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Attorneys for Plaintiff

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES—STANLEY MOSK COURTHOUSE**

GUADALUPE MOYA; individually, and
on behalf of other aggrieved employees
pursuant to the California Private
Attorneys General Act;

Plaintiff,

vs.

USRG (CALIFORNIA) INC., a California
corporation; U.S. RESIDENTIAL GROUP
LLC, an unknown business entity; and
DOES 1 through 100, inclusive,

Defendants.

CaseNo.: BC625588

Honorable Robert B. Broadbelt
Department 53

CLASS ACTION

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

[Notice of Motion and Motion for Preliminary
Approval of Class Action and PAGA Settlement;
Declaration of Proposed Class Representative
(Guadalupe Moya); and [Proposed] Order filed
concurrently herewith]

Date: February 15, 2019
Time: 8:30 a.m.
Dept: 53
Reservation ID: 181120367673

Complaint Filed: June 30, 2016
Trial Date: None Set

DECLARATION OF EDWIN AIWAZIAN

I, Edwin Aiwarzian, hereby declare as follows:

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

EDUCATION

2. In May of 2004, I graduated from *Pepperdine University School of Law* with a Juris Doctor degree. I have extensive formal training in dispute resolution and negotiation from the Straus Institute for Dispute Resolution as part of its Masters in Dispute Resolution degree program. In addition, I have previously served as a *pro bono* mediator for the Los Angeles County Superior Court. In October of 2000, I obtained a Litigation Paralegal Certificate from the *UCLA Extension Program*. During the summer of 2000, I studied Legal Writing at *Harvard University*. In April of 1999, I obtained a Bachelor of Arts degree in Communication with a concentration in Natural Sciences from *Pepperdine University*.

JUDICIAL EXTERNSHIPS

3. From approximately September 2002 to approximately December 2002, I served as a Judicial Extern to the Honorable Kim McLane Wardlaw of the *United States Court of Appeals for the Ninth Circuit*. From approximately June 2002 to approximately August 2002, I served as a Judicial Extern to the Honorable Earl Johnson, Jr. of the *California Court of Appeal for the Second Appellate District*.

LITIGATION AND CLASS ACTION EXPERIENCE

4. In December of 2004, I obtained a license to practice law from the California State Bar. From approximately December 2004 to approximately August 2008, I was employed by the law firm of *Girardi & Keese*.

5. At *Girardi & Keese*, my practice focused on class actions and other complex cases involving toxic torts and products liability. In addition, I gained substantial experience on cases involving insurance bad faith, premises liability, and medical negligence. While employed by

1 *Girardi & Keese*, I argued approximately 100 motions, took or defended approximately 150
2 depositions, and prepared dozens of expert witnesses for deposition or trial.

3 6. Since its inception, in or around October of 2008, *Lawyers for Justice*, PC has
4 almost exclusively focused on the prosecution of consumer and employment class actions,
5 involving wage-and-hour claims, race discrimination, unfair business practices or consumer
6 fraud. Currently, we are the attorneys of record in over a dozen employment-related putative
7 class actions in both state and federal courts in the State of California. Our firm has successfully
8 litigated cases involving the executive, administrative, and other overtime exemptions to the
9 State of California and federal overtime compensation requirements. During this relatively short
10 time, in association with other law firms, we have recovered millions of dollars on behalf of
11 thousands of individuals in California.

12 **EXAMPLES OF CLASS ACTION RESULTS**

13 7. What follows are just a few examples of the type of results we have achieved on
14 behalf of our clients:

15 a) Our firm, in association with co-counsel, represented the plaintiffs in a
16 wage-and-hour class and representative action against a major property management company
17 involving allegations of misclassification of various "manager" positions. On September 20,
18 2010, the court granted final approval of the class and representative action settlement. The Los
19 Angeles County Superior Court Case Number is BC400414.

20 b) Our firm, in association with co-counsel, represented the plaintiffs in a
21 wage-and-hour class action against a national retailer involving allegations of misclassification
22 of the "Assistant Store Manager" position. On October 28, 2010, the court granted final
23 approval of the class action settlement. The Los Angeles County Superior Court Case Number
24 is BC413498.

25 c) Our firm, in association with co-counsel, represented the plaintiffs in a
26 wage-and-hour class and representative action against a national property management company
27 involving allegations of misclassification of the "Property Manager" position. On May 23,
28 2012, the court granted final approval of the class and representative action settlement. The Los

1 Angeles County Superior Court Case Number is BC430918.

2 d) Our firm, in association with co-counsel, represented the plaintiffs in a
3 wage-and-hour class action against a national retailer involving allegations of misclassification
4 of the "Store Manager" position. On June 10, 2011, the court granted plaintiffs' motion for class
5 certification. On August 26, 2013, the court granted final approval of the class action settlement.
6 The Los Angeles County Superior Court Case Number is BC424012.

7 e) Our firm, in association with co-counsel, represented the plaintiffs in a
8 wage-and-hour class and representative action against a bank, involving allegations of
9 misclassification of the "Assistant Branch Manager" position. On August 27, 2013, the court
10 granted final approval of the class and representative action settlement. The Kern County
11 Superior Court Case Number is S-1500-CV-273194-LHB.

12 f) Our firm, in association with co-counsel, represented the plaintiffs in a
13 wage-and-hour class and representative action against a national wholesale distributor of
14 plumbing and builder supplies, involving allegations of misclassification of multiple salaried
15 "manager" positions. On May 22, 2014, the court granted final approval of the class and
16 representative action settlement. The Sacramento County Superior Court Case Number is 34-
17 2012-00136285.

18 g) Our firm, in association with co-counsel, represented the plaintiffs in a
19 wage-and-hour class action involving allegations of misclassification of the "Operations
20 Manager" position. On September 16, 2014, the court granted plaintiffs' motion for class
21 certification. The Los Angeles County Superior Court Case Number is BC478769.

22 h) Our firm, in association with co-counsel, represented the plaintiffs in a
23 wage-and-hour class and representative action against a national retailer of household items, on
24 behalf of hourly-paid or non-exempt employees. On May 27, 2015, the court granted final
25 approval of the class and representative action settlement. The San Francisco County Superior
26 Court Case Number is CGC-13-532344.

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1 i) Our firm, in association with co-counsel, represented the plaintiffs in a
2 wage-and-hour class action involving allegations of misclassification of the salaried residential
3 "Property Manager" position. On September 17, 2015, the court granted plaintiffs' motion for
4 class certification. The Los Angeles County Superior Court Case Number is BC474784.

5 j) Our firm, in association with co-counsel, represented the plaintiffs in a
6 wage-and-hour class and representative action against a national retailer of upscale hardware
7 and home furnishings, on behalf of non-exempt employees. On April 28, 2016, the court granted
8 final approval of the class and representative action settlement. The Los Angeles County
9 Superior Court Case Number is JCCP4794.

10 k) Our firm, in association with co-counsel, represented the plaintiffs in a
11 wage-and-hour class and representative action against a national retailer of apparel and fashion
12 accessories, on behalf of non-exempt employees. On August 5, 2016, the court granted final
13 approval of the class and representative action settlement. The Los Angeles County Superior
14 Court Case Number is BC488069.

15 l) Our firm, in association with co-counsel, represented the plaintiffs in a
16 wage-and-hour class action against a national retailer of apparel, accessories, and home
17 products, involving allegations of misclassification of the "Department Manager" position. On
18 August 12, 2016, the court granted plaintiffs' motion for class certification. The Alameda
19 County Superior Court Case Number is RG13680477.

20 m) Our firm represented the plaintiffs in a representative action under the
21 Private Attorneys General Act, against a real estate and property management company, on
22 behalf of non-exempt employees. On November 4, 2016, the Court granted approval of the
23 settlement. The Orange County Superior Court Case Number is 30-2015-00775439-CU-OE-
24 CXC.

25 n) Our firm, in association with co-counsel, represented the plaintiffs in a
26 wage-and-hour class action against a full-service bank, on behalf of non-exempt employees. On
27 November 18, 2016, the court granted final approval of the class action settlement. The San
28 Francisco County Superior Court Case Number is CJC-13-004839.

o) Our firm, in association with co-counsel, represented the plaintiffs in a wage-and-hour class and representative action against a consumer packaging company, on behalf of non-exempt employees. On March 10, 2017, the court granted final approval of the class and representative action settlement. The Los Angeles County Superior Court Case Number is BC590429.

p) Our firm, in association with co-counsel, represented the plaintiffs in a wage-and-hour class and representative action against a manufacturer of food service industry supplies on behalf of non-exempt employees. On April 14, 2017, the court granted final approval of the class and representative action settlement. The Orange County Superior Court Case Number is 30-2015-00810013-CU-OE-CXC.

q) Our firm represented the plaintiffs in a wage-and-hour class and representative action against a food company on behalf of non-exempt employees. On June 30, 2017, the court granted final approval of the class action settlement. The Sacramento County Superior Court Case Number is 34-2015-00175871.

r) Our firm represented the plaintiffs in a wage-and-hour class and representative action against a chocolate company on behalf of non-exempt employees. On July 19, 2017, the court granted final approval of the class and representative action settlement. The Alameda County Superior Court Case Number is RG15764300.

s) Our firm represented the plaintiffs in a wage-and-hour class and representative action against a manufacturer of plastic containers on behalf of non-exempt employees. On October 31, 2017, the court granted final approval of the class and representative action settlement. The Los Angeles County Superior Court Case Number is BC577233.

