period. Should the Workweeks increase beyond 5% worked by the Class Members during the Class

Period, then Defendant shall increase the Gross Settlement Amount on a pro-rata basis equal to the percentage increase in the number of Workweeks worked by the Class Members above 5% (e.g., if the number of Workweeks increases by 6%, the Gross Settlement Amount will increase by 1%).

9. **CHRYSLIS'S RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 5% of the total of all Class Members, Chrysalis may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if Chrysalis withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Chrysalis will remain responsible for paying all Settlement Administration Expenses incurred to that point. Chrysalis must notify Class Counsel and the Court of its election to withdraw not later than seven days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.
10. **MOTION FOR FINAL APPROVAL.** Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subdivision (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel not later than seven days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.
 - 10.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than 5 court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
 - 10.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.
 - 10.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters and (iii) addressing such post-Judgment matters as are permitted by law.

- 10.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment set forth in this Settlement, the Parties, their respective counsel and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.
- 10.5 Appellate Court Orders to Vacate, Reverse or Materially Modify Judgment. If the reviewing Court vacates, reverses or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.
11. **AMENDED JUDGMENT.** If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.
12. **ADDITIONAL PROVISIONS.**
- 12.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Chrysalis or any of the Released Parties that any of the allegations in the Operative Complaint have merit or that Chrysalis or any Release Party has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Chrysalis's defenses in the Actions have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Chrysalis reserves the right to contest certification of any class for any reasons, and Chrysalis reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Chrysalis's defenses. The Settlement, this Agreement and Parties' willingness to settle the

Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

- 12.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Chrysalis and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency or other entity except: (1) to the Parties' directors, attorneys, accountants or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Chrysalis and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 12.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 12.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants or inducements made to or by any Party.
- 12.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Chrysalis, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 12.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event

the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

- 12.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered or purported to assign, transfer or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right released and discharged by the Party in this Settlement.
- 12.8 No Tax Advice. Neither Plaintiff, Class Counsel, Chrysalis nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 12.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed or waived only by an express written instrument signed by all Parties or their representatives and approved by the Court.
- 12.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 12.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the State of California, without regard to conflict of law principles.
- 12.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 12.13 Confidentiality. To the extent permitted by law, all agreements made and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 12.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to Evidence Code section 1152, and all copies and summaries of the Class Data provided to Class Counsel by Chrysalis in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute or California Rules of Court rule. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Class Data received from Chrysalis unless, prior to the Court's discharge of the Administrator's obligation, Chrysalis makes a written request to Class Counsel for the return, rather than the destruction, of Class Data.

- 12.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 12.16 Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 12.17 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

LAWYERS for JUSTICE, PC
Edwin Aiwasian
Joanna Ghosh
Travis Maher
Margaux Gundzik
410 West Arden Avenue, Suite 203
Glendale, California 91203
(818) 265-1020
edwin@calljustice.com; travis@calljustice.com; m.gundzik@calljustice.com;
joanna@calljustice.com

To Chrysalis:

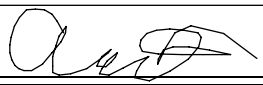
MITCHELL SILBERBERG & KNUPP LLP
Hayward J. Kaiser (SBN 66365)
Kevin E. Gaut (SBN 117352)
2049 Century Park East, 18th Floor
Los Angeles, CA 90067-3120
(310) 312-2000
hjk@msk.com; keg@msk.com

- 12.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 12.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement the Actions shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to

Code of Civil Procedure section 583.330 to extend the dates to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this settlement process.

12.20 Showing of Financial Hardship. The parties will work with the financial expert who was hired in this matter to obtain a declaration regarding Defendant's inability to fund a greater settlement and/or to fund a settlement without the contemplated payment plan. If the financial expert declines to provide such a declaration or is unable to provide one timely in advance of the deadline to file a Motion for Preliminary Approval, Defendant shall provide such a declaration regarding Defendant's inability to fund a greater settlement and/or to fund a settlement without the contemplated payment plan to be file in open court in support of approval of the Settlement Agreement.

