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ANABEL GOMEZ

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

ANABEL GOMEZ, as an individual and on behalf of all others similarly situated,

Plaintiff,

vs.

ARROYO DEVELOPMENTAL SERVICES, a California corporation; and DOES 1 through 100, inclusive,

Defendants.

Case No.: 25STCV00600

[*Assigned for all purposes to the Hon. David S. Cunningham III, Dept. SSC-11*]

DECLARATION OF SCOTT M. LIDMAN IN SUPPORT OF MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT

Date: May 5, 2026
Time: 9:00 a.m.
Dept.: SSC-11

I, SCOTT M. LIDMAN, declare as follows:

1. I am a shareholder and principal of the law firm Lidman Law, APC, and counsel for the named plaintiff Anabel Gomez ("Plaintiff") and the proposed Settlement Class in the above-captioned matter. I am a member in good standing of the bar of the State of California and am admitted to practice in this Court. I have personal knowledge of the facts stated in this declaration and could testify competently to them if called upon to do so.

2. I am a 1998 graduate of Santa Clara University School of Law, where I graduated *summa cum laude*. During law school, I worked as a summer associate for the international employment law firm of Littler Mendelson, P.C., located in Los Angeles, California.

3. Since graduating from law school, my practice has focused exclusively on employment litigation. In September 1998, I began working as an associate attorney at the international law firm of Littler Mendelson P.C., at its Los Angeles office, which according to its website is the largest law firm in the world exclusively devoted to representing management in employment, employee benefits and labor law matters.

4. In 2000, I left Littler Mendelson to work at the Los Angeles office of Jones Day, which was at the time one of the largest international firms in the world. During my employment at Jones Day, I worked exclusively in the labor and employment department. In or around 2003, I went to work at the law firm of Loeb & Loeb, again working exclusively in the Labor & Employment department. In 2008, I returned to Littler Mendelson, was promoted to Shareholder in 2009, and from 2008 until the end of 2017, I practiced exclusively labor and employment law, with a strong emphasis and most of my time working on wage and hour class actions venued in both state and federal courts. During that time and my legal career in general, I also worked on a number of single and multi-plaintiff wage and hour matters as well.

5. During my employment at Littler Mendelson, I played a significant role in the class actions that I was staffed on, and ran many on my own both as an Of Counsel and as a Shareholder. In particular, I received a wide-array of wage and hour class action experience performing the following types of tasks: drafting demurrers, motions to strike and/or dismiss; removing actions from state court

to federal court; drafting and responding to written discovery; drafting and opposing discovery related motions; arguing discovery related motions; drafting motions to consolidate related matters; interviewing putative class members and obtaining declarations in connection with class certification; drafting oppositions to motions for class certification; drafting motions for decertification following class certification; conducting exposure analyses to assess the strengths and weaknesses of asserted claims, the likelihood of prevailing at class certification and potential damages resulting from such claims; drafting mediation briefs; serving as the primary contact to in-house counsel; deposing named plaintiffs and putative class members; deposing retained expert witnesses; and defending the depositions of corporate witnesses. I also was involved in the negotiations and settlements of many large wage and hour class actions. In short, I played an integral role in all aspects of litigation from the inception of a matter through and beyond class certification. I also supervised the work of several junior attorneys who were staffed on the same wage and hour class actions.

6. Although not exhaustive, below is a list of many of the wage and hour class and PAGA actions that I performed substantial work on while I was a shareholder at Littler Mendelson:

- ► *Ortega v. J.B. Hunt Transport, Inc.*, Case No. 07-cv-8336-RGK-AFMx, United States District Court, Central District of California, Honorable Gary Klausner, presiding[1].
- ► *Aceves v. J.B. Hunt Transport, Inc.*, Case No. CIVDS1306133, California Superior Court, County of San Bernardino, Honorable Michael Sachs, presiding.
- ► *Moreno v. J.B. Hunt Transport, Inc.*, Case No. BC388612, California Superior Court, County of Los Angeles, Honorable Mel Red Recana, presiding.
- ► *Newcomb v. J.B. Hunt Transport, Inc.*, Case No. RG16815734, California Superior Court, County of Alameda, Honorable Winifred Smith, presiding.
- ► *Vaquero v. Stoneledge Furniture, LLC, et al.*, Case No. 12-cv-08590-PA-MAN, United States District Court, Central District of California, Honorable Percy Anderson, presiding.

[1] My work on this matter including proceedings not only in District Court, but also work before the United States Court of Appeals for the Ninth Circuit as well as the United States Supreme Court.

- *Vaquero v. Stoneledge Furniture, LLC, et al.*, Case No. BC388612, California Superior Court, County of Los Angeles, Honorable Elihu Berle, presiding.[2]
- *Dugan v. Stoneledge Furniture, LLC*, Case No. 16-cv-01125-PA-FFMx, United States Distrct Court, Central District of California, Honorable Percy Anderson, presiding.
- *Klune v. Stoneledge Furniture, LLC*, Case No. 14-cv-03986-PA-FFMx, United States Distrct Court, Central District of California, Honorable Percy Anderson, presiding.
- *Diaz v. ABM Industries, Inc.; Ampco Parking*, Case No. BC362932, California Superior Court, County of Los Angeles, Honorable Jane Johnson, presiding.[3]
- *Adams v. Luxottica Retail North America, Inc.*, Case No. 07CC01346, California Superior Court, County of Orange, Honorable Thierry Patrick Colaw, presiding.
- *Sakkab v. Luxottica Retail North America, Inc.*, Case No. 12-cv-00436-GPC-KSC, United States District Court, Southern District of California.[4]
- *Page v. Oakley, Inc.*, Case No. FCS041512, California Superior Court, County of Solano, Honorable Paul Berman, presiding.
- *Ramirez v. Oakley, Inc.*, Case No. 30-2014-00731617-CU-OE-CJC California Superior Court, County of Orange, Honorable William Claster, presiding.
- *Ramirez v. Oakley, Inc.*, Case No. 30-2014-00723846-CU-DE-CXC, California Superior Court, County of Orange, Honorable William Claster, presiding.
- *Sierra v. Oakley, Inc.*, Case No. 13-cv-00319-AG-JPR, United States District Court, Central District of California, Honorable Andrew Guilford, presiding.[5]

[2] My work on this matter included proceedings not only in the trial court, but also before the California Courts of Appeal and the California Supreme Court.
[3] This matter was consolidated and litigated collectively with Case Nos. BC380923, BC 381523 and BC 406663.
[4] The work I performed on this case included work in the United States Court of Appeals for the Ninth Circuit.
[5] The work I performed on this case included work in the United States Court of Appeals for the Ninth Circuit.

- *Cordova v. Comerica Bank, et al.*, Case No. 09-cv-08905-MMM-PLAx, United States District Court, Central District of California, Honorable Margaret Morrow, presiding.
- *Cordova v. Comerica Bank, et al.*, Case No. 09-cv-08905-MMM-PLAx, United States District Court, Central District of California, Honorable Margaret Morrow, presiding.
- *Khelghatian v. Comerica Bank, et al.*, Case No. 11-cv-7689-DSF-FFMx, United States District Court, Southern District of California, Honorable John A. Houston, presiding.
- *Babasa v. Comerica Bank, et al.*, Case No. 11-cv-0595-JAH-BGS, United States District Court, Central District of California, Honorable Margaret Morrow, presiding.
- *Bernal v. Comerica Bank, et al.*, Case No. 11-cv-01298-JAH-BGS, United States District Court, Central District of California, Honorable Margaret Morrow, presiding.
- *Khalili v. Comerica Bank, et al.*, Case No. 09-cv-08905-MMM-PLAx, United States District Court, Northern District of California.
- *Granata v. Comerica Bank, et al.*, Case No. 37-2011-00086316-CU-OE-CTL, California Superior Court, County of San Diego, Honorable Jeffrey B. Barton, presiding.
- *Mathews v. Comerica Bank, et al.*, Case No. 111CV194781, California Superior Court, County of Santa Clara.
- *Gallegos v. Comerica Bank, et al.*, Case No. BC455515, California Superior Court, County of Los Angeles, Honorable Terry Green, presiding.
- *Rumohr v. Comerica Bank, et al.*, Case No. CGC-11-508433, California Superior Court, County of San Francisco.

► *Smith v. Werner Enterprises*, Case No. 15-cv-02978-RS, United States District Court, Northern District of California, Honorable Richard Seeborg, presiding.

7. In January 2018, I voluntarily resigned from Littler Mendelson in order to open my own law firm, Lidman Law, APC, to represent employees with work-related claims, including primarily wage and hour claims and almost exclusively on a class-action basis. I am the President and Shareholder of Lidman Law. Currently, over ninety percent (90%) of my practice is dedicated exclusively to the prosecution of wage and hour class actions, and I am currently responsible for prosecuting over sixty-five (65) wage and hour class actions filed in State courts throughout California, with several of them having been removed to Federal courts. I believe that my professional experience renders me more than qualified to serve as class counsel in this lawsuit involving claims of underpaid overtime and minimum wages, meal and rest period violations, and derivative penalty claims. Not only have I litigated dozens of wage and hour cases throughout my career involving similar claims, including the wage and hour class actions identified above, I have litigated similar claims from both plaintiff and defense perspectives. As a result, I am able to realistically assess and evaluate the facts and legal arguments that can be made in pursuit and defense of similar wage and hour claims, as well as those facts and arguments in support and in opposition to class certification. Consequently, I am able to appreciate the significant risks, uncertainties, and delay involved in wage and hour class action litigation.

8. I have been appointed Class Counsel in: *Guardado v. Wesley Allen, Inc.*, Case No. BC683027, California Superior Court, County of Los Angeles, Honorable Judge Carolyn B. Kuhl presiding; *Rodriguez v. Satco, Inc*., Case No. BC682137, California Superior Court, County of Los Angeles, Honorable Judge Ann I. Jones presiding; *Ong v. Howard's Appliances, Inc*., Case No. 30-2017-00964213-CU-OE-CXC, California Superior Court, County of Orange, Honorable Judge William Claster presiding; *Hanke v. C&W Facility Services, Inc*., Case No. CIVDS1814412, California Superior Court, County of San Bernardino, Honorable Judge David Cohn presiding; *Molina v. Mader News, Inc*., Case No. BC685960, California Superior Court, County of Los Angeles, Honorable Judge Yvette M. Palazuelos presiding; *Alvarez v. Salamander Fire Protection, Inc*., Case No. BC688326, California Superior Court, County of Los Angeles, Honorable Judge William F.

Highberger presiding; *Rodriguez v. H.F. Cox, Inc.*, Case No. BC653164, California Superior Court, County of Los Angeles, Honorable Judge Carolyn B. Kuhl presiding; *Fregoso v. Amerigas Propane, Inc.*, Case No. BC697973, California Superior Court, County of Los Angeles, Honorable Judge Rafael A. Ongkeko presiding; *Teran v. Western Plastics, Inc.*, Case No. RIC1722619, California Superior Court, County of Riverside, Honorable Judge Sunshine Sykes presiding; *Villegas de Torres v. El Monte Superstore Inc.*, Case No. BC688477, California Superior Court, County of Los Angeles, Honorable Judge Daniel J. Buckley presiding; *Huynh v. Polypeptide Laboratories, Inc.*, Case No. BC680872, California Superior Court, County of Los Angeles, Honorable Judge Rafael A. Ongkeko presiding; *Guzman v. Century Blinds*, Case No. RIC1723654, California Superior Court, County of Riverside, Honorable Judge Sunshine S. Sykes presiding; *George v. Convergence Marketing*, Case No. CIVDS1901039, California Superior Court, County of San Bernardino, Honorable Judge David S. Cohn presiding; *Coffee, et al. v. Flyers Transportation Energy, LLC*, Case No. 34-2017-00222084, California Superior Court, County of Sacramento, Honorable Judge Alan G. Perkins presiding*; Romero v. Fillmore Hospitality, LLC*, Case No. BC705667, California Superior Court, County of Los Angeles, Honorable Judge Maren E. Nelson presiding*; Wennerstrom, et al. v. Giant Inland Empire R.V. Center*, Case No. CIVDS1617291, California Superior Court, County of San Bernardino, Honorable Judge David S. Cohn presiding; *Contreras, et al. v. Letter Ride, LLC*, Case No. 37-2018-00020841-CU-OE-CTL, California Superior Court, County of San Diego, Honorable Judge Eddie C. Sturgeon presiding; *Davis v. WeDriveU*, Case No. 18CV322578, California Superior Court, County of Santa Clara, Honorable Judge Brian C. Walsh presiding; *Acuna v. Canton Food Co., Inc.*, Case No. BC685001, California Superior Court, County of Los Angeles, Honorable Judge David S. Cunningham presiding; and *Contreras v. Worldwide Flight Services, Inc.*, Case No. 2:18-cv-06036-PSG-SS, United States District Court for the Central District of California, the Honorable Judge Philip S. Gutierrez presiding.

