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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF ORANGE

OSCAR WILLIAMS, individually and as an aggrieved employee on behalf of the State of California and other aggrieved employees,

Plaintiff,

v.

JOSHUA HOUSE, LLC, a California limited liability company; NATIONAL THERAPEUTIC SERVICES, INC. DBA NORTHBOUND TREATMENT SERVICES, INC., a Nevada corporation; NATIONAL THERAPEUTIC SERVICES, LLC DBA NORTHBOUND TREATMENT SERVICES, INC., a California limited liability company; and DOES 1 through 10, inclusive,

Defendants.

Case No.: 30-2025-01462517-CU-OE-CXC

[Assigned for All Purposes to the Hon. David A. Hoffer, Dept. CX103]

[PROPOSED] ORDER GRANTING PLAINTIFF'S MOTION FOR APPROVAL OF PAGA SETTLEMENT AND ENTERING FINAL JUDGMENT THEREON

Settlement Approval Hearing:
Date: January 4, 2027
Time: 1:30 p.m.
Dept: CX103
Reservation Number: 1000650325

Action Filed: February 25, 2025

[PROPOSED] ORDER AND FINAL JUDGMENT

On January 4, 2027 at 1:30 p.m. in Dept. CX103 of the above-captioned Court, the Court, having considered Plaintiff Oscar Williams' ("Plaintiff") Motion for Approval of PAGA Settlement (the "Motion") pursuant to the California Private Attorneys General Act, California Labor Code §§ 2698, et seq. ("PAGA"), as well as the Declaration of Thiago M. Coelho and the Joint Stipulation of PAGA Settlement Agreement and Release ("PAGA Settlement" or "Settlement Agreement") attached as Exhibit 1 to the Declaration of Thiago M. Coelho, the Declaration of Plaintiff, the other papers filed in support of the Motion, and the arguments of counsel, has determined that the Settlement provides genuine and meaningful relief under PAGA and is fair, just, adequate, and reasonable.

Therefore, GOOD CAUSE appearing, the Court hereby ORDERS, ADJUDGES, FINDS AND DECREES AS FOLLOWS:

1. The Motion is GRANTED.

2. The Court has jurisdiction over the subject matter of this Action, over all Parties to the Action, over all Aggrieved Employees, and over all those persons undertaking affirmative obligations under the Settlement Agreement.

3. This Order Granting Plaintiff's Motion for Approval of PAGA Settlement and Entering Final Judgement Thereon ("Order and Final Judgment") incorporates the Settlement Agreement and terms thereof agreed to between Plaintiff, on behalf of himself, the State of California (including, without limitation, the California Labor and Workforce Development Agency), and Covered Employees, on the one hand, and Defendants Joshua House, LLC, National Therapeutic Services, Inc. and National Therapeutic Services, LLC (collectively, the "Defendants"), on the other hand. Unless otherwise provided herein, all capitalized terms used herein shall have the same meaning as defined in the Settlement Agreement.

4. "Covered Employees" or "Aggrieved Employees", as defined in the Settlement Agreement, means all current and former non-exempt employees of Joshua House, LLC, National Therapeutic Services, Inc. and/or National Therapeutic Services, LLC who were employed by Joshua House, LLC, National Therapeutic Services, Inc. and/or National

Therapeutic Services, LLC in the State of California at any time during the Covered Period (including, but not limited to, Plaintiff).

5. Further, "Released Persons," as defined in the Settlement Agreement, is defined to mean Joshua House, LLC, National Therapeutic Services, Inc., National Therapeutic Services, LLC and each and all of their respective affiliated entities, related entities, predecessors, successors and assigns, and, for all of the foregoing, each and all of their respective agents, managing agents, officers, directors, shareholders, lenders, investors, owners, founders, members, partners, managers, representatives, servants, employees, joint employers, attorneys, consultants, advisors, insurers, subsidiaries, parent entities, predecessors, successors and assigns, and as to any individual their marital community, community property, trustees, trusts, executors, heirs, guardians and registered representatives. Without in any way limiting the foregoing, "Released Persons" expressly includes, but is not limited to, any individual or entity which could be jointly and/or severally liable with Joshua House, LLC, National Therapeutic Services, Inc. and/or National Therapeutic Services, LLC.