PRELIMINARY APPROVAL

8. Marked and attached hereto as “EXHIBIT 1” is the Joint Stipulation of Class Action and PAGA Settlement and Release (“Settlement,” “Agreement,” or “Settlement Agreement”) entered into by and between Plaintiff Guadalupe Moya (“Plaintiff”), individually and on behalf of all others similarly situated and other aggrieved employees, on the one hand, and Defendants USRG (California) Inc. and U.S. Residential Group, LLC (“Defendants”), on

the other hand (collectively, the “Parties”). The Parties and their counsel have approved the proposed Notice of Class Action Settlement (“Class Notice”), which is attached to the Settlement Agreement as “Exhibit B” and respectfully request that the Court approve it as well. The Parties have also drafted and agreed to the form and content of the proposed First Amended Class Action Complaint for Damages and Complaint Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. (“First Amended Complaint”), which is attached as “Exhibit 1” to the [Proposed] Order Granting Preliminary Approval of Class Action Settlement, filed concurrently herewith. As part of the Settlement, the Parties agreed to amend the complaint to flesh out and formally allege the allegations, which were ascertained, litigated, mediated, and settled. Class Counsel respectfully requests that the Court grant leave to file the First Amended Complaint so that the terms of the Settlement Agreement and the intent of the Parties may be effectuated.

9. Based on information provided by Defendants, as January 30, 2019 the Class was estimated to consist of approximately fifty-seven (57) individuals.

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

11. Class Counsel has actively litigated the action since it commenced on June 30, 2016. After the Parties exchanged class information, extensive formal and informal discovery, and took multiple depositions, the Parties engaged in an extensive discussion regarding their evaluations of the case and various aspects of the case, including but not limited to, the risks and delays of further litigation, the risks to the Parties of proceeding with representative adjudication and class certification, the law relating to misclassification theory, meal and rest periods, wage-

1 and-hour enforcement, and PAGA representative claims, as well as the evidence produced and
2 analyzed, and the possibility of appeals, among other things. During all settlement discussions,
3 the Parties conducted their negotiations at arm's length in an adversarial position. Arriving at a
4 settlement that was acceptable to both Parties was not easy. Defendants and their counsel felt
5 strongly about their ability to prevail on the merits and at certification, and Plaintiff and Class
6 Counsel believed that they would be able to obtain class certification and prevail at trial. After
7 conducting investigations and formal and informal discovery and exchange of information,
8 extensive settlement negotiations, the Parties have agreed that this case well-suited for
9 settlement given the legal issues relating to Plaintiff's principal claims, as well as the costs and
10 risks to both sides that would attend further litigation. The Settlement is a fair, reasonable, and
11 adequate resolution of the Released Claims of Plaintiff and Class Members who do not timely
12 submit a Request for Exclusion from the Settlement ("Participating Class Members") and Class
13 Member's PAGA Released Claims against the Released Parties.

14 12. Prior to reaching the proposed Settlement, the Parties investigated the veracity,
15 strength and scope of the claims, and Class Counsel was preparing the case for class
16 certification. Plaintiff conducted significant investigation and extensive formal and informal
17 discovery regarding the facts of the case, including and not limited to, the exchange, review, and
18 analysis of thousands of pages of documents and data produced by Defendants. The volume of
19 data and documents that Class Counsel reviewed and analyzed included and was not limited to:
20 Plaintiff and other Class Members' employment records, a detailed sampling of Class Members'
21 time and pay data (including but not limited to, timecards, payroll records, and wage statements),
22 Defendants' Employee Handbooks and Associate Handbook, agreements, internal memoranda,
23 job titles and descriptions, and Defendants' operations and employment practices (such as
24 Defendants' Hiring Guide), forms (such as Defendants' Reimbursement Form and Mileage
25 Reimbursement Form), procedures (such as Defendants' Payroll Procedures and Rent
26 Deduction through Payroll Procedures), and policies (such as Defendants' Meal (Lunch) Break
27 and Rest Scheduling Break policy, Break and Overtime policy, tuition reimbursement policy,
28 and holiday policy), among other information and documents. Class Counsel interviewed

1 Plaintiff and other Class Members to gather facts and to identify potential witnesses. Plaintiff
2 propounded onto Defendants, and reviewed and provided responses to, numerous sets of formal
3 written discovery requests. Class Counsel also took the depositions of Defendant's Person Most
4 Knowledgeable designee and four (4) Non-Party Witnesses and prepared for and defended the
5 deposition of Plaintiff. Counsel for the Parties also met and conferred on numerous occasions,
6 e.g., to discuss issues relating to the pleadings, discovery, motion practice, and the production
7 of documents and data.

8 13. Counsel for the Parties have also invested time researching and investigating the
9 applicable law, which is constantly evolving as it relates to representative PAGA claims,
10 certification, misclassification theory, meal and rest periods, wage-and-hour enforcement,
11 Plaintiff's claims and damages, and Defendants' defenses thereto, as well as facts discovered.
12 Based on our analysis, I submit that the result achieved in this litigation is fair, adequate, and
13 reasonable.

14 14. The Settlement provides for a Class Settlement Amount of three hundred ten
15 thousand dollars (\$310,000). The Net Settlement Amount is the Class Settlement Amount less
16 the following amounts subject to approval by the Court: Attorneys' Fees and Costs to Class
17 Counsel, Class Representative Enhancement Payment to Plaintiff, Settlement Administration
18 Costs to the Settlement Administrator, and the penalties allocated under the California Private
19 Attorneys General Act ("PAGA Payment") to the California Labor and Workforce Development
20 Agency ("LWDA") and Class Members who worked during the period from May 27, 2015
21 through April 30, 2018 (the "PAGA Period"). Assuming that the amounts allocated under the
22 Settlement toward these payments are awarded by the Court, the Net Settlement Amount is
23 currently estimated to be one hundred seventy-five thousand seven hundred dollars (\$175,700)
24 minus reimbursement for actual litigation costs and expenses. Under the Settlement Agreement,
25 the final available Net Settlement Amount and PAGA Payment will be fully distributed and no
26 portion will revert to Defendants.

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15. The Parties have agreed to retain Simpluris, Inc. (“Simpluris” or “Settlement Administrator”) to handle the notice and settlement administration. The Parties respectfully request that the Court appoint Simpluris to handle these procedures and serve as the Settlement Administrator. Defendants will provide Simpluris with the Class List and Simpluris will calculate each Class Member’s estimated Individual Settlement Share and if applicable, *pro rata* share of the Employee PAGA Portion. Simpluris will also mail the Class Notice in English and Spanish to Class Members, receive and process Requests for Exclusion, Notices of Objection, and disputes regarding Workweeks; provide necessary reports and declarations; calculate, subtract, and transmit necessary taxes and withholdings; prepare and submit informational and other tax filings and documents; issue and transmit all payments provided by the Settlement, including and not limited to, mailing payment checks to the Participating Class Members and Class Members who worked for Defendant during the PAGA Period; and perform any other usual and customary duties for administering a class and representative action settlement. Settlement Administration Costs are currently estimated not to exceed six thousand five hundred dollars (\$6,500) and will be paid out of the Class Settlement Amount, subject to approval of the Court.

16. Based on investigation and information discovered, Class Counsel believes that there is sufficient evidence to support the allegations made in the lawsuits, including the allegations that Defendants, with respect to Plaintiff and the Class Members, *inter alia*, misclassified them as exempt employees and failed to pay overtime wages, failed to provide compliant meal and rest periods and to pay associated premium pay, failed to timely pay wages upon termination and during employment, failed to provide compliant wage statements, failed to maintain requisite payroll records, and failed to reimburse necessary business expenses, and thereby engaged in unfair business practices under the California Business and Professions Code and violated the Private Attorneys General Act of 2004 (California Labor Code sections 2698, *et seq.*). Plaintiff asserted that all of the Class Members (i.e., on-site employees classified as “exempt,” holding the position of “property manager,” “assistant property manager,” “community manager,” “assistant community managers,” “maintenance supervisor,” “assistant

1 maintenance supervisor” and/or similar job titles) were misclassified as exempt, and that they
2 were regularly limited in their use of independent discretion and judgment as their decisions
3 were often subject to Defendant’s comprehensive policies and guidelines. Plaintiff also asserted
4 that the Class Members spent the majority of their time carrying out the same duties as hourly-
5 paid, non-exempt employees. Plaintiff also asserted that Class Members were expected to
6 perform similar job duties and were subject to the same or similar operations and employment
7 policies, practices, and procedures. Additionally, Plaintiff asserted that Defendants’
8 recordkeeping practices with respect to Plaintiff and the Class Members were substantially the
9 same during the time period at issue. As a result, Plaintiff claims that the Class Members, were
10 uniformly not paid all of the compensation that was owed to them by Defendants during the
11 Class Period. Thus, it is clear that the outcome of this litigation would be determined by
12 Defendants’ uniform operations and employment practices, policies, and procedures that applied
13 across their employees who were employed by Defendants during the Class Period as an on-site
14 employees who held the position of “property manager,” “assistant property manager,”
15 “community manager,” “assistant community managers,” “maintenance supervisor,” “assistant
16 maintenance supervisor,” and/or similar job titles.

17 17. Class Counsel is aware of the defenses and positions of Defendants but believes
18 that Plaintiff could potentially obtain class certification despite many obstacles. Plaintiff has
19 also taken into account the uncertainty and risk of the outcome of further litigation, and the
20 difficulties and delays inherent in such litigation, including those involved in representative
21 adjudication and class certification. Plaintiff further recognizes the burdens of proof necessary
22 to establish liability for the claims asserted in the lawsuit, Defendants’ defenses, and the
23 difficulties in establishing entitlement to monetary recovery. Plaintiff has also considered the
24 Parties’ settlement discussions over the last several months.

25 18. Defendants, on the other hand, denied and continues to deny any liability and
26 wrongdoing of any kind associated with the claims alleged in the action, and further denies that
27 the action is appropriate for representative adjudication or class treatment for any purpose other
28 than this Settlement. Defendants believe that they would ultimately succeed in the action. Both

sides have also had the opportunity to interview witnesses and review documents and information relating to Plaintiff's and the Class Members' employment with Defendants, and Defendants operations and employment policies, practices, and procedures. The Parties also reviewed and analyzed thousands of pages of documents and data, including but not limited to a detailed sampling of Class Members' time and pay information, to determine the potential value and strength of the claims. The available information enabled Class Counsel to estimate the potential claims of the Class and prepare damages/valuation models. Accordingly, the Parties have conducted adequate investigation and discovery to be sufficiently informed of the nature and extent of the Class Members' claims, and to enable both sides to fully evaluate the Settlement for its fairness, adequacy, and reasonableness. The Parties have agreed that the case is well-suited for settlement given the legal issues relating to Plaintiff's principal claims, as well as the costs and risks to both sides that would attend further litigation. The Settlement takes into account the strengths and weaknesses of each side's position and the uncertainty of how the case might have concluded at certification, trial, and/or appeals.

