

John G. Yslas (SBN 187324)
john.yslas@wilshirelawfirm.com
Diego Aviles (SBN 315533)
diego.aviles@wilshirelawfirm.com
Jeffrey C. Bils (SBN 301629)
jeffrey.bils@wilshirelawfirm.com
Eugene Zinovyev (SBN 267245)
eugene.zinovyev@wilshirelawfirm.com
Arrash T. Fattahi (SBN 333676)
arrash.fattahi@wilshirelawfirm.com

WILSHIRE LAW FIRM
660 S. Figueroa St., Sky Lobby
Los Angeles, California 90017
Telephone: (213) 381-9988
Facsimile: (213) 381-9989
Attorneys for Plaintiffs

CALL & JENSEN
A Professional Corporation
Julie R. Trotter, Bar No. 209675
jtrotter@calljensen.com
Ellen Connelly Cohen, Bar No. 276458
ecohen@calljensen.com
610 Newport Center Drive, Suite 700
Newport Beach, CA 92660
Tel: (949) 717-3000
Attorneys for Defendants

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

CHRISTOPHER VILLA, individually, and
on behalf of all others similarly situated,

Plaintiff,

vs.

ENSIGN SOUTHLAND, LLC, a Nevada
limited liability company; SOUTHLAND
MANAGEMENT, LLC DBA
SOUTHLAND CARE CENTER, a Nevada
limited liability company; ENSIGN
SERVICES, INC., a Nevada corporation;
THE ENSIGN GROUP, INC., a Delaware
corporation; and DOES 1 through 10,
inclusive,

Defendants.

Case No. 22STCV27700

*Assigned for All Purposes To:
Hon. Timothy Patrick Dillon
Dept. 15*

**CLASS ACTION AND PAGA
SETTLEMENT AGREEMENT**

1 This Class Action and PAGA Settlement Agreement (“Settlement” or “Agreement”) is made
2 by and between Plaintiffs Crystal Applon, Jenny Brown, Angie Duran, Vesenia Aguilar
3 Hernandez, Dayana Lobera Rojas, Darnell Mendros, Stephanie Thomas, Christopher Villa, Victor
4 Spencer Wiley, and Simone Woods (“Plaintiffs”), on the one hand, and The Ensign Group, Inc.,
5 Flagstone Healthcare North LLC, Flagstone Healthcare Central LLC, Flagstone Healthcare South
6 LLC (the “Parent Entities”) and the Employer Defendants (as defined in Paragraph 1.20 below)
7 (the Parent Entities and the Employer Defendants are collectively referred to as “Defendants”),
8 on the other hand. The Agreement refers to Plaintiffs and Defendants collectively as “Parties,”
9 or individually as “Party.”

10 **1. DEFINITIONS.**

11 1.1 “Action” means Plaintiffs’ lawsuit effectively consolidating all pending class and
12 representative wage and hour litigation against Defendants for Settlement purposes to proceed in
13 a single action captioned *Christopher Villa v. Ensign Southland, LLC, et al.*, Case No.
14 22STCV27700, originally filed on August 25, 2022 in Los Angeles County Superior Court.

15 1.2 “Administration Costs” or “Administration Costs Payment” means the amount the
16 Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees
17 and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court
18 in connection with Preliminary Approval of the Settlement.

19 1.3 “Administrator” means Phoenix Settlement Administrators, Inc., the neutral entity the
20 Parties have agreed to appoint to administer the Settlement.

21 1.4 “Aggrieved Employee” means all current and former non-exempt (hourly-paid)
22 employees employed by any of the Employer Defendants in California during the PAGA Period,
23 the St. Catherine PAGA Period, or the Sea Cliff PAGA Period, as applicable.

24 1.5 “Amended Complaint” means the operative First Amended Class and Representative
25 Action Complaint Plaintiffs intend to file in the Action as further described below in Paragraph
26 2.6.

27 1.6 “Class” means all current and former non-exempt (hourly-paid) employees employed by
28 any of the Employer Defendants in California during the Class Period.

1.7 “Class Counsel” means Wilshire Law Firm, PLC.

1.8 “Class Counsel Fees Payment” means an award of attorneys’ fees granted to Class Counsel and paid from the Gross Settlement Amount. The Parties have agreed Plaintiffs will request approval from the Court of up to one-third (1/3) of the Gross Settlement Amount (currently four million dollars and zero cents [\$4,000,000.00]).

1.9 “Class Counsel Litigation Expenses Payment” means the amount allocated to Class Counsel for reimbursement of reasonable expenses and costs incurred to prosecute the Action, not to exceed eighty thousand dollars and zero cents (\$80,000.00) and paid from the Gross Settlement Amount.

1.10 “Class Data” means Class Member identifying information in Employer Defendants’ possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Workweeks and PAGA Pay Periods.

1.11 “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).

1.12 “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.

1.13 “Class Notice” means the Court approved Notice of Settlement and hearing date for Final Approval, to be mailed to Class Members in English with a Spanish translation in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.14 “Class Period” or “Class Settlement Period” means the period from February 3, 2019 through December 5, 2025.

1.15 “Class Representatives” means Plaintiffs Crystal Applon, Jenny Brown, Angie Duran, Vesenia Aguilar Hernandez, Dayana Lobera Rojas, Darnell Mendros, Stephanie Thomas, Christopher Villa, Victor Spencer Wiley, and Simone Woods.

1.16 “Class Representative Service Payment” or “Enhancement Award” means the payment to the Class Representatives for initiating and providing services in support of the Action.

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

1.18 “Defendants” means: the Employer Defendants defined in Paragraph 1.20 below together with the “Parent Entities” defined in Paragraph 1.38 below.

1.19 “Defense Counsel” means Call & Jensen.

1.20 “Employer Defendants” refers collectively to each of the following entities:

	Employer Defendant DBA	Employer Defendant Legal Name
1.	Alamitos Belmont Health and Rehabilitation	Midnight Healthcare, Inc.
2.	Alamitos West Health and Rehabilitation	Malcolm Healthcare, Inc.
3.	Arbor Glen Care Center	Ensign San Dimas LLC
4.	Arbor Place	Dragonfly Senior Living, Inc.
5.	Arbor Rehabilitation & Nursing Center	Brody Bay Healthcare, Inc.
6.	Arrowhead Springs Healthcare	Perris Hills Healthcare LLC
7.	Arroyo Vista Nursing Center	City Heights Health Associates LLC
8.	Atlantic Memorial Healthcare Center	Atlantic Memorial Healthcare Associates Inc.
9.	Beachside Nursing Center	Dessert Mallow Healthcare, Inc.
10.	Broadway by the Sea	Dusk Healthcare, Inc.
11.	Broadway Villa Post Acute	Ensign Sonoma LLC
12.	Brookfield Healthcare Center	Downey Community Care LLC
13.	Brookside Healthcare Center	Redbrook Healthcare Associates LLC
14.	Camarillo Healthcare Center	Camarillo Community Care, Inc.
15.	Camino Healthcare	Pine Forest Healthcare, Inc.
16.	Carmel Mountain Rehabilitation and	Bernardo Heights Healthcare, Inc.

	Employer Defendant DBA	Employer Defendant Legal Name
	Healthcare Center	
17.	Channel Islands Post Acute	Powers Park Healthcare, Inc.
18.	Chatsworth Park Health Care	Starburst Healthcare, Inc.
19.	Claremont Care Center	Claremont Foothills Health Associates LLC
20.	Cloverdale Healthcare Center	Ensign Cloverdale LLC
21.	Courtyard Health Care Center	West Court Lane Healthcare, Inc.
22.	Coventry Court Health Center	Manzanita Healthcare, Inc.
23.	Danville Post Acute Rehabilitation	Mountain Violet Healthcare, Inc.
24.	Desert Mountain Care Center	Stagecoach Healthcare, Inc.
25.	Downey Post Acute	Rio Hondo Healthcare, Inc.
26.	Edgewater Skilled Nursing Center	Moonrise Healthcare, Inc.
27.	Fairfield Post Acute Rehabilitation	Sagebrush Healthcare, Inc.
28.	Fairmont Rehabilitation Hospital	Deergrass Healthcare, Inc.
29.	Garden View Post Acute Rehabilitation	Clear Skies Healthcare, Inc.
30.	Glenwood Care Center	C Street Health Associates LLC
31.	Golden Hill Post Acute	Devonshire Healthcare, Inc.
32.	Grand Terrace Health Care	Morning Glory Healthcare, Inc.
33.	Grossmont Post Acute Care	Mission Trails Healthcare LLC
34.	Huntington Park Nursing Center	Seaboard Healthcare, Inc.
35.	Katella Senior Living Community	Rigby Creek Senior Living, Inc.
36.	Lake Balboa Care Center	Nightfall Healthcare, Inc.
37.	Lemon Grove Care & Rehabilitation Center	Lemon Grove Health Associates LLC
38.	Lomita Post Acute Care Center	Sungazer Healthcare, Inc.

	Employer Defendant DBA	Employer Defendant Legal Name
39.	Madera Post Acute Center (formerly known as Ramona Nursing and Rehabilitation Center)	Glimmer Healthcare, Inc.
40.	Magnolia Post Acute Care	Jefferson Healthcare LLC
41.	Mainplace Post Acute	La Veta Healthcare, Inc.
42.	Miramar Healthcare Center	Seagull Lane Healthcare, Inc.
43.	Mission Care Center	Ramon Healthcare Associates LLC
44.	Mission Hills Post Acute Care	Portside Healthcare, Inc.
45.	New Orange Hills	Hollyleaf Healthcare, Inc.
46.	Northbrook Healthcare Center	Ensign Willits LLC
47.	Pacific Gardens Nursing and Rehabilitation Center	Juniper Springs Healthcare, Inc.
48.	Pacific Haven Subacute and Healthcare Center	Strawberry Pond Healthcare LLC
49.	Pacifica Nursing and Rehabilitation Center	Mussel Rock Healthcare, Inc.
50.	Palm Terrace Care Center	Goldenstar Healthcare, Inc.
51.	Palm Terrace Healthcare & Rehabilitation Center	Gate Three Healthcare LLC
52.	Palomar Vista Healthcare Center	West Escondido Healthcare LLC
53.	Panorama Gardens Nursing & Rehabilitation Center	Ensign Panorama LLC
54.	Park View Post Acute	Ensign Montgomery LLC
55.	Parkside Health & Wellness Center	Parkside Healthcare, Inc.
56.	Premier Care Center for Palm Springs	Ensign Palm I LLC
57.	Rose Villa Healthcare Center	Bell Villa Care Associates LLC
58.	Sea Cliff Assisted Living	Sandpiper Senior Living LLC

	Employer Defendant DBA	Employer Defendant Legal Name
59.	Sea Cliff Healthcare Center	HB Healthcare Associates LLC
60.	Shoreline Healthcare Center	Rose Park Healthcare Associates, Inc.
61.	Solimar Post Acute	North Silver Healthcare, Inc.
62.	Somerset Subacute and Care	Claydelle Healthcare LLC
63.	South Bay Post Acute Care	Bayside Healthcare, Inc.
64.	Southland Care Center	Southland Management LLC
65.	Southland Living	Southland Management LLC
66.	The Springs at Pacific Regent	La Jolla Skilled LLC
67.	St. Catherine Healthcare	Santa Catalina Healthcare, Inc.
68.	St. Elizabeth Healthcare Center	Fullerton Healthcare, Inc.
69.	Summerfield Health Care Center	Ensign Santa Rosa LLC
70.	The Cove at La Jolla	Nautilus Healthcare, Inc.
71.	The Grove Assisted Living	Golden Eagle Senior Living, Inc.
72.	The Grove Care & Wellness	Empirecare Health Associates LLC
73.	The Hills Post Acute	Tustin Hills Healthcare, Inc.
74.	The Orchard Post Acute Care	Ensign Whittier West LLC
75.	Toluca Lake Transitional Care	West Star Healthcare LLC
76.	Turlock Nursing and Rehabilitation Center	Tracy Ridge Healthcare, Inc.
77.	Turlock Residential	Lost Cane Senior Living, Inc.
78.	Ukiah Post Acute	Ensign Pleasanton LLC
79.	Upland Rehabilitation & Care Center	Upland Community Care, Inc.
80.	Valley of the Moon Post Acute	Bouverie Healthcare Services, Inc.
81.	Victoria Care Center	Victoria Ventura Healthcare LLC
82.	Victoria Healthcare & Rehabilitation	Costa Victoria Healthcare LLC

	Employer Defendant DBA	Employer Defendant Legal Name
	Center	
83.	Victoria Post Acute Care	Anza Healthcare, Inc.
84.	Villa Maria Post Acute	Santa Maria Healthcare, Inc.
85.	Vintage Faire Nursing & Rehabilitation Center	Vintage Court Healthcare, Inc.
86.	Vintage Faire Residential	Deer Tail Senior Living, Inc.
87.	Vista Knoll Specialized Care Facility	Vista Woods Health Associates LLC
88.	Whittier Hills Healthcare Center	Ensign Whitter East LLC

1.21 “Effective Date” means the date by which 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 intervenor or Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more intervenors or Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or (c) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur. It is the Parties’ intent that the Settlement shall not become effective until the Judgment has become completely final, and there is no timely recourse by an appellant or intervenor who seeks to contest the Settlement.