6. "Covered Period" or "PAGA Period", as defined in the Settlement Agreement, means the time period from February 24, 2024 through and including the date the Court grants approval of the Settlement.

7. The Court hereby finds that Plaintiff notified the Labor and Workforce Development Agency ("LWDA") of the Settlement in accordance with the notice requirements of California Labor Code § 2699(s). In particular, on the date and at the same time Plaintiff filed the Motion seeking approval of the Settlement (which included a copy of the Settlement Agreement), he submitted to the LWDA a notice of the Settlement enclosing a copy of the Settlement Agreement. The Court has received no objection from the LWDA regarding the Settlement.

8. The Court finds that the Settlement has been reached as a result of serious and non-collusive, arm's-length negotiations. The Court has considered the nature of the claims, the procedural history of this case, the amounts paid in settlement, and the allocation of settlement proceeds among the LWDA and the Covered Employees. The Court hereby finds the Settlement

involves the resolution of a bona fide dispute, was entered into in good faith, and provides genuine and meaningful relief under PAGA. Pursuant to the PAGA, including California Labor Code section 2699(s), the Court therefore approves the Settlement and terms of the Settlement Agreement as fair, adequate, just and reasonable, and finds that the Settlement achieves the PAGA's public policy objectives. The Court therefore directs the Parties to effectuate the Settlement according to the terms outlined in the Settlement Agreement and to perform in accordance with the terms set forth in the Settlement Agreement. To be clear, the Court directs implementation of the terms, conditions and provisions contained in the Settlement Agreement.

9. The Court hereby orders that, pursuant to the Settlement Agreement, Defendants shall pay the Gross Settlement Amount of One Hundred Forty Thousand Dollars and Zero Cents ($140,000.00) to the Settlement Administrator pursuant to the terms of the Settlement Agreement. Defendants will not be required to pay any amounts in connection with the Settlement other than the Gross Settlement Amount specifically set forth in the Settlement Agreement and this Order and Final Judgment, which shall not exceed $140,000.00 under any circumstances.

10. The Court approves Wilshire Law Firm, PLC as PAGA counsel and Plaintiff's Counsel.

11. The Court awards attorneys' fees to Plaintiff's Counsel, Wilshire Law Firm, PLC, in the amount of $46,666.67 (which represents one-third (1/3) of the Gross Settlement Amount), which the Court finds fair and reasonable. The Court also awards Litigation costs to Plaintiff's Counsel, Wilshire Law Firm, PLC, in the amount of $14,683.09, which the Court finds to be fair and reasonable. The attorneys' fees payment and the Litigation costs payment are each to be paid from the Gross Settlement Amount, and the Court authorizes the Settlement Administrator to make these payments in accordance with the terms of the Settlement Agreement.

12. The Court awards a Group Representative Enhancement Payment to Plaintiff Oscar Williams for all of his services in the amount of $5,000.00. Plaintiff submitted a declaration detailing the ways in which he assisted Plaintiff's Counsel in the litigation of the

Action, and the award is appropriate, fair and reasonable in light of the stated purpose of PAGA. The Group Representative Enhancement Payment is to be paid from the Gross Settlement Amount, and the Court authorizes the Settlement Administrator to make such payment in accordance with the terms of the Settlement Agreement.

13. The Court approves and appoints Phoenix Settlement Administrators to serve as the Settlement Administrator for this Settlement. The Court concludes that the Administrative Costs in the total amount of $4,700.00 are fair, reasonable and necessary to administer the Settlement. The Administrative Costs in the amount of $4,700.00 are awarded to the Settlement Administrator and shall be paid from the Gross Settlement Amount, and the Court authorizes the Settlement Administrator to make such payment in accordance with the terms of the Settlement Agreement.

14. The Court finds that, after deducting from the Gross Settlement Amount the award of attorneys' fees and Litigation costs, Group Representative Enhancement Payment and Administrative Costs set forth above, the Net Settlement Amount will be $68,950.24. The Net Settlement Amount of $68,950.24 shall be allocated as follows: 65% ($44,817.66) will be paid to the LWDA, and the remaining 35% ($24,132.58) will be paid to all Covered Employees pursuant to the terms and calculations set forth in the Settlement Agreement.

