

Kane Moon (SBN 249834)
Allen Feghali (SBN 301080)
Mariam Ghazaryan (SBN 341119)
Mitchell H. Millet (SBN 356250)
MOON LAW GROUP, PC
725 S. Figueroa Street, 31st Floor
Los Angeles, California 90017
Telephone: (213) 232-3128
Facsimile: (213) 232-3125
E-mail: kmoon@moonlawgroup.com
E-mail: afeghali@moonlawgroup.com
E-mail: mghazaryan@moonlawgroup.com
E-mail: mmillet@moonlawgroup.com
Attorneys for Plaintiff, Claudia Acevedo

Rebecca A. Hause-Schultz (SBN 292252)
Daniela G. Contreras (SBN 352949)
FISHER & PHILLIPS LLP
621 Capitol Mall, Suite 2400
Sacramento, California 95814
Telephone: (916) 210-0400
Facsimile: (916) 210-0401
E-mail: rhause-schultz@fisherphillips.com
E-mail: dcontreras@fisherphillips.com
Attorneys for Defendant, Valley Healthcare Centers

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF TULARE

CLAUDIA ACEVEDO, individually, and on
behalf of all others similarly situated,

Plaintiff,

v.

VALLEY HEALTHCARE CENTERS; and
DOES 1 through 10, inclusive,

Defendants.

Case No. VCU319349

**JOINT STIPULATION OF CLASS AND
REPRESENTATIVE ACTION SETTLEMENT
AGREEMENT**

Complaint: March 20, 2025
First Amended Complaint: June 24, 2025
Trial date: Not set

CLASS AND REPRESENTATIVE ACTION SETTLEMENT AGREEMENT

This Joint Stipulation of Class and Representative Action Settlement Agreement ("Agreement") is made by and between Plaintiff Claudia Acevedo and Defendant Valley Healthcare Centers (collectively, "the Parties").

1. DEFINITIONS.

- 1.0. "Action" means *Claudia Acevedo v. Valley Healthcare Centers*, Superior Court of the State of California, County of Tulare, Case No. VCU319349.
- 1.1. "Administrator" means Phoenix Class Action Administration Solutions ("Phoenix"), the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.2. "Administration Expenses Payment" means the court-approved amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with Preliminary Approval of the Settlement. Any portion of the Administration Expenses Payment not approved by the Court will revert to the Net Settlement Amount.
- 1.3. "Class" means all current and former hourly-paid or non-exempt employees of Defendant in California employed during the Class Period.
- 1.4. "Class Counsel" means Moon Law Group, PC.
- 1.5. "Class Counsel Fees Payment" means the court-approved amount allocated to Class Counsel for reimbursement of their reasonable fees incurred to prosecute the Action, not to exceed one-third of the Gross Settlement Amount.
- 1.6. "Class Counsel Litigation Expenses Payment" means the court-approved amount allocated to Class Counsel for reimbursement of their reasonable expenses incurred to prosecute the Action, not to exceed \$25,000.00.
- 1.7. "Class Data" means certain identifying information of Class Members in Defendant's possession, specifically Class Members' names, last-known mailing addresses, available Social Security numbers, and number of Class Period Workweeks and PAGA

Pay Periods.

1.8. "Class Member" means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as a member of the PAGA Group).

1.9. "Class Member Address Search" means the Administrator's investigation and search for current Class Member or PAGA Group member mailing addresses using all reasonably available sources, methods, and means including, but not limited to, the National Change of Address ("NCOA") database, skip traces, and direct contact by the Administrator with Class Members.

1.10. "Class Notice" means the court-approved Notice of Class and Representative Action Settlement and Final Approval Hearing, to be mailed to Class Members in English and Spanish, in a form substantially similar to the draft attached as **Exhibit A** and incorporated by reference into this Agreement. The Parties, through counsel, may agree to modifications to the Class Notice required to correct errors or effectuate changes required by the Court without the need to amend this Agreement, and the revised Class Notice shall be incorporated herein in place of the original **Exhibit A**.

1.11. "Class Period" means the period from March 20, 2021, through the date the Court grants Preliminary Approval or sixty (60) days after July 2, 2026, whichever is sooner.

1.12. "Class Representative" means the named Plaintiff in the Action, Claudia Acevedo, seeking Court approval to serve as a class representative.

1.13. "Class Representative Service Payment" means the court-approved payment allocated to the Class Representative for initiating and providing services in support of the Action, not to exceed \$10,000.00.

1.14. "Court" means the Superior Court of the State of California, County of Tulare.

1.15. "Defendant" means the named Defendant, Valley Healthcare Centers.

1.16. "Defense Counsel" means Fisher & Phillips LLP.

1.17. "Effective Date" means the date by when both of the following have occurred: (a) the

Court enters a Judgment on its Final Approval Order; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (i) if no Participating Class Member objects to the Settlement, the day the Court enters the Judgment; (ii) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or (iii) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.18. "Final Approval Order" means the Court's Order Granting Final Approval of the Settlement.

1.19. "Final Approval Hearing" means the Court's Hearing on Plaintiff's Motion for Final Approval of the Settlement.

1.20. "Gross Settlement Amount" means \$450,000.00, the total non-reversionary amount Defendant agrees to pay under the Settlement, except as provided in 7.0 below. The Gross Settlement Amount will pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, the Class Representative Service Payment, and the Administration Expenses Payment.