19. The Settlement Agreement provides for Class Counsel to apply for attorneys' fees in an amount of up to thirty-eight percent (38%) of the Class Settlement Amount (i.e., \$192,500) and reimbursement for actual litigation fees and costs incurred, which will be paid out of the Class Settlement Amount, subject to approval by the Court. It should be noted that Class Counsel has borne all of the risks and costs of litigation and will not receive any compensation until recovery is obtained.

20. The Settlement Agreement provides for a Class Representative Enhancement Payment of up to five thousand dollars (\$5,000) to Plaintiff to be paid out of the Class Settlement Amount, subject to approval by the Court. Plaintiff spent considerable time and effort to produce relevant documents and past employment records and to provide the facts and evidence necessary to attempt to prove the allegations. Plaintiff was available whenever Class Counsel needed her and actively tried to obtain information that would benefit the Class. For instance, Plaintiff worked with Class Counsel to prepare responses to requests for production of documents that were propounded by Defendants and prepared for and attended a full day of

1 deposition and reviewed a transcript of her deposition thereafter. Accordingly, it is appropriate
2 and just for Plaintiff to receive a reasonable Class Representative Enhancement Payment in
3 addition to her Individual Settlement Payment and share of the Employee PAGA Portion for her
4 service on behalf of the Class and State of California.

5 21. Class Counsel submits that the Settlement is fair, reasonable, and adequate, and is
6 in the best interest of the Class. Class Counsel further submits that the Settlement is within an
7 acceptable range of recovery for this type of litigation given the strengths and weaknesses of
8 this action, the inherent costs and risks of further litigation, and the costs and risks associated
9 with representative adjudication, class certification, trial, and/or appeals.

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

12 Executed on this 31st day of January 2019, at Glendale, California.

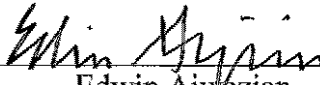
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EXHIBIT 1

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

GUADALUPE MOYA; individually, and
on behalf of other aggrieved employees
pursuant to the California Private Attorneys
General Act,

Plaintiff,

v.

USRG (CALIFORNIA) INC., a California
corporation; U.S. RESIDENTIAL GROUP
LLC, an unknown business entity; and
DOES 1 through 100, inclusive,

Defendants.

Case No. BC625588

ASSIGNED FOR ALL PURPOSES TO
JUDGE ROBERT B. BROADBELT, DEPT. 53

**JOINT STIPULATION OF CLASS
ACTION AND PAGA SETTLEMENT AND
RELEASE**

Complaint Filed: June 30, 2016
Trial Date: September 27, 2017

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1 expenses incurred and to be incurred by Plaintiff's Counsel in the Action, including, but not limited to, costs
2 associated with documenting the Settlement, providing any notices required as part of the Settlement or Court
3 order, securing the Court's approval of the Settlement, administering the Settlement, and expenses for any
4 experts. Plaintiff's Counsel will request attorneys' fees not in excess of Thirty-Eight Percent (38%) of the
5 Class Settlement Amount, or One Hundred Seventeen Thousand Eight Hundred Dollars and Zero Cents
6 (\$117,800.00). Defendants have agreed not to oppose Plaintiff's Counsel's request for fees and
7 reimbursement of costs and expenses as set forth above.

8 4. "Class Counsel" or "Plaintiff's Counsel" means Lawyers *for* Justice, PC.

9 5. "Class List" means a complete list of all Class Members that Defendants will diligently and
10 in good faith compile from their records and provide to the Settlement Administrator within fourteen (14)
11 calendar days after Preliminary Approval of this Settlement. The Class List will be formatted in a readable
12 Microsoft Office Excel spreadsheet and will include (to the extent available) each Class Member's full name,
13 last-known mailing address and telephone number, Social Security number, dates of hire and termination of
14 employment with Defendants, and Workweeks, and any other relevant information needed to calculate
15 settlement payments.

16 6. "Class Member(s)" or "Class" means: all individuals who are or were employed by
17 Defendants in the State of California during the Class Period as on-site employees classified as "exempt,"
18 holding the position of "property manager," "assistant property manager," "community manager," "assistant
19 community manager," "maintenance supervisor," "assistant maintenance supervisor," and/or similar job titles.

20 7. "Class Period" means June 30, 2012 through April 30, 2018.

21 8. "Class Representative Enhancement Payment" means the amount to be paid to Plaintiff in
22 recognition of her effort and work in prosecuting the Action on behalf of Class Members. Plaintiff will
23 request Court approval of a Class Representative Enhancement Payment of Five Thousand Dollars and Zero
24 Cents (\$5,000.00).

25 9. "Class Settlement Amount" means the maximum settlement amount of Three Hundred Ten
26 Thousand Dollars and Zero Cents (\$310,000.00) to be paid by Defendants to resolve the Action and Released

27 3.

Claims, which includes all Individual Settlement Payments to Participating Class Members, the Class Representative Enhancement Payment to Plaintiff, Settlement Administration Costs to the Settlement Administrator, the LWDA Payment, and the Attorneys' Fees and Costs. Defendant USRG (California) Inc. will be separately responsible for any employer payroll taxes required by law, including the employer FICA, FUTA, and SDI contributions, with respect to the wage portion of Individual Settlement Shares.

10. "Court" means the Superior Court of the State of California for the County of Los Angeles.

11. "Effective Date" means the later of: (a) if any timely objections are filed and not subsequently withdrawn, the 60th day after the Court enters an order granting final approval of the Settlement; (b) if any timely appeals are filed, the date of the resolution (or withdrawal) of any such appeal in a way that does not alter the terms of the Settlement; or (c) if no timely objections are filed, or if all objections are withdrawn, the date upon which the Court enters an order granting final approval of the Settlement.

12. "Final Approval" means the Court entering an order granting final approval of the Settlement Agreement.

13. "Final Approval Order" means the order granting Final Approval of the Settlement.

14. "First Amended Complaint" means the amended complaint, in substantially the form attached hereto as "Exhibit A," that Parties have agreed that Plaintiff will seek leave to file as part of the filing of the Motion for Preliminary Approval, to effectuate the Settlement. Should the Court not grant Final Approval, the Parties will revert to their respective positions as of May 30, 2018, and the First Amended Complaint will be stricken and/or dismissed without prejudice.

15. "Individual Settlement Payment" means net payment of a Participating Class Member's share of the Net Settlement Amount, after reduction for applicable employee's share of taxes and withholdings with respect to the wage portion of his or her Individual Settlement Share.

16. "Individual Settlement Share" means each Class Member's share of the Net Settlement Amount, to be distributed to Participating Class Members.

17. "LWDA Payment" means the Labor and Workforce Development Agency's ("LWDA") 75% share of the PAGA Payment, in connection with the Labor Code Private Attorneys General Act of 2004

4.

(Cal. Lab. Code §§ 2698, *et seq.*, "PAGA"). The Parties have agreed that Five Thousand Dollars and Zero Cents (\$5,000.00) of the Class Settlement Amount will be allocated to the resolution of any Class Members' claims arising under PAGA. Pursuant to PAGA, Seventy Five Percent (75%), or which is Three Thousand Seven Hundred Fifty Dollars and Zero Cents (\$3,750.00).

18. "Net Settlement Amount" means the portion of the Class Settlement Amount remaining after deduction of the Court-approved Class Representative Enhancement Payments, Settlement Administration Costs, PAGA Payment, and the Attorneys' Fees and Costs. The Net Settlement Amount will be distributed to Participating Class Members on a *pro rata* basis, based on Workweeks, as provided for herein.

19. "Notice of Class Action Settlement" means the document, substantially in the form attached as "Exhibit B," that will be mailed to Class Members' last known addresses and which will provide Class Members with information regarding the Action and information regarding the Settlement.

20. "Notice of Objection" means a Class Member's written objection to the Settlement, which must include: (a) the case name and number of the Action; (b) the objector's full name, signature, address, and telephone number, (c) a written statement clearly indicating that the Class Member wishes to object to the Settlement and stating all legal and factual grounds for the objection; and (d) copies of any papers, briefs, or other documents upon which the objection is based or which support the objection. Class Members only have a right to submit a Notice of Objection and/or submit a Request for Exclusion with respect to the Class Settlement. Class Members cannot object and cannot exclude themselves from the PAGA Settlement.

21. "PAGA Payment" is the amount, from the Class Settlement Amount, that the Parties have agreed to allocate toward penalties under the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*, "PAGA"), which is Five Thousand Dollars and Zero Cents (\$5,000.00) of the Class Settlement Amount, of which Seventy Five Percent (75%), or, Three Thousand Seven Hundred Fifty Dollars and Zero Cents (\$3,750.00, will be paid to the LWDA, and Twenty Five Percent (25%), or One Thousand Two Hundred Fifty Dollars and Zero Cents (\$1,250.00) (the "Employee PAGA Portion"), will be distributed Class Members who worked for Defendants within the PAGA Period.

22. "PAGA Period" means the period between May 27, 2015 and April 30, 2018.

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23. "PAGA Released Claims" means the Released Claims which do arise under PAGA.

24. "Participating Class Members" means all Class Members who do not submit a valid and timely Request for Exclusion.

25. "Preliminary Approval" means the Court order granting preliminary approval of the Settlement Agreement.