9. As co-lead counsel for Plaintiff and the proposed Settlement Class, I have been intimately involved in every aspect of this case from its inception through the present, and I believe that the proposed Settlement is a favorable result for the Settlement Class Members under the circumstances presented.

10. Defendant Arroyo Developmental Services ("Defendant") does business by providing day support services to people challenged with developmental disabilities. On January 9, 2025, Plaintiff filed the instant putative class action complaint. On January 10, 2025, Plaintiff submitted a letter to the California Labor & Workforce Development Agency ("LWDA") and Defendant notifying them of her intention of filing a PAGA claim based on the Labor Code violations alleged in her complaint. A true and correct copy of Plaintiff's letter to the LWDA and Defendant is attached hereto as **Exhibit 1**. On August 14, 2025, Plaintiff filed a First Amended Class and Representative Action Complaint adding a single cause of action for civil penalties under the Labor Code Private Attorneys General Act of 2004 ("PAGA"). Plaintiff's primary claims/allegations are that Defendant: (1) failed to pay all minimum wages owed; (2) failed to pay all overtime wages owed; (3) failed to provide meal periods; (4) failed to authorize and permit rest periods; (5) failed to provide accurate, itemized wage statements; (6) is subject to waiting time penalties; (7) engaged in unfair competition; and (8) is liable for civil penalties under the PAGA.

11. In advance of mediation, Defendant produced a 20 % sampling of timekeeping and payroll data for the putative class, as well as its wage and hour policies and other relevant documents and information relevant to the claims alleged. Defendant also provided an arbitration agreement purportedly signed by its non-exempt employees and financial documents evidencing its financial condition and ability to pay a class-wide settlement. From the time and payroll data, Plaintiff was able to analyze regular rate of pay violations and meal and rest period violations. Indeed, if all Settlement Class members brought lawsuits for unpaid wages and/or meal period violations, they would rely on timekeeping records similar to the ones in the mediation production, which supports a finding that the data is statistically reliable.

Defendant also provided a class list for Plaintiff to calculate the necessary metrics, including without limitation, class size for the relevant time periods. The key data points coupled with the representative data sampling enabled Plaintiff to extrapolate to the entire class and aided in Plaintiff's creation of a class-wide exposure model for all the claims at issue, including unpaid wages, meal and rest period premiums, and penalties potentially owed for alleged unpaid minimum and overtime wages, and meal and rest period violations.

After the detailed review of the documents and data produced by Defendant, Class Counsel drew on their extensive experience in similar cases to assess the strengths and weaknesses of Plaintiff's case. This discovery allowed the parties to assess the merits and value of Plaintiff's claims and Defendant's defenses.

12. On July 22, 2025, a mediation was held with Steve Mehta, Esq., an experienced and well-respected wage and hour class action mediator. During mediation, the parties vigorously debated their opposing legal positions, the likelihood of certification of Plaintiff's claims, and the legal basis for the claims and defenses, and Defendant's financial condition and ability to pay a class-wide settlement. Ultimately, through a mediator's proposal and conditioned on the review of Defendant's finances, the parties agreed on a class-wide resolution. In the weeks that followed, the parties finalized the terms of settlement and executed the Class Action and PAGA Settlement Agreement and Class Notice ("Settlement"). A true and correct copy of the Settlement is attached hereto as **Exhibit 2**. The proposed Class Notice is attached as Exhibit A to the Settlement. A true and correct copy of redline comparing the LASC's model agreement with the Settlement in this matter is attached hereto as **Exhibit 3.**

13. The monetary terms of the Settlement are summarized below:

Gross Settlement Amount ("GSA"):	**$300,000.00**
Minus Court-approved attorneys' fees (update to 1/3 of GSA):	$100,000.00
Minus Court-approved, verified costs (up to $25,000.00):	$25,000.00
Minus Court-approved Class Representative Service Award:	$7,500.00
Minus Settlement Administration Costs:	$7,250.00
Minus PAGA Penalties:	$20,000.00
Net Settlement Amount ("NSA"):	**$140,250.00**
Settlement Class Members	247
Average Individual Payment: NSA/Settlement Class	**$567.81**

Defendant shall fully fund the Gross Settlement Amount and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator in ten (10) equal monthly payments beginning 30 days after the date the Court grants Final Approval.

After deducting amounts for the Court-approved attorneys' fees and verified costs, Class Representative Service Payment to Plaintiff, Settlement Administrator costs, and PAGA Penalties, the Settlement results in a Net Settlement Amount ("NSA") of at least $140,250.00 to be paid out to all Settlement Class Members who do not timely opt out.

14. According to Defendant, from the beginning of the Class Period through the date of mediation there were approximately 247 total Class Members defined as: All individuals whom Defendant classified as non-exempt employees and who worked for Defendant in California at any time during the Class Period. The Class Period means the period of time starting on January 9, 2021 and ending on September 20, 2025. Thus, the average Individual Class Payment is **$567.81**.

The proposed 208 Aggrieved Employees are defined as "all individuals whom Defendant classified as non-exempt employees and who worked for Defendant in California at any time during the PAGA Period." The PAGA Period means the period of time starting on January 10, 2024 and ending on September 20, 2025. Thus, the average Individual PAGA Payment is projected to be approximately **$33.65.**

15. Specifically, Plaintiff alleges that Defendant's common and uniform policies and practices resulted in the following violations: (1) failure to pay all minimum wages owed; (2) failure to pay all overtime wages owed; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to provide accurate, itemized wage statements; (6) waiting time penalties; (7) unfair competition; and (8) liability for civil penalties under the PAGA. As a result of the common and uniform policies and practices that applied to all Class Members, their claims involve common questions of law and fact as to whether in fact Defendant committed these alleged violations.

16. As described in the accompanying Motion for Preliminary Approval, Plaintiff alleges that she and the Class Members were not fully compensated for all of their time worked because Defendant required its non-exempt employees to be available to Defendant and under Defendant's

control 30 minutes prior to their scheduled start time, but did not permit its non-exempt employees to clock in until the scheduled start time. Further, Defendant failed to properly pay the regular rate of pay for purposes of overtime and sick pay. Defendant paid Plaintiff and non-exempt employees bonuses and other forms of pay not properly excludable as a matter of law when calculating the regular rate of pay, but failed to include the bonuses when calculating the regular rate of pay for purposes of overtime and sick pay. Accordingly, Plaintiff calculated a total wage underpayment of approximately $2,193,631.

17. Defendant contends that its timekeeping practices were lawful, and any unpaid time was *de minimis* and therefore non-compensable. Moreover, Defendant contends that it properly calculated and paid Class Members all overtime wages and sick pay wages. Defendant further asserts that Plaintiff would be unable to certify an unpaid wages class given that a number of the Class Members signed arbitration agreements and given the individualized inquiries that would be required. In light of these defenses, Plaintiff discounted the maximum exposure by 50 % for the risk of non-certification, and an additional 40 % to account for Defendant's defenses on the merits, to arrive at an estimated exposure of $658,089.30.

18. Plaintiff alleges that she and the Class Members were not provided with all legally-compliant first meal periods beginning before the end of the fifth hour of work. Specifically, Plaintiff alleges that due to the work demands imposed by Defendant, her meal periods were often late and in violation of California law. As such, Plaintiff calculated Defendant's maximum exposure for the meal period claim at $1,729,281, inclusive of interest.

19. Defendant counters that it has always maintained a lawful meal period policy and provided non-exempt employees with an opportunity to take legally compliant meal periods, and any non-compliant meal periods reflected in employee timekeeping records were solely the result of employee choice, rather than any policy or practice of Defendant. Defendant points out that under *Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal. 4th 1004, it is only required to "provide" the opportunity to take meal periods, not "ensure" meal periods are taken, and that it has always done so. Defendant further argues that its non-exempt employees signed on-duty meal period agreements.

Finally, Defendant contends Plaintiff's meal period claim is not suited for class certification given that a number of the Class Members signed arbitration agreements, and that individual inquiries would be required to assess which employees took non-compliant meal periods, how many meal periods were non-compliant or missed, and the reasons why a particular employee took a non-compliant meal period or missed a meal period during a particular shift. Accordingly, Plaintiff discounted the maximum exposure by 50 % for the risk of non-certification, and an additional 20 % to account for Defendant's defenses on the merits to arrive at an estimated exposure of $18,894.40.

20. Plaintiff alleges that she and Class Members were also not authorized and permitted to take all required rest periods due to Defendant's rest period policies and practices. Specifically, Plaintiff alleges that due to work demands, non-exempt employees were not authorized and permitted to take duty-free net 10-minute rest periods when they worked shifts in excess of 3.5 hours. Plaintiff alleges that she and other non-exempt employees experienced at least one rest period violation on every shift worked in excess of 3.5 hours. Thus, at a 100 percent violation rate on 76,925 shifts worked during the relevant time period, Plaintiff calculated Defendant's exposure at 1,886,809, including interest.

21. Defendant contends it has always maintained and enforced lawful rest period policies and practices, and that Class Members were authorized and permitted to take all off-duty rest periods in compliance with California law. Defendant also argues that Plaintiff's rest period claim is inherently unsuited for class treatment as a number of Class Members signed arbitration agreements, and it requires an individualized inquiry into whether each Class Member was in fact authorized and permitted to take a compliant rest period, which would devolve into an unmanageable series of mini-trials. Accordingly, Plaintiff discounted the maximum exposure by 50 % for the risk of non-certification, and an additional 35 % to account for Defendant's defenses on the merits to arrive at an estimated exposure of $613,212.93.

22. Plaintiff further alleges that Defendant issued inaccurate wage statements in violation of Labor Code § 226 as a result of the alleged unpaid minimum wages and overtime wages, and meal and rest period premium wages described above. Plaintiff's data analysis reflected that there were

approximately 2,992 wage statements issued during the relevant time period. Therefore, Plaintiff calculated Defendant's exposure at $292,400 [($50.00 x 136 initial violations) + ($100 x 2,856 subsequent wage statements)].

23. Defendant argues that its alleged wage statement violations could not be shown to be "knowing and intentional," and that Plaintiff cannot show that she or any other employee "suffer[ed] injury" as a result of the alleged wage statement violations, as required by Lab. Code § 226(e) for imposition of penalties. As such, and given that a number of the Class Members signed arbitration agreements, Plaintiff discounted the calculated exposure by 50 % for a risk of non-certification and an additional 30 % for a risk of being unsuccessful on the merits, to arrive at an estimated total of $102,340.00.