1.21. "Individual Class Payment" means a Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeks he or she worked during the Class Period, calculated solely and exclusively to effectuate Settlement of this Action.

1.22. "Individual PAGA Payment" means an Aggrieved Employee's pro rata share of 35% of the PAGA Penalties calculated according to the number of PAGA Pay Periods he or she worked during the PAGA Period and calculated solely and exclusively to effectuate Settlement of this Action.

1.23. "Judgment" means the Judgment entered by the Court based upon the Final Approval Order.

- 1.24. "LWDA" means the California Labor and Workforce Development Agency.
- 1.25. "LWDA PAGA Payment" means 65% of the PAGA Penalties paid to the LWDA under Labor Code § 2699(m).
- 1.26. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: the Individual PAGA Payments, the LWDA PAGA Payment, the Class Representative Service Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.27. "Non-Participating Class Member" means a Class Member who requests to be excluded from Class Settlement by sending the Administrator a valid and timely Request for Exclusion as described in Section 6.12.1.
- 1.28. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.29. "PAGA Period" means the period from March 15, 2024, through the date the Class Period ends.
- 1.30. "PAGA" means the Private Attorneys General Act, Labor Code §§ 2698, *et seq.*
- 1.31. "PAGA Group" or "Aggrieved Employees" means all current and former hourly-paid or non-exempt employees of Defendant in California employed during the PAGA Period.
- 1.32. "PAGA Notice" means Plaintiff's March 15, 2025, Notice of California Labor Code Violations and PAGA Penalties, sent to Defendant and submitted to the LWDA pursuant to California Labor Code § 2699.3(a).
- 1.33. "PAGA Penalties" means the total amount of civil penalties to be paid from the Gross Settlement Amount in settlement of the Released PAGA Claims, not to exceed \$45,000.00, allocated 35% to the Aggrieved Employees (\$15,750.00) and 65% to LWDA (\$29,250.00), calculated solely and exclusively to effectuate Settlement of this

Action, and for no other reason or purpose.

1.34. "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Class Settlement.

1.35. "Plaintiff" means Claudia Acevedo, the named Plaintiff in the Action.

1.36. "Preliminary Approval Order" means the Court's Order Granting Preliminary Approval of the Class Settlement.

1.37. "Qualified Settlement Fund" or "QSF" means a fund within the meaning of Treasury Regulation § 1.468B-1, 26 CFR § 1.468B-1 *et seq.*, that is established by the Administrator.

1.38. "Released Class Claims" means the claims being released as described in Section 5.1.

1.39. "Released PAGA Claims" means the claims being released as described in Section 5.2.

1.40. "Released Parties" means Defendant Valley Healthcare Centers, and each of its former, present, and/or future directors, officers, shareholders, owners, members, managerial employees, attorneys, insurers, predecessors, successors, assigns, parents, subsidiaries, affiliates, agents, and any other entities or persons acting by, through, under, or in concert with any of them that could be considered to have jointly employed the Settlement Class Members or PAGA Group.

1.41. "Request for Exclusion" means a Class Member's written request to be excluded from the Class Settlement.

1.42. "Response Deadline" means forty-five (45) calendar days after the Administrator mails the Class Notice to Class Members and Aggrieved Employees and the last date on which Class Members may: (a) fax, email, or mail a Request for Exclusion from the Class Settlement; (b) fax, email, or mail a written Objection to the Settlement; or (c) fax, email, or mail a Challenge to the Calculation of Workweeks and/or PAGA Pay Periods allocated to the Class Member or PAGA Group member. The Response Deadline for Class Members to whom Class Notices are resent after having been returned undeliverable to the Administrator shall be extended by ten (10) calendar days

beyond the original Response Deadline.

1.43. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment. "Class Settlement" means the non-PAGA portion of the Settlement resolving the Released Class Claims, including the Individual Class Payments. "PAGA Settlement" means the portion of the Settlement resolving the Released PAGA Claims, including the LWDA PAGA Payment and Individual PAGA Payments.

1.44. "Workweek" means any week during which a Participating Class Member worked for Defendant at least one day during the Class Period.

2. **RECITALS.**

2.0. On March 20, 2025, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendant for (1) Failure to Pay Minimum Wages (Cal. Lab. Code §§ 204, 1194, 1194.2, and 1197); (2) Failure to Pay Overtime Compensation (Cal. Lab. Code §§ 1194 and 1198); (3) Failure to Provide Meal Periods (Cal. Lab. Code §§ 226.7 and 512); (4) Failure to Authorize and Permit Rest Breaks (Cal. Lab. Code § 226.7); (5) Failure to Indemnify Necessary Business Expenses (Cal. Lab. Code § 2802); (6) Failure to Timely Pay Final Wages at Termination (Cal. Lab. Code §§ 201-203); (7) Failure to Provide Accurate Itemized Wage Statements (Cal. Lab. Code § 226); and (8) Unfair Business Practices (Cal. Bus. & Prof. Code §§ 17200, *et seq.*).

2.1. On March 15, 2025, pursuant to Labor Code § 2699.3(a), Plaintiff provided written notice to the LWDA and Defendant by sending the PAGA Notice.

2.2. On June 24, 2025, Plaintiff filed a First Amended Class and Representative Action Complaint against Defendant adding a cause of action for civil penalties under PAGA (Cal. Lab. Code § 2698, *et seq.*) (the "Operative Complaint").