1.22 “Employer Taxes” means Employer Defendants’ share of all employer payroll taxes owed on the portions of Individual Class Payments allocated to wages.

1.23 “Final Approval” or “Order Granting Final Approval” means the Court’s order granting final approval of the Settlement.

1.24 “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

1.25 “Gross Settlement Amount” or “GSA” means twelve million dollars and zero cents (\$12,000,000.00), which is the total amount Employer Defendants agree to pay under the

Settlement, except as provided in Paragraph 8 (Escalator Clause) below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, the Class Representative Service Payments, the Administration Costs Payment, and Employer Taxes.

1.26 “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.

1.27 “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period, St. Catherine PAGA Period, or Sea Cliff PAGA Period, as applicable.

1.28 “Judgment” means the judgment entered by the Court based upon granting Final Approval of the Settlement.

1.29 “LWDA” means the California Labor and Workforce Development Agency.

1.30 “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA pursuant to the version of PAGA in effect during the relevant time.

1.31 “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Penalties payments, Class Representative Service Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Costs Payment, and Employer Taxes. The remainder is to be paid to Participating Class Members as Individual Class Payments.

1.32 “Non-Participating Class Member” means any Class Member who opts out of the class action component of the Settlement by sending the Administrator a valid and timely Request for Exclusion. Aggrieved Employees cannot object to or opt out of the PAGA Settlement.

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

1.34 “PAGA Notices” means Plaintiffs’ letters and amended letters to the LWDA and Employer Defendants providing notice pursuant to the version of PAGA in effect during the relevant time.

1 1.35 “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee
2 worked for any Employer Defendant in California for at least one day during the PAGA Period,
3 St. Catherine PAGA Period, or Sea Cliff PAGA Period, as applicable. Pay Periods during which
4 an Aggrieved Employee was employed but did not record any hours can be excluded from this
5 calculation. For purposes of calculating Individual PAGA Payments, an Aggrieved Employee
6 shall be credited with no more than one (1) PAGA Pay Period for any given pay period, regardless
7 of whether the Aggrieved Employee worked for more than one Defendant Employer during that
8 pay period.

9 1.36 “PAGA Penalties” means the total amount of seven hundred fifty thousand dollars and
10 zero cents (\$750,000.00) in PAGA civil penalties to be paid from the Gross Settlement Amount,
11 allocated 25% (\$187,500.00) to the Aggrieved Employees and 75% (\$562,500.00) to the LWDA
12 in settlement of PAGA claims.

13 1.37 “PAGA Period” means the period from July 21, 2021 through December 5, 2025, except
14 as specified below .

15 1.37.1 For Aggrieved Employees employed by Santa Catalina Healthcare, Inc. dba St.
16 Catherine Healthcare, the “St. Catherine PAGA Period” means the period from
17 April 12, 2021 through December 5, 2025.

18 1.37.2 For Aggrieved Employees employed by HB Healthcare Associates LLC dba Sea
19 Cliff Healthcare Center, the “Sea Cliff PAGA Period” means the period from
20 December 28, 2020 through December 5, 2025.

21 1.38 “Parent Entities” means The Ensign Group, Inc. Flagstone Healthcare North LLC,
22 Flagstone Healthcare Central LLC, and Flagstone Healthcare South LLC.

23 1.39 “Participating Class Member” means a Class Member who does not submit a valid and
24 timely Request for Exclusion from the class action component of the Settlement.

25 1.40 “Plaintiffs” means Crystal Applon, Jenny Brown, Angie Duran, Vesenia Aguilar
26 Hernandez, Dayana Lobera Rojas, Darnell Mendros, Stephanie Thomas, Christopher Villa, Victor
27 Spencer Wiley, and Simone Woods.

28 / / /

1.41 “Preliminary Approval” or “Order Granting Preliminary Approval” means the Court’s order granting preliminary approval of the Settlement.

1.42 “Released Class Claims” or “Class Release” means the claims being released as described in Paragraph 5.2 below.

1.43 “Released Class Representative Claims” or “Plaintiffs’ Release” means the claims being released as described in Paragraph 5.1 below.

1.44 “Released PAGA Claims” or “PAGA Release” means the claims being released as described in Paragraph 5.3 below.

1.45 “Released Parties” means the Employer Defendants listed in Paragraph 1.20 together with their respective former and present parent companies, divisions, predecessors, prior operators (for purposes of successor liability under California Labor Code section 200.3, 42 C.F.R. 489.18, and any similar statute or regulation), the Parent Entities listed in Paragraph 1.38, all subsidiaries, affiliates, and related companies in the State of California directly or indirectly owned by The Ensign Group. Inc., including by way of example but not limited to Ensign Services, Inc., and each of their shareholders, officers, directors, employees, agents, attorneys, insurers, successors, and assigns, and any other individual or entity that could be jointly liable with any of the Employer Defendants for the claims asserted in the Action.

1.46 “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the class action component of the Settlement signed by the Class Member. Aggrieved Employees cannot exclude themselves from the PAGA component of the Settlement.

1.47 “Response Deadline” means forty-five (45) days after the Administrator mails the Class Notice to Class Members and Aggrieved Employees and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the class action component of the Settlement, or (b) fax, email, or mail objections to the class action component of the Settlement. Aggrieved Employees cannot object to or exclude themselves from the PAGA component of the Settlement. Class Members to whom Class Notice packets are resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the Response Deadline has expired.

1.48 “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

1.49 “Workweek” means any week during which a Class Member worked for any of the Employer Defendants for at least one day in California during the Class Period. Workweeks during which a Class Member was employed but did not record any hours worked can be excluded from this calculation. For purposes of calculating each Class Member’s Individual Class Payment, a Class Member shall be credited with no more than one (1) Workweek for any given calendar week, regardless of whether the Class Member worked for more than one Defendant Employer during that week.

2. RECITALS.

2.1 Plaintiffs filed several separate class action complaints alleging multiple causes of action and theories of liability against one or more Defendants for theories including but not limited to: (1) Failure to Pay Minimum and Straight Time Wages; (2) Failure to Pay Overtime Wages; (3) Failure to Provide Meal Periods; (4) Failure to Authorize and Permit Rest Periods; (5) Failure to Timely Pay Final Wages during Employment and at Termination; (6) Failure to Provide Accurate Itemized Wage Statements and Failure to Maintain Accurate and Complete Records; (7) Failure to Indemnify Employees for Expenditures; (8) Failure to Produce Requested Employment Records; (9) Failure to Pay Vacation/PTO Wages at Proper Rate; (10) Failure to Comply with California Paid Sick Leave Law; (11) Violation of Wage Theft Prevention Act; (12) Refusal to Pay Wages Due and Payable; (13); Unlawful Deductions from Wages; (14) Failure to Provide Suitable Seating; (15) Unlawful Criminal History Inquiries; (16) Background Check Violations; (17) Unlawful Employment Agreements; (18) Preventing Employees from Using or Disclosing Skills, Knowledge, and Experience; (19) Whistleblower claims in violation of Labor Code 1102.5; (20) Workplace Health and Safety Violations; and (21) Unfair Business Practices.

2.2 Additionally, pursuant to Labor Code §2699.3, subd.(a), Plaintiffs gave separate notices to the LWDA, and Employer Defendants that Plaintiffs intended to proceed with representative actions under PAGA. After the 65-day statutory period passed, Plaintiffs either (i) filed an amended complaint in the class actions adding an additional claim for penalties pursuant to Labor

Code § 2699, *et seq.* or (ii) filed a separate complaint for penalties pursuant to Labor Code § 2699, *et seq.* Plaintiffs further intend to file an amended consolidated letter with the LWDA for purposes of Settlement approval as set forth in Paragraph 2.6 below.

2.3 Defendants deny the allegations in all pending class and representative wage and hour litigation, deny any failure to comply with the laws identified in all pending class and representative wage and hour litigation, and deny any and all liability for the causes of action alleged in all pending class and representative wage and hour litigation.

2.4 On September 5, 2025, the Parties participated in an all-day mediation presided over by mediator Tripper Ortman, Esq. With the help of Mr. Ortman, the Parties were able to reach an agreement on general settlement terms at mediation. The Parties memorialized their agreement in a Memorandum of Understanding on or about October 9, 2025, which after further negotiations, culminated into the instant Agreement.

2.5 In advance of mediation, Class Counsel conducted a thorough investigation into the facts of, and applicable law to, all pending litigation matters. Prior to mediation, Plaintiffs obtained and analyzed a representative sampling of time and payroll data for Class Members and the necessary policy documents through informal discovery to properly evaluate the strengths and weaknesses of the claims and engage in meaningful settlement discussions. Plaintiffs' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Ford Motor Co.*, 48 Cal.App.4th 1794, 1801 (1996) and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 129-130 (2008) ("*Dunk/Kullar*").

2.6 For purposes of Settlement approval, Plaintiffs will file an Amended PAGA Notice with the LWDA that will amend and effectively consolidate all of the claims and theories pled in all class and representative wage and hour litigation currently pending against any of the Released Parties. Likewise, the Parties intend to request leave of the Court to allow Plaintiff Christopher Villa to file a First Amended Class and Representative Action Complaint ("Amended Complaint") that will effectively consolidate all of the claims and theories pled in all class and representative wage and hour litigation currently pending against any of the Released Parties. Defendants shall not be required to file a response to the Amended Complaint with the Court. The

1 Parties agree that for purposes of this Settlement only, the Class allegations in the Amended
2 Complaint will relate back to February 3, 2019 (four years and 178 days before Plaintiff Darnell
3 Mendros filed his Class Action Complaint).¹ The Parties further agree that for purposes of this
4 Settlement only, the PAGA allegations in the Amended Complaint will relate back to July 21,
5 2021 with the following two exceptions: (i) for employees of Santa Catalina Healthcare, Inc. dba
6 St. Catherine Healthcare, the PAGA allegations will relate back to April 12, 2021; and (ii) for
7 employees of HB Healthcare Associates LLC dba Sea Cliff Healthcare Center, the PAGA
8 allegations will relate back to December 28, 2020. Within 10 (ten) court days after the Court
9 grants Final Approval of this Settlement, Plaintiffs will dismiss the each of the separate wage and
10 hour class and representative actions currently pending against any of the Released Parties with
11 prejudice as to all parties and claims. If the Court does not grant Final Approval of this Settlement
12 and the Parties proceed to litigate, the Parties will return to the status quo ante: Plaintiffs will
13 withdraw the Amended PAGA Notice and Amended Complaint and re-assert the previously-
14 operative pleadings in each of the currently pending class and representative wage and hour
15 actions without alteration, and all prior court rulings and orders in each pending action will remain
16 in effect. If withdrawal is necessary, Defendants will cooperate in effectuating the status quo ante.
17 By consenting to the filing of an Amended PAGA Notice and Amended Complaint for Settlement
18 purposes, the Released Parties do not waive any rights or defenses to any of the claims asserted
19 in the original or Amended Complaint or original or Amended PAGA Notice or in any currently
20 pending wage and hour class or representative actions.

21 2.7 The Court has not granted class certification because the Parties engaged in mediation
22 before any class certification.

23 2.8 The Parties, Class Counsel, and Defense Counsel represent that they are aware of some
24 pending matters or actions asserting claims that will be extinguished or affected by the Settlement,
25 which the Parties are still working to identify and will further be identified in Plaintiffs' Motion
26 for Preliminary Approval of Settlement.

27
28 ¹ In response to the COVID-19 pandemic, the Judicial Council of California adopted Emergency Rule 9(a) (California Rules of Court), whereby "statutes of limitations and repose for civil causes of action that exceed 180 days are tolled from April 6, 2020 to October 1, 2020."

1 **3. MONETARY TERMS.**

2 3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 (Escalator
3 Clause) below, Employer Defendants will pay twelve million dollars and zero cents
4 (\$12,000,000.00) to fully settle, resolve, and extinguish all claims asserted in the Action,
5 including without limitation all claims asserted in the original and Amended PAGA Notices and
6 original and Amended Complaint. Unless otherwise ordered by the Court, the Gross Settlement
7 Amount includes Employer Taxes owed on the wage portions of the Individual Class Payments.
8 Participating Class Members and Aggrieved Employees will not be required to submit any claim
9 forms as a condition of payment. The Gross Settlement Amount is non-reversionary.