24. Plaintiff alleges that Defendant is also liable for waiting time penalties under Labor Code section 203 as a result of its failure to timely pay all wages upon separation. There are approximately 66 Class Members who have separated their employment with Defendant during the relevant time period who could be entitled to waiting time penalties. Therefore, Plaintiff calculated Defendant's maximum exposure for waiting time penalties at approximately $247,546, inclusive of interest.

25. Defendant asserts it has strong defenses to the waiting time claim because there exist good-faith disputes as to Plaintiff's underlying claims, precluding imposition of penalties. Accordingly, and given that a number of the Class Members signed arbitration agreements, Plaintiff discounted the maximum exposure by 50 % for the risk of non-certification, and an additional 45 % to account for Defendant's defenses on the merits, to arrive at an estimated exposure of $68,075.15.

26. Plaintiff also seeks civil penalties under the PAGA as a result of the foregoing alleged Labor Code violations. Plaintiff calculated Defendant's maximum exposure at $1,260,100.

27. Defendant argues that Plaintiff's PAGA claim will fail for the same reasons that her underlying claims will fail. Defendant also maintains that, given its good faith defenses, this Court would exercise its discretion to substantially reduce any PAGA penalties if it were to find Defendant liable for any of Plaintiff's claims. Therefore, Plaintiff discounted the maximum exposure figure by

50 % for a risk of being unsuccessful on the merits, and an additional 60 % to account for the possibility of this Court reducing penalties, to arrive at an estimated exposure of $252,020.00.

28. Using these estimated figures for each of the claims described above, Plaintiff predicted the realistic total recovery for the Settlement Class would be approximately $1,712,631.78. The proposed settlement of $300,000.00 therefore represents approximately 17.5% of the reasonably forecasted recovery for the Class. Taking into account Defendant's financial condition and ability to pay a settlement, preliminary approval is appropriate as the settlement will provide tangible monetary relief to Class Members and will still provide an average recovery to Class Members of ***over $560.***

29. Class Counsel will apply for an attorneys' fees award of one-third of the GSA, which is currently estimated to be $100,000.00, and up to $25,000.00 in verified costs reimbursement. Plaintiff submits the requested fee is fair compensation for undertaking complex, risky, expensive, and time-consuming litigation on a purely contingent fee basis. Class Counsel has incurred substantial attorney fees conducting pre-filing investigation, analyzing Plaintiff's claims, conducting legal research, analyzing timekeeping data and payroll records, drafting a mediation brief, preparing for and attending mediation, reviewing Defendant's financial documents, negotiating and revising the long-form Settlement, preparing this Motion, and otherwise litigating the case. Class Counsel expect to expend additional attorney time in attending the hearing on this Motion, overseeing the Notice process and fielding questions from Class Members, preparing the final approval papers and attending the Final Approval hearing.

30. Plaintiff has provided written approval of the split of attorneys' fees in this action.

31. Plaintiff will apply for a service payment at the time of seeking final approval in the amount of $7,500.00, and I believe this is reasonable given Plaintiff's effort in this case and the risks she undertook on behalf of the Settlement Class members, including providing substantial factual information and documents to Class Counsel, attending multiple meetings with Class Counsel to discuss the claims and theories at issue in the litigation, as well as the significant risks Plaintiff undertook by agreeing to serve as the named plaintiff in this case, and the fact that Plaintiff has agreed to a general release of all claims subject to a waiver of Civil Code § 1542.

32. Although the parties engaged in informal discovery throughout this action, the parties still had significant discovery to complete in formal litigation had the matter not settled. Moreover, Plaintiff still had to file for class certification and faced the prospect of appeals in the wake of a disputed class certification ruling for Plaintiff and/or an adverse summary judgment ruling. This is especially true given the existence of a purported arbitration agreement.

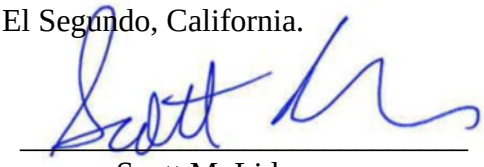
33. I do not have any conflicts of interest with the class. I have made reasonable inquiry of other members of my firm and my co-counsel's firm, Haines Law Group, APC, and no one has any conflicts of interest with the class.

34. I do not have any conflicts of interest with Phoenix Settlement Administrators.

35. Plaintiff will serve the Motion for Preliminary Approval and proposed Settlement Agreement on the LWDA on the same date she files her Motion for Preliminary Approval.

36. Defendant and its counsel confirmed that they are not aware of any other pending lawsuits asserting claims against Defendant that may be adversely affected by this settlement. My firm and co-counsel's firm are not aware of any pending matters either.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on October 16, 2025 at El Segundo, California.



Scott M. Lidman

EXHIBIT 1

EXHIBIT 1

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

January 10, 2025

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

VIA U.S. CERTIFIED MAIL – RETURN RECEIPT REQUESTED
Arroyo Developmental Services, a California corporation
c/o Robert C. Wark, Agent for Service of Process
1839 Potrero Grande Drive
Monterey Park, CA 91755

Re: *Anabel Gomez v. Arroyo Developmental Services, a California corporation*

To Whom It May Concern:

Please be advised that this law firm represents Anabel Gomez in claims arising from her employment with Arroyo Developmental Services, a California corporation ("Defendant"). Ms. Gomez is an "aggrieved employee" as defined by Labor Code sections 2699, *et seq*. due to Defendant's numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code section 2699.3, which requires aggrieved employees to notify their employer and the Labor and Workforce Development Agency ("LWDA") of the specific provisions of the Labor Code allegedly violated.

For purposes of this letter, an "aggrieved employee" should be considered to include all current and former hourly, non-exempt employees in California who worked, at least in part, during the one year immediately preceding the date of this letter through the date of trial, the date judgment is entered, the date of settlement, and/or other date approved by the Court.

Ms. Gomez, a former non-exempt employee, was employed by Defendant from approximately April 2019 to approximately October 31, 2024. During her employment, Ms. Gomez held the title of Job Coach, and she was responsible for providing assistance, supervision, and transportation to young adults with special needs. Her duties involved picking up clients, driving them to and from activities, and scheduling activities for them such as taking them to the library and various other activities. Ms. Gomez would often work with another Job Coach as a team, and they would be responsible for the care of four to six clients at a time.

Ms. Gomez was generally scheduled to work Monday through Friday from 8:00 a.m. to 3:00 p.m. Defendant required Ms. Gomez to clock in and out of a timekeeping system through a phone application to keep track and record her time worked.

During her employment with Defendant, Defendant engaged in policies and/or practices that required Ms. Gomez and other hourly, non-exempt employees to work off-the-clock, resulting in Ms. Gomez and other hourly, non-exempt employees not being compensated for all hours actually worked. Specifically, Ms. Gomez and other hourly, non-exempt employees were required to be available to Defendant beginning at 7:30 a.m. However, Defendant instructed Ms. Gomez and other hourly, non-exempt employees to clock in no earlier than 8:00 a.m., which was their scheduled start time. As such, Ms. Gomez and other non-exempt employees were not compensated for all hours worked and thus were not paid all minimum and overtime wages.

During her employment with Defendant, Ms. Gomez and other hourly, non-exempt employees occasionally worked in excess of eight hours per workday and/or forty hours per workweek but did not receive proper overtime compensation equal to one and one-half time their regular rate of pay for all overtime hours worked. Specifically, Defendant paid Ms. Gomez and other hourly, non-exempt employees bonuses and/or other forms of pay not properly excludable as a matter of law when calculating their regular rate of pay (hereinafter referred to as "Bonus Pay"). Despite Defendant's payment of Bonus Pay to Ms. Gomez and other hourly, non-exempt employees, Defendant failed to include the Bonus Pay when calculating their regular rate of pay for purposes of overtime, thereby causing Ms. Gomez and other hourly, non-exempt employees to be underpaid for all their required overtime wages.

Throughout Ms. Gomez's employment with Defendant, Ms. Gomez and other hourly, non-exempt employees were not provided all legally required meal periods due to Defendant's meal period policies and practices, which fail to provide 30-minute duty free first meal periods before the end of the fifth hour of work in violation of California law. As a result of the work demands imposed by Defendant and Ms. Gomez and other hourly, non-exempt employees not being relieved of all responsibilities because they had to care for their clients at all times, Defendant often provided meal periods that were either interrupted, late, short, or failed to provide a required meal period altogether. Further, when Ms. Gomez and other hourly, non-exempt employees were provided a meal period, they were not permitted by Defendant to leave the facility and remain under the control of Defendant.

Although Ms. Gomez and other hourly, non-exempt employees were not provided with all legally-compliant meal periods to which they were entitled, Defendant failed to compensate Ms. Gomez and other hourly, non-exempt employees with the required meal period premium for each workday in which they experienced a meal period violation as mandated by Labor Code § 226.7.

Ms. Gomez and other hourly, non-exempt employees were also not authorized and permitted to take all legally required and compliant rest periods due to Defendant's rest

period policies and practices. Specifically, due to Defendant's practices and the work demands imposed by Defendant including having to care for their clients at all times, Defendant did not authorize and permit one rest period for every four hours worked, or major fraction thereof. Indeed, Ms. Gomez and other hourly, non-exempt employees were not authorized and permitted to take any rest periods during their employment with Defendant.

On those occasions when Ms. Gomez and other hourly, non-exempt employees were not authorized and permitted to take all legally-compliant rest periods to which they were entitled, Defendant failed to compensate Ms. Gomez and other hourly, non-exempt employees with the required rest period premium for each workday in which they experienced a rest period violation as mandated by Labor Code § 226.7.

As a result of Defendant's failure to pay all minimum wages, overtime wages, as well as meal period premium wages and rest period premium wages, Defendant maintained inaccurate payroll records and issued inaccurate wage statements to Ms. Gomez and other hourly, non-exempt employes.

As a further result of Defendant's failure to pay all minimum and overtime wages, as well as meal and rest period premium wages, Defendant failed to pay all wages owed at the time of non-exempt employees' separation of employment.

As described above, Defendant committed the following violations of the Labor Code and Industrial Welfare Commission Wage Order Nos. 4, 5, and/or 15 (the "Wage Orders"):

Minimum Wage Violations

Defendant was required to pay Ms. Gomez and other aggrieved employees an hourly rate at least equal to the minimum wage for each hour actually worked. *See* Labor Code §§ 1194; 1194.2, 1197; the Wage Orders § 4. Ms. Gomez and other aggrieved employees were not paid for all hours worked due to Defendant's policies and practices.

Overtime Violations

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

above, Defendant did not include Ms. Gomez's and other hourly, non-exempt employees' Bonus Pay when calculating their regular rate of pay for the purposes of overtime.

Meal Period Violations

As alleged above, Defendant failed to provide Ms. Gomez and other Aggrieved Employees with all required and compliant meal periods. *See* Labor Code §§ 226.7 and 512; the Wage Orders § 10. Specifically, due to the work demands imposed by Defendant, Ms. Gomez and other Aggrieved Employees were often unable to take a duty-free 30-minute meal period before the end of the fifth hour of work. As a result, their meal periods were often interrupted, late, short, or otherwise unlawful. As a result, Ms. Gomez and other Aggrieved Employees are owed an additional hour of wages at their regular rate of compensation for each workday they experienced a meal period violation. *See* Labor Code § 226.7 ("If an employer fails to provide an employee a meal or rest or recovery period in accordance with … [an] order of the Industrial Welfare Commission … the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided."). Although Ms. Gomez and other Aggrieved Employees were not provided with all legally-compliant meal periods to which they were entitled, Defendant failed to compensate Ms. Gomez and other Aggrieved Employees with the required meal period premium for each workday in which they experienced a meal period violation as mandated by Labor Code § 226.7.

