

CLASS ACTION SETTLEMENT AGREEMENT

This Class Action Settlement Agreement (“Agreement”) is made by and between plaintiffs Kristal Morris, Amy Coronado, and Jonah Gojar, on behalf of themselves and the Class Members (as defined below) on the one hand, and defendants Sacramento Behavioral Healthcare Hospital, LLC; Signature Healthcare Services, LLC (“Signature”); Villa Oaks, LLC dba Villa Oaks – Santa Rosa, LLC; Villa Oaks – Anaheim, LLC; Villa Oaks – Av, LLC; Villa Oaks – Bakersfield, LLC; Green River Management, LLC; Kebok – Rancho Arroyo Grande, LLC; Livermore Life Properties, LLC; Riverside Life Properties, LLC; Roseville Life Properties, LLC; San Jose Life Properties, LLC; Vista Life Properties, LLC; and Soon Kim, on the other.

1. **DEFINITIONS**

- 1.1 “Action” means the class action against Defendants entitled *Kristal Morris v. Sacramento Behavioral Healthcare Hospital, LLC, et al.*, Case No. 34-2022-00330937, that was filed on December 6, 2022, and is pending in the Sacramento County Superior Court.
- 1.2 “Administrator” means the neutral entity the Parties have agreed to administer the Settlement as set forth in Paragraph 7.1.
- 1.3 “Administrator’s Expenses” means the amount the Administrator will be paid from the Gross Settlement Amount as reimbursement for its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4 “Address Search” means the Administrator’s investigation and search for current mailing addresses using reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator
- 1.5 “Class” means the current and former hourly registered nurses, licensed vocational nurses, licensed psychiatric technicians, and mental health workers/technicians employed by SBHH in the Nursing Department during the Class Period.
- 1.6 “Class Counsel” means Xinying Valerian and Dan L. Gildor of Valerian Law, P.C. and Hunter Pyle and Katie Fiester of Hunter Pyle Law, P.C.
- 1.7 “Class Counsel Fees” means the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees, as set forth herein, as approved by the Court.
- 1.8 “Class Counsel Expenses” mean the amounts allocated to Class Counsel for reimbursement of reasonable case-related expenses, as set forth herein, as approved by the Court.
- 1.9 “Class Data” means a spreadsheet listing each class member’s name, last-known mailing address, social security number, employee identification number, personal email address, cellphone number, employment status (current or former employee),

job title(s), and the number of weeks the class member worked in each of the following periods:

- (a) from December 6, 2018, to November 25, 2024 [Meal and Rest Time Period]
- (b) from December 1, 2021, to December 8, 2022 [Unpaid Overtime Time Period]
- (c) from December 6, 2021, to November 25, 2024 [Wage Statement Time Period]

for each job title they held.

- 1.10 “Class Member” means any member of the Class.
- 1.11 “Class Notice” means the Court-approved notice to be mailed to Class Members in English in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.12 “Class Period” means December 6, 2018, through November 25, 2024.
- 1.13 “Class Representatives” means Kristal Morris, Amy Coronado, and Jonah Gojar.
- 1.14 “Class Representative Service Awards” means the payments to the Class Representatives for initiating the Action and providing services in support of the Action and in exchange for the Class Representatives providing the Released Parties with a general release of their individual claims as set forth below.
- 1.15 “Court” means the Superior Court of California in and for Sacramento County.
- 1.16 “Defendants” means defendants Sacramento Behavioral Healthcare Hospital, LLC; Signature Healthcare Services, LLC (“Signature”); Villa Oaks, LLC dba Villa Oaks – Santa Rosa, LLC; Villa Oaks – Anaheim, LLC; Villa Oaks – Av, LLC; Villa Oaks – Bakersfield, LLC; Green River Management, LLC; Kebok – Rancho Arroyo Grande, LLC; Livermore Life Properties, LLC; Riverside Life Properties, LLC; Roseville Life Properties, LLC; San Jose Life Properties, LLC; Vista Life Properties, LLC; and Soon Kim.
- 1.17 “Defense Counsel” means Anthony Ocegüera, Ashleigh Kasper, and Elaine McCormick of O’Hagan Meyer LLP.
- 1.18 “Effective Date” means the earliest of: (i) the date the Court’s order of Final Approval in the event there were no timely objections filed, or that any timely objections have been withdrawn; (ii) the date on which the time for an objector to seek appellate review of the Court’s order of Final Approval passes, without a timely appeal having been filed, in the event that one or more timely objections has/have been filed and not withdrawn; and (iii) the date the applicable appellate court has rendered a final decision or opinion affirming the Court’s order of Final

Approval without material modification, and the applicable date for seeking further appellate review has passed, or the date that any such appeal has been either dismissed or withdrawn by the appellant in the event that a timely appeal of the Court's order of Final Approval has been filed.