10 3.2 Payments from the Gross Settlement Amount. The Administrator will make and deduct
11 the following payments from the Gross Settlement Amount, in the amounts specified by the Court
12 in the Order Granting Final Approval:

13 3.2.1 To Plaintiffs: Class Representative Service Payments of not more than ten thousand
14 dollars and zero cents (\$10,000.00) to each plaintiff (i.e., not more than one hundred thousand
15 dollars and zero cents (\$100,000.00) total across all ten (10) Plaintiffs) in addition to any
16 Individual Class Payment and any Individual PAGA Payment the Class Representatives are
17 entitled to receive as Participating Class Members. Defendants will not oppose Plaintiffs' request
18 for Class Representative Service Payments that do not exceed this amount. As part of the motion
19 for the Class Counsel Fees and Litigation Expenses Payments, Plaintiffs will seek Court approval
20 for the Class Representative Service Payments no later than sixteen (16) court days prior to the
21 Final Approval Hearing, or as otherwise ordered by the Court. This Settlement is not contingent
22 upon the Court awarding Plaintiffs any particular amount in Class Representative Service
23 Payments. If the Court approves Class Representative Service Payments in less than the amount
24 requested, the Administrator will retain the remainder in the Net Settlement Amount to be
25 distributed to Participating Class Members. The Administrator will pay the Class Representative
26 Service Payments using IRS Form 1099. Plaintiffs assume full responsibility and liability for
27 employee taxes owed on the Class Representative Service Payments and shall indemnify and hold
28 harmless Released Parties from any claim or liability for taxes, penalties, or interest arising in

1 connection with the Class Representative Service Payments.

2 3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third of the
3 Gross Settlement Amount, which is currently estimated to be four million dollars and zero cents
4 (\$4,000,000.00) and a Class Counsel Litigation Expenses Payment for actual costs, not to exceed
5 eighty thousand dollars and zero cents (\$80,000.00). Defendants will not oppose requests for these
6 payments. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees and Litigation
7 Expenses Payment no later than sixteen (16) court days prior to the Final Approval Hearing, or
8 as otherwise ordered by the Court. This Settlement is not contingent upon the Court awarding
9 Class Counsel any particular amount in Class Counsel Fees Payments or Class Counsel Litigation
10 Expenses Payments. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel
11 Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the
12 remainder to the Net Settlement Amount for distribution to Participating Class Members.
13 Released Parties shall have no liability to Class Counsel or any other plaintiff's counsel arising
14 from any claim to any portion of Class Counsel Fees Payment and/or Class Counsel Litigation
15 Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class
16 Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full
17 responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class
18 Counsel Litigation Expenses Payment and holds Released Parties harmless, and indemnifies
19 Released Parties, from any dispute or controversy regarding any division or sharing of any of
20 these Payments.

21 3.2.3 To the Administrator: An Administration Costs Payment not to exceed one hundred
22 forty-three thousand five hundred dollars and zero cents (\$143,500.00) except for a showing of
23 good cause and as approved by the Court. To the extent the Administration Costs are less or the
24 Court approves payment of less than \$143,500.00, the Administrator will retain the remainder in
25 the Net Settlement Amount to be distributed to Participating Class Members.

26 3.2.4 To Each Participating Class Member: An Individual Class Payment is calculated by
27 (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all
28 Participating Class Members during the Class Period, and (b) multiplying the result by each

individual Participating Class Member's number of Workweeks. A Class Member shall be credited with no more than one (1) Workweek for any given calendar week, regardless of whether the Class Member worked for more than one Defendant Employer during that week.

3.2.4.1 Tax Allocation of Individual Class Payments. Fifteen percent (15%) of each Participating Class Member's Individual Class Payment will be allocated to the Settlement of wage claims (the "Wage Portion"). The Wage Portion is subject to tax withholding and will be reported on an IRS W-2 Form. The remaining eighty-five percent (85%) of each Participating Class Member's Individual Class Payment will be allocated to the settlement of claims for interest, reimbursement, 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 Payments.

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

3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of seven hundred fifty thousand dollars and zero cents (\$750,000.00) to be paid from the Gross Settlement Amount, with 75% (\$562,500.00) allocated to the LWDA PAGA Payment and 25% (\$187,500.00) allocated to the Individual PAGA Payments.

3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties of \$187,500.00 by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period, St. Catherine PAGA Period, or Sea Cliff PAGA Period, as applicable and (b) multiplying the result by each individual Aggrieved Employee's number of PAGA Pay Periods. An Aggrieved Employee shall be credited with no more than one (1) PAGA Pay Period for any given pay period, regardless of whether the Aggrieved Employee worked for more than one Defendant Employer during that pay period. Aggrieved Employees assume full responsibility and

liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount to be distributed to Participating Class Members. 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 relevant records, Employer Defendants estimated that at the time of mediation on September 5, 2025, there were approximately 37,000 Class Members who collectively worked an estimated total of 2,383,248 workweeks during the Class Period, and approximately 29,000 Aggrieved Employees who worked an estimated total of 812,000 PAGA Pay Periods during the PAGA Period, St. Catherine PAGA Period, and Sea Cliff PAGA Period.

4.2 Class Data. Not later than ten (10) days after the Court grants Preliminary Approval of the Settlement, Employer Defendants 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. Employer Defendants have a continuing duty to immediately notify Class Counsel if they discover 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 Employer Defendants 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 Remittance of Gross Settlement Amount. Employer Defendants shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than thirty (30) days after the Effective Date.

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1 4.4 Payments from the Gross Settlement Amount. Within ten (10) days after Employer
2 Defendants fully fund the Gross Settlement Amount, the Administrator will mail checks for all
3 Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the
4 Administration Costs Payment, the Class Counsel Fees Payment, the Class Counsel Litigation
5 Expenses Payment, and the Class Representative Service Payments. Disbursement of the Class
6 Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class
7 Representative Service Payments shall not precede disbursement of Individual Class Payments
8 and Individual PAGA Payments.

9 4.4.1 The Administrator shall calculate and deduct Employer Taxes from the Gross
10 Settlement Amount prior to calculation of the Net Settlement Amount and distribution of
11 Individual Class Payments. The Administrator shall provide an estimate of Employer Taxes to
12 the Parties for purposes of Court approval and to disclose the amount to the Court. The
13 Administrator shall remit Employer Taxes and required forms to the appropriate taxing authorities
14 within the deadlines established by law.

15 4.4.2 The Administrator will issue checks for the Individual Class Payments and/or
16 Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail. The
17 face of each check shall prominently state the date (180 days after the date of mailing) when the
18 check will be voided (“Void Date”). The Administrator will cancel all checks not cashed by the
19 Void Date. The Administrator will send checks for Individual Settlement Payments to all
20 Participating Class Members (including those for whom the Class Notice was returned
21 undelivered). The Administrator will send checks for Individual PAGA Payments to all
22 Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved
23 Employees (including those for whom Class Notice was returned undelivered). The Administrator
24 may send Participating Class Members a single check combining the Individual Class Payment
25 and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator
26 must update the recipients’ mailing addresses using the National Change of Address Database.

27 4.4.3 The Administrator must conduct a Class Member Address Search for all other Class
28 Members whose checks are returned undelivered without USPS forwarding address. Within seven

(7) days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the Void Date.

4.4.4 In the event a Participating Class Member fails to cash/deposit his or her Individual Settlement Payment before the Void Date, the Participating Class Member shall nevertheless remain bound by the Settlement.

4.4.5 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and canceled 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).

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

4.4.7 Payment of Individual Class Payments, Individual PAGA Payments, and Class Representative Service Payments does not extend or alter any Class Member's period of employment for any purpose.

5. RELEASES OF CLAIMS.

Effective on the date when Employer Defendants fully fund the Gross Settlement Amount, Plaintiffs, Class Members, and Class Counsel will release claims against all Released Parties as follows:

5.1 Plaintiffs' Release. Each Plaintiff and their heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences from the beginning of time through the date Plaintiffs sign this Agreement. Plaintiffs'

1 Release includes, but is not limited to: all claims under the California Labor Code and Industrial
2 Welfare Commission Wage Orders; the California Fair Employment and Housing Act; the
3 California Family Rights Act; the California Constitution; the California Government Code; the
4 California Civil Code; the Americans with Disabilities Act; Title VII of the Civil Rights Act of
5 1964; the Civil Rights Act of 1991; 42 U.S.C. § 1981; the Age Discrimination in Employment
6 Act; the Fair Labor Standards Act; the Equal Pay Act; the Rehabilitation Act of 1973; the Family
7 and Medical Leave Act; Fair Credit Reporting Act (each as amended); and all other federal, state,
8 and local statutes, regulations, and other laws; tort and contract claims based on theories of
9 wrongful or constructive discharge, breach of contract or implied contract, fraud,
10 misrepresentation, promissory estoppel, and intentional or negligent infliction of emotional
11 distress. Plaintiffs' Release is for any and all relief, no matter how denominated, including but
12 not limited to statutory penalties, back pay, front pay, vacation pay, bonuses, compensatory
13 damages, tortious damages, liquidated damages, punitive damages, damages for pain and
14 suffering, and attorneys' fees and costs. Plaintiffs' Release does not extend to any claims or
15 actions to enforce this Agreement, or to any claims that cannot be released as a matter of law.
16 Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to,
17 the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless, that
18 Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or
19 additional facts or Plaintiffs' discovery of them.

20 5.1.1 Plaintiffs' Waiver of Rights Under California Civil Code Section 1542. For
21 purposes of Plaintiffs' Release, Plaintiffs expressly waive and relinquish the provisions, rights,
22 and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

27 5.2 Released Class Claims/Class Release: All Participating Class Members and their heirs,
28 administrators, successors, and assigns will release all claims, rights, demands, liabilities, and

1 causes of action that were alleged or which could have reasonably been alleged based on the facts
2 alleged in the original and Amended Complaints including, but not limited to, claims for: failure
3 to calculate and pay minimum, straight-time, overtime, and double-time wages at the proper rate;
4 off-the-clock work; pre-and post-shift work; work during meal or rest breaks; rounding; time
5 editing; automatic deductions for meal periods; uncompensated on call/standby time; paying less
6 than promised contractual wages; unlawful wage deductions; clawbacks of meal and overtime
7 premiums; secret payment of lower wage scale; failure to include required bonuses and incentives
8 in the regular rate; failure to pay shift differentials at the proper rate; failure to provide one day's
9 rest in seven or proper pay in lieu thereof; failure to pay reporting time pay at the proper rate;
10 failure to pay split shift premiums at the proper rate; failure to allow use of earned vacation/PTO
11 during employment; failure to pay vacation/PTO wages at the proper rate during employment and
12 at separation of employment; failure to properly accrue paid sick leave and COVID-19 leave;
13 failure to allow use of earned/accrued sick leave and COVID-19 leave; failure to pay sick leave
14 and COVID-19 leave at the proper rate; failure to provide balance information for sick leave and
15 COVID-19 leave; misclassification as exempt from overtime and meal and rest break
16 requirements; failure to authorize and permit timely, uninterrupted, duty-free meal periods (and
17 second meal periods) and rest breaks or provide compensation at the proper rate in lieu thereof;
18 requiring employees to remain on-duty during meal periods and rest breaks; unlawful on-duty
19 meal period agreements; failure to reimburse necessary business expenses (including but not
20 limited to expenses incurred in connection with use of personal cell phones, computers, internet,
21 vehicles, mileage, uniforms, scrubs, footwear, PPE, and other tools, supplies, and equipment);
22 failure to provide accurate itemized wage statements; wage statements with line item for
23 "Detailed Not Displayed"; failure to maintain accurate payroll, timekeeping, sick leave, and other
24 employment records; failure to timely produce requested employment records; failure to timely
25 pay wages during employment and upon separation from employment; failure to pay wages twice
26 a month; refusal to pay wages due and payable; violation of the California Wage Theft Prevention
27 Act; failure to provide suitable seating; unlawful criminal history inquiries; background check
28 violations; unlawful employment agreements; preventing employees from using or disclosing

skills, knowledge, or experience; whistleblower retaliation; workplace health and safety violations; unfair/unlawful business practices, and all other claims for damages, liquidated damages, interest, statutory penalties, attorneys' fees, costs, and other amounts recoverable based on the aforementioned, to the greatest extent permissible (Labor Code sections 90.5(a), 98.6, 200, 201, 201.3, 202, 203, 204, 210, 213(d), 216, 218, 218.5, 218.6, 221, 223, 224, 225, 225.5, 226, 226.2, 226.3, 226.6, 226.7, 227.3, 232, 232.5, 233, 234, 245-249 (Healthy Workplaces, Healthy Families Act of 2014), 256, 432, 432.5, 432.7, 510, 512, 516, 551, 552, 558, 558.1, 1024.5, 1102.5, 1174, 1174.5, 1181.11, 1182.12, 1185, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 1198.5, 1199, 2800, 2802, 2804, 2810.5, 2926, 2927, 6401, 6402, and 6403; Title 8 of the California Code of Regulations sections 1527, 3366, 3457, and 8397.4; Wage Order 5-2001; California Code of Civil Procedure section 1021.5; California Civil Code section 1786 et seq. (Investigative Consumer Reporting Agencies Act); 15 U.S.C. § 1681 et seq. (Fair Credit Reporting Act); Business and Professions Code sections 16600 et seq., 16700 et seq., and 17200 et seq.). The Released Class Claims are those that accrued during the Class Period.