Rest Period Violations

Defendant also failed to authorize and permit Ms. Gomez and other Aggrieved Employees to take all required rest periods. *See* Labor Code §§ 226.7 and 516; the Wage Orders § 11. As alleged above, Defendant's rest period policies/practices fail to authorize and permit all rest periods for every four hours worked, or *major fraction thereof*. Specifically, as a result of the work demands imposed by Defendant, Defendant did not authorize and permit rest periods. As a result, Ms. Gomez and other Aggrieved Employees are owed an additional hour of wages at their regular rate of compensation for each workday that they were not authorized and permitted to take all legally required rest periods. *See* Labor Code § 226.7 ("If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest period is not provided.")

Waiting Time Penalties

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

wages due to Ms. Gomez and other Aggrieved Employees was willful and, consequently, entitles Ms. Gomez and other similarly Aggrieved Employees to waiting time penalties equal to one day of wages at their standard hourly rate for each day Defendant failed to pay their final wages after their separation, up to a maximum of thirty days.

Wage Statement Violations

Defendant knowingly and intentionally, as a matter of uniform practice and policy, failed to furnish Ms. Gomez and other Aggrieved Employees with accurate and complete, itemized wage statements that included, among other requirements, all minimum and overtime wages earned, meal and rest period premiums, in violation of Labor Code § 226 *et seq*. Defendant's failure to furnish Ms. Gomez and other aggrieved employees with complete and accurate, itemized wage statements resulted in actual injury, as said failures led to, among other things, the non-payment of all minimum and overtime wages earned, and meal and rest period premium wages, and deprived them of the information necessary to identify discrepancies in Defendant's reported data.

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

a) Defendant violated Labor Code §§ 1194, 1194.2, and 1197 by failing to pay Ms. Gomez and other aggrieved employees the statutory minimum wage for all hours worked;

b) Defendant violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to pay Ms. Gomez and other aggrieved employees all overtime compensation earned;

c) Defendant violated Labor Code §§ 226.7, 512, and 558 by failing to provide all legally required meal periods and failing to pay meal period premiums to Ms. Gomez and other aggrieved employees;

d) Defendant violated Labor Code §§ 226.7, 516, and 558 by failing to provide all legally required rest periods and failing to pay rest period premiums to Ms. Gomez and other aggrieved employees;

e) Defendant violated Labor Code § 226 by failing to furnish Ms. Gomez and other aggrieved employees with accurate and compliant itemized wage statements;

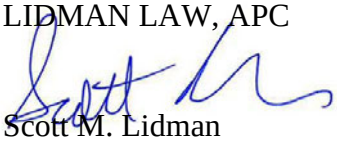
f) Defendant violated Labor Code § 203 by failing to pay Ms. Gomez and other aggrieved employees all earned wages at the time of separation of employment; and

g) Defendant violated Labor Code § 1174 by failing to maintain accurate records on behalf of Ms. Gomez and other aggrieved employees.

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

Very truly yours,

LIDMAN LAW, APC



Scott M. Lidman

EXHIBIT 2

EXHIBIT 2

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement ("Agreement") is made by and between Plaintiff Anabel Gomez ("Plaintiff"), and Defendant Arroyo Developmental Services ("Defendant"). The Agreement refers to Plaintiff and Defendant collectively as "Parties," or individually as "Party."

1. DEFINITIONS:

1.1. "Action" means the Plaintiff's lawsuit alleging wage and hour violations against Defendant captioned *Anabel Gomez v. Arroyo Developmental Services*, Case No. 25STCV00600, initiated on January 9, 2025, and pending in Superior Court of the State of California, County of Los Angeles.

1.2. "Administrator" means Phoenix Settlement Administrators, the neutral entity the Parties have agreed to appoint to administer the Settlement.

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

1.4. "Aggrieved Employee" means all individuals whom Defendant classified as non-exempt employees and who worked for Defendant in California at any time during the PAGA Period.

1.5. "Class" means all individuals whom Defendant classified as non-exempt employees and who worked for Defendant in California at any time during the Class Period.

1.6. "Class Counsel" means Scott M. Lidman, Milan Moore, and Tiara Gose-Hardy of Lidman Law, APC and Paul Haines of Haines Law Group, APC.

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 Action.

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

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

1.10. "Class Member Address Search" means the Administrator's investigation and 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 in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.12. “Class Period” means the period of time starting on January 9, 2021 and ending on September 20, 2025 or the date that the Court grants preliminary approval of the settlement, whichever is earlier.

1.13. “Class Representative” means Anabel Gomez, the named Plaintiff in the operative complaint in the Action 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 Action and providing services in support of the Action.

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

1.16. “Defendant” means the named Defendant Arroyo Developmental Services.

1.17. “Defense Counsel” means Philip Ewen and Michael R. Mauge of Musick, Peeler & Garrett 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; or (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 $300,000.00 which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 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 each Aggrieved Employee’s pro rata share of 35 percent of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.

1.25. “Judgment” means the judgment entered by the Court based upon the Final Approval.

1.26. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled to monitor Labor Code compliance, under Labor Code section 2699, subd. (i).

1.27. “LWDA PAGA Payment” means the 65 percent of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (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 Defendant for at least one day during the PAGA Period.

1.31. “PAGA Period” means the period of time starting on January 10, 2024 and ending on September 20, 2025 or the date that the Court grants preliminary approval of the settlement, whichever is earlier.

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

1.33. “PAGA Notice” means Plaintiff’s January 10, 2025 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.34. “PAGA Penalties” means the total amount of PAGA civil penalties ($20,000.00) to be paid from the Gross Settlement Amount, allocated 35 percent to the Aggrieved Employees ($7,000.00) and the 65 percent to LWDA ($13,000.00) 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 Anabel Gomez, the named plaintiff in the Action.

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: Defendant and its respective former, current and future parent companies, subsidiaries, affiliates, shareholders, owners, managers, members, agents, principals, heirs, representatives (including, without limitation, any investment bankers, accountants, auditors, consultants, insurers, reinsurers, attorneys and any past, present or future officers, directors and employees) predecessors, successors, and assigns.

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 or her Objection to the Settlement. Class Members to whom Notice is 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 Action effected by this Agreement and the Judgment.

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

2. RECITALS:

2.1. On January 9, 2025, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendant for (i) failure to pay all minimum wages owed; (ii) failure to pay all overtime wages owed; (iii) failure to provide meal periods; (iv) failure to authorize and permit rest periods; (v) failure to provide accurate, itemized wage statements; (vi) waiting time penalties; and (vii) unfair competition.

2.2. Pursuant to Labor Code section 2699.3, subd.(a), on January 10, 2025, Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.

2.3. On July 22, 2025, the Parties participated in an all-day mediation presided over by Steve Mehta, Esq. which led to this Agreement to settle the Action.

2.4. Prior to mediation, Plaintiff obtained, through informal discovery, Defendant’s timekeeping and payroll data, as well as Defendant’s wage and hour policies and other relevant documents and information relevant to the claims alleged. 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*”).

2.5. On August 14, 2025, Plaintiff filed a First Amended Complaint which asserted all of the same causes of action as in the original Complaint, but added a claim under the PAGA for civil penalties based on the underlying Labor Code claims alleged.

2.6. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint and denies any and all liability for the causes of action alleged.

2.7. The Court has not granted class certification.

2.8. 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, Defendant promises to pay $300,000.00 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. Defendant has

no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

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 $7,500.00 (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendant will not oppose Plaintiff's request for Class Representative Service Payment that do 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 Payment 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 one-third (1/3) of the Gross Settlement Amount, which is currently estimated to be $100,000.00 and a Class Counsel Litigation Expenses Payment of not more than $25,000.00. Defendant 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 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 Defendant harmless, and indemnifies Defendant, 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 $7,250.00 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 $7,250.00, 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.

3.2.5. Tax Allocation of Individual Class Payments. Twenty Percent (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. Eighty Percent (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.

3.2.6. 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.

3.2.7. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of $20,000.00 to be paid from the Gross Settlement Amount, with 65 percent ($13,000.00) allocated to the LWDA PAGA Payment and 35 percent ($7,000.00) allocated to the Individual PAGA Payments.

3.2.7.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 35 percent share of PAGA Penalties ($7,000.00) 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.

3.2.7.2. 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 to date, Defendant estimates there are 247 Class Members who collectively worked a total of 20,340 Workweeks during the Class Period, and 208 Aggrieved Employees who collectively worked a total of 2,992 PAGA Pay Periods during the PAGA Period.

4.2. Class Data. Not later than 20 days after the Court grants Preliminary Approval of the Settlement, Defendant will 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. Defendant 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 Defendant 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. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator in ten (10) equal monthly payments beginning 30 days after the date the Court grants Final Approval. Any amounts necessary to fully pay Defendant's share of payroll taxes, and any additional funds owed by Defendant due to an increase to the Gross Settlement Amount as a result of the Escalator Clause (defined below) being triggered, shall be deposited at the same time as the tenth (10^{th}) and final payment.

4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendant fully funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payments shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

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 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 who requests a replacement prior to the void date, for those whose original checks were lost or misplaced.

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 thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

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

5. RELEASES OF CLAIMS: Effective on the date when Defendant 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 her respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the Class Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint; and (b) all

PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint and Plaintiff's PAGA Notice ("Plaintiff's Release"). Plaintiff also agrees to release, in addition to the Released Class Claims and Released PAGA Claims described above, all claims, whether known or unknown, under federal law or state law against the Released Parties for the time period April 10, 2019 through the date Plaintiff executes this Agreement. 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. Notwithstanding the foregoing, the waiver and release in this Agreement does not apply to: (i) those rights as a matter of law that cannot be waived, including, but not limited to, workers' compensation claims; (ii) rights or claims arising out of this Agreement after this Agreement is executed by Plaintiff; and (iii) rights or claims arising of this Agreement. The Agreement in no way affects Plaintiff's entitlement and/or benefits to be received by Plaintiff in workers' compensation pursuant to the jurisdiction of workers' compensation. Plaintiff also agrees to not request an exclusion from this settlement. Any Class Representative Service Payment approved by the Court will result in the issuance of a Form 1099 to the Class Representative, who shall assume full responsibility and liability for the payment of taxes due on such award.

5.1.1 Plaintiff's Waiver of Rights Under California 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 California Civil Code, which reads:

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

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 all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and/or ascertained in the course of the Action and which occurred during the Class Period. The claims released include, without limitation: (1) failure to pay all minimum wages owed; (2) failure to pay all overtime wages owed; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to provide accurate, itemized wage statements; (6) waiting time penalties; and (7) unfair competition in violation of Business and Professions Code section 17200, *et seq*. premised on the above claims; and violation of or liability under California Labor Code under sections 203, 204, 226 *et seq*., 226.7, 510, 512, 516, 558, 1194, 1194.2, 1197, 1198, and the relevant Wage Orders issued by the Industrial Welfare Commission, and any and all related claims for attorneys' fees and costs. 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 release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and/or

the PAGA Notice and/or ascertained in the course of the Action and which occurred during the PAGA Period. The claims released include, without limitation: (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide meal periods or pay meal period premiums; (4) failure to provide all legally required rest periods or pay rest period premiums; (5) failure to provide accurate, itemized wage statements; (6) failure to timely way all wages upon separation of employment, and (7) failure to maintain accurate records, and the relevant Wage Orders issued by the Industrial Welfare Commission, and any and all related claims for attorneys' fees and costs.

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

6.1 Defendant's Declarations in Support of Preliminary Approval. Within 10 days of the full execution of this Agreement, Defendant will prepare and deliver to Class Counsel signed Declarations from Defendant and Defense Counsel stating 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 all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class 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) signed declarations from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and the Administrator; (v) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); (vi) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (vii) 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. Plaintiff shall provide drafts of these documents to Defense Counsel not later than seven days prior to filing the Motion for Preliminary 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 Preliminary Approval.