15. The settlement checks issued to each Covered Employee shall remain valid for one hundred eighty (180) days from the date of issuance. Funds represented by settlement checks returned as undeliverable and those settlement checks remaining uncashed for more than one hundred eighty (180) days after issuance shall be voided and then shall be transmitted to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Code of Civil Procedure section 1500, et seq. in the names of those Covered Employees who did not cash their settlement checks until such time they claim their property.

Defendants will not be required to pay any interest on any settlement funds distributed to the Settlement Administrator.

16. The Court hereby approves, as to form and content, the Notice of PAGA

Settlement and Release of Claims attached as Exhibit C to the Settlement Agreement (the "Notice"). The Court directs the Settlement Administrator to mail the Notice via First-Class United States Mail to the Covered Employees in English and Spanish along with their individual settlement payments under the Settlement Agreement pursuant to the terms and procedures outlined in the Settlement Agreement.

17. The Court approves the scope of the release contained in the Settlement Agreement. Following entry of this Order and Final Judgment, Plaintiff, all Covered Employees and the State of California will release the Released Persons from the Released Claims, as follows:

> Release of Claims by All Covered Employees (including Plaintiff) and the State of California: As of the Effective Date, regardless of whether they actually receive notice of the Settlement or any payment pursuant to the Settlement, Plaintiff, the Covered Employees (and each Covered Employee), and the State of California hereby forever release and discharge the Released Persons from all claims, liabilities and/or causes of action for civil penalties under the California Labor Code Private Attorneys General Act of 2004, including all amendments thereto, California Labor Code § 2698 et. seq. for violations of the California Labor Code, the Wage Orders of the California Industrial Welfare Commission, other California state statutes or regulations (if any), and/or any other provisions of California state law (if any) alleged in the Litigation, or that could have been alleged in the Litigation based on the facts alleged in the Litigation, or that are related or attributable to, based on, or arise from the facts, causes of action and/or claims alleged in the Litigation, occurring during the Covered Period that Plaintiff, the Covered Employees (or any of them), and/or the State of California may have, whether known or unknown, suspected or unsuspected, including but not limited to those arising from, related to, or attributable to any allegations that Plaintiff, the Covered Employees (or any of them) and/or the State of California suffered violations of the California Labor Code, the Wage Orders of the California Industrial Welfare Commission, other California state statutes or regulations (if any), and/or any other provisions of California state law (if any) based on and/or for: (1) failure to pay minimum and straight-time wages; (2) failure to pay all overtime and/or double time wages including, but not limited to, failure to pay overtime and double times wages at each Covered Employee's (including, without limitation, Plaintiff's) correct regular rate of pay; (3) failure to pay all wages and to timely pay all wages for all hours worked as required by applicable law (including, without limitation, during employment), including, but not limited to, failure to pay wages for off-the-clock work, failure to pay premiums owed for non-compliant meal periods and rest periods, failure to correctly calculate wages owed and

hours worked by Covered Employees (or any of them, including, without limitation, Plaintiff), failure to pay overtime, double time and minimum wages, failure to pay straight-time wages, failure to pay wages on designated paydays, failure to pay wages due to the rounding of Covered Employees' (or any of their, including, without limitation, Plaintiff's) time entries and failure to pay wages due to use of a synthetic timekeeping system; (4) failure to pay all earned wages twice per month during employment, including in violation of Labor Code section 204, including, but not limited to, failure to pay wages for off-the-clock work, failure to pay wages for all hours worked, failure to pay premiums owed for non-compliant meal periods and rest periods, failure to pay all wages due to the failure to correctly calculate wages owed and hours worked by Covered Employees (or any of them, including, without limitation, Plaintiff), failure to pay overtime, double time and minimum wages, failure to pay straight-time wages, failure to pay paid sick leave, failure to pay wages on designated paydays, failure to pay wages due to the rounding of Covered Employees' (or any of their, including, without limitation, Plaintiff's) time entries and failure to pay wages due to use of a synthetic timekeeping system; (5) failure to provide compliant meal periods and to pay related meal period premiums of one additional hour of pay at each Covered Employee's (including, without limitation, Plaintiff's) regular rate of pay for each work day that one or more meal periods was not provided in compliance with California law; (6) failure to authorize and permit compliant rest periods to be taken and to pay related rest period premiums of one additional hour of pay at each Covered Employee's (including, without limitation, Plaintiff's) regular rate of pay for each work day that one or more rest periods was not authorized and permitted to be taken in compliance with California law; (7) failure to accurately calculate and pay overtime pay, double time pay, sick pay and meal and rest period premiums at each Covered Employee's (including, without limitation, Plaintiff's) correct regular rate of pay; (8) failure to provide, furnish, timely furnish, keep and/or maintain accurate and/or complete meal period records, hours worked records (including, without limitation, records showing total hours worked in the payroll period), wage records (including, without limitation, regarding rates of pay), timekeeping records (including, without limitation, records showing when the employee begins and ends each work period as well as records of split shift intervals and total daily hours worked) and payroll records for Covered Employees (or any of them, including, without limitation, Plaintiff) including, without limitation, failure to keep and maintain payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to (if any), Covered Employees (or any of them, including, without limitation, Plaintiff), as well as failure to provide, furnish, timely furnish, keep and/or maintain any other records required to be provided, furnished, timely furnished, kept and/or maintained by Labor Code section 1174 or Sections 7(A)(3) or 7(A)(5) of the applicable Wage Orders of the California Industrial Welfare