5.2.1 Excluded from the Class Release are claims for PAGA civil penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the original and Amended Complaints and original and Amended PAGA Notices. However, Aggrieved Employees will release claims for civil PAGA penalties as set forth in Paragraph 5.3 below (PAGA Release). Except as set forth in Paragraph 5.3 of this Agreement (PAGA Release), Participating Class Members (other than Plaintiffs) do not release any other claims, including claims for unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

5.3 Released PAGA Claims/PAGA Release: Plaintiffs will release for themselves, their heirs, administrators, successors, and assigns, and the State of California, all claims for statutory PAGA civil penalties that could have been sought by the Labor Commissioner that are alleged or reasonably could have been alleged based on the facts alleged in the original and Amended Complaints and in Plaintiffs' original and Amended PAGA Notices, including, but not limited to,

claims for civil penalties based on alleged failure to calculate and pay minimum, straight-time, and overtime wages at the proper rate; failure to authorize and permit meal periods (and second meal periods) and rest breaks or provide compensation at the proper rate in lieu thereof; requiring employees to remain on-duty during meal periods and rest breaks; unlawful on-duty meal period agreements; failure to reimburse necessary business expenses; failure to provide accurate itemized wage statements; failure to maintain accurate and employment records; failure to timely produce requested employment records; failure to timely pay wages during employment and upon separation from employment; failure to pay wages twice a month; refusal to pay wages due and payable; unlawful wage deductions; failure to provide one day's rest in seven; failure to pay reporting time pay at the proper rate; failure to pay split shift premiums at the proper rate; failure to pay vacation/PTO wages at the proper rate; failure to provide paid sick leave; failure to pay sick leave at the proper rate; violation of the California Wage Theft Prevention Act; failure to provide suitable seating; unlawful criminal history inquiries; background check violations; unlawful employment agreements; preventing employees from using or disclosing skills, knowledge, or experience; whistleblower retaliation; workplace health and safety violations; and misclassification as exempt from overtime (Labor Code sections 90.5(a), 98.6, 200, 201, 201.3, 202, 203, 204, 210, 213(d), 216, 218, 218.5, 218.6, 221, 223, 224, 225.5, 226, 226.2, 226.3, 226.6, 226.7, 227.3, 232, 232.5, 233, 234, 245-248.7 (Healthy Workplaces, Healthy Families Act of 2014), 256, 432, 432.5, 432.7, 510, 512, 516, 551, 552, 558, 558.1, 1102.5, 1024.5, 1174, 1174.5, 1181.11, 1182.12, 1185, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 1198.5, 1199, 1527, 2800, 2802, 2804, 2810.5, 2926, 2927, 1527, 3366, 3457, 6401, 6402, 6403, and 8397.4), to the greatest extent permissible. The Released PAGA Claims are those that accrued during the PAGA Period, the St. Catherine PAGA Period, and the Sea Cliff PAGA Period.

6. MOTION FOR PRELIMINARY APPROVAL.

Plaintiffs will prepare and file a motion for preliminary approval ("Motion for Preliminary Approval").

6.1 Plaintiffs' Responsibilities. Plaintiffs will prepare all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the

1 Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar*
2 and a request for approval of the PAGA component of the Settlement; (ii) a draft proposed Order
3 Granting Preliminary Approval and Approval of Class and PAGA Settlement; (iii) a draft
4 proposed Class Notice; (iv) a signed declaration from Plaintiffs confirming willingness and
5 competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest
6 with Class Members, and/or the Administrator; (v) a signed declaration from Class Counsel
7 attesting to its competency to represent the Class Members; its timely transmission to the LWDA
8 of all necessary PAGA documents (including Amended PAGA Notice), Amended Complaint,
9 and this Agreement); and (vi) all facts relevant to any actual or potential conflict of interest with
10 Class Members, and/or the Administrator.

11 6.2 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible
12 for expeditiously finalizing the Motion for Preliminary Approval. Class Counsel will obtain a
13 prompt hearing date for the Motion for Preliminary Approval, file the Motion for Preliminary
14 Approval no later than sixteen (16) court days before the hearing, unless otherwise ordered by the
15 Court, and deliver the Court's Preliminary Approval Order to the Administrator.

16 6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for
17 Preliminary Approval and/or the supporting declarations and documents, Class Counsel and
18 Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person
19 or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant
20 Preliminary Approval or conditions Preliminary Approval on any material change to this
21 Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of
22 the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and
23 otherwise satisfy the Court's concerns.

24 7. SETTLEMENT ADMINISTRATION.

25 7.1 Selection of Administrator. The Parties have jointly selected Phoenix Settlement
26 Administrators, Inc. to serve as the Administrator and verified that, as a condition of appointment,
27 the Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties
28 specified in this Agreement in exchange for payment of Administration Costs. The Parties and

1 their Counsel represent that they have no interest or relationship, financial or otherwise, with the
2 Administrator other than a professional relationship arising out of prior experiences administering
3 settlements.

4 7.2 Employer Identification Number. The Administrator shall have and use its own
5 Employer Identification Number for purposes of calculating payroll tax withholdings and
6 providing reports to state and federal tax authorities.

7 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that
8 meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation
9 section 468B-1 for the funding of the GSA. Any interest that accrues on the GSA sums paid into
10 the QSF prior to distribution by the Administrator will become part of the Net Settlement Amount
11 for distribution to Participating Class Members.

12 7.4 Notice to Class Members.

13 7.4.1 No later than five (5) calendar days after receipt of the Class Data, the Administrator
14 shall notify Class Counsel that the list has been received and state the number of Class Members,
15 Aggrieved Employees, Workweeks, and PAGA Pay Periods in the Class Data.

16 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14
17 (fourteen) days after receiving the Class Data, the Administrator will send to all Class Members
18 identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class
19 Notice with Spanish translation substantially in the form attached to this Agreement as Exhibit
20 A. The first page of the Class Notice shall prominently estimate the dollar amounts of any
21 Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and
22 the number of Workweeks and PAGA Pay Periods used to calculate these amounts. Before
23 mailing Class Notices, the Administrator shall update Class Member addresses using the National
24 Change of Address database.

25 7.4.3 Not later than five (5) calendar days after the Administrator’s receipt of any Class
26 Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice
27 using any forwarding address provided by the USPS. If the USPS does not provide a forwarding
28 address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class

1 Notice to the most current address obtained. The Administrator has no obligation to make further
2 attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the
3 USPS a second time.

4 7.4.4 The deadlines for Class Members' written objections, challenges to Workweeks
5 and/or PAGA Pay Periods, and Requests for Exclusion will be extended an additional fourteen
6 days (14) days beyond the forty-five (45) days otherwise provided in the Class Notice for all Class
7 Members whose notice is re-mailed. The Administrator will inform the Class Member of the
8 extended deadline with the re-mailed Class Notice.

9 7.4.5 If the Administrator, Defendants, or Class Counsel is contacted by or otherwise
10 discovers any persons who believe they should have been included in the Class Data and should
11 have received Class Notice, the Parties will expeditiously meet and confer in person or by
12 telephone, and in good faith in an effort to agree on whether to include them as Class Members.
13 If the Parties agree, such persons will be Class Members entitled to the same rights as other Class
14 Members, and the Administrator will send, via email or overnight delivery, a Class Notice
15 requiring them to exercise options under this Agreement not later than fourteen (14) days after
16 receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

17 7.5 Requests for Exclusion (Opt-Outs).

18 7.5.1 Class Members cannot exclude themselves from the PAGA component of the
19 Settlement.

20 7.5.2 Class Members who wish to exclude themselves (opt-out of) the class action
21 component of the Settlement must send the Administrator, by fax, email, or mail, a signed written
22 Request for Exclusion not later than forty-five (45) days after the Administrator mails the Class
23 Notice (plus an additional fourteen (14) days for Class Members whose Class Notice is re-
24 mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that
25 reasonably communicates the Class Member's election to be excluded from the Settlement and
26 includes the Class Member's name, address, and email address or telephone number. To be valid,
27 a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

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1 7.5.3 The Administrator may not reject a Request for Exclusion as invalid because it fails
2 to contain all the information specified in the Class Notice. The Administrator shall accept any
3 Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the
4 person as a Class Member and the Class Member's desire to be excluded. The Administrator's
5 determination shall be final and not appealable or otherwise susceptible to challenge. If the
6 Administrator has reason to question the authenticity of a Request for Exclusion, the
7 Administrator may demand additional proof of the Class Member's identity. The Administrator's
8 determination of authenticity shall be final and not appealable or otherwise susceptible to
9 challenge.

10 7.5.4 Every Class Member who does not submit a timely and valid Request for Exclusion
11 is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and
12 bound by all terms and conditions of the Settlement, including the Participating Class Members'
13 Releases under Paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating
14 Class Member actually receives the Class Notice or objects to the Settlement.

15 7.5.5 Every Class Member who submits a valid and timely Request for Exclusion is a
16 Non-Participating Class Member and shall not receive an Individual Class Payment or have the
17 right to object to the class action component of the Settlement.

18 7.5.6 Plaintiffs agree not to request exclusion from the Settlement.

19 7.5.7 Because future PAGA claims are subject to claim preclusion upon entry of the
20 Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to
21 release the Released PAGA Claims identified in Paragraph 5.3 of this Agreement and shall
22 receive an Individual PAGA Payment notwithstanding their Request for Exclusion from the class
23 action component of this Settlement.

24 7.6 Challenges to Calculation of Workweeks. Each Class Member shall have forty-five (45)
25 days after the Administrator mails the Class Notice (plus an additional fourteen (14) days for
26 Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks
27 and PAGA Pay Periods allocated to the Class Member in the Class Notice. The Class Member
28 may challenge the allocation by communicating with the Administrator via fax, email, or mail.

1 The Administrator must encourage the challenging Class Member to submit supporting
2 documentation. In the absence of any contrary documentation, the Administrator is entitled to
3 presume that the Workweeks contained in the Class Notice are correct so long as they are
4 consistent with the Class Data. The Administrator's determination of each Class Member's
5 allocation of Workweeks and/or PAGA Pay Periods shall be final and not appealable or otherwise
6 susceptible to challenge. The Administrator shall promptly provide copies of all challenges to the
7 calculation of Workweeks and/or PAGA Pay Periods to Defense Counsel and Class Counsel and
8 the Administrator's determination of the challenges.

9 **7.7 Objections to Settlement.**

10 7.7.1 Class Members cannot object to the PAGA component of the Settlement.

11 7.7.2 Only Participating Class Members may object to the class action component of the
12 Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or
13 amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses
14 Payment and/or Class Representative Service Payment.

15 7.7.3 Participating Class Members may send written objections to the Administrator, by
16 fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire
17 an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A
18 Participating Class Member who elects to send a written objection to the Administrator must do
19 so not later than forty-five (45) days after the Administrator's mailing of the Class Notice (plus
20 an additional fourteen (14) days for Class Members whose Class Notice was re-mailed).

21 7.7.4 Non-Participating Class Members have no right to object to any of the class action
22 component of the Settlement.

23 7.7.5 Plaintiffs agree not to object to the Settlement.

24 **7.8 Administrator Duties.** The Administrator has a duty to perform or observe all tasks to be
25 performed or observed by the Administrator contained in this Agreement or otherwise.

26 7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish,
27 maintain, and use an internet website to post information of interest to Class Members including
28 the date, time, and location for the Final Approval Hearing and copies of the Settlement

1 Agreement; Motion for Preliminary Approval; Preliminary Approval Order; Class Notice;
2 Motion for Final Approval; Motion for Class Counsel Fees Payment, Class Counsel Litigation
3 Expenses Payment, and Class Representative Service Payment; the Final Approval Order; and
4 the Judgment. The Administrator will also maintain and monitor an email address and a toll-free
5 telephone number to receive Class Member calls, faxes and emails.

6 7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will
7 promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later
8 than five (5) days after the expiration of the deadline for submitting Requests for Exclusion, the
9 Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names
10 and other identifying information of Class Members who have timely submitted valid Requests
11 for Exclusion (“Exclusion List”); and (b) copies of all valid Requests for Exclusion. The
12 Administrator shall also provide a list to Class Counsel and Defense Counsel of the total number
13 of invalid Requests for Exclusion (with no names or personally identifying information).

14 7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports
15 to Class Counsel and Defense Counsel that, among other things, tally the number of: Class
16 Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether
17 valid or invalid) received, objections received, challenges to Workweeks and/or PAGA Pay
18 Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual
19 PAGA Payments (“Weekly Report”). The Weekly Reports must include the Administrator’s
20 assessment of the validity of Requests for Exclusion and attach copies of all valid Requests for
21 Exclusion and objections received.

22 7.8.4 Workweek and/or PAGA Pay Period Challenges. The Administrator has the
23 authority to address and make final decisions consistent with the terms of this Agreement on all
24 Class Member challenges over the calculation of Workweeks and/or PAGA Pay Periods. The
25 Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.

26 7.8.5 Administrator’s Declaration. Not later than fourteen (14) days before the date by
27 which Plaintiff is required to file the Motion for Final Approval of the Settlement, the
28 Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable

1 for filing in Court attesting to its due diligence and compliance with all of its obligations under
2 this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices
3 returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the
4 total number of Requests for Exclusion from Settlement it received (both valid or invalid), the
5 number of written objections and attach the Exclusion List. The Administrator will supplement
6 its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible
7 for filing the Administrator's declaration(s) in Court.