26. "Released Claims" means any and all claims, rights, demands, liabilities, damages, causes of action, wages, benefits, expenses, penalties, debts, obligations, attorneys' fees, costs, any other form of relief or remedy in law, equity, or whatever kind or nature, whether known or unknown, suspected or unsuspected, that were or could have been pleaded based on, arising from the factual allegations set forth in the First Amended Complaint, including: (i) all claims for failure to pay minimum wages; (ii) all claims for failure to pay overtime; (iii) all claims for failure to provide compliant meal and rest break and associated premium pay; (iv) all claims for the failure to timely pay wages upon termination and associated waiting time penalties; (v) all claims for the failure to timely pay wages during employment; (vi) all claims for failure to provide compliant wage statements; (vii) all claims for the failure to keep requisite payroll records; and (viii) all claims for failure to reimburse business expenses. Released Claims also means any claims, rights, demands, liabilities, damages, wages, benefits, expenses, penalties, debts, obligations, attorneys' fees, costs, any other form of relief or remedy in law, equity, or whatever kind or nature, whether known or unknown, suspected or unsuspected, and causes of action, that could potentially arise from the receipt of any monies as a result of this settlement by any Participating Class Member.

27. "Released Parties" means Defendants, their officers and directors, and any of their former and present parents, subsidiaries, affiliates, divisions, corporations in common control, predecessors, successors, and assigns, as well as all past and present officers, directors, employees, partners, shareholders and agents, attorneys, insurers, and any other successors, assigns, or legal representatives, if any.

28. "Request for Exclusion" means a written letter submitted by a Class Member indicating a request to be excluded from the Class Settlement. The Request for Exclusion must: (a) contain the case name and number of the Action, (b) be signed by the Class Member; (c) contain the name, address, telephone

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1 number and the last four digits of the Social Security Number of the Class Member requesting exclusion; (d)
2 clearly state that the Class Member does not wish to be included in the Settlement; (e) be returned by fax or
3 mail to the Settlement Administrator at the specified address and/or facsimile number; and (f) be faxed or
4 postmarked on or before the Response Deadline. The date of the fax or postmark on the return mailing
5 envelope will be the exclusive means to determine whether a Request for Exclusion has been timely
6 submitted. A Class Member who does not request exclusion from the Class Settlement will be deemed a
7 Participating Class Member and will be bound by all terms of the Settlement Agreement if Final Approval of
8 the Settlement is granted by the Court. A Class Member who timely submits a Request for Exclusion is still
9 bound by the PAGA Settlement and will still be deemed to have released their PAGA Released Claims.

10 29. "Response Deadline" means the deadline by which Class Members must postmark or fax to
11 the Settlement Administrator a Request for Exclusion, Notice of Objection, and/or dispute regarding his or
12 her Workweeks. The Response Deadline will be sixty (60) calendar days from the initial mailing of the Class
13 Notice to the Class by the Settlement Administrator, unless the 60th day falls on a Sunday or Federal holiday,
14 in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is
15 open. The Response Deadline will be extended fifteen (15) calendar days for any Class Member who is re-
16 mailed a Class Notice by the Settlement Administrator, unless the 15th day falls on a Sunday or Federal
17 holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal
18 Service is open. The Response Deadline may also be extended by express agreement between Class Counsel
19 and Defendant. Under no circumstances, however, will the Settlement Administrator have the authority to
20 unilaterally extend the deadline for Class Members to submit a Request for Exclusion, objection to the
21 Settlement, and/or dispute regarding Workweeks.

22 30. "Settlement Administration Costs" means the amount payable from the Class Settlement
23 Amount to the Settlement Administrator, subject to approval by the Court, for administering the Settlement,
24 including, but not limited to, printing, distributing, and tracking documents for this Settlement, calculating
25 Class Members' estimated Individual Settlement Shares and Participating Class Member's Individual
26 Settlement Payment, tax reporting, distributing the Class Settlement Amount, and providing necessary reports

1 and declarations, and other duties and responsibilities set forth herein to process this Settlement, and as
2 requested by the Parties. The Settlement Administration Costs will be paid from the Class Settlement
3 Amount, including, if necessary, any such costs in excess of the amount represented by the Settlement
4 Administrator as being the maximum costs necessary to administer the Settlement. The Settlement
5 Administration Costs are currently estimated to be Six Thousand Five Hundred Dollars and Zero Cents
6 (\$6,500.00). To the extent actual Settlement Administrations Costs are greater than Six Thousand Five
7 Hundred Dollars and Zero Cents (\$6,500.00), such excess amount will be deducted from the Class Settlement
8 Amount.

9 31. "Settlement Administrator" means Simpluris, Inc., or any other third-party class action
10 settlement administrator agreed to by the Parties and approved by the Court for the purposes of administering
11 the Settlement. The Parties each represent that they do not have any financial interest in the Settlement
12 Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict
13 of interest.

14 32. "Workweeks" means the number of weeks each Class Member actually worked for
15 Defendants during the Class Period in the State of California as on-site employees classified as "exempt,"
16 holding the title of "property manager," "assistant property manager," "community manager," "assistant
17 community manager," "maintenance supervisor," "assistant maintenance supervisor," and or similar job title.

18 33. "Workweek Value" means the value of each compensable Workweek, as determined by the
19 formula set forth in herein.

20 TERMS OF AGREEMENT

21 Plaintiff, on behalf of herself and the Participating Class Members, and Defendants, agree as follows:

22 34. Funding of the Class Settlement Amount. Within ten (10) business days after the Effective
23 Date of the Settlement, Defendants will make a one-time deposit of the Class Settlement Amount into a
24 Qualified Settlement Account ("QSF") to be established by the Settlement Administrator. Within ten (10)
25 calendar days of the funding of the Settlement, the Settlement Administrator will issue Court-approved
26 payments to: (a) Participating Class Members; (b) the Labor and Workforce Development Agency; (c)

1 Plaintiff; (d) Class Counsel; and (d) itself.

2 35. Attorneys' Fees and Costs. Defendants agree not to oppose or impede any application or
3 motion by Class Counsel for attorneys' fees of not more than One Hundred Seventeen Thousand Eight
4 Hundred Dollars and Zero Cents (\$117,800.00) and reimbursement of actual, incurred litigation costs and
5 expenses, which will be paid from the Class Settlement Amount, subject to approval by the Court.

6 36. Class Representative Enhancement Payments. Defendants agree not to oppose or impede
7 any application or motion for a Class Representative Enhancement Payment of Five Thousand Dollars and
8 Zero Cents (\$5,000.00) to Plaintiff for her services on behalf of the Class. The Class Representative
9 Enhancement Payment will be paid from the Class Settlement Amount, subject to approval by the Court, and
10 will be in addition to Plaintiff's Individual Settlement Payment. Plaintiff will be solely and legally
11 responsible to pay any and all applicable taxes on the payments made pursuant to this paragraph and will
12 indemnify and hold Defendants harmless from any claim or liability for taxes, penalties, or interest arising as
13 a result of the payment.

14 37. Settlement Administration Costs. The Settlement Administrator will be paid for the
15 reasonable costs of administration of the Settlement and distribution of payments from the Class Settlement
16 Amount, which are currently estimated to be Six Thousand Five Hundred Dollars and Zero Cents
17 (\$6,500.00). These costs, which will be paid from the Class Settlement Amount, subject to approval by the
18 Court, for the Settlement Administrator's service, which will include, *inter alia*, the required tax reporting
19 issuance of 1099 and W-2 IRS Forms, distributing the Class Notice, calculating and distributing payments
20 from the Class Settlement Amount, and providing necessary reports and declarations

21 38. Acknowledgement of Potential Settlement Administration Costs Increases. The Parties
22 hereby acknowledge that the Settlement Administration Costs may increase above the current estimate of Six
23 Thousand Five Hundred Dollars and Zero Cents (\$6,500.00) and that any such additional Settlement
24 Administration Costs that are approved by counsel for the Parties shall be paid out of the Class Settlement
25 Amount, subject to approval by the Court.

26 39. PAGA Payment. Subject to Court-approval, the Parties agree that the amount of Five

1 Thousand Dollars and Zero Cents (\$5,000.00) from the Class Settlement Amount will be designated for
2 satisfaction of Plaintiff's and Class Members' PAGA claims. Pursuant to PAGA, Seventy Five Percent
3 (75%), or Three Thousand Seven Hundred Fifty Dollars and Zero Cents (\$3,750.00), of the PAGA Payment
4 will be paid to the LWDA, and Twenty Five Percent (25%), or One Thousand Two Hundred Fifty Dollars
5 and Zero Cents (\$1,250.00), of the PAGA Payment will be distributed among the Class Members who
6 worked for Defendants during the PAGA Period. All Class Members will release their PAGA Released
7 Claims irrespective of whether or not they submit a Request for Exclusion.

8 40. Net Settlement Amount. The Net Settlement Amount will be distributed to Participating
9 Class Members in accordance with the terms of this Settlement.

10 41. Calculations of Settlement Payments. Individual Settlement Shares and shares of the
11 Employee PAGA Portion (if applicable) will be as follows:

12 41(a) Defendants will calculate the total number of Workweeks actually worked by
13 each Class Member ("Individual Workweeks") and the total number of
14 Workweeks actually worked by all Class Members ("Class Workweeks") during
15 the Class Period.

16 41(b) To determine each Class Member's Individual Settlement Share, the Settlement
17 Administrator will use the following formula: Individual Settlement Share =
18 (Individual Workweeks ÷ Class Workweeks) × Net Settlement Amount.

19 41(c) Each Class Member who worked during the PAGA Period is eligible to receive a
20 *pro rata* portion of the Employee PAGA Portion based on the number of
21 Workweeks he or she worked.

22 41(d) If any Class Member requests to be excluded from the Class Settlement, what
23 would have been his or her share of the Net Settlement Amount, shall remain
24 part of the Net Settlement Amount and shall be proportionally re-distributed
25 among the Participating Class Members as a part of their final Individual
26 Settlement Payments.