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 60 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

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 jointly selected Phoenix Settlement Administrators to serve as the Administrator and verified that, as a condition of appointment, it agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

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, Aggrieved Employees, Workweeks, and Pay Periods in the Class Data.

7.4.2 No later than three (3) business days after notification of the number of Workweeks and Pay Periods in the Class Data, should the Escalator Clause of Paragraph 8 be triggered, Defendant shall notify Class Counsel and the Administrator of its election to either (1) increase the Gross Settlement Amount, or (2) shorten the Class Period, PAGA Period, and release periods.

7.4.3 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 United States Postal Service ("USPS") mail, the Class Notice, 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.

7.4.4 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.

7.4.5 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.

7.4.6 If the Administrator, Defendant 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 e-mail 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, e-mail, 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 representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and e-mail 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 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 Class 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, e-mail 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 of 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, e-mail, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 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.

7.9 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 e-mails.

7.9.1 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 five (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).

7.9.2 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 Pay

Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

7.9.3 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 Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

7.9.4 Administrator's Declaration. Not later than seven (7) 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.

7.9.5 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 10 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, Defendant estimates that there are approximately 247 Class Members who worked a total of 20,340 Workweeks during the Class period. If the actual number of Workweeks worked during the Class Period is more than 10 percent greater that this figure (i.e., there are more than 22,374 Workweeks worked by the Class Members), Defendant will either, at its option, (1) increase the Gross Settlement Amount by the same percent increase to the number of Workweeks (i.e., if there was an 11% increase in the number of Workweeks during the Class Period, Defendant would agree to increase the Gross Settlement Amount by 11%); or (2) elect to shorten the Class Period, PAGA Period, and release periods to end on the date on which the aggregate workweeks is closest to, without exceeding, 20,374 Workweeks worked by the Class Members.

9. **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, subd. (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.

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

9.2 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.

9.3 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.

9.4 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 reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

9.5 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.

10. 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.

11. ADDITIONAL PROVISIONS:

11.1 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 Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's

defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant 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 Defendant'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).

11.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency.

Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant 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.

11.3 No Publicity. Plaintiff and Plaintiff's counsel agree not to publicize the Settlement. This provision shall not apply to the filing of any documents with the Court which are necessary to effectuate the Settlement, nor is it intended to interfere with or restrict: (1) the third-party administrator from distributing the notice packets and otherwise complying with its obligation to provide information to affected Class Members; or (2) the third-party administrator from posting any judgment on its website. However, for the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other actions, Class Counsel may disclose the names of the Parties in this Action, the venue/case number of this Action, and a general description of the Action, to a court in a declaration by Class Counsel. This provision shall not apply to limit Plaintiff and Class Counsel's ability to effectuate their duties to the Class Members or limit their ability to communicate with Class Members as contractually required to effectuate the terms of the Settlement Agreement as set forth herein.

11.4 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.

11.5 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

11.6 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, 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.

11.7 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.

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

11.9 No Tax Advice. Neither Plaintiff, Class Counsel, Defendant 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.

11.10 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.

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

11.12 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.

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

11.14 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.

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

the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.

11.16 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.

11.17 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.

11.18 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:

Scott M. Lidman
Milan Moore
Tiara Gose-Hardy
Lidman Law, APC
2155 Campus Drive, Suite 150
El Segundo, California 90245
Telephone: (424) 322-4772
Facsimile: (424) 322-4775
Email: slidman@lidmanlaw.com
Email: mmoore@lidmanlaw.com
Email: tgose@lidmanlaw.com

Paul K. Haines
Haines Law Group, APC
phaines@haineslawgroup.com
2155 Campus Drive, Suite 180
El Segundo, California 90245
Telephone: (424) 292-2350
Facsimile: (424) 292-2355
Email: phaines@haineslawgroup.com

To Defendant:

Philip Ewen
Michael R. Mauge
Musick, Peeler & Garrett LLP
333 South Hope Street, Suite 3900
Los Angeles, California 90071
Telephone: (213) 629-7600
Facsimile: (213) 624-1376
Email: p.ewen@musickpeeler.com
m.mauge@musickpeeler.com

11.19 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (*i.e.* DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will 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.

11.20 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

DATED: 8/27/2025

DEFENDANT ARROYO DEVELOPMENTAL SERVICES

Robert Wark

By: _____

Its: President / Executive Director

DATED:

PLAINTIFF ANABEL GOMEZ

By:_____

Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED: 9/2/2025

MUSICK, PEELER & GARRETT LLP

_____

Philip Ewen
Michael R. Mauge
Attorneys for Defendant

DATED:

LIDMAN LAW, APC

By:_____

Scott M. Lidman
Attorneys for Plaintiff

DATED:

HAINES LAW GROUP, APC

By:_____

Paul K. Haines
Attorneys for Plaintiff

11.20 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

DATED:

DEFENDANT ARROYO DEVELOPMENTAL SERVICES

By: _____
Its: _____

DATED: Sep 1, 2025

PLAINTIFF ANABEL GOMEZ

By: _____ (Sep 1, 2025 21:22:06 PDT)

Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED:

MUSICK, PEELER & GARRETT LLP

Philip Ewen
Michael R. Mauge
Attorneys for Defendant

DATED: September 1, 2025

LIDMAN LAW, APC

By: _____
Scott M. Lidman
Attorneys for Plaintiff

DATED: September 1, 2025

HAINES LAW GROUP, APC

By: _____
Paul K. Haines
Attorneys for Plaintiff

EXHIBIT A

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

Anabel Gomez v. Arroyo Developmental Services, Case No. 25STCV00600

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 an employee class action lawsuit ("Action") against Defendant Arroyo Developmental Services ("ADS" is used herein as a placeholder) for alleged wage and hour violations. The Action was filed by former employee Anabel Gomez ("Plaintiff") and seeks payment of (1) unpaid minimum wages, overtime wages, missed meal and rest period premiums, wage statement penalties, waiting time penalties, and restitution under California Business and Professions Code section 17200 for a class of individuals classified as non-exempt employees ("Class Members") who worked for ADS during the period of time starting on January 9, 2021 and ending on [September 20, 2025 or the date the Court grants preliminary approval] ("Class Period"); and also seeks (2) civil penalties under the California Private Attorney General Act ("PAGA") for all individuals classified as independent contractors ("Aggrieved Employees") who worked for ADS during the period of time starting on January 10, 2024 and ending on [September 20, 2025 or the date the Court grants preliminary approval] ("PAGA Period").

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

Based on ADS'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 ADS'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 ADS'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 and/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 ADS to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against ADS.

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

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

(2) **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 ADS, 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.

ADS 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 Do Not Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against ADS 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** _____	If you do not 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. ADS must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).

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

1. WHAT IS THE ACTION ABOUT?

Plaintiff is an individual who worked for ADS and was classified as a non-exempt employee. The Action accuses ADS of violating California labor laws by failing to pay overtime wages, minimum wages, wages due upon termination, failing to provide meal periods and rest breaks, and failing to provide accurate itemized wage statements. Based on the same claims, Plaintiff has also asserted a claim for restitution under California Business and Professions Code section 17200 and a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, *et seq*.) ("PAGA"). Plaintiff is represented by attorneys in the Action: Scott M. Lidman, Milan Moore, and Tiara Gose-Hardy of Lidman Law, APC and Paul Haines of Haines Law Group, APC ("Class Counsel.")

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

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

So far, the Court has made no determination whether ADS or Plaintiff is correct on the merits. In the meantime, Plaintiff and ADS 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. The negotiations were successful. 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 ADS 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, ADS 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) ADS 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.

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

1. ADS Will Pay $300,000.00 as the Gross Settlement Amount (Gross Settlement). ADS 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 Payments, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Preliminary Approval, ADS will fund the Gross Settlement in ten (10) equal monthly payments beginning 30 days after the Court grants Final Approval of the settlement.

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

   A. Up to $100,000.00 (1/3rd of the Gross Settlement) to Class Counsel for attorneys' fees and up to $25,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment. Pursuant to a written fee split agreement, the proposed attorneys' fees will be split by the attorneys involved in this matter as follows: 31 % to Lidman Law, APC; 46.5 % to Haines Law Group, APC; and 22.5 % to Michael Burgis & Associates, PC (referring firm).

   B. Up to $7,500.00 to Plaintiff as Class Representative Service Payment for filing the Action, working with Class Counsel and representing the Class. Class Representative Service Payment will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.

   C. Up to $7,250.00 to the Administrator for services administering the Settlement.

   D. Up to $20,000.00 for PAGA Penalties, allocated 65% to the LWDA PAGA

Payment and 35% 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.

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

4. Taxes Owed on Payments to Class Members. Plaintiff and ADS 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. ADS will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

   Although Plaintiff and ADS 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.

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

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than _ _____, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her 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 ADS.

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 ADS based on the PAGA Period facts alleged in the Action.

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

8. Administrator. The Court has appointed a neutral company, Phoenix Settlement Administrators (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.

9. Participating Class Members' Release. After the Judgment is final and ADS 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 ADS or related 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 Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and/or ascertained in the course of the Action and which occurred during the Class Period. The claims released include, without limitation: (1) failure to pay all minimum wages owed; (2) failure to pay all overtime wages owed; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to provide accurate, itemized wage statements; (6) waiting time penalties; and (7) unfair competition in violation of Business and Professions Code section 17200, *et seq*. premised on the above claims; and violation of or liability under California Labor Code under sections 203, 204, 226 *et seq*., 226.7, 510, 512, 516, 558, 1194, 1194.2, 1197, 1198, and the relevant Wage Orders issued by the Industrial Welfare Commission, and any and

all related claims for attorneys' fees and costs. 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.

10. Aggrieved Employees' PAGA Release. After the Court's judgment is final, and ADS has fully funded the Gross Settlement and separately paid the employer-side payroll taxes, all Aggrieved Employees will be barred from asserting PAGA claims against ADS, 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 ADS or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

    The Aggrieved Employees' Releases are as follows:

    All Aggrieved Employees release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and/or the PAGA Notice and/or ascertained in the course of the Action and which occurred during the PAGA Period. The claims released include, without limitation: (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide meal periods or pay meal period premiums; (4) failure to provide all legally required rest periods or pay rest period premiums; (5) failure to provide accurate, itemized wage statements; (6) failure to timely way all wages upon separation of employment, and (7) failure to maintain accurate records, and the relevant Wage Orders issued by the Industrial Welfare Commission, and any and all related claims for attorneys' fees and costs.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

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

2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing $7,000.00 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.

3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked

during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in ADS's records, are stated in the first page of this Notice. You have until _____ 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, e-mail 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 ADS's calculation of Workweeks and/or Pay Periods based on ADS'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 ADS's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. 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.

2. Aggrieved Employees. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee even if the Aggrieved Employee opts out of the Class Settlement.

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

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

Submit a written and signed letter with your name, current 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 "Anabel Gomez v. Arroyo Developmental Services", 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 _____, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and ADS are asking the Court to approve. At least 16 Court days before the _____ Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Class Representative Service Payment 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 Payment. 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 _____(url)_____ or the Court's website _____(url)_____.