8 7.8.6 Final Report by Settlement Administrator. Within ten (10) days after the
9 Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide
10 Class Counsel and Defense Counsel with a final report detailing its disbursements by employee
11 identification number only of all payments made under this Agreement. At least fifteen (15) days
12 before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel
13 and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement
14 of all payments required under this Agreement. Class Counsel is responsible for filing the
15 Administrator's declaration in Court.

16 **8. CLASS SIZE ESTIMATES and ESCALATOR CLAUSE.**

17 Based on a review of relevant records, Employer Defendants estimated that at the time of
18 mediation on September 5, 2025, there were approximately 37,000 Class Members who
19 collectively worked an estimated total of 2,383,248 Workweeks during the Class Period, and
20 approximately 29,000 Aggrieved Employees who worked an estimated total of 812,000 PAGA
21 Pay collectively during the PAGA Period, St. Catherine PAGA Period, and Sea Cliff PAGA
22 Period. If, on final calculation, the actual total number of Workweeks is greater than 10% higher
23 than 2,283,248 Workweeks (i.e. greater than 2,621,573 Workweeks), then Defendants shall have
24 the option to either: (1) increase the Gross Settlement Amount proportionally by \$5.04
25 (\$12,000,000 divided by 2,383,248 Workweeks) for each additional Workweek above 2,621,573;
26 or (2) end the Class Period on the date the number of Workweeks reaches 2,621,573, as long as
27 the end date does not occur prior to September 5, 2025. If this provision is triggered so as to
28 increase the Gross Settlement Amount, the Parties agree that the portion of the Gross Settlement

1 Amount allocated to attorneys' fees will increase proportionally such that the total amount of
2 attorneys' fees remains one-third (1/3) of the Gross Settlement Amount after the upward
3 adjustment required by this provision is implemented. If this provision is triggered as to end the
4 Class Period on the date the number of Workweeks reaches 2,621,573, the Parties agree to end
5 the PAGA Periods on the same end date as the Class Period. Defendants shall provide a
6 declaration to counsel for Plaintiffs at least one week in advance of the filing of the Motion for
7 Preliminary Approval attesting to the actual total number of Workweeks and Class Members in
8 the Class Period.

9 **9. DEFENDANTS' RIGHT TO WITHDRAW.**

10 Based on a review of relevant records, Employer Defendants estimated that at the time of
11 mediation on September 5, 2025, there were approximately 37,000 Class Members. If the number
12 of valid Requests for Exclusion identified in the Exclusion List is greater than one hundred
13 twenty-five (125), Defendants may, but are not obligated to, elect to withdraw from the
14 Settlement. The Parties agree that, if Defendants withdraw, the Settlement shall be *void ab initio*,
15 have no force or effect whatsoever, and that neither Party will have any further obligation to
16 perform under this Agreement; provided, however, Defendants will remain responsible for paying
17 all Settlement Administration Costs incurred to that point along with any related Settlement
18 Administration costs necessary to inform Class Members of Defendants' withdrawal, if any.
19 Defendants must notify Class Counsel and the Court of their election to withdraw not later than
20 seven (7) days after the Administrator sends the final Exclusion List to Defense Counsel; late
21 elections will have no effect. Additionally, if Defendants elect to withdraw as stated above,
22 Defendants agree to cooperate with Plaintiffs in filing any necessary documents with the Court
23 to return each of the Parties to their respective litigation positions prior to the execution of this
24 Agreement, if any. In the event of Defendants' withdrawal, no Party may use the fact that the
25 Parties agreed to the Settlement for any reason.

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1 **10. MOTION FOR FINAL APPROVAL.**

2 Not later than sixteen (16) court days before the calendared Final Approval Hearing, unless
3 otherwise scheduled by the Court, Plaintiffs will file in Court, a Motion for Final Approval of the
4 Settlement that includes a request for approval of the PAGA component of the Settlement; a
5 Proposed Final Approval Order; and a proposed Judgment (collectively “Motion for Final
6 Approval”). Plaintiffs shall provide drafts of these documents to Defense Counsel prior to filing
7 the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and
8 confer in person or by telephone, and in good faith, to resolve any disagreements concerning the
9 Motion for Final Approval.

10 10.1 Response to Objections. Each Party retains the right to respond to any objection raised
11 by a Participating Class Member, including the right to file responsive documents in Court no
12 later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or
13 accepted by the Court.

14 10.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final
15 Approval on any material change to the Settlement (including, but not limited to, the scope of
16 release to be granted by Class Members), the Parties will expeditiously work together in good
17 faith to address the Court’s concerns by revising the Agreement as necessary to obtain Final
18 Approval. The Court’s decision to award less than the amounts requested for the Class
19 Representative Service Payments, Class Counsel Fees Payment, Class Counsel Litigation
20 Expenses Payment, and/or Administrator Costs Payment shall not constitute a material
21 modification to the Agreement within the meaning of this paragraph.

22 10.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the
23 Court will retain jurisdiction over the Parties, the Action, and the Settlement solely for purposes
24 of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration
25 matters, and (iii) addressing such post-Judgment matters as are permitted by law.

26 10.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
27 conditions of this Agreement, the Parties, their respective counsel, and all Participating Class
28 Members who did not object to the Settlement as provided in this Agreement, waive all rights to

1 appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the
2 right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals.
3 The waiver of appeal does not include any waiver of the right to oppose such motions, writs or
4 appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this
5 Agreement will be suspended until such time as the appeal is finally resolved and the Judgment
6 becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

7 10.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
8 reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material
9 modification of this Agreement (including, but not limited to, the scope of release to be granted
10 by Class Members), this Agreement shall be null and void. The Parties shall nevertheless
11 expeditiously work together in good faith to address the appellate court's concerns and to obtain
12 Final Approval and Entry of Judgment, sharing, on a 50-50 basis, any additional Administration
13 Costs reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the
14 Court's award of the Class Representative Service Payment or any payments to Class Counsel
15 shall not constitute a material modification of the Judgment within the meaning of this paragraph,
16 as long as the Gross Settlement Amount remains unchanged.

17 **11. AMENDED JUDGMENT.**

18 If any amended judgment is required under Code of Civil Procedure §384, the Parties will
19 work together in good faith to jointly submit a proposed amended judgment.

20 **12. ADDITIONAL PROVISIONS.**

21 12.1 No Admission of Liability, Class Certification or Representative Manageability for
22 Other Purposes. This Agreement represents a compromise and settlement of highly disputed
23 claims. Nothing in this Agreement is intended or should be construed as an admission by
24 Defendants that any of the allegations in any of the pending class and representative wage and
25 hour actions or the Amended Complaint has merit or that Defendants have any liability for any
26 claims asserted; nor should it be intended or construed as an admission by Plaintiffs that
27 Defendants' defenses in the Action have merit. The Parties agree that class certification and
28 representative treatment is for purposes of this Settlement only. If, for any reason, the Court does

1 not grant Preliminary Approval, Final Approval, or enter Judgment, Defendants reserve the right
2 to contest certification of any class for any reason, Defendants reserve all available defenses to
3 the claims in the Action and in all of the pending class and representative wage and hour actions,
4 and Plaintiffs reserve the right to move for class certification on any grounds available and to
5 contest Defendants' defenses. The Settlement, this Agreement, and Parties' willingness to settle
6 the Action will have no bearing on, and will not be admissible in connection with, any litigation
7 (except for proceedings to enforce or effectuate the Settlement and this Agreement.

8 12.2 Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, Defendants,
9 and Defense Counsel separately agree that, until the Motion for Preliminary Approval of
10 Settlement is filed, they and each of them will not disclose, disseminate, and/or publicize, or cause
11 or permit another person to disclose, disseminate, or publicize, any of the terms of the Agreement
12 directly or indirectly, specifically or generally, to any person, corporation, association,
13 government agency, or other entity except: (1) to the Parties' attorneys, accountants, auditors, or
14 spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a
15 matter asserting claims that will or may be extinguished by this Settlement; (3) to the extent
16 necessary to report income to appropriate taxing authorities; (4) in response to a court order or
17 subpoena; (5) in response to an inquiry or subpoena issued by a state or federal government
18 agency; or (6) to the extent necessary for required public filings. Each Party agrees to immediately
19 notify the other Party of any judicial or agency order, inquiry, or subpoena seeking such
20 information. Except as set forth in this paragraph, Plaintiffs, Class Counsel, Defendants, and
21 Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other
22 communication, before the filing of the Motion for Preliminary Approval, with any third party
23 regarding this Agreement or the matters giving rise to this Agreement except to respond only that
24 "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's
25 communications with Class Members in accordance with Class Counsel's ethical obligations
26 owed to Class Members.

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1 12.3 No Solicitation. The Parties separately agree that they and their respective counsel and
2 employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal
3 from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability
4 to communicate with Class Members in accordance with Class Counsel's ethical obligations and
5 Class Counsel's fiduciary duties owed to Class Members.

6 12.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement
7 together with its attached exhibits shall constitute the entire agreement between the Parties
8 relating to the Settlement, superseding any and all oral representations, warranties, covenants, or
9 inducements made to or by any Party.

10 12.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and
11 represent that they are authorized by Plaintiffs and Defendants, respectively, to take all
12 appropriate action required or permitted to be taken by such Parties pursuant to this Agreement
13 to effectuate its terms, and to execute any other documents reasonably required to effectuate the
14 terms of this Agreement, including any amendments to this Agreement.

15 12.6 Cooperation. The Parties and their counsel will cooperate with each other and use their
16 best efforts, in good faith, to implement the Settlement by, among other things, modifying the
17 Settlement Agreement, submitting supplemental evidence and supplementing points and
18 authorities as requested by the Court. In the event the Parties are unable to agree upon the form
19 or content of any document necessary to implement the Settlement, or on any modification of the
20 Agreement that may become necessary to implement the Settlement, the Parties will seek the
21 assistance of a mediator and/or the Court for resolution.

22 12.7 No Prior Assignments. The Parties separately represent and warrant that they have not
23 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
24 encumber to any person or entity and portion of any liability, claim, demand, action, cause of
25 action, or right released and discharged by the Party in this Settlement.

26 12.8 No Tax Advice. Neither Plaintiffs, Class Counsel, Defendants, nor Defense Counsel are
27 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied
28 upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR

Part 10, as amended) or otherwise.

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

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

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

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

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

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

12.15 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 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.

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

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12.17 Notice. All notices, demands, or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiffs:

John G. Yslas
john.yslas@wilshirelawfirm.com
Diego Aviles
diego.aviles@wilshirelawfirm.com
Jeffrey C. Bils
jeffrey.bils@wilshirelawfirm.com
Eugene Zinovyev
eugene.zinovyev@wilshirelawfirm.com
Arrash T. Fattahi
arrash.fattahi@wilshirelawfirm.com
WILSHIRE LAW FIRM
660 S. Figueroa St., Sky Lobby
Los Angeles, California 90017
Tel: (213) 381-9988; Fax: (213) 381-9989

To Defendants:

CALL & JENSEN
A Professional Corporation
Julie R. Trotter, Bar No. 209675
Ellen Connelly Cohen, Bar No. 276458
610 Newport Center Drive, Suite 700
Newport Beach, CA 92660
Tel: (949) 717-3000
jtrotter@calljensen.com
ecohen@calljensen.com

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

12.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement, all currently-pending class and representative wage and hour litigation between them shall be stayed,

except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 from November 5, 2024 through the entire period of this settlement process.

12.20 Severability. In the event that one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall in no way effect any other provision if Defense Counsel and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

12.21 Binding Agreement. The Parties intend that this Agreement shall be fully enforceable and binding upon all Parties within the provisions of Cal. Civil Proc. § 664.6, and that it shall be admissible and subject to disclosure in any proceeding to enforce its terms pursuant to Cal. Evid. Code §§ 1122(a)(1) and 1123(b), notwithstanding the confidentiality provisions that otherwise might apply under federal or state law. The Parties further agree and intend that the Ventura County Superior Court may enforce this Agreement pursuant to Code of Civil Procedure § 664.6. Except as to those fees and costs paid from the Gross Settlement Amount, as approved by the Court, the Parties shall each bear their own attorneys' fees and costs.

Notwithstanding, if an action or proceeding is brought to enforce this Agreement or Final Judgment or Order approving this Settlement, the prevailing party shall be entitled to their reasonable attorneys' fees and costs.

IT IS SO AGREED.

By the Parties:

DATED: 4/9/2026

DocuSigned by:

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Plaintiff Crystal Applon

DATED: _____

Plaintiff Jenny Brown

except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 from November 5, 2024 through the entire period of this settlement process.