- 1.19 "Final Approval" means the Court's order granting final approval of the Settlement.
- 1.20 "Final Approval Hearing" means the Court's hearing on a motion for final approval of the Settlement.
- 1.21 "Gross Settlement Amount" means the settlement amount that Defendants agree to pay under Paragraph 3.1 of this Agreement. The Gross Settlement Amount will be used to pay the Individual Class Payments, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Award, and the Administrator's Expenses. The employer share of payroll taxes is not included in the Gross Settlement Amount and will be paid by Defendants separately.
- 1.22 "Guarantors" means Green River Management, LLC, Vista Life Properties, LLC, San Jose Life Properties, LLC, and Roseville Life Properties, LLC.
- 1.23 "Individual Class Payment" means the Class Member's pro rata share of the Net Settlement Amount, calculated as set forth below in paragraph 3.6.
- 1.24 "Judgment" means the class action judgment entered by the Court upon Final Approval.
- 1.25 The "Landowner Defendants" refer to Villa Oaks, LLC dba Villa Oaks – Santa Rosa, LLC, Villa Oaks – Anaheim, LLC, Villa Oaks – Av, LLC, Villa Oaks – Bakersfield, LLC, Green River Management, LLC, Kebok – Rancho Arroyo Grande, LLC, Livermore Life Properties, LLC, Riverside Life Properties, LLC, Roseville Life Properties, LLC, San Jose Life Properties, LLC, and Vista Life Properties, LLC.
- 1.26 "Long Form Class Notice" means the long form notice to the Class Members attached hereto as Exhibit B.
- 1.27 "Net Settlement Amount" means the remainder of the Gross Settlement Amount after deducting the following amounts approved by the Court: Class Representative Service Awards, Class Counsel Fees, Class Counsel Expenses, and Administrator's Expenses. The Net Settlement Amount shall be paid to Class Members as Individual Class Payments.
- 1.28 "Participating Class Members" means the Class Members who do not opt out of the settlement as set forth in Para 7.6.
- 1.29 "Preliminary Approval" means the Court's order granting preliminary approval of the settlement.

- 1.30 “Released Parties” means Defendants, their members, shareholders, directors, predecessors, successors, assigns, insurers, reinsurers, officers, employees, supervisors, managers, agents and attorneys.
- 1.31 “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.32 “Signature” means Defendant Signature Healthcare Services, LLC.
- 1.33 “Short Form Class Notice” means the short form notice to the Class Members attached hereto as Exhibit A.

2. RECITALS

- 2.1 Plaintiff Kristal Morris filed this class action against Sacramento Behavioral Healthcare Hospital on December 6, 2022. The lawsuit also named Signature Healthcare Services, LLC; Villa Oaks, LLC d/b/a Villa Oaks – Santa Rosa, LLC; Villa Oaks – Anaheim, LLC, Villa Oaks – AV, LLC, Villa Oaks – Bakersfield, LLC, Green River Management, LLC, Kebok – Rancho Arroyo Grande, LLC, Vista Life Properties, LLC, Riverside Life Properties, LLC, Roseville Life Properties, LLC, San Jose Life Properties, LLC, Livermore Life Properties, LLC, and Soon Kim as defendants.
- 2.2 Plaintiff Morris amended the complaint on February 28, 2023, to add a cause of action—the seventh cause of action—for civil penalties pursuant to the Labor Code Private Attorneys General Act of 2004 (“PAGA”) for all the Labor Code violations alleged therein. Plaintiff Morris had previously provided the LWDA notice of the claims on December 6, 2022. LWDA assigned the case number LWDA-CM-923072-22. Plaintiff Morris thereafter amended the notice on December 9, 2022.
- 2.3 Defendants, and each of them, deny any and all claims, liability or wrongdoing alleged in the Action, and Plaintiffs agree that a good faith dispute exists between the Parties as to said claims, including any claims for alleged unpaid wages.
- 2.4 During this Action, Plaintiff Morris propounded 56 document requests, 55 special interrogatories, 30 requests for admission, and two sets of form interrogatories to SBHH; 11 document requests, 21 special interrogatories, 38 requests for admission, and two sets of form interrogatories to Signature; and four document requests and six special interrogatories to Soon Kim. This information included electronic time punch and payroll information sufficient to determine Defendants compliance with their Labor Code obligations. The information also included employment policies relevant to the wage and hour allegations in the Action. Plaintiff Morris also retained an expert witness who analyzed SBHH’s data and opined about various issues in this case. This investigation was sufficient to enable Plaintiff Morris to file a motion for class certification on August 1, 2024, and is sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130.