2.3. On July 2, 2026, the Parties participated in a mediation presided over by experienced wage-and-hour mediator Kelly A. Knight, Esq., of Judicate West, which led to this Agreement to settle the Action (the "Mediation").

2.4. Defendant denies the allegations in the Operative Complaint, denies any failure to

comply with any laws, including, but not limited to, the laws identified in the Operative Complaint, and denies any and all liability for the causes of action alleged in the Operative Complaint.

2.5. The Parties conducted investigation and discovery of the facts and law after the Action was filed and before the Mediation through informal discovery. Defendant produced as part of the confidential mediation process documents relating to its policies, practices, and procedures regarding reimbursement of business expenses, paying non-exempt employees for all hours worked, and meal and rest breaks, along with payroll, timekeeping, and operational policies. As part of Defendant's production, Plaintiff reviewed time records, pay records, and information relating to the size and scope of the Class, as well as data permitting Plaintiff to understand the number of Workweeks and PAGA Pay Periods. The Parties' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Ford Motor Co.*, 48 Cal. App. 4th 1794, 1801 (1996) and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal. App. 4th 116, 129-130 (2008).

2.6. The Court has not granted class certification.

2.7. The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. **MONETARY TERMS.**

3.0. Gross Settlement Amount. Except as otherwise provided by Section 7.0 below, Defendant will pay \$450,000.00, and no more, as the Gross Settlement Amount and will separately pay all employer payroll taxes owed on the Wage Portions (as defined below) of the Individual Class Payments. Defendant has no obligation to pay the Gross Settlement Amount or any payroll taxes prior to the deadline stated in Section 4.0 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit a claim as a condition of payment. None of the Gross Settlement Amount will

revert to Defendant.

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

3.1.1. To Plaintiff: A Class Representative Service Payment to the Class Representative of not more than \$10,000.00 (in addition to any Individual Class Payment and Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. Plaintiff and/or Class Counsel will file a Motion supporting the Class Representative Service Payment no later than sixteen (16) court days before the Final Approval Hearing. If the Court approves of a Class Representative Service Payment that is less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff shall be solely and legally responsible for paying any applicable taxes on this payment and shall hold Defendant harmless from any claim or liability for taxes, penalties, or interest arising as a result of the payment. Defendant makes no representations as to the tax treatment or legal effect of the payment called for herein, and Plaintiff is not relying on any statement or representation by Defendant or its counsel in this regard.

3.1.2. To Class Counsel: A Class Counsel Fees Payment of not more than one-third of the Gross Settlement Amount, which is currently estimated to be \$150,000.00, and a Class Counsel Litigation Expenses Payment of not more than \$25,000.00. Defendant will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiff and/or Class Counsel will file a Motion for Class Counsel Fees Payment and Class Counsel Litigation

Expenses Payment no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim related to any portion of any Class Counsel Fees Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.1.3. To the Administrator: An Administration Expenses Payment in the amount approved by the Court in accordance with the Administrator's "not to exceed" bid of \$8,000.00, except for a showing of good cause and as approved by the Court. To the extent the administration expenses are less, or the Court approves payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount.

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

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

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

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

3.1.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$45,000.00 to be paid from the Gross Settlement Amount, with 65% (\$29,250.00) allocated to the LWDA PAGA Payment and 35% (\$15,750.00) allocated to the Individual PAGA Payments.

3.1.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 35% share of PAGA Penalties (\$15,750.00) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.1.5.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net

Settlement Amount. The Administrator will report the Individual
PAGA Payments on IRS 1099-MISC Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.0. Funding of Gross Settlement Amount. The Gross Settlement Amount and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments shall be fully funded by transmission of such funds to the Administrator no later than fourteen (14) calendar days after the Effective Date.

4.1. Payments from the Gross Settlement Amount. No later than fourteen (14) calendar days after Defendant funds the entire Gross Settlement Amount, the Administrator shall mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, the Class Representative Service Payment, and Administration Expenses Payment. Disbursement of the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representative Service Payment shall not precede disbursement of the Individual Class Payments and Individual PAGA Payments.

4.1.1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members and Aggrieved Employees via First Class U.S. Mail with postage prepaid. Before mailing any checks, the Administrator must update the recipient's mailing addresses using the National Change of Address Database. The face of each check shall prominently state the date the check will be voided. Each check will be voided 180 days after the date of mailing ("void date"). The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Class Payments to all Participating Class Members, including those for whom a Class Notice was returned undelivered. The Administrator will send checks for Individual PAGA Payments to all Aggrieved

1 Employees, including Non-Participating Class Members who qualify as
2 Aggrieved Employees and those Aggrieved Employees for whom a Class
3 Notice was returned undelivered. The Administrator may send Participating
4 Class Members who are also Aggrieved Employees a single check combining
5 the Individual Class Payment and Individual PAGA Payment.

6 4.1.2. No later than seven (7) calendar days after receiving a returned check, the
7 Administrator must re-mail checks to the USPS forwarding address provided or
8 to an address ascertained through the Class Member Address Search for Class
9 Members and Aggrieved Employees whose checks are returned undelivered
10 without a USPS forwarding address. Thereafter, the Administrator need not
11 take further steps to deliver checks to Class Members or Aggrieved Employees
12 whose re-mailed checks are returned as undelivered. The Administrator shall
13 promptly send a replacement check to any Class Member or Aggrieved
14 Employee whose original check was lost or misplaced and who requests the
15 replacement before the void date.