12.20 Severability. In the event that one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall in no way effect any other provision if Defense Counsel and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

12.21 Binding Agreement. The Parties intend that this Agreement shall be fully enforceable and binding upon all Parties within the provisions of Cal. Civil Proc. § 664.6, and that it shall be admissible and subject to disclosure in any proceeding to enforce its terms pursuant to Cal. Evid. Code §§ 1122(a)(1) and 1123(b), notwithstanding the confidentiality provisions that otherwise might apply under federal or state law. The Parties further agree and intend that the Ventura County Superior Court may enforce this Agreement pursuant to Code of Civil Procedure § 664.6. Except as to those fees and costs paid from the Gross Settlement Amount, as approved by the Court, the Parties shall each bear their own attorneys' fees and costs.

Notwithstanding, if an action or proceeding is brought to enforce this Agreement or Final Judgment or Order approving this Settlement, the prevailing party shall be entitled to their reasonable attorneys' fees and costs.

IT IS SO AGREED.

By the Parties:

DATED: _____

Plaintiff Crystal Applon

DATED: 4/15/2026

DocuSigned by:

 Plaintiff Jenny Brown

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DATED: 4/8/2026

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Plaintiff Angie Duran

DATED: _____

Plaintiff Vesenia Aguilar Hernandez

DATED: _____

Plaintiff Dayana Lobera-Rojas

DATED: _____

Plaintiff Darnell Mendros

DATED: _____

Plaintiff Stephanie Thomas

DATED: _____

Plaintiff Christopher Villa

DATED: _____

Plaintiff Victor Spencer Wiley

DATED: _____

Plaintiff Simone Woods

DATED: _____

Defendants

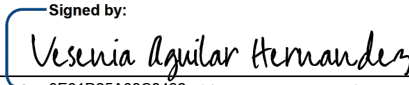
By: _____

Position: _____

DATED: _____

Plaintiff Angie Duran

DATED: 4/8/2026

Signed by:

Plaintiff Vesenia Aguilar Hernandez

DATED: 4/8/2026

DocuSigned by:

Plaintiff Dayana Lobera-Rojas

DATED: _____

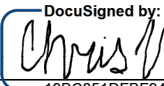
Plaintiff Darnell Mendros

DATED: 4/10/2026

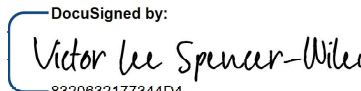
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Plaintiff Stephanie Thomas

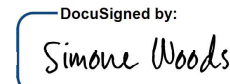
DATED: 4/13/2026

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Plaintiff Christopher Villa

DATED: 4/8/2026

DocuSigned by:

Plaintiff Victor Spencer Wiley

DATED: 4/8/2026

DocuSigned by:

Plaintiff Simone Woods

DATED: _____

Defendants

By: _____

Position: _____

DATED: _____

Plaintiff Angie Duran

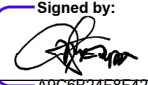
DATED: _____

Plaintiff Vesenia Aguilar Hernandez

DATED: _____

Plaintiff Dayana Lobera-Rojas

DATED: 4/9/2026

Signed by:

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Plaintiff Darnell Mendros

DATED: _____

Plaintiff Stephanie Thomas

DATED: _____

Plaintiff Christopher Villa

DATED: _____

Plaintiff Victor Spencer Wiley

DATED: _____

Plaintiff Simone Woods

DATED: _____

Defendants

By: _____

Position: _____

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3 Plaintiff Angie Duran

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5 DATED: _____

6 Plaintiff Vesenia Aguilar Hernandez

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8 Plaintiff Dayana Lobera-Rojas

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10 DATED: _____

11 Plaintiff Darnell Mendros

12 DATED: _____

13 Plaintiff Stephanie Thomas

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15 DATED: _____

16 Plaintiff Christopher Villa

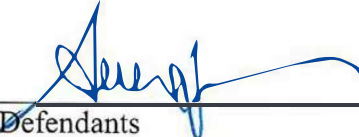
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18 DATED: _____

19 Plaintiff Victor Spencer Wiley

20 DATED: _____

21 Plaintiff Simone Woods

22
23
24 DATED: April 9, 2026

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Defendants

26 By: BEVERLY WITTEKIND

27 Position: CHIEF LEGAL OFFICER

1 Approved by counsel:

2 DATED: April 13, 2026

WILSHIRE LAW FIRM

3
4 BY:  _____

5 Counsel for Plaintiffs

6
7 DATED: April 9, 2026

CALL & JENSEN

8
9 BY:  _____

10 Counsel for Defendants

EXHIBIT A

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

Villa, et al. v. Ensign Southland, LLC, et al.
Case No. 22STCV27700 (Los Angeles County Superior Court)

***The Los Angeles County Superior Court authorized this notice.
It is not junk mail, spam, an advertisement, or solicitation by a lawyer.
Please read it carefully! You are not being sued.***

You may be eligible to receive money from an employee class and a representative action lawsuit for wage and hour violations (“Action”) against The Ensign Group, Inc., Flagstone Healthcare North LLC, Flagstone Healthcare Central LLC, Flagstone Healthcare South LLC (the “Parent Entities”) and the following “Employer Defendants”:

- Midnight Healthcare, Inc. dba Alamitos Belmont Health and Rehabilitation;
- Malcolm Healthcare, Inc. dba Alamitos West Health and Rehabilitation;
- Ensign San Dimas LLC dba Arbor Glen Care Center;
- Dragonfly Senior Living, Inc. dba Arbor Place;
- Brody Bay Healthcare, Inc. dba Arbor Rehabilitation & Nursing Center;
- Perris Hills Healthcare LLC dba Arrowhead Springs Healthcare;
- City Heights Health Associates LLC dba Arroyo Vista Nursing Center;
- Atlantic Memorial Healthcare Associates Inc. dba Atlantic Memorial Healthcare Center;
- Dessert Mallow Healthcare, Inc. dba Beachside Nursing Center;
- Dusk Healthcare, Inc. dba Broadway by the Sea;
- Ensign Sonoma LLC dba Broadway Villa Post Acute;
- Downey Community Care LLC dba Brookfield Healthcare Center;
- Redbrook Associates LLC dba Brookside Healthcare Center;
- Camarillo Community Care, Inc. dba Camarillo Healthcare Center;
- Pine Forest Healthcare, Inc. dba Camino Healthcare;
- Bernardo Heights Healthcare, Inc. dba Carmel Mountain Rehabilitation and Healthcare Center;
- Powers Park Healthcare, Inc. dba Channel Islands Post Acute;
- Starburst Healthcare, Inc. dba Chatsworth Park Health Care Center;
- Claremont Foothills Health Associates LLC dba Claremont Care Center;
- Ensign Cloverdale LLC dba Cloverdale Healthcare Center;
- West Court Lane Healthcare, Inc. dba Courtyard Health Care Center;
- Manzanita Healthcare, Inc. dba Coventry Court Health Center;
- Mountain Violet Healthcare, Inc. dba Danville Post Acute Rehabilitation;
- Stagecoach Healthcare, Inc. dba Desert Mountain Care Center;
- Rio Hondo Healthcare, Inc. dba Downey Post Acute;
- Moonrise Healthcare, Inc. dba Edgewater Skilled Nursing Center;
- Sagebrush Healthcare, Inc. dba Fairfield Post Acute Rehabilitation;
- Deergrass Healthcare, Inc. dba Fairmont Rehabilitation Hospital;
- Clear Skies Healthcare, Inc. dba Garden View Post Acute Rehabilitation;
- C Street Health Associates LLC dba Glenwood Care Center;
- Devonshire Healthcare, Inc. dba Golden Hill Post Acute;

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

- Morning Glory Healthcare, Inc. dba Grand Terrace Health Care Center;
- Mission Trails Healthcare LLC dba Grossmont Post Acute Care;
- Seaboard Healthcare, Inc. dba Huntington Park Nursing Center;
- Rigby Creek Senior Living, Inc. dba Katella Senior Living Community;
- Nightfall Healthcare, Inc. dba Lake Balboa Care Center;
- Lemon Grove Health Associates LLC dba Lemon Grove Care & Rehabilitation Center;
- Sungazer Healthcare, Inc. dba Lomita Post Acute Care Center;
- Glimmer Healthcare, Inc. dba Madera Post Acute Center (formerly known as Ramona Nursing and Rehabilitation Center);
- Jefferson Healthcare LLC dba Magnolia Post Acute Care;
- La Veta Healthcare, Inc. dba Mainplace Post Acute;
- Seagull Lane Healthcare, Inc. dba Miramar Healthcare Center;
- Ramon Healthcare Associates LLC dba Mission Care Center
- Portside Healthcare, Inc. dba Mission Hills Post Acute Care;
- Hollyleaf Healthcare, Inc. dba New Orange Hills;
- Ensign Willits LLC dba Northbrook Healthcare Center;
- Juniper Springs Healthcare, Inc. dba Pacific Gardens Nursing and Rehabilitation Center;
- Strawberry Pond Healthcare LLC dba Pacific Haven Subacute and Healthcare Center;
- Mussel Rock Healthcare, Inc. . dba Pacifica Nursing and Rehabilitation Center;
- Goldenstar Healthcare, Inc. dba Palm Terrace Care Center;
- Gate Three Healthcare LLC dba Palm Terrace Healthcare & Rehabilitation Center;
- West Escondido Healthcare LLC dba Palomar Vista Healthcare Center;
- Ensign Panorama LLC dba Panorama Gardens Nursing & Rehabilitation Center;
- Ensign Montgomery LLC dba Park View Post Acute;
- Parkside Healthcare, Inc. dba Parkside Health & Wellness Center;
- Ensign Palm I LLC dba Premier Care Center for Palm Springs;
- Bell Villa Care Associates LLC dba Rose Villa Healthcare Center;
- Sandpiper Senior Living LLC dba Sea Cliff Assisted Living;
- HB Healthcare Associates LLC dba Sea Cliff Healthcare Center;
- Rose Park Healthcare Associates, Inc. dba Shoreline Healthcare Center;
- North Silver Healthcare, Inc. dba Solimar Post Acute;
- Claydelle Healthcare LLC dba Somerset Subacute and Care;
- Bayside Healthcare, Inc. dba South Bay Post Acute Care;
- Southland Management LLC dba Southland Care Center and Southland Living;
- La Jolla Skilled LLC dba The Springs at Pacific Regent;
- Santa Catalina Healthcare, Inc. dba St. Catherine Healthcare;
- Fullerton Healthcare, Inc. dba St. Elizabeth Healthcare and Rehabilitation;
- Ensign Santa Rosa LLC dba Summerfield Health Care Center;
- Nautilus Healthcare, Inc. dba The Cove at La Jolla;
- Golden Eagle Senior Living, Inc. dba The Grove Assisted Living;
- Empirecare Health Associates LLC dba The Grove Assisted Living;
- Tustin Hills Healthcare, Inc. dba The Hills Post Acute;
- Ensign Whittier West LLC dba The Orchard Post Acute Care;
- West Star Healthcare LLC dba Toluca Lake Transitional Care;
- Tracy Ridge Healthcare, Inc. dba Turlock Nursing and Rehabilitation Center;
- Lost Cane Senior Living, Inc. dba Turlock Residential;

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

- Ensign Pleasonton LLC dba Ukiah Post Acute;
- Upland Community Care, Inc. dba Upland Rehabilitation & Care Center;
- Bouverie Healthcare Services, Inc. dba Valley of the Moon Post Acute;
- Victoria Ventura Healthcare LLC dba Victoria Care Center;
- Costa Victoria Healthcare LLC dba Victoria Healthcare & Rehabilitation Center;
- Anza Healthcare, Inc. dba Victoria Post Acute Care;
- Santa Maria Healthcare, Inc. dba Villa Maria Post Acute;
- Vintage Court Healthcare, Inc. dba Vintage Faire Nursing & Rehabilitation Center;
- Deer Tail Senior Living, Inc. dba Vintage Faire Residential;
- Vista Woods Health Associates LLC dba Vista Knoll Specialized Care Facility; and
- Ensign Whittier East LLC dba Whittier Hills Healthcare Center

(The “Employer Defendants” together with the “Parent Entities” are collectively referred to as “Defendants”).

The Court in charge of the Action is the Los Angeles County Superior Court, and the case is titled, *Villa, et al. v. Ensign Southland, LLC, et al.*, Case No. 22STCV27700. The Action was filed by former employees, Crystal Applon, Jenny Brown, Angie Duran, Vesenia Aguilar Hernandez, Dayana Lobera Rojas, Darnell Mendros, Stephanie Thomas, Christopher Villa, Victor Spencer Wiley, and Simone Woods (“Plaintiffs”), and seeks payment of back wages and other relief for a class of all persons currently or formerly employed by any of the Employer Defendants as hourly-paid, non-exempt employees in the State of California (“Class Members”) who worked during the Class Period (February 3, 2019 through December 5, 2025). The Action also seeks civil penalties under the California Private Attorneys General Act (“PAGA”) for all Class Members who worked for any of the Employer Defendants during the PAGA Period (July 21, 2021 through December 5, 2025) (“Aggrieved Employees”). If you are an Aggrieved Employee who worked for Santa Catalina Healthcare, Inc. dba St. Catherine Healthcare, the relevant PAGA period runs from April 12, 2021 through December 5, 2025 (the “St. Catherine PAGA Period”). If you are an Aggrieved Employee who worked for HB Healthcare Associates LLC dba Sea Cliff Healthcare Center, the relevant PAGA period runs from December 28, 2020 through December 5, 2025 (the “Sea Cliff PAGA Period”).