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 Class Representative Service Payment may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is _____**. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action as Anabel Gomez v. Arroyo Developmental Services and include your name, current address, telephone number, and approximate dates of employment for ADS 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.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on _ _____(date) at _ _____ (time) in Department SSC-11 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 _____ beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything ADS and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to (specify entity)'s website at (url). You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (http://www.lacourt.org/casesummary/ui/index.aspx) and entering the Case Number for the Action, Case No. 25STCV00600. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

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

Class Counsel:

Scott M. Lidman
Milan Moore
Tiara Gose-Hardy
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Facsimile: (424) 292-2355
Email: phaines@haineslawgroup.com

Settlement Administrator:
Name of Company:
Email Address:
Mailing Address:
Telephone:
Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, 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

11. WHAT IF I CHANGE MY ADDRESS?

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

EXHIBIT 3

EXHIBIT 3

~~[MODEL]~~ CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE~~[1]~~

This Class Action and PAGA Settlement Agreement ("Agreement") is made by and between ~~plaintiff _____ ("~~Plaintiff~~")~~ Anabel Gomez ("Plaintiff"), and ~~defendant XYZ~~

~~_____ ("XYZ").~~Defendant Arroyo Developmental Services ("Defendant"). The Agreement refers to Plaintiff and ~~XYZ~~Defendant collectively as "Parties," or individually as "Party."

1. DEFINITIONS~~.~~:

1.1. "Action" means the Plaintiff's lawsuit alleging wage and hour violations against ~~XYZ~~Defendant captioned ~~_____~~ ~~_____~~*Anabel Gomez v. Arroyo Developmental Services,* Case No. 25STCV00600, initiated on ~~_____~~January 9, 2025, and pending in Superior Court of the State of California, County of Los Angeles.

1.2. "Administrator" means ~~_____~~Phoenix Settlement Administrators, the neutral entity the Parties have agreed to appoint to administer the Settlement.

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

1.4. ~~_____~~"Aggrieved Employee" means ~~[e.g., a person employed by XYZ in California and~~ all individuals whom Defendant classified as ~~a _____~~ non-exempt employees and who worked for ~~XYZ~~Defendant in California at any time during the PAGA Period~~].~~.

1.5. "Class" means ~~[define class e.g., all persons employed by XYZ in California and~~ all individuals whom Defendant classified as ~~_____~~ non-exempt employees and who worked for ~~XYZ~~Defendant in California at any time during the Class Period~~].~~.

1.6. "Class Counsel" means ~~_____~~Scott M. Lidman, Milan Moore, and Tiara Gose-Hardy of Lidman Law, APC and Paul Haines of Haines Law Group, APC.

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 Action.

1.8. "Class Data" means Class Member identifying information in ~~XYZ's~~Defendant's possession including the Class Member's name, last-known mailing address, Social Security

number, ~~,~~ and number of Class Period Workweeks and PAGA Pay Periods.

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

~~1.10.~~ "Class Member Address Search" means the Administrator's investigation and search for current Class Member mailing addresses using all reasonably available

1.10. 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 1.11. 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 ____ to ____~~ of time starting on January 9, 2021 and ending on September 20, 2025 or the date that the Court grants preliminary approval of the settlement, whichever is earlier.[ii]

1.13. "Class Representative" means Anabel Gomez, the named Plaintiff in the operative complaint in the Action 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 Action and providing services in support of the Action.

1.15. "Court" means the Superior Court of California, County of Los Angeles.

1.16. "~~XYZ~~Defendant" means the named Defendant ~~_____~~Arroyo Developmental Services.

1.17. "Defense Counsel" means ~~__~~Philip Ewen and Michael R. Mauge of Musick, Peeler & Garrett LLP.

~~1.18.~~ "Effective Date" means the date by when both of the following have occurred: 1.18. (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) 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; or (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 $~~_____~~300,000.00 which is the total amount ~~XYZ~~Defendant agrees to pay under the Settlement except as provided in Paragraph ~~9~~8 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual

1.22. 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~~each Aggrieved Employee's pro rata share of ~~25%~~35 percent of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.

1.25. "Judgment" means the judgment entered by the Court based upon the Final Approval.

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

1.27. "LWDA PAGA Payment" means the ~~75%~~65 percent of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (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 ~~XYZ~~Defendant for at least one day during the PAGA Period.

1.31. "PAGA Period" means the period ~~from _____ to _____.~~[iii]of time starting on January 10, 2024 and ending on September 20, 2025 or the date that the Court grants preliminary approval of the settlement, whichever is earlier.

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

1.33. "PAGA Notice" means Plaintiff's ~~_____~~January 10, 2025 letter to ~~XYZ~~Defendant and the LWDA ~~[and Plaintiff's _____ letter to XYZ and the LWDA]~~ providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.34. "PAGA Penalties" means the total amount of PAGA civil penalties ($20,000.00) to be paid from the Gross Settlement Amount, allocated ~~25%~~35 percent to the Aggrieved Employees ($7,000.00) and the 65 percent to LWDA ($13,000.00) in settlement of PAGA claims. ~~(_____) and the 75% to LWDA (_____) 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 ~~_____~~Anabel Gomez, the named plaintiff in the Action.

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 ~~6~~5.2 below.

1.40. “Released PAGA Claims” means the claims being released as described in Paragraph ~~6.2~~5.3 below.

1.41. “Released Parties” means: ~~XYZ~~Defendant and ~~each of~~ its respective former, current and ~~present directors, officers,~~ future parent companies, subsidiaries, affiliates, shareholders, owners, ~~[~~managers, members~~], attorneys~~, agents, principals, heirs, representatives (including, without limitation, any investment bankers, accountants, auditors, consultants, insurers, reinsurers, attorneys and any past, present or future officers, directors and employees) predecessors, successors, and assigns ~~[subsidiaries] [affiliates].~~
~~1.41.~~

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 ~~[e.g., 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 or her Objection to the Settlement. Class Members to whom Notice ~~Packets are~~is 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 Action effected by this Agreement and the Judgment.

1.45. “Workweek” means any week during which a Class Member worked for ~~XYZ~~Defendant for at least one day, during the Class Period~~.~~[iv].

2. RECITALS~~.~~:

~~2.1.~~ ~~_____~~On ~~_____~~January 9, 2025, Plaintiff commenced this Action by filing a Complaint alleging causes of action against ~~XYZ~~Defendant for ~~_____~~. ~~[The Complaint is the operative complaint in the Action (the “Operative Complaint.”)]~~

[On __, Plaintiff filed a [e.g., First Amended Complaint] alleging causes of action against XYZ for _____. The [e.g., First Amended] Complaint is the operative complaint in the Action (the "Operative

2.1. ~~Complaint.")] XYZ denies the allegations in the Operative Complaint, denies any~~(i) failure to ~~comply with the laws identified in in the Operative Complaint~~pay all minimum wages owed; (ii) failure to pay all overtime wages owed; (iii) failure to provide meal periods; (iv) failure to authorize and ~~denies any~~permit rest periods; (v) failure to provide accurate, itemized wage statements; (vi) waiting time penalties; and ~~all liability for the causes of action alleged.~~(vii) unfair competition.

2.2. Pursuant to Labor Code section 2699.3, subd.(a), on January 10, 2025, Plaintiff gave timely written notice to ~~XYZ~~Defendant and the LWDA by sending the PAGA Notice.

~~2.3. On (type in additional dates), [~~On July 22, 2025, the Parties

2.3. participated in an all-day mediation presided over by Steve Mehta, Esq. which led to this Agreement to settle the Action ~~(describe alternative means of negotiation).~~.

~~(describe alternative means of negotiation)~~

~~2.4.~~ Prior to ☐ mediation ☐ ~~negotiating the Settlement~~, Plaintiff obtained, through

2.4. ☐ ~~formal~~ ☐ informal discovery, ~~(~~Defendant's timekeeping and payroll data, as well as Defendant's wage and hour policies and other relevant documents~~, testimony~~ and information ~~obtained)~~ ~~.~~relevant to the claims alleged. 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*").

2.5. On August 14, 2025, Plaintiff filed a First Amended Complaint which asserted all of the same causes of action as in the original Complaint, but added a claim under the PAGA for civil penalties based on the underlying Labor Code claims alleged.

2.6. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint and denies any and all liability for the causes of action alleged.

~~2.5.~~2.7. The Court ☐ ~~has~~ ☐ has not granted class certification.

~~(insert details as needed)~~

~~2.6.~~2.8. 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 98 below, XYZDefendant promises to pay $_____ and no more300,000.00 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.] XYZ. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 6.14.3 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 XYZDefendant.

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 $_____7,500.00 (in addition to any Individual Class Payment [and any Individual PAGA Payment] the Class Representative is

3.2.1. entitled to receive as a Participating Class Member). ~~XYZ~~Defendant will not oppose Plaintiff's request for ~~a~~ Class Representative Service Payment that ~~does~~do 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~~Payment 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 ~~__%,~~one-third (1/3) of the Gross Settlement Amount, which is currently estimated to be $ -100,000.00 and a Class Counsel Litigation Expenses Payment of not more than $~~_____.~~ ~~XYZ~~25,000.00. Defendant 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 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 ~~XYZ~~Defendant harmless, and indemnifies ~~XYZ~~Defendant, 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 3.2.3. ~~$~~ $7,250.00 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 $~~—~~7,250.00, 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 3.2.4. (b) multiplying the result by each Participating Class Member's Workweeks.

~~3.2.4.1.~~ Tax Allocation of Individual Class Payments. ~~%~~ Twenty Percent (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~~ ~~%~~ Eighty Percent (80%) of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for ~~[e.g.,~~

interest and penalties] (the

3.2.5. "Non-Wage Portion"). vi"). 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.

3.2.4.2.3.2.6. 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 $20,000.00 to be paid from the Gross Settlement Amount, with 75% 3.2.7. ($65 percent ($13,000.00) allocated to the LWDA PAGA Payment and 25% ($35 percent ($7,000.00) allocated to the Individual PAGA Payments.

3.2.5.1.3.2.7.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25%35 percent share of PAGA Penalties $($7,000.00) 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.

3.2.5.2.3.2.7.2. 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 to date, XYZDefendant estimates there are 247 Class Members who collectively worked a total of 20,340 Workweeks during the Class Period, and of208 Aggrieved Employees who collectively worked a total of 2,992 PAGA Pay Periods during the PAGA Period.

4.2. Class Data. Not later than [e.g., 15]20 days after the Court grants Preliminary Approval of the Settlement, XYZDefendant 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. XYZDefendant 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 ~~XYZ~~Defendant must send the Class Data

4.2. 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. ~~XYZ~~Defendant shall fully fund the Gross Settlement Amount~~, and also fund the amounts necessary to fully pay XYZ's share of payroll taxes~~ by transmitting the funds to the Administrator ~~no later than [14]~~in ten (10) equal monthly payments beginning 30 days after the ~~Effective Date.~~date the Court grants Final Approval. Any amounts necessary to fully pay Defendant's share of payroll taxes, and any additional funds owed by Defendant due to an increase to the Gross Settlement Amount as a result of the Escalator Clause (defined below) being triggered, shall be deposited at the same time as the tenth (10th) and final payment.

4.4. Payments from the Gross Settlement Amount. Within ~~[~~14~~]~~ days after ~~XYZ~~Defendant fully funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service ~~Payment~~Payments shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

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 ~~retuned~~returned undelivered without 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 who requests a replacement prior to the void date, for those whose original ~~check was~~checks were 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

4.4.3. Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. ~~(b).] [or to a Court-approved nonprofit organization or foundation consistent with Code of Civil Procedure Section 384, subd. (b) ("Cy Pres Recipient")]. The Parties, Class Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the intended Cy Pres Recipient.~~(b).