Dated: 12/26/2024

By: 
Albert Walker

Dated: January 16, 2025

By: 
The Chrysalis Center
By: Mark Loranger
Its: President/CEO

APPROVED AS TO FORM AND CONTENT:

LAWYERS for JUSTICE, PC

Dated: 12/27/2024

By: 
Margaux Gundzik
Attorneys for Plaintiff
Albert Walker

MITCHELL SILBERBERG & KNUPP LLP

Dated: January 16, 2025

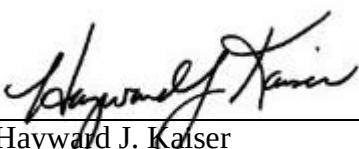
By: 
Hayward J. Kaiser
Attorneys for Defendant
The Chrysalis Center

EXHIBIT A

EXHIBIT A

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

(a) *Walker v. The Chrysalis Center*, Los Angeles Superior Court Case No. 22STCV22659, filed on July 12, 2022; and (b) *Walker v. The Chrysalis Center*, Los Angeles Superior Court Case No. 22STCV22510, also filed on July 12, 2022 (the “Action”), now consolidated into Case No. ____ [class number].

The Superior Court for the State of California authorized this Notice. Read it carefully! It's not junk mail, spam, an advertisement or solicitation by a lawyer. You are not being sued.

You may be eligible to receive money from employee class action and representative lawsuits, now consolidated into one lawsuit (the “Actions”) against The Chrysalis Center (“Chrysalis”) for alleged wage and hour violations. The Actions were filed by a Chrysalis employee Albert Walker (“Plaintiff”) and seek payment of back wages, compensation for missed meal periods, penalties for late pay, expense reimbursements, penalties for inaccurate wage statements, and other relief for a class of hourly employees (“Class Members”) who worked for Chrysalis in California during the Class Period July 12, 2018 to January 31, 2025 [or preliminary approval date if later] and (2) penalties under PAGA for all hourly employees who worked for Chrysalis in California during the PAGA Period (April 20, 2021 to January 31, 2025 [or preliminary approval date if later]) (“Aggrieved Employees”).

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

Based on Chrysalis’s records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be \$[] (less withholding) and your Individual PAGA Payment is estimated to be \$[]**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Chrysalis’s records you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.)

The above estimates are based on Chrysalis’s records showing that **you worked [] workweeks during the Class Period and you worked [] pay periods** during the PAGA Period. If you believe that you worked more workweeks or pay periods during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment

that requires Chrysalis to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Chrysalis.

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

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

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

Chrysalis will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage and hour claims against Chrysalis that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is [REDACTED]	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. Chrysalis must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are

Written Objections Must be Submitted by	not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on [REDACTED]. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by [REDACTED]	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many pay periods you worked at least one day during the PAGA Period, respectively. The number Class Period Workweeks and number of PAGA Period Pay Periods you worked according to Chrysalis's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by [REDACTED]. See Section 4 of this Notice.

WHAT IS THE ACTION ABOUT?

Plaintiff is a Chrysalis employee. The Action accuses Chrysalis of violating California labor laws by failing to pay all regular and overtime wages owed, failing to timely pay wages due upon termination, failing to reimburse expenses, and failing to provide lawful meal periods, rest breaks, and accurate itemized wage statements. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Lab. Code, § 2698, et seq.) ("PAGA"). Plaintiff is represented by the following Class Counsel in the Action:

LAWYERS for JUSTICE, PC

Edwin Aiwarzian
Joanna Ghosh
Tara Zabehi
Margaux Gundzik
450 North Brand Boulevard, Suite 900
Glendale, California 91203
(818) 265-1020
edwin@calljustice.com;
joanna@calljustice.com
tara@calljustice.com;
m.gundzik@calljustice.com;

Chrysalis strongly denies violating any laws and denies any of the alleged failures, and contends it complied with all applicable laws.

WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Chrysalis or Plaintiff is correct on the merits. In the meantime, Plaintiff and Chrysalis hired an experienced, neutral mediator in an effort to resolve the Action by negotiating to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. While the Action did not settle during the mediation, the parties continued negotiations and ultimately were successful in reach an agreement to settle. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Chrysalis have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Chrysalis does not admit any violations or concede the merit of any claims.