16 4.1.3. For any Class Member whose Individual Class Payment check or for any
17 Aggrieved Employee whose Individual PAGA Payment check is uncashed and
18 cancelled after the void date, the Administrator shall transmit the funds
19 represented by such checks to the California Controller's Unclaimed Property
20 Fund in the name of the Class Member or Aggrieved Employee thereby leaving
21 no "unpaid residue" in accordance with the requirements of California Code of
22 Civil Procedure Section 384(b).

23 4.1.4. The payment of Individual Class Payments and Individual PAGA Payments
24 shall not obligate Defendant to confer any additional benefits or make any
25 additional payments to Class Members or Aggrieved Employees, such as
26 401(k) contributions or bonuses, beyond those specified in this Agreement.
27 Rather, it is the Parties' intention that this Agreement will not affect any rights,
28

1 contributions, or amounts to which any Class Members may be entitled under
2 any benefit plans.

3 **5. RELEASES OF CLAIMS.** Effective on the date Defendant fully funds the entire Gross
4 Settlement Amount and separately pays all employer payroll taxes owed on the Wage Portion of the
5 Individual Class Payments, Plaintiff, Class Members, Aggrieved Employees, and Class Counsel will
6 release claims against the Released Parties as follows:

7 5.0. Plaintiff's Release. Plaintiff and Plaintiff's respective former and present spouses (if
8 any), representatives, agents, attorneys, heirs, administrators, successors, and assigns,
9 fully and finally release and discharge the Released Parties from any and all charges,
10 complaints, claims, and liabilities of any kind or nature whatsoever, known or
11 unknown, suspected or unsuspected ("claim(s)") which Plaintiff, at any time heretofore,
12 had or claimed to have or which Plaintiff may have or shall in the future claim to have,
13 including, without limitation, any and all claims related or in any manner incidental to
14 Plaintiff's employment. Plaintiff understands she is releasing potentially unknown
15 claims, and that Plaintiff may have limited knowledge with respect to some of the
16 claims being released. Plaintiff acknowledges there is a risk that, after signing this
17 Agreement, Plaintiff may learn information that might have affected Plaintiff's decision
18 to enter into this Agreement. Plaintiff assumes this risk and all other risks of any mistake
19 in entering into this Agreement. Plaintiff agrees that this Agreement is fairly and
20 knowingly made. Plaintiff represents and warrants that Plaintiff has all necessary
21 authority to enter into this Agreement and that Plaintiff has not transferred any interest
22 in any claims to any spouse or to any other third party.

- 23 1. The Parties understand the word "claim(s)" to include all causes of actions,
24 lawsuits, proceedings, complaints, claims, charges, debts, contracts, judgments,
25 damages, attorney's fees, and grievances, whether actual or potential, known or
26 unknown, and specifically but not exclusively, all claims arising out of
27 Plaintiff's employment with Defendant, including, but not limited to, any and
28

all claims under the California Fair Employment and Housing Act, the Age Discrimination in Employment Act, Title VII or any other statute, rule or regulation relating to Plaintiff's employment with Defendant and under which Plaintiff has made a claim or could make a claim against Defendant (collectively, "Plaintiff's Released Claims").

2. Plaintiff's Released Claims shall not waive: (i) claims for unemployment or workers' compensation benefits; (ii) any vested rights Plaintiff has under ERISA-covered benefit plans as applicable on the date Plaintiff signs this Agreement, and/or claims concerning such rights; (iii) claims that may arise after Plaintiff signs this Agreement; or (iv) claims which cannot be released by private agreement.

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

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

5.1. Release by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns, fully and finally release and discharge the Released Parties from any and all claims, debts, liabilities, demands, obligations, penalties, costs, expenses, attorney's fees, damages, and causes of action that were alleged or that reasonably could have been alleged based on the facts alleged in the Operative Complaint arising during the Class Period. This release includes, without limitation, a release of all claims alleged in the Operative Complaint for alleged

1 failure to pay minimum wages, failure to pay overtime compensation, failure to provide
2 meal periods, failure to authorize and permit rest breaks, failure to indemnify necessary
3 business expenses, failure to pay all unpaid wages at termination, failure to provide
4 accurate itemized wage statements, violation of California Business and Professions
5 Code §§ 17200, *et seq.*, and statutory waiting time penalties based on the foregoing
6 (collectively, the "Released Class Claims").

7 5.2. Release by Aggrieved Employees: All Aggrieved Employees, on behalf of themselves
8 and their respective former and present spouses, representatives, agents, attorneys,
9 heirs, administrators, successors, and assigns fully and finally release and discharge the
10 Released Parties from any and all claims for civil penalties, and attorneys' fees and
11 costs, under PAGA that were alleged or that reasonably could have been alleged based
12 on the facts alleged in the Operative Complaint or Plaintiff's PAGA Notice, including,
13 but not limited to, failure to pay minimum wages, failure to pay overtime compensation,
14 failure to provide meal periods, failure to authorize and permit rest breaks, failure to
15 indemnify necessary business expenses, failure to pay all unpaid wages at termination,
16 and failure to provide accurate itemized wage statements (collectively, the "Released
17 PAGA Claims"), arising during the PAGA Period.

18 **6. SETTLEMENT ADMINISTRATION.**

19 6.0. Selection of Administrator. The Parties have jointly selected Phoenix to serve and
20 verified that, as a condition of appointment, the Administrator agrees to be bound by
21 this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in
22 exchange for the Administration Expenses Payment. The Parties and their Counsel
23 represent that they have no interest or relationship, financial or otherwise, with the
24 Administrator other than a professional relationship arising out of prior experiences
25 administering settlements.