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

~~6.~~5. RELEASES OF CLAIMS~~.~~: Effective on the date when ~~XYZ~~Defendant 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:

~~6.1~~5.1 Plaintiff's Release. Plaintiff and ~~his or~~ her respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences ~~[~~that occurred during the Class Period~~],~~, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint; and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint~~, Plaintiff's PAGA Notice, [or ascertained during the Action and released under 6.2, below]. ("Plaintiff's Release.")~~ and Plaintiff's PAGA Notice ("Plaintiff's Release"). Plaintiff also agrees to release, in addition to the Released Class Claims and Released PAGA Claims described above, all claims, whether known or unknown, under federal law or state law against the Released Parties for the time period April 10, 2019 through the date Plaintiff executes this Agreement. 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. Notwithstanding the foregoing, the waiver and release in this Agreement does not apply to: (i) those rights as a matter of law that cannot be waived, including, but not limited to, workers' compensation claims; (ii) rights or claims arising out of this Agreement after this Agreement is executed by Plaintiff; and (iii) rights or claims arising of this Agreement. The Agreement in no way affects Plaintiff's entitlement and/or benefits to be received by Plaintiff in workers' compensation pursuant to the jurisdiction of workers' compensation. Plaintiff also agrees to not request an exclusion from this settlement. Any Class Representative Service Payment approved by the Court will result in the issuance of a Form 1099 to the Class Representative, who shall assume full responsibility and liability for the payment of taxes due on such award.

~~6.1.1~~5.1.1 Plaintiff's Waiver of Rights Under California 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 California Civil Code, which reads:

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

6.25.2 Release by Participating Class Members ~~Who Are Not Aggrieved Employees~~: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from ~~(i)~~ all claims that were alleged, or reasonably could have been alleged, based on the ~~Class Period~~ facts stated in the Operative Complaint [and/or ascertained in the course of the Action] ~~[including, e.g., "(a) any and all~~ and which occurred during the Class Period. The claims ~~involving any alleged~~released include, without limitation: (1) failure to pay all minimum wages owed; (2) failure to pay all overtime wages owed; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to provide accurate, itemized wage~~; etc.]~~. statements; (6) waiting time penalties; and (7) unfair competition in violation of Business and Professions Code section 17200, *et seq*. premised on the above claims; and violation of or liability under California Labor Code under sections 203, 204, 226 *et seq*., 226.7, 510, 512, 516, 558, 1194, 1194.2, 1197, 1198, and the relevant Wage Orders issued by the Industrial Welfare Commission, and any and all related claims for attorneys' fees and costs. Except as set forth in Section ~~6~~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.

~~6.3~~5.3 Release by ~~Non-Participating Class Members Who Are~~ Aggrieved Employees: All ~~Non-Participating Class Members who are~~ Aggrieved Employees ~~are deemed to~~ release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the ~~PAGA Period~~ facts stated in the Operative Complaint~~[,]~~ [and~~]~~/or the PAGA Notice [and/or ascertained in the course of the Action~~][including, e.g., "(a) any and all~~ and which occurred during the PAGA Period. The claims ~~involving any alleged~~released include, without limitation: (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide meal periods or pay meal period premiums; (4) failure to provide all legally required rest periods or pay rest period premiums; (5) failure to provide accurate, itemized wage~~; etc.]~~. statements; (6) failure to timely way all wages upon separation of employment, and (7) failure to maintain accurate records, and the relevant Wage Orders issued by the Industrial Welfare Commission, and any and all related claims for attorneys' fees and costs.

~~7.~~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.

~~7.1~~6.1 ~~XYZ's Declaration~~ Defendant's Declarations in Support of Preliminary Approval. Within ~~10~~ days of the full execution of this Agreement, ~~XYZ~~Defendant will prepare and deliver to Class Counsel ~~a~~ signed ~~Declaration~~Declarations from ~~XYZ~~Defendant and Defense Counsel ~~disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator and Cy Pres Recipient. In their Declarations, Defense Counsel and XYZ shall aver~~stating that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

~~7.2~~ 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, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members ~~[and/or the proposed Cy Pres];~~; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) ~~a~~ signed ~~declaration~~

6.2 declarations from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, [and/or] the Administrator [and/or the proposed Cy Pres];; (v) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); (vi) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (vii) all facts relevant to any actual or potential conflict of interest with Class Members, and the Administrator and/or the Cy Pres Recipient.. In their Declarations, Plaintiff and Class Counsel Declaration 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. Plaintiff shall provide drafts of these documents to Defense Counsel not later than seven days prior to filing the Motion for Preliminary 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 Preliminary Approval.

7.36.3 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than [30]60 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

7.46.4 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.

8.7.SETTLEMENT ADMINISTRATION.:

8.1 Selection of Administrator. The Parties have jointly selected 7.1 Phoenix Settlement Administrators to serve as the Administrator and verified that, as a condition of appointment, it agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

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

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

8.47.4 Notice to Class Members.

8.4.17.4.1 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 MembersAggrieved Employees, Workweeks, and Pay Periods in the Class Data.

7.4.2 No later than three (3) business days after notification of the number of Workweeks and Pay Periods in the Class Data, should the Escalator Clause of Paragraph 8 be triggered, Defendant shall notify Class Counsel and the Administrator of its election to either (1) increase the Gross Settlement Amount, or (2) shorten the Class Period, PAGA Period, and release periods.

8.4.27.4.3 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 United States Postal Service ("USPS") mail, the Class Notice [with Spanish translation, if applicable], substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

8.4.37.4.4 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.

8.4.47.4.5 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.

8.4.57.4.6 If the Administrator, XYZDefendant 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~~e-mail or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than ~~[14] days after~~14 days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

~~receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.~~

~~8.5~~7.5 Requests for Exclusion (Opt-Outs).

~~8.5.1~~7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, ~~email~~e-mail, 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 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~~e-mail address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

~~8.5.2~~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.

~~8.5.3~~ 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 ~~6~~5.2 and 7.5.3 ~~6~~ 5.3 of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

~~8.5.4~~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.
~~6.4 of this Agreement and are eligible for an Individual PAGA Payment.~~

~~8.6~~ Challenges to Calculation of Workweeks. Each Class Member shall have ~~[~~60~~]~~ days after the Administrator mails the Class Notice (plus an additional ~~[~~14~~]~~ days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class

Notice. The Class Member may challenge the allocation by communicating with the

7.6 Administrator via fax, ~~email~~e-mail 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 of the challenges.

~~8.7~~7.7 Objections to Settlement.

~~8.7.1~~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.

~~8.7.2~~7.7.2 Participating Class Members may send written objections to the Administrator, by fax, ~~email~~e-mail, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than ~~[~~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).

~~8.7.3~~7.7.3 Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

~~8.8~~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.

~~8.8.1~~7.9 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~~e-mails.

~~8.8.2~~ Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their

7.9.1 validity. Not later than ~~[~~five (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).

~~8.8.3~~7.9.2 ~~—~~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 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.

~~8.8.4~~7.9.3 ~~—~~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 Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

~~8.8.5~~7.9.4 ~~—~~Administrator's Declaration. Not later than ~~[~~14~~]~~seven (7) 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.

~~8.8.6~~7.9.5 ~~—~~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]~~10 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.

9. **CLASS SIZE ESTIMATES [and ESCALATOR CLAUSE]:** Based on its records, XYZDefendant estimates that, as of the date of this Settlement Agreement, (1) there are approximately 247 Class Members and Totalwho worked a total of 20,340 Workweeks during the Class period and (2) there were Aggrieved Employees who worked Pay Periods during the PAGA Period.[vii]

10.8. **XYZ'S RIGHT TO WITHDRAW.** If the actual number of valid Requests for Exclusion identified in the Exclusion List exceeds % of the total of all Workweeks worked during the Class Period is more than 10 percent greater that this figure (i.e., there are more than 22,374 Workweeks worked by the Class Members, XYZ may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if XYZ withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party), Defendant will have any further obligation to perform under this Agreement; provided, however, XYZ will remain responsible for paying all Settlement Administration Expenses incurred to that point. XYZ must notify Class Counsel andeither, at its option, (1) increase the Gross Settlement Amount by the same percent increase to the number of Workweeks (i.e., if there was an 11% increase in the number of Workweeks during the Court of its election to withdraw not later than [seven] days afterClass Period, Defendant would agree to increase the Administrator sendsGross Settlement Amount by 11%); or (2) elect to shorten the final Exclusion ListClass Period, PAGA Period, and release periods to end on the date on which the aggregate workweeks is closest to Defense Counsel; late elections will have no effect, without exceeding, 20,374 Workweeks worked by the Class Members.

11.9. **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, subd. (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.

11.19.1 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 that [than five] (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

11.29.2 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.

~~11.3~~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

9.3 settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

~~11.4~~9.4 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 reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

~~11.5~~9.5 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.

~~12.~~10.AMENDED JUDGMENT~~.~~: If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

~~13.~~11. ADDITIONAL PROVISIONS~~.~~:

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

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

~~13.2~~11.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, ~~XYZ~~Defendant and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency.

Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, ~~XYZ~~Defendant 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.

11.3 No Publicity. Plaintiff and Plaintiff's counsel agree not to publicize the Settlement. This provision shall not apply to the filing of any documents with the Court which are necessary to effectuate the Settlement, nor is it intended to interfere with or restrict: (1) the third-party administrator from distributing the notice packets and otherwise complying with its obligation to provide information to affected Class Members; or (2) the third-party administrator from posting any judgment on its website. However, for the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other actions, Class Counsel may disclose the names of the Parties in this Action, the venue/case number of this Action, and a general description of the Action, to a court in a declaration by Class Counsel. This provision shall not apply to limit Plaintiff and Class Counsel's ability to effectuate their duties to the Class Members or limit their ability to communicate with Class Members as contractually required to effectuate the terms of the Settlement Agreement as set forth herein.

~~13.3~~11.4 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.

~~13.4~~11.5 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties,

covenants, or inducements made to or by any Party.

~~13.5~~11.6 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and ~~XYZ~~Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

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

11.7 the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

~~13.7~~11.8 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

~~13.8~~11.9 No Tax Advice. Neither Plaintiff, Class Counsel, ~~XYZ~~Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

~~13.9~~11.10 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

~~13.10~~11.11 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

~~13.11~~11.12 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

~~13.12~~11.13 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

~~13.13~~11.14 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

~~13.14~~11.15 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by ~~XYZ~~Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from ~~XYZ~~Defendant unless, prior to the Court's discharge of the Administrator's obligation, ~~XYZ~~Defendant makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.

~~13.15~~11.16 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

~~13.16~~11.17 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

~~13.17~~11.18 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:

Scott M. Lidman
Milan Moore
Tiara Gose-Hardy
Lidman Law, APC
2155 Campus Drive, Suite 150
El Segundo, California 90245
Telephone: (424) 322-4772
Facsimile: (424) 322-4775
Email: slidman@lidmanlaw.com
Email: mmoore@lidmanlaw.com
Email: tgose@lidmanlaw.com

Paul K. Haines
Haines Law Group, APC
phaines@haineslawgroup.com
2155 Campus Drive, Suite 180
El Segundo, California 90245
Telephone: (424) 292-2350
Facsimile: (424) 292-2355
Email: phaines@haineslawgroup.com

To ~~XYZ:~~Defendant:

Philip Ewen
Michael R. Mauge
Musick, Peeler & Garrett LLP
333 South Hope Street, Suite 3900
Los Angeles, California 90071
Telephone: (213) 629-7600
Facsimile: (213) 624-1376
Email: p.ewen@musickpeeler.com
m.mauge@musickpeeler.com

~~13.18~~11.19 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (*i.e.* DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

~~13.19~~11.20 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

~~For~~

DATED: DEFENDANT ARROYO DEVELOPMENTAL SERVICES

By:
Its:

DATED: PLAINTIFF ANABEL GOMEZ

By:

Plaintiff ~~For XYZ~~ and Settlement Class Representative

~~Counsel For~~**APPROVED AS TO FORM:**

DATED:

MUSICK, PEELER & GARRETT LLP

Philip Ewen
Michael R. Mauge
Attorneys for Defendant

DATED: LIDMAN LAW, APC

By:
Scott M. Lidman
Attorneys for Plaintiff ~~Counsel For XYZ~~

DATED: HAINES LAW GROUP, APC

By:
Paul K. Haines
Attorneys for Plaintiff

EXHIBIT A

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

~~(case name and number)~~

Anabel Gomez v. Arroyo Developmental Services, Case No. 25STCV00600

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 an employee class action lawsuit ("Action") against ~~(abbreviate name; "XYZ~~Defendant Arroyo Developmental Services ("ADS" is used herein as a placeholder) for alleged wage and hour violations. The Action was filed by ~~a[n][~~former~~] XYZ~~ employee Anabel Gomez ("Plaintiff") and seeks payment of (1) ~~back~~unpaid minimum wages ~~[~~, overtime wages, missed meal and ~~other relief]~~rest period premiums, wage statement penalties, waiting time penalties, and restitution under California Business and Professions Code section 17200 for a class of ~~[e.g., hourly]~~individuals classified as non-exempt employees ("Class Members") who worked for ~~XYZ~~ADS during the period of time starting on January 9, 2021 and ending on [September 20, 2025 or the date the Court grants preliminary approval] ("Class Period ~~(__ to ___);~~"); and also seeks (2) civil penalties under the California Private Attorney General Act ("PAGA") for all ~~[e.g., hourly] employees~~individuals classified as independent contractors ("Aggrieved Employees") who worked for ~~XYZ~~ADS during the period of time starting on January 10, 2024 and ending on [September 20, 2025 or the date the Court grants preliminary approval] ("PAGA Period ~~(____ to ____) ("Aggrieved Employees~~").