Commission; (9) failure to timely pay all wages at the time of separation from employment (including both as to Covered Employees who voluntarily resigned with and without notice, as well as to those who were involuntarily terminated, including, without limitation, Plaintiff), and failure to pay applicable waiting time penalties (continuous wages as mandated by the Labor Code for up to 30 days); (10) failure to maintain, provide, furnish and/or timely furnish compliant, complete and accurate itemized wage statements, and failure to maintain, provide and/or furnish wage statements altogether; (11) failure to reimburse and/or indemnify for all necessary business expenses, expenditures, losses and/or costs incurred; (12) any other violations of the California Labor Code alleged in the Litigation, or that could have been alleged in the Litigation based on the facts alleged in the Litigation; and (13) any other violations of the California Labor Code based on, arising from, related to, or attributable to the facts alleged and contentions raised in the Litigation, which include, but are not limited to, alleged violations of California Labor Code sections 201-203, 204, 210, 226, 226.3, 226.7, 246, 256, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2800, 2802 and the Wage Orders of the California Industrial Welfare Commission, including, without limitation, Wage Order nos. 4 and 5 (the "Released Claims"). Without in any way limiting the foregoing, and for the avoidance of doubt, Plaintiff, the Covered Employees (and each of them) and the State of California release and discharge the Released Persons from all of the Released Claims on behalf of themselves and their heirs, executors, representatives, administrators, agents, attorneys, insurers, successors and assigns. Further, without in any way limiting the foregoing, and for the avoidance of doubt, Plaintiff, the Covered Employees (and each of them) and the State of California also release and discharge the Released Persons from any and all claims for attorneys' fees and/or Litigation costs incurred in connection with the Action or otherwise, including, but not limited to, in connection with prosecuting the Released Claims, other than those attorneys' fees and Litigation costs set forth in the Settlement Agreement that are to be paid from the Gross Settlement Amount to the extent they are approved by the Court.

Without in any way limiting the foregoing, Plaintiff, the Covered Employees (or any of them) and/or the State of California may hereafter discover facts or legal arguments in addition to or different from those they now know or currently believe to be true with respect to the claims, causes of action and legal theories of recovery in the Litigation which are the subject matter of the Released Claims. Regardless, the discovery of new facts or legal arguments shall in no way limit the scope or definition of the Released Claims.

Further, without in any way limiting the foregoing, Plaintiff, the Covered Employees (and each of them) and the State of California understand that the Settlement Agreement extends to all claims of every nature and kind, known or unknown, suspected or unsuspected, arising from, related to or attributable to the Released Claims only. Plaintiff, the Covered Employees (and each of them) and the State of California expressly waive

and relinquish any and all claims, rights or benefits that they may have under California Civil Code § 1542 as to the Released Claims only, which provides as follows:

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

Plaintiff, the Covered Employees (or any of them) and/or the State of California may hereafter discover claims or facts in addition to, or different from, those which they now know or believe to exist, but Plaintiff, the Covered Employees (and each of them) and the State of California expressly agree to fully, finally and forever settle and release any and all claims against the Released Persons, known or unknown, suspected or unsuspected, which exist or may exist, arising from, related to or attributable to the Released Claims. Plaintiff, the Covered Employees (and each of them) and the State of California further acknowledge, understand and agree that this Agreement would not have been entered into were it not for this representation and commitment.