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1 42. No Credit Toward Benefit Plans. The Individual Settlement Payments made to Participating
2 Class Members under this Settlement, as well as any other payments made pursuant to this Settlement, will
3 not entitle Class Members to any additional benefits under any benefit plans, including, but not limited to
4 profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO
5 plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not
6 affect any rights, contributions, or amounts to which any Class Members may be entitled under any benefit
7 plans.

8 43. Settlement Administration Process. The Parties agree to cooperate in the administration of
9 the Settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in
10 administration of the Settlement. The Settlement Administrator will provide the following services:

- 11 43(a) Establish and maintain a Qualified Settlement Account.
- 12 43(b) Calculate each Class Member's Individual Settlement Share and/or share of the
13 Employee PAGA Portion (if applicable) that he or she is eligible to receive.
- 14 43(c) Translate the Class Notice from English to Spanish.
- 15 43(d) Print and mail the Class Notice to the Class Members in English and Spanish.
- 16 43(e) Establish and maintain a toll-free information telephone support line to assist
17 Class Members who have questions regarding their Class Notice and/or the
18 Settlement.
- 19 43(f) Conduct additional address searches for Class Notices that are returned as
20 undeliverable on or before the Response Deadline after they are initially mailed
21 by the Settlement Administrator, and re-mail said undeliverable Class Notices.
- 22 43(g) Process Requests for Exclusion, field inquiries from Class Members.
- 23 43(h) Calculate Participating Class Members' Individual Settlement Share and share of
24 the Employee PAGA Portion, which may be paid together by way of one check,
25 and print and issue Individual Settlement Payment Checks.
- 26 43(i) Prepare IRS W2 and 1099 Tax Forms and undertake basic accounting and tax

- 1 reporting for and payment of employee tax withholdings.
- 2 43(j) Inform Defendants of their employer-side tax liability, if any.
- 3 43(k) Provide declarations and/or other information to this Court as requested by the
- 4 Parties and/or the Court.
- 5 43(l) Provide weekly status reports to counsel for the Parties
- 6 43(n) Provide notice to the Class of the Final Approval Order, by posting it online at
- 7 the Settlement Administrator's website (in lieu of individualized notice).
- 8 44. Delivery of the Class List. Within fourteen (14) calendar days of Preliminary Approval,
- 9 Defendants will provide the Class List to the Settlement Administrator.
- 10 45. Notice by First-Class U.S. Mail. Within ten (10) calendar days after receiving the Class List
- 11 from Defendants, the Settlement Administrator will mail a Class Notice to each Class Members via First-
- 12 Class U.S. Mail, using the most current, known mailing addresses identified in the Class List.
- 13 46. Confirmation of Contact Information in the Class List. Prior to mailing the Class Notice, the
- 14 Settlement Administrator will perform a search based on the National Change of Address Database for
- 15 information to update and correct for any known or identifiable address changes. Any Class Notice returned
- 16 to the Settlement Administrator as non-deliverable on or before the Response Deadline will be sent promptly
- 17 via First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement Administrator will
- 18 indicate the date of such re-mailing on the Class Notice. If no forwarding address is provided, the Settlement
- 19 Administrator will promptly attempt to locate a more current address using a skip-trace, or other search using
- 20 the name, address and/or Social Security number of the Class Member involved, and will then perform a
- 21 single re-mailing. Those Class Members who receive a re-mailed Class Notice, whether by skip-trace or by
- 22 request.
- 23 47. Notice to the Class. All Class Members will be mailed a Class Notice that is in English and
- 24 in Spanish. Each Class Notice will provide: (a) information regarding the nature of the Action; (b) a
- 25 summary of the Settlement's principal terms; (c) the definition of the Class; (d) the total number of
- 26 Workweeks each respective Class Member is credited with based on Defendants' records ; (e) each Class

1 Member's estimated Individual Settlement Share and share of the Employee PAGA Portion (if applicable);
2 (f) the dates which comprise the Class Period; (g) the deadlines by which the Class Member must postmark or
3 fax Requests for Exclusion, Notices of Objection, and/or disputes regarding Workweeks; (h) the claims to be
4 released, as set forth herein; and (i) the date for the Final Approval Hearing.

5 48. Disputed Information on Class Notice. Class Members will have an opportunity to dispute
6 the number of Workweeks to which they have been credited (which will be used to calculate their Individual
7 Settlement Share), in writing that is submitted to the Settlement Administrator, postmarked or fax-stamped on
8 or before the Response Deadline. A dispute must contain: (a) the case name and number of the Action; (b)
9 the disputing Class member's full name, signature, address, and telephone number; (c) a written statement
10 clearly indicating that the Class Member wishes to dispute the number of Workweeks credited to him or her
11 and the number of Workweeks that he or she contends is the correctly creditable to him or her; and (d) any
12 evidence showing that the number of Workweeks credited to him or her based on Defendants' records is
13 inaccurate. Absent evidence rebutting Defendants' records, Defendants' records will be presumed
14 determinative. However, if a Class Member produces evidence to the contrary, the Settlement Administrator
15 will evaluate the evidence submitted by the Class Member and will make the final decision as to the number
16 of eligible Workweeks that should be applied to determine his or her Individual Settlement Share, and, if
17 applicable, his or her share of the Employee PAGA Portion, to which he or she may be entitled. All such
18 disputes are to be resolved not later than fourteen (14) calendar days after the Response Deadline.

19 49. Defective Submissions. If a Class Member's Request for Exclusion is defective as to the
20 requirements listed herein, that Class Member will be given an opportunity to cure the defect(s). The
21 Settlement Administrator will mail the Class Member a cure letter within three (3) business days of receiving
22 the defective submission to advise the Class Member that his or her submission is defective and that the
23 defect must be cured to render the Request for Exclusion valid. The Class Member will have until the later of
24 (a) the Response Deadline or (b) fifteen (15) calendar days from the date of the cure letter, whichever date is
25 later, to postmark or fax a revised Request for Exclusion. If a Class Member responds to a cure letter by filing
26 a defective Request for Exclusion, then the Settlement Administrator will have no further obligation to give

1 notice of a need to cure. If the revised Request for Exclusion is not postmarked or received by fax within that
2 period, it will be deemed untimely.

3 50. Request for Exclusion Procedures. Any Class Member wishing to opt out from the Class
4 Settlement must sign and postmark or fax-stamp a written Request for Exclusion to the Settlement
5 Administrator within the Response Deadline. The date of the postmark on the return mailing envelope or fax
6 receipt confirmation will be the exclusive means to determine whether a Request for Exclusion has been
7 timely submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendants'
8 Counsel the Requests for Exclusion that were timely and valid, and shall identify those individuals who have
9 submitted timely and valid Requests for Exclusion, to the Court by way of declaration that is filed in advance
10 of the Final Approval Hearing. Class Members who submit timely and valid Requests for Exclusion will,
11 nevertheless, be deemed to settlement and resolve all PAGA Released Claims and, if they were employed by
12 Defendants during the PAGA Period, they will still be issued payment of for their share of the Employee
13 PAGA Portion.

14 51. Defendants' Right to Rescind. If 2% or more of the Class Members elect not to participate in
15 the Settlement, Defendants may, at their election, rescind the Settlement Agreement and all actions taken in
16 furtherance of it will be thereby null and void. Defendants must exercise this right of rescissions, in writing,
17 to Class Counsel within 14 calendar days after the Claims Administrator notifies the Parties of the total
18 number of opt-outs. If Defendants exercise their right to rescind, then Defendants will be responsible for all
19 Claims Administration Costs incurred to the date of rescission.

20 52. All Class Members Who Do Not Submit a Request for Exclusion (i.e., Class Members That
21 Do Not Opt Out) Shall Be Bound to the Class Settlement. Any Class Member who does not affirmatively opt
22 out of the Class Settlement by submitting a timely and valid Request for Exclusion will be bound by all of its
23 terms, including those pertaining to the Released Claims, as well as any judgment that may be entered by the
24 Court if it grants final approval to the Settlement. All Class Members will be deemed to have fully, finally and
25 forever released, settled, compromised, relinquished, and discharged, any and all Released Claims arising
26 under the Private Attorney General Act, California Labor Code Sections 2698 *et seq* ("PAGA Released

1 Claims”) and the opt out procedures do not apply to these claims.

2 53. Objection Procedures. To object to the Class Settlement, a Class Member must postmark a
3 valid Notice of Objection to the Settlement Administrator on or before the Response Deadline. The Notice of
4 Objection must be signed by the Class Member and contain all information required by this Settlement
5 Agreement. The postmark date will be deemed the exclusive means for determining that the Notice of
6 Objection is timely. Class Members who fail to object in the specific and technical manner specified above
7 will be deemed to have waived all objections to the Class Settlement and will be foreclosed from making any
8 objections and seeking any adjudication or review, whether by appeal or otherwise, to the Settlement
9 Agreement. Class Members who postmark timely Notices of Objection will have a right to appear at the
10 Final Approval Hearing in order to have their objections heard by the Court. At no time will any of the
11 Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written objections to
12 the Settlement Agreement or appeal from the Final Approval Order and contemplated Judgment. Class
13 Counsel will not represent any Class Members with respect to any such objections to this Settlement. Class
14 Members only have a right to submit a Notice of Objection and/or submit a Request for Exclusion with
15 respect to the Class Settlement. Class Members cannot object and cannot exclude themselves from the
16 PAGA Settlement.

17 54. Certification Reports Regarding Settlement Administration. The Claims Administrator will
18 provide Defendants’ counsel and Class Counsel a weekly report which certifies: (a) the number of Class
19 Members who have submitted timely and valid Requests for Exclusion; (b) the Net Settlement Amount
20 claimed by Participating Class Members; and (c) whether any Class Member has submitted a challenge of
21 Workweeks contained in their Class Notice. Additionally, the Settlement Administrator will provide to
22 counsel for both Parties any updated reports regarding the administration of the Settlement Agreement as
23 needed or requested.