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

Based on Employer Defendants’ records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be \$ [REDACTED] (less withholding) and your Individual PAGA Payment is estimated to be \$ [REDACTED]**. 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 Employer Defendants’ records you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period, the St. Catherine PAGA Period, or the Sea Cliff PAGA Period, as applicable.)

The above estimates are based on Employer Defendants’ records showing that **you worked [REDACTED] Workweeks during the Class Period and you worked [REDACTED] Pay Periods during the PAGA Period, the St. Catherine PAGA Period, or the Sea Cliff PAGA Period, as applicable**. If you believe that you worked more during either period, you can submit a challenge by the deadline date.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval of the Settlement. Your legal rights are affected whether you act or not act. READ THIS NOTICE CAREFULLY. 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 Plaintiffs and Plaintiffs’ attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires Employer Defendants to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendants.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	You don’t have to do anything to participate in the Settlement and receive an Individual Class Payment and an Individual PAGA Payment (if applicable). As a Participating Class Member, though, you will give up your right to assert any of the Released Class Claims (described in Section 10 below) against the Released Parties.
EXCLUDE YOURSELF FROM THE CLASS COMPONENT OF THE SETTLEMENT	You can exclude yourself (opt out) from the Class component of the Settlement by submitting a written request for exclusion (described in Section 11 below). If you opt out of the Class component of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve whatever rights you may otherwise have to personally pursue Class Period wage claims against Defendants. You cannot opt out of the PAGA component of the Settlement under California law. This means that even if you exclude yourself from the Class component of the Settlement, if you worked during the PAGA Period, St. Catherine PAGA Period, or Sea Cliff PAGA Period, as applicable, you will still receive an Individual PAGA Payment and will be bound by the Release of PAGA Claims (described in Section 10 below).
OBJECT TO THE CLASS COMPONENT OF THE SETTLEMENT	All Class Members who do not opt-out (“Participating Class Members”) can object to any aspect of the proposed settlement (described in Section 16 below). You cannot object to the PAGA component of the Settlement under California law.
CHALLENGE YOUR NUMBER OF WORKWEEKS AND/OR PAGA PAY PERIODS	The amount of your Individual Class Payment and Individual 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, St. Catherine PAGA Period, or Sea Cliff PAGA Period, as applicable. These numbers are stated on the third page of this notice. If you think these numbers are incorrect, you may submit supporting evidence to the Administrator as set forth in Section 8 below

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

BASIC INFORMATION

1. WHY AM I RECEIVING THIS NOTICE?

Employer Defendants' records indicate that you worked for one or more of the Employer Defendants at some point(s) between February 3, 2019 through December 5, 2025, and are therefore a member of the Class for purposes of this Settlement.

You received this Notice because you have a right to know about the proposed Settlement of the Action, and about all of your options, before the Court decides whether to finally approve the Settlement. The Settlement will resolve all Class Members' claims, which are described below, during the Class Period. The Settlement will also resolve claims for civil penalties brought under the California Private Attorneys General Act ("PAGA") during the PAGA Period, St. Catherine PAGA Period, or Sea Cliff PAGA Period, as applicable.

If the Court grants Final Approval to the Settlement, a settlement Administrator appointed by the Court will issue the payments provided for by the Settlement to Class Members. You are encouraged to always keep your address up to date with the Administrator (the Administrator's contact information can be found in Section 11, below). This Notice package explains the allegations and background regarding the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to receive those benefits.

2. WHAT IS THE LAWSUIT ABOUT?

The Plaintiffs in the Action allege wage and hour violations against Defendants for: (1) Failure to Pay Minimum and Straight Time Wages; (2) Failure to Pay Overtime Wages; (3) Failure to Provide Meal Periods; (4) Failure to Authorize and Permit Rest Periods; (5) Failure to Timely Pay Wages during Employment; (6) Failure to Pay Vested Vacation Time; (7) Failure to Comply with Paid Sick Leave Laws; (8) Failure to Timely Pay Final Wages at Termination; (9) Failure to Provide Accurate Itemized Wage Statements; (10) Failure to Indemnify Employees for Expenditures; (11) Failure to Produce Requested Employment Records; (12) Failure to Keep Required Records; (13) Violation of the Fair Credit Reporting Act; (14) Violation of the California Investigative Consumer Reporting Agencies Act; (15) Unlawful Inquiries into Criminal History; and (16) Unfair Business Practices. In addition, Plaintiffs are seeking to recover civil penalties pursuant to PAGA ("PAGA Penalties") based on the alleged violations of the California Labor Code. Defendants deny Plaintiffs' claims and deny any wrongdoing.

3. WHY IS THIS A CLASS ACTION?

In an employment class action, one or more people called "Class Representatives" (in this case, the Plaintiffs) sue on behalf of all workers who they contend have similar claims. All of these workers are a Class or Class Members. Bringing one lawsuit, as opposed to many small ones, saves money, time and court resources. The court resolves the issues for all Class Members, except for those who exclude themselves from the Class.

4. WHY IS THERE A SETTLEMENT?

The Court has not decided in favor of the Plaintiffs or Defendants on the merits of the claims alleged in the Action. Plaintiffs believe they would win at trial. Defendants think that Plaintiffs' lawsuit would not proceed to a trial and/or that Plaintiffs would not win at trial. However, there has been no trial. Instead, in

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acknowledgement of the risk that both Parties face should the case proceed, the Parties have agreed to a negotiated settlement. This way, all Parties avoid the cost of preparing for and conducting a trial and the risk of losing at trial. The Settlement represents a compromise and settlement of highly disputed claims.

WHO IS INCLUDED IN THE SETTLEMENT?

5. WHO IS INCLUDED IN THE SETTLEMENT?

If you received this Notice, you are a Class Member for settlement purposes. The Class is defined as: All current and former non-exempt (hourly-paid) employees employed by any of the Employer Defendants in California during the Class Period (February 3, 2019 through December 5, 2025).

THE SETTLEMENT BENEFITS—WHAT YOU GET

6. WHAT DOES THE SETTLEMENT PROVIDE?

Employer Defendants have agreed to pay a Gross Settlement Amount (“GSA”) of \$12,000,000.00 (Twelve Million Dollars and Zero Cents) to settle the Action. From the GSA, Class Counsel will apply to the Court for attorneys’ fees of up to one-third of the GSA (currently \$4,000,000.00) and up to \$80,000.00 in costs; Class Representative Service Payments of \$10,000.00 to each plaintiff (for Plaintiffs’ work and efforts prosecuting the Action); a PAGA Penalties payment of \$750,000.00 to resolve the PAGA claims; Settlement Administration Costs to Phoenix Settlement Administrators, Inc., not to exceed \$143,500.00, and Employer Taxes owed on the portions of Individual Class Payments allocated to taxes. The exact amount of the Class Counsel’s Fees and Litigation Expenses, Class Representative Service Payments, and Administration Costs will be determined by the Court at the Final Approval hearing. The remaining portion of the Settlement amount, the “Net Settlement Amount” or the “NSA,” is currently estimated to be approximately **\$XXXXXXX**. The NSA will be apportioned on a pro rata basis and paid out as Individual Class Payments to the “Participating Class Members,” who are the Class Members who do not request to be excluded (“opt out”) of the Class component of the Settlement.

PAGA Penalties payment: As part of the PAGA portion of the Settlement, the Parties will ask the Court to approve a \$750,000.00 PAGA Penalties payment in settlement of claims for civil penalties under PAGA. As required under PAGA, 75% of the PAGA Penalties payment, or \$562,500.00, will be paid to the California Labor and Workforce Development Agency. The remaining 25% of the PAGA Penalties payment, or \$187,500.00, will be distributed on a pro rata basis to the Aggrieved Employees as Individual PAGA Payments.

7. HOW MUCH WILL MY PAYMENT BE?

An approximation of your Individual Class Payment appears on the third page of this Notice. If you are also an Aggrieved Employee, an approximation of your Individual PAGA Payment will also appear on the third page of this Notice.

Individual Class Payment: Your Individual Class Payment is based on the number Workweeks you worked, as represented in Employer Defendants’ records, in comparison to the total number of Workweeks worked by all Participating Class Members during the Class Period (February 3, 2019 through December 5, 2025). Eighty-Five percent (85%) of each Class Member’s Individual Class Payment will be treated as

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a payment in settlement of the alleged claims for penalties and interest and will be reported on a Form 1099 by the Settlement Administrator, and fifteen percent (15%) of each Class Member's Individual Class Payment will be treated as a payment in settlement of alleged claims for unpaid wages. The 15% allocated as unpaid wages will be reduced by applicable payroll tax withholdings and deductions and reported on a Form W-2.

Individual PAGA Payment: If you worked for one or more Employer Defendants during the PAGA Period, St. Catherine PAGA Period, or Sea Cliff PAGA Period, as applicable, you are also an "Aggrieved Employee" and will receive an Individual PAGA Payment in addition to your Individual Class Payment. The Individual PAGA Payments are based on the number of PAGA Pay Periods worked by each Aggrieved Employee in comparison to the total amount of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period, the St. Catherine PAGA Period, or the Sea Cliff PAGA Period, as applicable. One hundred percent (100%) of each Aggrieved Employees' Individual PAGA Payment will be characterized as penalties and will not be reduced by payroll tax withholdings and deductions. The Individual PAGA Payment will be reported on a Form 1099 by the Settlement Administrator.

For the Class Members who are also Aggrieved Employees, their Individual Class Payment will be combined with their Individual PAGA Payment, and they will receive a single check for the combined payments.

HOW YOU GET A PAYMENT

8. HOW DO I RECEIVE A PAYMENT?

You do not need to do anything to receive a payment.

However, if you believe that the number of Workweeks or PAGA Pay Periods credited to you on the third page is incorrect, please correct it and provide any supporting evidence to the settlement Administrator, whose contact information is listed in Section 11 below no later than [45 days after Class Notice is Mailed]. In the absence of any contrary documentation, the Administrator will presume that the number of Workweeks and Pay Periods attributed to you above is correct.

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

9. WHEN WOULD I GET MY PAYMENT?

The Court will hold a Final Approval Hearing on [REDACTED], to decide whether to approve the Settlement. If the Judge approves the Settlement, and anyone objects, there may be appeals. It is always uncertain when these objections and appeals can be resolved and resolving them can take time. If there is no objection, the Effective Date of the Settlement will be the date the Court grants final approval.

Following the Effective Date, Individual Class Payments and Individual PAGA Payments will be mailed to Participating Class Members and Aggrieved Employees approximately 40 days after the Court's approval of the Settlement becomes final so long as there are no appeals.

Settlement checks should be cashed promptly upon receipt. Proceeds of checks which remain uncashed after 180 days from the date of issuance will be forwarded to the California Controller's Unclaimed Property Fund (<https://claimit.ca.gov/>) in the name of the Class Member. If your settlement

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check is lost or misplaced, or for an update on status of payments, you should contact the Settlement Administrator (see Section 11). If you fail to cash/deposit your check before the Void Date, you will nevertheless remain bound by the Settlement and the release of Class and PAGA claims.

10. WHAT AM I GIVING UP TO GET A PAYMENT?

If the Court approves this Settlement and unless you exclude yourself from the Class component, you will become a Participating Class Member, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against Defendants concerning the Class claims being resolved in this Settlement. Specifically, you will be giving up or “releasing” the Released Class Claims described below against the Employer Defendants together with their respective former and present parent companies, divisions, predecessors, prior operators (for purposes of successor liability under California Labor Code section 200.3, 42 C.F.R. 489.18, and any similar statute or regulation), the Parent Entities, all subsidiaries, affiliates, and related companies in the State of California directly or indirectly owned by The Ensign Group, Inc., including by way of example but not limited to Ensign Services, Inc., and each of their shareholders, officers, directors, employees, agents, attorneys, insurers, successors, and assigns, and any other individual or entity that could be jointly liable with any of the Employer Defendants for the claims asserted in the Action (“Released Parties”). The releases become effective once the GSA is fully funded by Employer Defendants.