18. In addition to the foregoing, Plaintiff has also provided Defendants and others with a general release of all claims (other than his individual and representative PAGA claim) along with a waiver of the protections of California Civil Code § 1542, as set forth in more detail in a confidential individual Settlement Agreement and Release of All Claims between Plaintiff and defendant Joshua House, LLC (the terms of this Order and Final Judgment are not intended to in any way limit the scope of the release of claims in the separate individual Settlement Agreement and Release of All Claims between Plaintiff and defendant Joshua House, LLC). That release is separate from, and is not part of, the Settlement Agreement or the Released Claims, and nothing in this Order and Final Judgment expands the Released Claims or releases any claim of the State of California or any other Covered Employee beyond the Released Claims.

19. In the event Defendants fail to deposit the Gross Settlement Amount with the Settlement Administrator as required by the Settlement Agreement, the releases set forth in paragraph 17 above shall not become effective.

20. This Order and Final Judgment shall be binding on all Covered Employees (including, without limitation, Plaintiff) and the State of California, who are hereby barred by the doctrine of Res Judicata from re-litigating the Released Claims (*see Arias v. Superior Court* (2009) 46 Cal.4th 969, 986).

21. This document shall constitute a Judgment. Without affecting the finality of this Order and Final Judgment, the Court shall retain exclusive and continuing jurisdiction over this Action and Plaintiff and Defendants for purposes of interpreting, implementing, and enforcing the terms of the Settlement Agreement as well as this Order and Final Judgment pursuant to California Code of Civil Procedure section 664.6.

22. Nothing in this Order and Final Judgment, the Motion and supporting documents or the Settlement Agreement (including, without limitation, any exhibit thereto or exhibit, document, or instrument delivered thereunder) shall be: (i) construed as an admission or concession by any party of any fault, omission, liability or wrongdoing, (ii) construed as a concession or admission by Defendants (or any of them) that the claims asserted have any merit, (iii) construed as a concession or admission by Defendants (or any of them) that this Action was properly brought as a representative action, and/or (iv) be used as evidence of, or used against Defendants (or any of them) as, an admission or indication in any way, including with respect to any claim of any liability, wrongdoing, fault or omission by Defendants (or any of them) or with respect to the truth of any allegation asserted by any person. This Order and Final Judgment is not a finding of the validity of any claims in this Action or a determination of any wrongdoing by Defendants (or any of them) or any party. The Settlement and this resulting Order and Final Judgment simply represent a compromise of disputed allegations. Defendants (and each of them) deny each of the allegations and claims asserted in the Action, and deny any liability to the State of California and/or the Covered Employees (including, without limitation Plaintiff). This Court has made no findings of any wrongdoing by Defendants (or any of them), that Defendants (or any of their) policies or practices whatsoever are unlawful, or that Defendants (or any of them) have engaged in any malicious, fraudulent or oppressive conduct whatsoever.

23. Upon completion of the distribution of settlement payments pursuant to the Settlement Agreement, the Settlement Administrator will provide written certification of such completion to the Court, Plaintiff's Counsel and Defense Counsel, which shall be filed with the Court by Plaintiff's Counsel no later than sixty (60) days after the expiration of the one hundred eighty (180) day period described in paragraph 15 above.

24. Plaintiff is hereby ordered to submit a copy of this Order and Final Judgment to the LWDA pursuant to the requirements of California Labor Code § 2699(s)(3) within 10 calendar days after the entry of this Order and Final Judgment.

25. The Court enters final judgment in accordance with the terms of the Settlement Agreement and this Order and Final Judgment. Plaintiff's individual claims, which are resolved by a separate agreement, will be dismissed with prejudice by separate request for dismissal.

IT IS SO ORDERED, ADJUDGED AND DECREED.

DATE: _____

_____
HON. DAVID A. HOFFER
JUDGE OF THE SUPERIOR COURT