24 55. Uncashed Settlement Checks. Any checks issued by the Settlement Administrator to
25 Participating Class Members will be negotiable for at least one hundred eighty (180) calendar days. Those
26 settlement checks returned as undeliverable and those settlement checks remaining un-cashed for more than

one hundred eighty (180) calendar days after issuance will be cancelled and the funds associated with such cancelled checks will be deposited with the California Department of Industrial Relations Unpaid Wage Fund, in the name of the Participating Class Member whose check is cancelled, in his or her respective amount.

56. Certification of Completion. Upon completion of administration of the Settlement, the Claims Administrator will provide a written declaration under oath to certify such completion to the Court and counsel for all Parties.

57. Tax Treatment of Individual Settlement Shares. All Individual Settlement Shares will be allocated as follows: one-third (1/3) wages and two-thirds (2/3) will be allocated as non-wages for interest and penalties. The portion allocated to wages will be reported on an IRS Form W-2 and the portions allocated to non-wages will be reported on an IRS Form-1099 by the Settlement Administrator. A Participating Class Member's share of the Employee PAGA Portion (if applicable) shall be allocated 100% as non-wages for penalties.

58. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiff, Participating Class Members, and Plaintiff's Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement. The Settlement Administrator will also be responsible for forwarding all payroll taxes and withholdings to the appropriate government authorities.

59. Tax Liability. Defendants, Plaintiffs, Defendants' Counsel, and Plaintiffs' Counsel make no representation as to the tax treatment or legal effect of the payments called for hereunder, and Plaintiff and Participating Class Members are not relying on any statement, representation, or calculation by Defendants, Class Counsel, Defendants' Counsel, or the Settlement Administrator in this regard. Plaintiff and Participating Class Members understand and agree that except for Defendants' payment of the employer's portion of any payroll taxes, they will be solely responsible for the payment of any taxes and penalties assessed on the payments described herein.

60. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF

1 THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS AGREEMENT
2 OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND
3 AGREES THAT (1)NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN
4 COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR
5 ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY SUCH
6 COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON
7 AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT
8 CIRCULAR230 (31 CFR PART 10, AS AMENDED); (2)THE ACKNOWLEDGING PARTY (A)HAS
9 RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX
10 COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS
11 AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE
12 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY
13 OTHER PARTY, AND (C)IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR
14 DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY
15 TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3)NO
16 ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT
17 PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX
18 STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON
19 DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX
20 STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY
21 THIS AGREEMENT.

22 61. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant that
23 they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
24 encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right
25 herein released and discharged.

26 62. Class Release by Participating Class Members. Upon the Final Approval by the Court of
27
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1 this Settlement Agreement, and except as to such rights or claims as may be created by this Settlement
2 Agreement, the Participating Class Members shall fully, finally, and forever settle, compromise, release, and
3 discharge the Released Parties from any and all Released Claims for the entire period from June 30, 2012
4 through Preliminary Approval from the Released Claims that do not arise under PAGA ("Class Settlement").
5 This release shall inure to the benefit of the Released Parties, who shall have no further or other liability or
6 obligation to any Class Member with respect to the Released Claims, except as expressly provided herein.

7 63. PAGA Release by Class Members. Upon the Final Approval by the Court of this Settlement
8 Agreement, and except as to such rights or claims as may be created by this Settlement Agreement, the Class
9 Members shall fully, finally, and forever settle, compromise, release, and discharge the Released Parties from
10 any and all PAGA Released Claims ("PAGA Settlement"). This release shall inure to the benefit of the
11 Released Parties, who shall have no further or other liability or obligation to any Class Member with respect
12 to the PAGA Released Claims, except as expressly provided herein. The Request for Exclusion does not
13 apply to PAGA Released Claims.

14 64. Release of Additional Claims & Rights by Plaintiff. Upon the Effective Date, and as a
15 condition of receiving any portion of their Class Representative Enhancement Payments, Plaintiff will agree
16 to the additional following General Release: In consideration of Defendants' promises and agreements as set
17 forth herein, Plaintiff hereby fully release the Released Parties from any and all Released Claims and also
18 generally release and discharge the Released Parties from any and all claims, demands, obligations, causes of
19 action, rights, or liabilities of any kind which have been or could have been asserted against the Released
20 Parties arising out of or relating to Plaintiff's employment by Defendants or termination thereof, including but
21 not limited to claims for wages, restitution, penalties, retaliation, defamation, discrimination, harassment or
22 wrongful termination of employment. This release specifically includes any and all claims, demands,
23 obligations and/or causes of action for damages, restitution, penalties, interest, and attorneys' fees and costs
24 (except provided by the Settlement Agreement) relating to or in any way connected with the matters referred
25 to herein, whether or not known or suspected to exist, and whether or not specifically or particularly described
26 herein. Specifically, Plaintiff waives all rights and benefits afforded by California Civil Code Section 1542,

1 which provides:

2 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR
3 DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME
4 OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST
5 HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR

6 65. Nullification of Settlement Agreement. In the event that: (a) the Court does not finally
7 approve the Settlement as provided herein; (b) the Court strikes or does not approve any material term of this
8 Settlement Agreement; or (c) the Settlement does not become final as written and agreed to by the Parties for
9 any other reason, then this Settlement Agreement, will be null and void, all amounts deposited into the QSF
10 will be returned to Defendants, and the Parties shall be returned to their original respective positions. Any
11 order or judgment entered by the Court in furtherance of this Settlement Agreement will likewise be treated as
12 void from the beginning.

13 66. Preliminary Approval Hearing. Plaintiff will obtain a hearing before the Court to request
14 Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary Approval Order for: (a)
15 conditional certification of the Class for settlement purposes only, (b) Preliminary Approval of the Settlement,
16 and (c) setting a date for a Final Approval Hearing. The Preliminary Approval Order will provide for the
17 Class Notice to be sent to all Class Members as specified herein. In conjunction with the Motion for
18 Preliminary Approval of the Settlement, Plaintiff will submit this Settlement Agreement, which sets forth the
19 terms of this Settlement, and will include the proposed Class Notice, to the Court. Class Counsel will be
20 responsible for drafting all documents necessary to obtain preliminary approval. Any failure by the Court to
21 fully and completely approve the Settlement Agreement as to all of the Action, or the entry of any order by
22 another Court with regard to any of the Action which has the effect of preventing the full and complete
23 approval of the Settlement Agreement as written and agreed to by the Parties, will result in this Settlement
24 Agreement entered into by the Parties, and all obligations under this Settlement Agreement being nullified
25 and voided.

26 67. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the deadlines

1 to postmark Requests for Exclusion or Notice of Objection, and with the Court's permission, a Final
2 Approval Hearing will be conducted to determine the Final Approval of the Settlement Agreement along with
3 the amounts properly payable for: (a) Individual Settlement Payments; (b) the LWDA Agency Payment; (c)
4 the Attorneys' Fees and Costs; (d) the Class Representative Enhancement Payment; and (e) Settlement
5 Administration Costs. Class Counsel will be responsible for drafting all documents necessary to obtain Final
6 Approval. Class Counsel will also be responsible for drafting the attorneys' fees and costs application to be
7 heard at the Final Approval Hearing. Any failure by the Court to fully and completely approve the
8 Settlement Agreement as to all of the Action, or the entry of any order by another Court with regard to any of
9 the Action which has the effect of preventing the full and complete approval of the Settlement Agreement as
10 written and agreed to by the Parties, will result in this Settlement Agreement entered into by the Parties, and
11 all obligations under this Settlement Agreement being nullified and voided.

12 68. Judgment and Continued Jurisdiction. Upon Final Approval of the Settlement by the Court
13 or after the Final Approval Hearing, the Parties will present an agreed and proposed form of judgment to the
14 Court for its approval and entry. After entry of the judgment, the Court will have continuing jurisdiction
15 pursuant to California Rules of Court Rule 3.769 and California Code of Civil Procedure section 664.6, solely
16 for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement, (b)
17 Settlement administration matters, and (c) such post-judgment matters as may be appropriate under court
18 rules or as set forth in this Settlement.

19 69. Exhibits Incorporated by Reference. The terms of this Settlement include the terms set forth
20 in any attached Exhibits, which are incorporated by this reference as though fully set forth herein. Any
21 Exhibits to this Settlement are an integral part of the Settlement.

22 70. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the
23 entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements may
24 be deemed binding on the Parties.

25 71. Amendment or Modification. This Settlement Agreement may be amended or modified only
26 by a written instrument signed by counsel for all Parties or their successors-in-interest, subject to approval by

1 the Court.

2 72. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and
3 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
4 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this
5 Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the
6 terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use
7 their best efforts to affect the implementation of the Settlement. If the Parties are unable to reach agreement
8 on the form or content of any document needed to implement the Settlement, or on any supplemental
9 provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the
10 assistance of the Court to resolve such disagreement.

11 73. Binding on Successors and Assigns. This Settlement Agreement will be binding upon, and
12 inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

13 74. California Law Governs. All terms of this Settlement Agreement and Exhibits hereto will be
14 governed by and interpreted according to the laws of the State of California.

15 75. Execution and Counterparts. This Settlement Agreement is subject only to the execution of
16 all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed
17 counterparts and each of them, including facsimile and scanned copies of the signature page, will be deemed
18 to be one and the same instrument provided that counsel for the Parties will exchange among themselves
19 original signed counterparts.

20 76. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
21 Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this
22 Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account all
23 relevant factors, present and potential. The Parties further acknowledge that they are each represented by
24 competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness
25 and reasonableness of this Settlement. In addition, the Mediator may execute a declaration supporting the
26 Settlement and the reasonableness of the Settlement and the Court may, in its discretion, contact the Mediator

1 to discuss the Settlement and whether or not the Settlement is objectively fair and reasonable.

2 77. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement
3 invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent
4 with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

5 78. Class Action Certification for Settlement Purposes Only. The Parties agree to stipulate to
6 class action certification only for purposes of the Settlement. If, for any reason, the Settlement is not
7 approved, the stipulation to certification will be void. The Parties further agree that certification for purposes
8 of the Settlement is not an admission that class action certification is proper under the standards applied to
9 contested certification motions and that this Settlement Agreement will not be admissible in this or any other
10 proceeding as evidence that either: (a) a class action should be certified or (b) Defendants are liable to Plaintiff
11 or any Class Member, other than according to the Settlement's terms.