26 6.1. Class Data. No later than fourteen (14) calendar days after the Court grants Preliminary
27 Approval of the Settlement, Defendant will deliver the Class Data to the Administrator
28 in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights,

the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of the Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under the Settlement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted Class Member identifying information as defined in Section 1.7, and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties, and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

6.2. Notice of Receipt of Class Data. No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks, and PAGA Pay Periods in the Class Data.

6.3. Notice to Class Members. No later than fourteen (14) calendar days after receiving the Class Data from Defendant, the Administrator will send all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice in English and Spanish, substantially in the form attached to this Agreement as **Exhibit A**. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payments payable to the Class Member and/or Aggrieved Employee, and the number of Workweeks and PAGA Pay Periods used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

6.4. Remailing of Class Notice. No later than three (3) business days after its receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by USPS. If USPS does not

1 provide a forwarding address, the Administrator shall conduct a Class Member Address
2 Search and re-mail the Class Notice to the most current address obtained. The
3 Administrator has no obligation to make further attempts to locate or send the Class
4 Notice to Class Members whose Class Notice is returned by USPS a second time.

5 6.4.1. The deadlines for Class Members' Objections, Challenges to Calculation of
6 Workweeks and/or PAGA Pay Periods, and Requests for Exclusion will be
7 extended an additional ten (10) calendar days beyond the forty-five (45)
8 calendar days otherwise provided in the Class Notice for all Class Members
9 whose notice is re-mailed. The Administrator will inform the Class Member of
10 the extended deadline with the re-mailed Class Notice.

11 6.4.2. If the Administrator, Defendant, Defense Counsel, or Class Counsel are
12 contacted by or otherwise discovers any persons who believe they should have
13 been included in the Class Data and should have received Class Notice, the
14 Parties will expeditiously meet and confer in person or by telephone, and in
15 good faith, to agree on whether to include them as Class Members. If the Parties
16 agree, such person(s) will be Class Members entitled to the same rights as other
17 Class Members, and the Administrator will send, via email or overnight
18 delivery, a Class Notice requiring them to exercise options under this
19 Agreement no later than fourteen (14) calendar days after receipt of the Class
20 Notice, or the deadline in the Class Notice, whichever is later.

21 6.5. Requests for Exclusion and Exclusion List. The Administrator will promptly review
22 Requests for Exclusion on a rolling basis to ascertain their validity and timeliness. No
23 later than five (5) days after the expiration of the deadline for submitting Requests for
24 Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel
25 containing the names and other identifying information of Class Members who have
26 submitted Requests for Exclusion, regardless of whether the requests are valid and
27 timely ("Exclusion List"); and (b) copies of all Requests for Exclusion submitted,
28

regardless of whether the requests are valid and timely.

6.6. Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that tally the number of Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion received (whether valid or invalid), Objections received, Challenges to Workweeks and/or PAGA Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include the Administrator's assessment of the validity of the Requests for Exclusions and attach copies of all Requests for Exclusion and Objections received.

6.7. Administrator's Declaration. No later than seven (7) business days after the Response Deadline, the Administrator will provide Class Counsel and Defense Counsel a signed declaration suitable for filing in Court attesting to (i) its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of the Class Notice, (ii) the total number of Class Notices returned as undelivered, (iii) the total number of re-mailed Class Notices, (iv) its attempts to locate Class Members, (v) the total number of Requests for Exclusion received (valid or invalid), (vi) the total number of Objections received (valid or invalid), (vii) the total number of Participating Class Members and Workweeks, (viii) the total number of Aggrieved Employees and PAGA Pay Periods, and (ix) the lowest, average, and highest Individual Class Payment and Individual PAGA Payment. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

6.8. Final Report by Settlement Administrator. No later than fourteen (14) calendar days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with (i) a final report detailing its disbursements by employee identification number only of all payments made under this Agreement, and (ii) a signed declaration suitable for filing in Court

attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

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

6.10. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation § 1.468B-1.

6.11. Website, Email Address, and Toll-Free Number. The Administrator will establish, maintain, and use an internet website to post information of interest to Class Members including the date, time, and location of the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, Preliminary Approval, Class Notice, Motion for Final Approval, and Final Approval and Judgment. The Administrator will also maintain and monitor an email address and toll-free telephone number to receive Class Member calls, faxes, and emails.

6.12. Class Members' Options.

6.12.1. Requests for Exclusion. Each Class Member shall have forty-five (45) calendar days after the Administrator mails the Class Notice (plus an additional ten (10) calendar days for Class Members whose Class Notice is re-mailed) to exclude themselves from the Class Settlement. A Class Member may exclude himself or herself from the Class Settlement by emailing, faxing, or mailing a Request for Exclusion to the Administrator by submitting written communication requesting exclusion that contains all required information for a Request for Exclusion. The Request for Exclusion must be valid and timely. To be valid, the Request for Exclusion must (1) include the Class Member's full name, address, telephone number, signature, and a simple written statement requesting to be excluded from the Class Settlement; (2) state the case name and number of the Action; and (3) be emailed, faxed, or mailed to the specified contact