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

Based on ~~XYZ's~~ADS'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 ~~XYZ's~~ADS'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 ~~XYZ's~~ADS's records showing that **you worked _ workweeks** during the Class Period and **you worked ~~_____ workweeks~~ _ pay periods** during the PAGA Period. If you believe that you worked more workweeks and/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 ~~XYZ~~ADS to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against ~~XYZ~~ADS.

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

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

(2) **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 ~~XYZ~~ADS, 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.

~~XYZ~~ADS 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~~Do Not Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against ~~XYZ~~ADS 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** _____	If you ~~don't~~do not 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. ~~XYZ~~ADS must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement **Written Objections Must be Submitted by** _____	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section **7** of this Notice.

You Can Participate in the Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on . You do not have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section **8** of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods **Written Challenges Must be Submitted by**	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number Class Period Workweeks and number of PAGA Period Pay Periods you worked according to ADS's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by . See Section **4** of this Notice.

~~**You Can Participate in the Final Approval Hearing**~~	~~The Court's Final Approval Hearing is scheduled to take place on . You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section **8** of this Notice.~~
~~**You Can Challenge the Calculation of Your Workweeks/Pay Periods** **Written Challenges Must be Submitted by** ~~	~~The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number Class Period Workweeks and number of PAGA Period Pay Periods you worked according to XYZ's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by . See Section **4** of this Notice.~~

1. WHAT IS THE ACTION ABOUT?

Plaintiff is an individual who worked for ADS and was classified as a~~[n] [former] XYZ~~ non-exempt employee. The Action accuses ~~XYZ~~ADS of violating California labor laws by failing to pay ~~[e.g.,~~ overtime wages, minimum wages, wages due upon termination ~~and reimbursable expenses] and,~~ failing to provide ~~[e.g.,~~ meal periods~~;~~ and rest breaks, and failing to provide accurate itemized wage statements~~].~~. Based on the same claims, Plaintiff has also asserted a claim for restitution under California Business and Professions Code section 17200 and a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, *et seq.*) ("PAGA"). Plaintiff is represented by attorneys in the Action: Scott M. Lidman, Milan Moore,

and Tiara Gose-Hardy of Lidman Law, APC and Paul Haines of Haines Law Group, APC ("Class Counsel.")

("Class Counsel.")

XYZ

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

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

So far, the Court has made no determination whether XYZADS or Plaintiff is correct on the merits. In the meantime, Plaintiff and XYZADS hired ☐ an experienced, neutral mediator ☐ a retired judge

☐ (describe alternative means of negotiation)

in an effort to resolve the Action by negotiating an to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. 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 XYZADS 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, XYZADS 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) ~~XYZ~~ADS 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.

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

1. ~~XYZ~~ADS Will Pay $~~–~~300,000.00 as the Gross Settlement Amount (Gross Settlement). ~~XYZ~~ADS 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~~Payments, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants ~~Final~~Preliminary Approval, ~~XYZ~~ADS will fund the Gross Settlement ~~not more than [14]~~in ten (10) equal monthly payments beginning 30 days after the ~~Judgment entered by the~~ Court ~~become final. 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.~~grants Final Approval of the settlement.

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

   A. Up to $~~_____ (_____%~~100,000.00 (1/3rd of the Gross Settlement~~])~~ to Class Counsel for attorneys' fees and up to $~~_____~~25,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment. Pursuant to a written fee split agreement, the proposed attorneys' fees will be split by the attorneys involved in this matter as follows: 31 % to Lidman Law, APC; 46.5 % to Haines Law Group, APC; and 22.5 % to Michael Burgis & Associates, PC (referring firm).

   B. Up to $~~_____~~7,500.00 to Plaintiff as ~~a~~ Class Representative ~~Award~~Service Payment for filing the Action, working with Class Counsel and representing the Class. ~~A~~ Class Representative ~~Award~~Service Payment will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.

   C. Up to $~~_____~~7,250.00 to the Administrator for services administering the Settlement.

   D. Up to $~~_____~~20,000.00 for PAGA Penalties, allocated ~~75~~65% to the LWDA PAGA Payment and ~~25~~35% 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.

~~3.~~ Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross

3. Settlement (the "Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.

4. Taxes Owed on Payments to Class Members. Plaintiff and ~~XYZ~~ADS are asking the Court to approve an allocation of ~~% _____~~20% of each Individual Class Payment to taxable wages ("Wage Portion") and ~~% 80%~~ to ~~[e.g., interest, etc.]~~ and penalties ("Non-Wage Portion~~.)."~~). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. ~~[Option 1: (XYZ~~ADS will separately pay employer payroll taxes it owes on the Wage

4. Portion~~)]~~. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

~~Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.~~

Although Plaintiff and ~~XYZ~~ADS 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.

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

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

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

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

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than ~~__~~, _____, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the ~~__~~Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her 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 ~~XYZ~~ADS.

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 ~~XYZ~~ADS based on the PAGA Period facts alleged in the Action.

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

8. Administrator. The Court has appointed a neutral company,

8. Phoenix Settlement Administrators (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.

9. Participating Class Members' Release. After the Judgment is final and XYZADS has fully funded the Gross Settlement [Option 1: (and separately paid all employer payroll taxes)],, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against XYZADS or related 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 Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint [and/or ascertained in the course of the Action] [including, e.g., "(a) any and all and which occurred during the Class Period. The claims involving any allegedreleased include, without limitation: (1) failure to pay all minimum wages owed; (2) failure to pay all overtime wages owed; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to provide accurate, itemized wage; etc.]. statements; (6) waiting time penalties; and (7) unfair competition in violation of Business and Professions Code section 17200, *et seq*. premised on the above claims; and violation of or liability under California Labor Code under sections 203, 204, 226 *et seq*., 226.7, 510, 512, 516, 558, 1194, 1194.2, 1197, 1198, and the relevant Wage Orders issued by the Industrial Welfare Commission, and any and all related claims for attorneys' fees and costs. Except as set forth in Section 65.3 of the Settlementthis 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~~.~~[viii]~~.~~.

10. Aggrieved Employees' PAGA Release. After the Court's judgment is final, and ~~XYZ~~ADS has ~~paid~~fully funded the Gross Settlement ~~(~~and separately paid the employer-side payroll taxes~~),~~, all Aggrieved Employees will be barred from asserting PAGA claims against ~~XYZ~~ADS, 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 ~~XYZ~~ADS or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

___The Aggrieved Employees' Releases ~~for Participating and Non-Participating Class Members~~ are as follows:

> All ~~Participating and Non-Participating Class Members who are~~ Aggrieved Employees ~~are deemed to~~ release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties~~,~~ from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the ~~PAGA Period~~ facts stated in the Operative Complaint~~[~~,~~] [~~ and~~]~~/or the PAGA Notice ~~[~~and/or ascertained in the course of the Action~~]~~[~~including, e.g., (a) any and all~~ and which occurred during the PAGA Period. The claims ~~involving any alleged~~released include, without limitation: (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide meal periods or pay meal period premiums; (4) failure to provide all legally required rest periods or pay rest period premiums; (5) failure to provide accurate, itemized wage~~; etc.]~~. statements; (6) failure to timely way all wages upon separation of employment, and (7) failure to maintain accurate records, and the relevant Wage Orders issued by the Industrial Welfare Commission, and any and all related claims for attorneys' fees and costs.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

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

2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing $~~_____~~7,000.00 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.

3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in ~~XYZ's~~ADS's records, are stated in the first page of this Notice. You have until _____ 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~~e-mail 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 ~~XYZ's~~ADS's calculation of Workweeks and/or Pay Periods based on ~~XYZ's~~ADS'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 ~~XYZ's~~ADS's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. 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.

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

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

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

Submit a written and signed letter with your name, ~~present~~current 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 _____ _____;"Anabel Gomez v. Arroyo Developmental Services", 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** _____;_____ _____, **or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and ~~XYZ~~ADS are asking the Court to approve. At least _____16 Court days before the _____ _____ Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Class Representative Service ~~Award~~Payment 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~~Payment. 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 _____(url)_____ or the Court's website _____(url)_____.

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 Class Representative Service ~~Award~~Payment may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is** _____. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action ~~_____~~as Anabel Gomez v. Arroyo Developmental Services and include your name, current address,

telephone number, and approximate dates of employment for ~~[XYZ]~~ADS 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.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on _____(date) at _____(time) in Department ~~[7]~~SSC-11 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 _____ beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything ~~XYZ~~ADS and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to _____(specify entity)'s website at _(url~~)~~ _____~~)~~. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (http://www.lacourt.org/casesummary/ui/index.aspx) and entering the Case Number for the Action, Case No. _____25STCV00600. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

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

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

Scott M. Lidman Paul K. Haines

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Facsimile: (424) 292-2355
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Settlement Administrator:
Name of Company:

Email Address:
Mailing Address:
Telephone:
Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, 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

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

~~☐ you will have no way to recover the money.~~

11. WHAT IF I CHANGE MY ADDRESS?

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

~~[i] This Model Class Action and PAGA Settlement Agreement has been approved by the Court, the Complex litigation judges, and a 2022 Ad Hoc Wage and Hour Committee co-chaired by Judge David Cunningham and Judge Amy Hogue and comprised of 16 attorneys who regularly represent plaintiffs and defendants in wage and hour case. It is written for settlements of single plaintiff wage and hour actions asserting class claims and PAGA claims against a single employer (XYZ). The parties will need to revise this form if there are multiple plaintiffs or multiple defendants. For settlements of wage and hour class actions that do not include PAGA claims, please use the Model Class Action Settlement Agreement and Class Notice. THE COURT ASKS ALL COUNSEL USING THIS MODEL AGREEMENT TO ATTACH A REDLINED VERSION TO THEIR MOTIONS FOR APPROVAL SO THAT THE COURT CAN EASILY SEE EXACTLY HOW THE PARTIES HAVE MODIFIED THIS MODEL AGREEMENT.~~

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

~~[iii] See endnote ii above.~~

~~[iv] The Parties may need to tailor this language to pay periods or shifts depending on the facts of the case.~~

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

~~[vi] Note that this is not the only possible appropriate breakdown depending on the claims at issue in the case (e.g. a settlement that is solely a Labor Code Section 226(a) claim.)~~

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

~~[viii] Releases in Notice should track the releases in the Settlement Agreement.~~