12 79. Non-Admission of Liability. The Parties enter into this Settlement Agreement to resolve the
13 dispute that has arisen between them and to avoid the burden, expense and risk of continued litigation. In
14 entering into this Settlement Agreement, Defendants do not admit, and specifically deny, they have violated
15 any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or
16 any other applicable laws, regulations or legal requirements; breached any contract; violated or breached any
17 duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect
18 to their employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any of the
19 negotiations connected with it, shall be construed as an admission or concession by Defendants of any such
20 violations or failures to comply with any applicable law. Except as necessary in a proceeding to enforce the
21 terms of this Settlement Agreement, this Settlement Agreement and its terms and provisions shall not be
22 offered or received as evidence in any action or proceeding to establish any liability or admission on the part
23 of Defendants or to establish the existence of any condition constituting a violation of, or a non-compliance
24 with, federal, state, local or other applicable law.

25 80. Captions. The captions and section numbers in this Settlement Agreement are inserted for
26 the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the

provisions of this Settlement Agreement.

81. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

82. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed more strictly against one party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

83. Representation By Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed in full. Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the Settlement Agreement.

84. All Terms Subject to Final Court Approval. All amounts and procedures described in this Settlement Agreement herein will be subject to final Court approval.

85. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement.

86. No Publicity. Plaintiff, Plaintiff's Counsel, Class Counsel, Defendants and their counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry or have any communication with the press about the fact, amount or terms of the Settlement Agreement prior to Preliminary Approval. Nothing in this Settlement Agreement shall limit Defendants' or Plaintiff's ability to fulfill disclosure obligations reasonably required by law (including and not limited to, those disclosures to the LWDA that are required to be undertaken in conformity with PAGA) or in furtherance of business purposes, including the fulfillment of obligations stated in this Settlement Agreement.

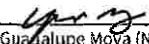
1 87. Binding Agreement The Parties warrant that they understand and have full authority to enter
2 into this Settlement, and further intend that this Settlement Agreement will be fully enforceable and binding
3 on all parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its
4 terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or
5 state law.

6 **SIGNATURES**

7 **READ CAREFULLY BEFORE SIGNING**

8
9 Dated: Nov 29, 2018

PLAINTIFF

10
11
12 
Guadalupe Moya (Nov 29, 2018)
Plaintiff GUADALUPE MOYA

13 Dated: _____

DEFENDANT USRG (CALIFORNIA) INC.

14
15
16
17
18 Please Print Name of Authorized Signatory

19 Dated: _____

DEFENDANT U.S. RESIDENTIAL GROUP,
LLC

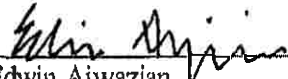
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21
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23 Please Print Name of Authorized Signatory

24
25
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27 24.

APPROVED AS TO FORM

Dated: November 27, 2018

LAWYERS FOR JUSTICE, PC


Edwin Aiwarzian
Attorneys for Plaintiff

Dated: December 4, 2018

LITTLER MENDELSON, P.C.


Carlos Jimenez
Heather M. Vigil
P. Dustin Bodaghi
Attorneys for Defendants
USRG (CALIFORNIA) INC. AND U.S.
RESIDENTIAL GROUP, LLC

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

Guadalupe Moya v. USRG (California) Inc., et al.
Superior Court of California, County of Los Angeles, Case No. BC625588

You have received this Notice because records of Defendants USRG (California) Inc. and U.S. Residential Group, LLC (“Defendants”) indicate that you are or were employed by Defendants in the State of California during the time period from June 30, 2012 through April 30, 2018 as on-site employees classified as “exempt,” holding the position of “property manager,” “assistant property manager,” “community manager,” “assistant community manager,” “maintenance supervisor,” “assistant maintenance supervisor,” and/or similar job titles.

You do not need to take any action to receive an Individual Settlement Share and your legal rights may be affected.

This Notice is designed to advise you of your rights and options, such as how you can request to be excluded from the settlement, if you so choose.

PLEASE READ THIS NOTICE CAREFULLY. This notice relates to a proposed settlement of a class action lawsuit. It contains important information about your right to object to or not be included in the settlement.

By order of the Superior Court of California for the County of Los Angeles (the “Court” or “Los Angeles County Superior Court”), in the case entitled *Guadalupe Moya v. USRG (California) Inc., et al.*, Los Angeles County Superior Court, Case No. BC625588 (“Action”), preliminary approval of a proposed class action settlement was granted on [Date of Preliminary Approval]. A hearing shall be held on [hearing date] (“Final Approval Hearing”) to determine whether final approval of the settlement should be granted.

YOU ARE NOTIFIED THAT: A proposed class action settlement has been reached between Plaintiff Guadalupe Moya (“Plaintiff”) and Defendants (Plaintiff and Defendants are collectively referred to as the “Parties”) in the above-entitled action, which may affect your legal rights.

I. DEFINITIONS

“Class” means all individuals who are or were employed by Defendants in the State of California during the Class Period as on-site employees classified as “exempt,” holding the position of “property manager,” “assistant property manager,” “community manager,” “assistant community manager,” “maintenance supervisor,” “assistant maintenance supervisor,” and/or similar job titles.

“Class Member” means a member of the Class.

“Class Period” means the period from June 30, 2012 through April 30, 2018.

II. BACKGROUND OF THE ACTION

On June 30, 2016, Plaintiff commenced the Action and filed the Complaint for Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq (“Complaint”). On [DATE], Plaintiff filed the First Amended Class Action Complaint for Damages & Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. Plaintiff alleges that Defendants failed to properly pay minimum and overtime wages, failed to provide compliant meal breaks and associated premiums, failed to provide compliant rest breaks and associated premiums, failed to timely pay wages and associated waiting-time penalties, failed to provide accurate wage statements, failed to maintain payroll records, failed to reimburse business expenses, and thereby, engaged in unfair business practices and conduct giving rise to penalties under the Private Attorneys General Act (“PAGA”). Plaintiff seeks, among other things, recovery of unpaid wages and meal and rest period premiums, restitution, penalties, interest, attorneys’ fees and costs.

Defendants deny all of the allegations in the Action or that they violated any law, and contend that at all times they have complied with federal, state, and local laws.

The Parties participated in a full-day mediation with a respected class action mediator, and as a result of the mediation, the Parties reached a settlement. The Parties have since entered into the Joint Stipulation of Class Action and PAGA Settlement and Release ("Settlement" or "Settlement Agreement"), which was preliminarily approved by the Court on [Date of Preliminary Approval]. The Court has appointed Simpluris, Inc. as the administrator of the settlement ("Settlement Administrator"). The Court has also preliminarily appointed Plaintiff Guadalupe Moya as representative of the Class ("Class Representative") and has preliminarily appointed the following Plaintiff's counsel as counsel for the Class ("Class Counsel"):

Lawyers for Justice, PC
Edwin Aiwarzian, Esq.
410 West Arden Avenue, Suite 203
Glendale, California 91203
Telephone: (818) 265-1020 / Fax: (818) 265-1021

If you are a Class Member, you need not take any action to receive a Individual Settlement Share, but you have the opportunity to request exclusion or object to the settlement if you so choose, as explained more fully in Section III below.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by the Defendants that the claims in the Action have merit or that the Defendants have any liability to the Plaintiff or to the Class Members. Plaintiff and Defendants, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable and adequate, and is in the best interests of the Class Members.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The Class Settlement Amount is Three Hundred Ten Thousand Dollars and Zero Cents (\$310,000.00). The portion of the Class Settlement Amount that is available for payment to Class Members who do not timely and validly request exclusion from the Settlement ("Participating Class Members") is referred to as the "Net Settlement Amount." The Net Settlement Amount will be the Class Settlement Amount less the following payments which are subject to approval by the Court: (1) Attorneys' Fees and Expenses consisting of attorneys' fees (not to exceed 38% of the Class Settlement Amount, i.e., \$310,000.00) and actual litigation costs and expenses to Class Counsel; (2) Class Representative Enhancement Payment in the amount of Five Thousand Dollars and Zero Cents (\$5,000.00) to Plaintiff; (3) Settlement Administration Costs (which are currently estimated not to exceed \$6,500) to the Settlement Administrator; and (4) penalties in the amount of Five Thousand Dollars and Zero Cents (\$5,000.00) allocated to PAGA ("PAGA Payment") of which seventy-five percent (75%) (i.e., \$3,750.00) will be paid to the Labor and Workforce Development Agency ("LWDA") and twenty-five percent (25%) (i.e., \$1,250.00) will be paid to Participating Class Members who worked for Defendants during the period from May 27, 2015 through April 30, 2018 ("PAGA Period").

Participating Class Members will be entitled to receive payment under the Settlement of their share of the Net Settlement Amount ("Individual Settlement Share") based on means the number of weeks he or she actually worked for Defendants during the Class Period in the State of California as on-site employees classified as "exempt," holding the title of "property manager," "assistant property manager," "community manager," "assistant community manager," "maintenance supervisor," "assistant maintenance supervisor," and or similar job title ("Workweeks"). The Settlement Administrator will determine the total number of Workweeks worked by all Class Members ("Class Workweeks"). To determine each Class Member's Individual Settlement Share, the Settlement Administrator will use the following formula:

Individual Settlement Share = Individual Workweeks ÷ Class Workweeks x Net Settlement Amount.

Each Individual Settlement Share shall be allocated one third (1/3) as wages ("wages portion"), to be reported on an IRS Form W2, and two thirds (2/3) as non-wages for interest and penalties ("non-wages portion"), to be reported on an IRS Form 1099. Participating Class Members will be issued payment of their Individual Settlement Shares after reduction for the applicable employee's share of payroll taxes with respect to the wages portion of the Individual Settlement Shares.