1 information for the Administrator. To be timely, the Request for Exclusion must
2 be made no later than the Response Deadline; if the Request for Exclusion is
3 sent by mail, it must be postmarked no later than the Response Deadline and
4 the postmark date will be the exclusive means of determining whether a Request
5 for Exclusion has been timely submitted. A Class Member who does not submit
6 a valid and timely Request for Exclusion will be deemed a Participating Class
7 Member and will be bound by all terms of the Settlement if it is granted Final
8 Approval. If a Class Member's Request for Exclusion is timely but invalid,
9 according to the requirements listed herein, that Class Member will be allowed
10 to cure the defect(s). The Administrator will mail the Class Member a cure letter
11 within three (3) business days of receiving the defective submission to advise
12 the Class Member that his or her submission is defective and that the defect
13 must be cured to render the Request for Exclusion valid. The Class Member
14 will have until the later of (a) the Response Deadline or (b) fourteen (14)
15 calendar days from the date of the cure letter, whichever date is later, to
16 postmark the revised Request for Exclusion. The Administrator, Class Counsel,
17 and Defense Counsel may attempt to resolve any Class Member disputes on the
18 validity or timeliness of a Request for Exclusion. However, the Court has the
19 final authority to make decisions consistent with the terms of this Agreement
20 on the validity or timeliness of a Request for Exclusion. The Court's decision
21 shall be final and not appealable or otherwise susceptible to challenge.

22 6.12.1.1. Every Class Member who does not submit a timely and valid
23 Request for Exclusion is deemed to be a Participating Class Member
24 under this Agreement, entitled to all benefits and bound by all terms and
25 conditions of the Settlement, including the Participating Class Members'
26 Release under Section 5.1 of this Agreement, regardless of whether the
27 Participating Class Member actually receives the Class Notice or
28 objects to the Settlement.

1 6.12.1.2. Every Class Member who submits a valid and timely Request
2 for Exclusion is a Non-Participating Class Member and shall not receive
3 an Individual Class Payment or have the right to object to the Class
4 Settlement. Because future PAGA claims are subject to claim
5 preclusion upon entry of the Judgment, Non-Participating Class
6 Members who are Aggrieved Employees are deemed to release the
7 claims identified in Section 5.2 of this Agreement and are eligible for
8 an Individual PAGA Payment.

9 6.12.2. Challenges to Calculation of Workweeks. Each Class Member shall have forty-
10 five (45) calendar days after the Administrator mails the Class Notice (plus an
11 additional ten (10) calendar days for Class Members whose Class Notice is re-
12 mailed) to challenge the number of Workweeks and/or PAGA Pay Periods
13 allocated to the Class Member and/or Aggrieved Employee in the Class Notice.
14 A Class Member and/or Aggrieved Employee may challenge the allocation by
15 sending a Challenge to Calculation of Workweeks and/or PAGA Pay Periods
16 to the Administrator via fax, email, or mail. The Challenge to Calculation of
17 Workweeks and/or PAGA Pay Periods must be timely. To be timely, the
18 Challenge to Calculation of Workweeks and/or PAGA Pay Periods must be
19 made no later than the Response Deadline; if the Challenge to Calculation of
20 Workweeks and/or PAGA Pay Periods is sent by mail, it must be postmarked
21 no later than the Response Deadline and the postmark date will be the exclusive
22 means of determining whether a Challenge to the Calculation of Workweeks
23 and/or PAGA Pay Periods has been timely submitted. The Administrator must
24 encourage the challenging Class Members to submit supporting documentation.
25 In the absence of any contrary documentation, the Administrator is entitled to
26 presume that the Workweeks and/or PAGA Periods contained in the Class
27 Notice are correct so long as they are consistent with the Class Data. The
28

1 Administrator shall promptly provide copies of all Challenges to Calculation of
2 Workweeks and/or PAGA Pay Periods to Defense Counsel and Class Counsel
3 and the Administrator's determination of the challenges. The Administrator,
4 Class Counsel, and Defense Counsel may attempt to resolve all Class Member
5 challenges over the calculation of Workweeks and/or PAGA Pay Periods. The
6 Administrator's determination of allocations of Workweeks is final and not
7 appealable or otherwise susceptible to challenge.

8 6.12.3. Objections to Settlement. Each Participating Class Member shall have forty-
9 five (45) calendar days after the Administrator mails the Class Notice (plus an
10 additional ten (10) calendar days for Class Members whose Class Notice is re-
11 mailed) to object to the Class Settlement and/or this Agreement, including
12 contesting the fairness of the Settlement and/or amounts requested for the Class
13 Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or
14 Class Representative Service Payment. Only Participating Class Members may
15 send written Objections to the Administrator. A Participating Class Member
16 may object to the Settlement by (1) appearing at the Final Approval Hearing
17 and verbally objecting to the Settlement or any term thereof; and/or (2) sending
18 a written Objection to the Administrator by sending written communication that
19 contains the required information for a Written Objection. The written
20 Objection must be valid and timely. To be valid, the written Objection must: (1)
21 include the Class Member's full name, address, telephone number, and
22 signature, the contact information for any attorney representing the objecting
23 Class Member, if any, and the factual and legal bases for the Objection,
24 including any supporting papers, briefs, written evidence, declarations, and/or
25 other evidence; (2) state the case name and number of the Action; and (3) be
26 emailed, faxed, or mailed to the specified contact information for the
27 Administrator. To be timely, the written Objection must be made no later than
28

the Response Deadline; if the Objection is sent by mail, it must be postmarked no later than the Response Deadline and the postmark date will be the exclusive means of determining whether a written Objection has been timely submitted. The Administrator, Class Counsel, and Defense Counsel may attempt to resolve any Class Member disputes on the validity or timeliness of a written Objection. However, the Court has the authority to make final decisions consistent with the terms of this Agreement on the validity or timeliness of a written Objection. The Court's decision shall be final and not appealable or otherwise susceptible to challenge.