Released Class Claims: All Participating Class Members and their heirs, administrators, successors, and assigns will release all claims, rights, demands, liabilities, and causes of action that were alleged or which could have reasonably been alleged based on the facts alleged in the original and Amended Complaints including, but not limited to, claims for: failure to calculate and pay minimum, straight-time, overtime, and double-time wages at the proper rate; off-the-clock work; pre-and post-shift work; work during meal or rest breaks; rounding; time editing; automatic deductions for meal periods; uncompensated on call/standby time; paying less than promised contractual wages; unlawful wage deductions; clawbacks of meal and overtime premiums; secret payment of lower wage scale; failure to include required bonuses and incentives in the regular rate; failure to pay shift differentials at the proper rate; failure to provide one day’s rest in seven or proper pay in lieu thereof; failure to pay reporting time pay at the proper rate; failure to pay split shift premiums at the proper rate; failure to allow use of earned vacation/PTO during employment; failure to pay vacation/PTO wages at the proper rate during employment and at separation of employment; failure to properly accrue paid sick leave and COVID-19 leave; failure to allow use of earned/accrued sick leave and COVID-19 leave; failure to pay sick leave and COVID-19 leave at the proper rate; failure to provide balance information for sick leave and COVID-19 leave; misclassification as exempt from overtime and meal and rest break requirements; failure to authorize and permit timely, uninterrupted, duty-free meal periods (and second meal periods) and rest breaks or provide compensation at the proper rate in lieu thereof; requiring employees to remain on-duty during meal periods and rest breaks; unlawful on-duty meal period agreements; failure to reimburse necessary business expenses (including but not limited to expenses incurred in connection with use of personal cell phones, computers, internet, vehicles, mileage, uniforms, scrubs, footwear, PPE, and other tools, supplies, and equipment); failure to provide accurate itemized wage statements; wage statements with line item for “Details Not Displayed”; failure to maintain accurate payroll, timekeeping, sick leave, and other employment records; failure to timely produce requested employment records; failure to timely pay wages during employment and upon separation from employment; failure to pay wages twice a month; refusal to pay wages due and payable; violation of the California Wage Theft Prevention Act; failure to provide suitable seating; unlawful criminal history inquiries; background check violations; unlawful employment agreements; preventing employees from using or disclosing skills, knowledge, or experience; whistleblower retaliation; workplace health and safety violations; unfair/unlawful business practices, and all other claims

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for damages, liquidated damages, interest, statutory penalties, attorneys' fees, costs, and other amounts recoverable based on the aforementioned, to the greatest extent permissible (Labor Code sections 90.5(a), 98.6, 200, 201, 201.3, 202, 203, 204, 210, 213(d), 216, 218, 218.5, 218.6, 221, 223, 224, 225, 225.5, 226, 226.2, 226.3, 226.6, 226.7, 227.3, 232, 232.5, 233, 234, 245-249 (Healthy Workplaces, Healthy Families Act of 2014), 256, 432, 432.5, 432.7, 510, 512, 516, 551, 552, 558, 558.1, 1024.5, 1102.5, 1174, 1174.5, 1181.11, 1182.12, 1185, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 1198.5, 1199, 2800, 2802, 2804, 2810.5, 2926, 2927, 6401, 6402, and 6403; Title 8 of the California Code of Regulations sections 1527, 3366, 3457, and 8397.4; Wage Order 5-2001; California Code of Civil Procedure section 1021.5; California Civil Code section 1786 et seq. (Investigative Consumer Reporting Agencies Act); 15 U.S.C. § 1681 et seq. (Fair Credit Reporting Act); Business and Professions Code sections 16600 et seq., 16700 et seq., and 17200 et seq.). The Released Class Claims are those that accrued during the Class Period.

Released PAGA Claims: Plaintiffs will release for themselves, their heirs, administrators, successors, and assigns, and the State of California, all claims for statutory PAGA civil penalties that could have been sought by the Labor Commissioner that are alleged or reasonably could have been alleged based on the facts alleged in the original and Amended Complaints and in Plaintiffs' original and Amended PAGA Notices, including, but not limited to, claims for civil penalties based on alleged failure to calculate and pay minimum, straight-time, and overtime wages at the proper rate; failure to authorize and permit meal periods (and second meal periods) and rest breaks or provide compensation at the proper rate in lieu thereof; requiring employees to remain on-duty during meal periods and rest breaks; unlawful on-duty meal period agreements; failure to reimburse necessary business expenses; failure to provide accurate itemized wage statements; failure to maintain accurate and employment records; failure to timely produce requested employment records; failure to timely pay wages during employment and upon separation from employment; failure to pay wages twice a month; refusal to pay wages due and payable; unlawful wage deductions; failure to provide one day's rest in seven; failure to pay reporting time pay at the proper rate; failure to pay split shift premiums at the proper rate; failure to pay vacation/PTO wages at the proper rate; failure to provide paid sick leave; failure to pay sick leave at the proper rate; violation of the California Wage Theft Prevention Act; failure to provide suitable seating; unlawful criminal history inquiries; background check violations; unlawful employment agreements; preventing employees from using or disclosing skills, knowledge, or experience; whistleblower retaliation; workplace health and safety violations; and misclassification as exempt from overtime (Labor Code sections 90.5(a), 98.6, 200, 201, 201.3, 202, 203, 204, 210, 213(d), 216, 218, 218.5, 218.6, 221, 223, 224, 225.5, 226, 226.2, 226.3, 226.6, 226.7, 227.3, 232, 232.5, 233, 234, 245-248.7 (Healthy Workplaces, Healthy Families Act of 2014), 256, 432, 432.5, 432.7, 510, 512, 516, 551, 552, 558, 558.1, 1102.5, 1024.5, 1174, 1174.5, 1181.11, 1182.12, 1185, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 1198.5, 1199, 1527, 2800, 2802, 2804, 2810.5, 2926, 2927, 1527, 3366, 3457, 6401, 6402, 6403, and 8397.4), to the greatest extent permissible. The Released PAGA Claims are those that accrued during the PAGA Period, the St. Catherine PAGA Period, and the Sea Cliff PAGA Period.¹

EXCLUDING YOURSELF FROM THE SETTLEMENT

11. HOW DO I EXCLUDE MYSELF FROM THE SETTLEMENT?

To exclude yourself from the Class component of the Settlement, you must send the Settlement Administrator a written and signed request for exclusion no later than **[45 days after Class Notice is**

¹ The PAGA Release extends by its terms to all PAGA civil-penalty claims alleged or reasonably capable of being alleged based on the facts alleged in the operative complaints and PAGA notices, whether or not each theory is separately enumerated.

Mailed] via email, mail, or fax using the Administrator's contact information below. If sent by mail, the request for exclusion must be postmarked by the due date. Be sure to include your name, address, and telephone number, and any other information you think would be helpful to the settlement Administrator to identify you. You can send your request for exclusion to the settlement Administrator at:

Phoenix Settlement Administrators, Inc.
Villa, et al. v. Ensign Southland, LLC, et al.

XXXXX

City, State, XXXXX

Email:

If you ask to be excluded from the Class component of the Settlement, you will not be legally bound by the release of Class Claims, and you preserve whatever your existing rights may be to sue Defendants on these claims. However, you will still remain bound by the release of PAGA claims, because you cannot exclude yourself from the PAGA component of the Settlement under California law.

If you ask to be excluded from the Class component of the Settlement, you will not be able to object to the Settlement and you will not receive an Individual Class Payment, but you will still receive an Individual PAGA Payment if you worked for any of the Employer Defendants during the PAGA Period, St. Catherine PAGA Period, or Sea Cliff PAGA Period as applicable.

12. IF I DON'T EXCLUDE MYSELF, CAN I SUE DEFENDANTS FOR THE SAME THING LATER?

No. Unless you exclude yourself, you give up any right to sue Defendants for the claims that this Settlement resolves. If you have a pending lawsuit asserting claims that may be affected by this Settlement, speak to your lawyer in that case immediately. You must exclude yourself from this Class to continue your own lawsuit. Remember, the exclusion deadline is **[45 days after Class Notice is Mailed]**.

13. IF I EXCLUDE MYSELF, CAN I GET MONEY FROM THE CLASS COMPONENT OF THE SETTLEMENT?

No. If you exclude yourself, you will not receive any money from the Class component of the Settlement. However, if you timely exclude yourself from the Class component of the Settlement, you will retain any rights you may otherwise have to pursue your own legal action against Defendants for any of the Class claims being resolved in this Settlement, if you desire.

THE LAWYERS REPRESENTING YOU IN THIS LAWSUIT

14. DO I HAVE A LAWYER IN THIS CASE?

The Court has determined that Wilshire Law Firm, PLC is qualified to represent you and the Class Members in the lawsuit. These lawyers are called Class Counsel and their contact information is listed below. If you want to be represented by your own lawyer, you may hire one at your own expense.

John G. Yslas
john.yslas@wilshirelawfirm.com

QUESTIONS? CALL **1-800-XXX-XXXX** TOLL FREE

Diego Aviles
diego.aviles@wilshirelawfirm.com
Jeffrey C. Bills
jeffrey.bills@wilshirelawfirm.com
Eugene Zinovyev
eugene.zinovyev@wilshirelawfirm.com
Arrash T. Fattahi
arrash.fattahi@wilshirelawfirm.com
WILSHIRE LAW FIRM, PLC
660 S. Figueroa Street, Sky Lobby
Los Angeles, California 90017
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

15. HOW WILL THE LAWYERS BE PAID?

Class Counsel will ask the Court to approve up to one third (1/3) of the GSA (currently \$4,000,000.00) for attorneys' fees incurred in investigating the facts, litigating the case, and negotiating the Settlement. Class Counsel will also seek Court-approval of up to \$80,000.00 in litigation expenses incurred in this matter. The Court may award Class Counsel less than what they request. Class Counsel will also ask the Court to approve payments to Plaintiffs in the amount of \$10,000.00 to each of the Plaintiffs in addition to Plaintiffs' Individual Class Payments and Individual PAGA Payments for the initiative, risk, and time and energy Plaintiffs have spent in service to the Class as the Class Representatives. The Court may award the Class Representatives less than is requested.

OBJECTING TO THE SETTLEMENT

You can and have the right to tell the Court you do not agree with the Class component of the Settlement. Aggrieved Employees have no right to object to the PAGA component of the Settlement under California law.

16. HOW DO I TELL THE COURT THAT I OBJECT TO THE SETTLEMENT?

If you don't think the Class component of the Settlement is fair, you can object either in person at the Final Approval Hearing or you can submit a written objection. Written objections must be sent to the Settlement Administrator no later than **[45 days after Class Notice is Mailed]** via email, mail, or fax using the Administrator's contact information below. If sent by mail, the written objection must be postmarked by the due date. You can send your request for exclusion to the settlement Administrator at:

Phoenix Settlement Administrators, Inc.
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XXXXX

City, State, XXXXX

Email:

The written objection should state your name and address and describe all legal and factual reasons that you object to the terms of the Settlement. You should also include or attach any documents upon which your objection is based. If the Court overrules the objection at the Final Approval Hearing, the

QUESTIONS? CALL **1-800-XXX-XXXX** TOLL FREE

Settlement Agreement will be approved, and you will receive your Individual Class Payment. If you do not submit a written objection, you may still appear at the Final Approval hearing to voice your objection to the Class component of the Settlement or to otherwise observe the proceedings.

17. WHAT'S THE DIFFERENCE BETWEEN OBJECTING AND REQUESTING EXCLUSION?

Objecting is simply telling the Court that you do not agree with something about the Class component of the Settlement. You can object only if you stay in the Class.

Requesting exclusion is telling the Court that you do not want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you, and you do not get any money from the Class component of the Settlement. If you submit both an objection and a request to be excluded, the request to be excluded will control and you will not get any money from the Class component of the Settlement.

THE COURT'S FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing to decide whether to approve the Settlement. You may attend and you may ask to speak, but you don't have to.

18. WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?

The Court will hold a Final Approval Hearing on [REDACTED] at [REDACTED] in Department 15 of the Los Angeles County Superior Court located at 312 N. Spring Street, Los Angeles, CA 90012 to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. If there are objections, the Court will consider them at that time. The Court will also be asked to approve the requests for the Class Representative Service Payments and the Class Counsel Fees and Litigation Expenses Payments.

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.

19. DO I HAVE TO COME TO THE HEARING?

No. Class Counsel will answer questions the Court may have. However, you are welcome to attend. 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. If you send an objection, you do not have to come to the Court to talk about it. As long as you mailed your written objection to the settlement administrator on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

IF YOU DO NOTHING

20. WHAT IF I DO NOTHING AT ALL?

If you do nothing, you will receive a Settlement payment, and you will be bound by the terms of Settlement, which means that you will not be able to start a lawsuit, continue a lawsuit, or be a part of any other lawsuit against the Defendants about the legal issues in the Action.

GETTING MORE INFORMATION

21. HOW DO I GET MORE INFORMATION?

The Settlement Agreement sets forth everything Defendants and Plaintiffs have promised to do under the proposed Settlement. The easiest way to read the Settlement Agreement, the judgment or any other settlement documents is to go to [REDACTED] website at [URL]. You can also telephone or email Class Counsel using the contact information in Section 14 or the Administrator using the contact information listed below, or you can consult the Superior Court website by going to <https://www.lacourt.ca.gov/pages/lp/access-a-case/tp/find-case-information/cp/os-civil-case-access> and entering the Case Number for the Action, Case No. 22STCV27700. 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.

Phoenix Settlement Administrators, Inc.
Villa, et al. v. Ensign Southland, LLC, et al.

[REDACTED]

City, State, [REDACTED]

Phone:

Email:

DO NOT TELEPHONE THE COURT OR DEFENDANTS' COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT YOU MAY, HOWEVER, CALL CLASS COUNSEL OR THE SETTLEMENT ADMINISTRATOR, LISTED ABOVE.