Twenty-five percent (25%) of the PAGA Payment (i.e., \$1,250) ("Employee PAGA Portion") will be distributed amongst Class Members who worked for Defendants during the PAGA Period on a *pro rata* basis, based on Workweeks. Each share of the Employee PAGA Portion will be deemed one hundred percent (100%) penalties and will be reported on an IRS Form 1099.

If the Court grants final approval of the Settlement, payments will be mailed to the address that is on file with the Settlement Administrator. **If the address to which this Notice was mailed is not correct, or if you move after you receive this Notice, you must make sure to provide your correct mailing address to the Settlement Administrator in a timely fashion, to ensure receipt of payment that you may be entitled to.**

B. Your Workweeks Based on Defendant's Records

According to Defendant's records during the Class Period, you worked for [_____] Workweeks.

If you wish to dispute the Workweeks credited to you, you must mail or fax a written dispute to the Settlement Administrator, postmarked or fax-stamped **no later than [RESPONSE DEADLINE]**, at the address listed in Section IV,B below.

A dispute must contain: (a) the case name and number of the Action (*Moya v. USRG (California) Inc., et al., Los Angeles County Case No. BC625588*); (b) the Class member's full name, signature, address, and telephone number; (c) a written statement clearly indicating that the Class Member wishes to dispute the number of Workweeks credited to him or her and the number of Workweeks that he or she contends is the correctly creditable to him or her; and (d) any evidence showing that the number of Workweeks credited to him or her based on Defendants' records is inaccurate.

C. Your Estimated Individual Settlement Share and, if applicable, Share of the Employee PAGA Portion

As explained above, your estimated Individual Settlement Share is based on the number of Workweeks credited to you.

Under the terms of the Settlement:

- **your gross Individual Settlement Share is estimated to be \$_____. The Individual Settlement Share is subject to reduction for all applicable employee's share of taxes with respect to the wage portion of the Individual Settlement Share.**
- **your share of the Employee PAGA Portion is estimated to be \$_____.**

The settlement approval process may take six months or more. Your Individual Settlement Share and, if applicable, share of the Employee PAGA portion reflected on this Notice are only estimates. Your actual payment(s) may be higher or lower than estimated.

D. Released Claims

Upon the Final Approval by the Court of this Settlement Agreement, and except as to such rights or claims as may be created by this Settlement Agreement, the Participating Class Members shall fully, finally, and forever settle, compromise, release, and discharge the Defendants, their officers and directors, and any of their former and present parents, subsidiaries, affiliates, divisions, corporations in common control, predecessors, successors, and assigns, as well as all past and present officers, directors, employees, partners, shareholders and agents, attorneys, insurers, and any other successors, assigns, or legal representatives, if any ("Released Parties") from any and all claims, rights, demands, liabilities, damages, causes of action, wages, benefits, expenses, penalties, debts, obligations, attorneys' fees, costs, any other form of relief or remedy in law, equity, or whatever kind or nature, whether known or unknown, suspected or unsuspected, that were or could have been pleaded based on, arising from the factual allegations set forth in the First Amended Complaint, including: (i) all claims for failure to pay minimum wages; (ii) all claims for failure to pay overtime; (iii) all claims for failure to provide compliant meal and rest break and associated premium pay; (iv) all claims for the failure to timely pay wages upon termination and associated waiting time penalties; (v) all claims for the failure to timely pay wages during employment; (vi) all claims for failure to provide compliant wage statements; (vii) all claims for the failure to keep requisite payroll records; and (viii) all claims for failure to reimburse business expenses ("Released Claims"). Released Claims also means any claims, rights, demands, liabilities, damages, wages, benefits, expenses,

penalties, debts, obligations, attorneys' fees, costs, any other form of relief or remedy in law, equity, or whatever kind or nature, whether known or unknown, suspected or unsuspected, and causes of action, that could potentially arise from the receipt of any monies as a result of this settlement by any Participating Class Member. ("Released Claims") for the entire period from June 30, 2012 through Preliminary Approval from the Released Claims that do not arise under PAGA ("Class Settlement").

Upon the Final Approval by the Court of this Settlement Agreement, and except as to such rights or claims as may be created by this Settlement Agreement, the Class Members shall fully, finally, and forever settle, compromise, release, and discharge the Released Parties from any and all Released Claims which arise under PAGA ("PAGA Released Claims") ("PAGA Settlement").

E. Attorneys' Fees and Costs

Class Counsel will seek Attorneys' Fees and Costs consisting of attorneys' fees in an amount of up to One Hundred Seventeen Thousand Eight Hundred Dollars and Zero Cents (\$17,800.00) and actual litigation costs and expenses, subject to approval by the Court. All Attorneys' Fees and Costs awarded by the Court will be paid from the Class Settlement Amount. Class Counsel has been prosecuting the Action on behalf of Plaintiff and Class Members on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Class Representative Enhancement Payment

In consideration for her service in connection with the Action, Plaintiff will each seek a Class Representative Enhancement Payment in the amount of Five Thousand Dollars and Zero Cents (\$5,000.00), to be paid from the Class Settlement Amount subject to approval by the Court. If awarded, the Class Representative Enhancement Payment shall be paid to Plaintiff in addition to her Individual Settlement Share and share of the Employee PAGA Portion that she is entitled to under the Settlement.

G. PAGA Payment

As explained above, Five Thousand Dollars and Zero Cents (\$5,000.00) of the Class Settlement Amount is allocated for penalties pursuant to PAGA (i.e., PAGA Payment). Pursuant to California Labor Code section 2699(i), and subject to approval by the Court under California Labor Code section 2699(l), seventy-five percent (75%) of the PAGA Penalties (i.e., \$3,750.00) will be paid to the LWDA and the remaining twenty-five percent (25%) of the PAGA Penalties (i.e., \$1,250.00) will be distributed on a *pro rata* basis Class Members who worked for Defendants during the PAGA period.

H. Settlement Administration

Payment to the Settlement Administrator, Simpluris, Inc., is estimated to be Six Thousand Five Hundred Dollars and Zero Cents (\$6,500.00) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, objections, and disputes, calculating Individual Settlement Shares and shares of the Employee PAGA Portion, and distributing payments and tax forms under the Settlement, and will be paid from the Class Settlement Amount, subject to approval by the Court.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to receive money from the Settlement, you do not have to do anything. You will automatically be issued your Individual Settlement Share and, if applicable, share of the Employee PAGA Portion. Unless you elect to exclude yourself from the Settlement by submitting a Request for Exclusion, you will be bound by the terms of the Settlement and any judgment that may be entered by the Court based thereon, and you will be deemed to have released the Released Claims against the Released Parties as described in Section III.D above. As a Class Member, you will not be separately responsible for the payment of attorney's fees or reimbursement of litigation expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney's fees and expenses.

B. Request Exclusion from the Settlement

If you do not wish to participate in the Settlement described in this Notice, you may seek exclusion from the Class Settlement by mailing or faxing a written request to be excluded from the Class Settlement ("Request for Exclusion") to the Settlement Administrator, postmarked or fax-stamped **no later than [Response Deadline]**, at the following address:

[Settlement Administrator]
[address]

The Request for Exclusion must: (a) contain the case name and number of the Action (*Moya v. USRG (California) Inc., et al., Los Angeles County Case No. BC625588*); (b) be signed by the Class Member; (c) contain the name, address, telephone number and the last four digits of the Social Security number of the Class Member; and (d) clearly state that the Class Member does not wish to be included in the Settlement.

A Class Member who does not request exclusion from the Class Settlement will be a Participating Class Member and will be bound by all terms of the Settlement Agreement if final approval of the Settlement is granted by the Court.

Any Class Member who submits a timely and validly Request for Exclusion will not be entitled to receive an Individual Settlement Share, will not be bound by the Settlement Agreement (and the release of Released Claims, excluding the PAGA Released Claims, stated in Section III.D above), nor have any right to object to, appeal, or comment on the Settlement. A Class Member who timely submits a Request for Exclusion is still bound by the PAGA Settlement and will still be deemed to have released the PAGA Released Claims.

C. Object to the Settlement

You can object to the terms of the Settlement as long as you have not submitted a request to be excluded from the Settlement.

Class Member's written objection to the Settlement must be mailed or faxed to the Settlement Administrator at the address listed above, postmarked or fax-stamped **no later than [RESPONSE DEADLINE]** which must include: (a) the case name and number of the Action (*Moya v. USRG (California) Inc., et al., Los Angeles County Case No. BC625588*); (b) the objector's full name, signature, address, and telephone number, (c) a written statement clearly indicating that the objector wishes to object to the Class Settlement and stating all legal and factual grounds for the objection; and (d) copies of any papers, briefs, or other documents upon which the objection is based or which support the objection.

A Class Member who does not mail a timely and valid Objection as specified above will be deemed to have waived all objections and will be foreclosed from making any objections to the Class Settlement, whether by appeal or otherwise. Class Members who submit a valid and timely Request for Exclusion cannot object to the Class Settlement. Class Members only have a right to submit an Objection and/or submit a Request for Exclusion with respect to the Class Settlement. Class Members cannot object and cannot exclude themselves from the PAGA Settlement.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Los Angeles County Superior Court, located at the Anacapa Division,

1100 Anacapa Street, Department 53 located of the Stanley Mosk Courthouse located at 111 North Hill Street, Los Angeles, California 90012, on [date], at [time], to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to rule on Class Counsel's request for Attorneys' Fees and Costs, Class Representative Enhancement Payment, and Settlement Administration Costs.

The hearing may be continued without further notice to the Class Members. It is not necessary for you to appear at the Final Approval Hearing.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers which are on file with the Court. You may view of the Settlement Agreement and documents filed in the Action by visiting the Clerk's Office in Stanley Mosk Courthouse located at 111 North Hill Street, Los Angeles, California 90012.

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER IF YOU HAVE QUESTIONS: [INSERT].

YOU MAY ALSO CONTACT CLASS COUNSEL IF YOU HAVE ANY QUESTIONS.