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

WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

Chrysalis will pay One Million Four Hundred and Fifty Thousand Dollars and No Cents (\$1,450,000.00) as the Gross Settlement Amount (Gross Settlement). Chrysalis has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel’s attorneys’ fees and expenses, the Administrator’s expenses, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”). Assuming the Court grants Final Approval, CHRYsalis will fund the Gross Settlement in three stages: (a) \$483,000 within 30 days [after preliminary approval or June 30, 2025, whichever is later]; (b) \$483,000 (plus the employer’s payroll taxes) within [one year after preliminary approval or June 30, 2026, whichever is later]; (c) \$483,000 [within two years after preliminary approval or June 30, 2027, whichever is later]. The settlement will result in a Judgment finally resolving the Action. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

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

Up to \$507,500 or 35% of the Gross Settlement to Class Counsel for attorneys' fees and up to \$40,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.

Up to \$10,000 to Plaintiffs as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.

Up to \$[REDACTED] to the Administrator for services administering the Settlement.

Up to \$200,000 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

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

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

Taxes Owed on Payments to Class Members. Plaintiff and Chrysalis are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages ("Wage Portion") and 80% to interest and penalties ("Non-Wage Portion"). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Chrysalis will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties and interest rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms. Although Plaintiff and Chrysalis have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

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

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

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

The Proposed Settlement Will be Void if the Court Denies Final Approval Or Under Certain Other Circumstances. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and Chrysalis have agreed that, in either case, the Settlement will be void: Chrysalis will not pay any money and Class Members will not release any claims against Chrysalis. The Settlement may also be voided if too many class members opt out.

Administrator. The Parties have chosen a neutral company, Simpluris, Inc., (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.

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

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

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, release the Released Parties from (i) all claims that were alleged, or reasonably

could have been alleged, based on the Class Period facts stated in the Action including but not limited to any claims for:

Violation of California Labor Code; §§ 510 and 1198 (Unpaid Overtime);

Violation of California Labor Code; §§ 226.7 and 512(a) (Unpaid Meal Period Premiums);

Violation of California Labor Code; § 226.7 (Unpaid Rest Period Premiums);

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

Violation of California Labor Code; §§ 201 and 202 (Final Wages Not Timely Paid);

Violation of California Labor Code; § 204 (Wages Not Timely Paid During Employment);

Violation of California Labor Code; § 226(a) (Non-Compliant Wage Statements);

Violation of California Labor Code; §1174(d) (Failure To Keep Requisite Payroll Records);

Violation of California Labor Code; §§ 2800 and 2802 (Unreimbursed Business Expenses);

Violation of California Business & Professions Code; §§ 17200, et seq. (collectively, the “Released Claims”)

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

The Aggrieved Employees’ Releases for Participating and Non-Participating Class Members are as follows:

All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Action, and the PAGA Notice. including but

not limited to, any and all PAGA claims based on the claims identified in the Released Claims in the paragraph above.

For all the releases above (Class Member and Aggrieved Employee releases), the “Released Parties” means Chrysalis and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, affiliates and agents (including, without limitation, any investment bankers, accountants, insurers, reinsurers, attorneys and any past, present or future officers, directors, employees), any payroll companies, alleged joint employers, and any other persons or entities who could be alleged to be liable for the wage and hour or PAGA violations asserted in the Action.

HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

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

Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$50,000.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.

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

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

HOW WILL I GET PAID?

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

check will combine the Individual Class Payment and the Individual PAGA Payment.

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

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

Please note that these checks will not be mailed until at least June 30, 2026.

HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, telephone number and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Walker v. Chrysalis*, and include your identifying information (full name, address, telephone number, approximate dates of employment and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by [REDACTED], or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Chrysalis are asking the Court to approve. At least [REDACTED] days before the [REDACTED] Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website [REDACTED].

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. The deadline for sending written objections to the Administrator is [REDACTED]. Be sure to tell the Administrator what you object to, why you object and any facts that support your objection. Make sure you identify the Action, *Walker v. Chrysalis*, and include your name, current address, telephone number and approximate dates of employment for Chrysalis and sign the objection. Section 9 of this Notice has the Administrator's contact information.

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

CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on [REDACTED] at [REDACTED] in Department 7 of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect (<https://www.lacourt.org/lacc/>). Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website [REDACTED] beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Chrysalis and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to [REDACTED] website at [REDACTED]. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

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

LAWYERS for JUSTICE, PC

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Settlement Administrator: Simpluris, Inc.

Email Address:

Mailing Address:

Telephone:

Fax Number:

WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the Unclaimed Property Fund for instructions on how to retrieve the funds

WHAT IF I CHANGE MY ADDRESS?

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