7. ESCALATOR CLAUSE.

7.0. The Gross Settlement Amount ("GSA") is based on an understanding of approximately 24,000 Workweeks at issue during the Class Period. Should the number of Workweeks increase more than 10% greater than this figure during the Class Period (*i.e.*, exceed 26,400 Workweeks), Defendant agrees to either 1) increase the GSA on a proportional basis by the amount by which it exceeds 10% (*i.e.*, if there was a 11% increase in the number of Workweeks during the Class Period, Defendant would increase the GSA by 1%), or 2) shorten the Class Period such that it ends on the date that the number of Workweeks reaches 26,400, in which case Defendant will not be required to pay any additional amount. Defendant agrees to be prepared to inform the Court of its election at the Preliminary Approval Hearing.

8. DEFENDANT'S RIGHT TO WITHDRAW.

8.0. If the number of valid and timely Requests for Exclusion exceeds five percent (5%) of the total of all Class Members, Defendant may, but is not obligated to, elect to withdraw from the Settlement. If Defendant elects to withdraw from the Settlement, Defendant must meet and confer with Class Counsel no later than ten (10) calendar days after the Administrator notifies the Parties of the total number of valid and timely Requests for Exclusion received, and Defendant will be responsible for paying all reasonably-

1 incurred settlement administration expenses incurred to that point. Further, the
2 Settlement shall be void ab initio, have no force or effect whatsoever, and neither Party
3 will have any further obligation to perform under this Agreement, except as provided
4 in this Paragraph.

5 **9. MOTION FOR PRELIMINARY APPROVAL.** Class Counsel will prepare and file a
6 motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's
7 current checklist for Preliminary Approvals. Defense Counsel will cooperate in finalizing the Motion
8 for Preliminary Approval and will have an opportunity to approve the documents before their filing.

9 9.0. Plaintiff's Responsibilities. Plaintiff will prepare all documents necessary for obtaining
10 Preliminary Approval, including: (i) a draft of the notice and memorandum in support of
11 the Motion for Preliminary Approval that includes appropriate analysis of the Settlement
12 and a request for approval of the PAGA Settlement under Labor Code Section 2699,
13 subdivision (s)(2); (ii) a draft proposed Order Granting Preliminary Approval and
14 Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed
15 declaration from the Administrator attaching its "not to exceed" bid for administering the
16 Settlement and attesting to its willingness to serve; competency; operative procedures for
17 protecting the security of Class Data; amounts of insurance coverage for any data breach,
18 defalcation of funds or other misfeasance; all facts relevant to any actual or potential
19 conflicts of interest with Class Members; and the nature and extent of any financial
20 relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration
21 from Plaintiff confirming willingness and competency to serve and disclosing all facts
22 relevant to any actual or potential conflicts of interest with Class Members, and/or the
23 Administrator; (vi) a signed declaration from Class Counsel attesting to its competency
24 to represent the Class Members; and its timely transmission to the LWDA of all necessary
25 PAGA documents (PAGA Notice (Lab. Code, § 2699.3, subd. (a)), Operative Complaint
26 (Lab. Code, § 2699, subd. (s)(1)), and the Agreement (Lab. Code, § 2699, subd. (s)(2)));
27 and (vii) all other facts relevant to any actual or potential conflict of interest with Class
28

Members, the Administrator. In their declarations, Plaintiff and Class Counsel shall aver whether they are aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

9.1. Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement (with Class Counsel giving all documents to Defense Counsel for review at least 14 days prior to the filing date provided here); obtaining a prompt hearing date for the Motion for Preliminary Approval; and appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

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

10. FINAL APPROVAL.

10.0. Motion for Final Approval. No later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiff will file a Motion for Final Approval of the Settlement that includes a request for approval of the PAGA Settlement under Labor Code Section 2699(s)(2) and a [Proposed] Final Approval Order and Judgment. Plaintiff shall provide drafts of these documents to Defense Counsel not later than ten (10) days before filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith,

to resolve any disagreements concerning the Motion for Final Approval.

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

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

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

10.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees and Class Counsel Litigation Expenses Payments, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs, or appeals. If an objector appeals the Judgment,

the Parties' obligations to perform under this Agreement will be suspended until the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

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

10.6. Failure to Approve. If the Court does not approve, either preliminarily or finally, any material term or condition of the Settlement Agreement, or if the Court effects a material change, then this Agreement will be voidable and unenforceable, subject to the Parties' agreement to the contrary, and the costs of administration shall be split equally between the Plaintiff, on one side, and Defendant, on the other.

11. AMENDED JUDGMENT.

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

12. ADDITIONAL PROVISIONS.

12.0. Entire Agreement. This Agreement and the attached **Exhibit A** constitute the entirety of the Parties' settlement terms.

12.1. No Admission of Liability. This Agreement represents a compromise and settlement of highly disputed claims. The Parties enter into this Agreement to resolve the dispute that

has arisen between them and to avoid the burden, expense, and risk of continued litigation. In entering into this Agreement, Defendant does not admit, and specifically denies, it has violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations, or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct concerning its employees. Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an admission or concession by Defendant of any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this Agreement, this Agreement and its terms and provisions shall not be offered or received as evidence in any action or proceeding to establish any liability or admission on the part of Defendant or to establish the existence of any condition constituting a violation of, or a non-compliance with, federal, state, local or other applicable law. If Final Approval does not occur, the Parties agree that this Agreement is void but remains protected by California Evidence Code Section 1152.

12.2. Class Certification or Representative Manageability for Other Purposes. The Parties agree to stipulate to class certification only for purposes of the Settlement. If, for any reason, the Settlement is not approved, the stipulation to certification will be void. If, for any reason the Court does not grant Preliminary Approval, Final Approval, or enter Judgment, Defendant reserves the right to contest certification of any class for any reason, Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement, and the Parties' willingness to settle the Action will have no bearing on and will not be admissible in connection with any litigation, except for proceedings to enforce or effectuate the Settlement and this Agreement.

12.3. No Press Releases/Advertisements. Neither Plaintiff nor Plaintiff's Counsel shall issue any press release or announcement of any kind related in any way to the Settlement. Plaintiff and Class Counsel agree to limit their statements regarding the terms of the Settlement, whether oral, written, or electronic (including the World Wide Web), to say the Class Action has been resolved and that Plaintiff and Class Counsel are satisfied with the Settlement terms. Nothing in this Section is intended to interfere with Class Counsel's duties and obligations to faithfully discharge their duties as Class Counsel, including but not limited to: (1) as required by law; (2) as required under the terms of the Settlement; and/or (3) as required under counsel's duties and responsibilities as Class Counsel. This Settlement shall not be advertised or mentioned on any source, including Plaintiff's Counsel's personal or firm website.

12.4. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this Settlement is a fair, adequate, and reasonable settlement of the Action and have arrived at this Agreement after arm's-length negotiations and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement.

12.5. No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to request to be excluded from or object to the Settlement, or appeal from the Judgment. Nothing in this Paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

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

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

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

12.9. Waiver. No waiver of any condition or covenant contained in this 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.

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

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

12.12. No Tax Advice. Neither Plaintiff, Class Counsel, Defendant, nor Defense Counsel is

1 providing any advice regarding taxes or taxability, nor shall anything in this Settlement
2 be relied upon as such within the meaning of United States Treasury Department
3 Circular 230 (31 CFR Part 10, as amended) or otherwise.

4 12.13. Modification of Agreement. This Agreement, and all parts of it, may be amended,
5 modified, changed, or waived only by an express written instrument signed by all
6 Parties or their representatives, and approved by the Court.

7 12.14. Agreement Binding on Successors and Assigns. This Agreement will be binding upon,
8 and inure to the benefit of, the successors or assigns of each of the Parties.

9 12.15. Applicable Law. All terms and conditions of this Agreement and its exhibits will be
10 governed by and interpreted according to the internal laws of the State of California,
11 without regard to conflict of law principles.

12 12.16. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of
13 this Agreement. This Agreement will not be construed against any Party on the basis
14 that the Party was the drafter or participated in the drafting.

15 12.17. Confidentiality. To the extent permitted by law, all agreements made and orders entered
16 during Action and in this Agreement relating to the confidentiality of information shall
17 survive the execution of this Agreement.

18 12.18. Use and Return of Class Data. Information provided to Class Counsel pursuant to
19 Evidence Code Section 1152, and all copies and summaries of the Class Data provided
20 to Class Counsel by Defendant in connection with the mediation, other settlement
21 negotiations, or in connection with the Settlement, may be used only with respect to
22 this Settlement, and no other purpose, and may not be used in any way that violates any
23 existing contractual agreement, statute, or rule of court. No later than ninety (90) days
24 after the date when the Court discharges the Administrator's obligation to provide a
25 Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy
26 all paper and electronic versions of Class Data received from Defendant unless, prior
27 to the Court's discharge of the Administrator's obligation, Defendant makes a written
28

request to Class Counsel for the return, rather than the destruction, of Class Data.

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

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

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

12.22. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement, intend that this Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law. Plaintiff, and not her representative(s), must personally execute this Agreement. An authorized officer of Defendant must execute this Agreement on behalf of Defendant. This Agreement shall become binding and enforceable pursuant to California Code of Civil Procedure Section 664.6.

12.23. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to California Code of Civil Procedure Section 583.330 to extend the date to bring a case to trial under

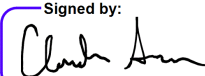
California Code of Civil Procedure Section 583.310 for the entire period of this settlement process.

[Signatures on the following page.]

Plaintiff & Settlement Representative:

Dated: 8/28/2026

By:

Signed by:

1DFAF481F24142C...

Claudia Acevedo

Plaintiff's Counsel:

MOON LAW GROUP, PC

Dated: 8/31/2026

By:



Kane Moon

Allen Feghali

Mariam Ghazaryan

Mitchell H. Millet

Attorneys for Plaintiff Claudia Acevedo

Defendant & Defendant's Representative:

Dated:

By:

John Angell

Title: Chief Financial Officer

On behalf of Defendant Valley Healthcare Centers

Defendant's Counsel:

FISHER & PHILLIPS LLP

Dated:

By:

Rebecca A. Hause-Schultz

Daniela G. Contreras

Attorneys for Defendant Valley Healthcare Centers