- 2.5 The Parties mediated the case on September 26, 2024, with Kevin Barnes, Esq. Though the Parties did not reach agreement at the mediation, the Parties eventually agreed to the mediator's proposal that led to this Agreement.
- 2.6 On January 28, 2025, the Parties executed a memorandum of understanding memorializing principal terms of a settlement, which this Agreement supersedes.
- 2.7 The Parties, Class Counsel, and Defense Counsel represent that they are aware of two other pending matters or actions asserting claims on a statewide and national basis that might be partially extinguished or affected by the Settlement, e.g., *Dorgan et al., v. Signature Healthcare Services, LLC, et al.* (C.D. Cal., Case No. 5:23-cv-02192-MEMF-SHK) and *Merchain et al., v. Signature Healthcare Services LLC* (Los Angeles Superior Court Case No. 24STCV06297).

3. **MONETARY TERMS**

- 3.1 Gross Settlement Amount. Defendants SBHH and Signature promise to pay \$2,300,000.00 as full and final settlement and compromise of the Action, in its entirety, including without limitation any and all claims within the Class Period arising from the allegations of the operative complaint on file in the Action, including but not limited to claims for unpaid overtime, meal and rest period violations, meal period premiums, rest period premiums, waiting time penalties, and accurate and complete wage statements, or arising under Labor Code §§ 201, 202, 203, 226, 226.7, 510, 512, 516, 1194, 1194.2, 1199 or Sections 11 and 12 of the applicable IWC Wage Order, with the exception of the claims for civil penalties under Labor Code section 2699, et seq., which will be dismissed without prejudice. This settlement amount is provided in exchange for the releases of claims set forth below.
- 3.2 Escalator Provision: The Gross Settlement Amount is based on 28,428 workweeks between December 6, 2018, and September 26, 2024. Should the actual number of workweeks worked by the Class Members during the Class Period exceed 28,428 by more than 10%, then the Gross Settlement Amount shall be increased by the same number of percentage points by which the actual number of workweeks exceed 31,271 (e.g., a 2% increase shall result in a 2% increase in the GSA), or Defendants can elect to modify the Class Period end date to prevent the workweeks count from exceeding 31,271. Defendants will tabulate the number of workweeks taking into account leaves and other absences.
- 3.3 As consideration for the judgment, releases, and other terms herein, Landowner Defendants agree to a waiver of fees and costs incurred in the defense of this Action.
- 3.4 Other than the Escalator Provision described above, Defendants have not agreed to pay, and shall not be liable to pay, any amount more than the Gross Settlement Amount; with the sole exception that Defendants SBHH and Signature shall separately pay the employer's portion of payroll taxes on the Wage Portion of the Individual Class Payments to Class Members.

- 3.5 Defendants SBHH and Signature have no obligation to pay the Gross Settlement Amount (or any payroll taxes on the Wage Portion of the Individual Class Payments to Class Members) prior to the deadlines stated in Paragraph 4.2 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Class Members to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.
- 3.6 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 Judgment.
- (a) To Each Class Member. After payment from the Gross Settlement Amount of the Class Representative Service Award, Class Counsel Fees, Class Counsel Expenses, and Administrator's Expenses, the remainder of the Gross Settlement Amount (the "Net Settlement Amount") shall be paid to the Class Members as Individual Class Payments.

The Net Settlement Fund will be allocated as follows due to the relative strength of each claim: 60% of the Net Settlement Amount will be allocated to pay the unpaid overtime claim, 30% to pay the meal and rest period claims, 5% to pay the wage statement claim, and 5% to pay the waiting time penalty claim.

The administrator will calculate the proportionate share of each of these allocations that each class member is entitled to by calculating the number of workweeks that each class member worked during each of the time periods set out in Paragraph 1.9. Those workweeks will be adjusted as follows:

1. Class members who are not subject to an arbitration agreement will have their number of workweeks worked multiplied by 1.27 to offset the diminishment of the value of their claims due to the inclusion of claims for class members subject to arbitration agreements whose claims are subject to greater risk; and
2. Class members' total workweeks will be multiplied by their average hourly rate as follows:

House Supervisor	\$60.83
RN	\$52.57
UR Specialist 2 RN	\$50.46
UR Specialist 1 LVN/LPT/LPN	\$35.74
LVN/LPT/LPN	\$33.12
MHT/Staffing Coordinator	\$23.86
MHW/MHT/BHT	\$21.73

By way of example, to calculate the settlement share attributable to the unpaid overtime claims in this case for a class member who worked as an

RN, who did not sign an arbitration agreement, and who worked 40 weeks during the Overtime Time Period, the administrator would multiply 40 x 1.27 x 52.57. The administrator would then divide that value by the sum of these values for all class members to calculate that class member's proportionate share of the amount of money allocated to the unpaid overtime claim for that class member.

The administrator would make similar calculations for the meal and rest period claims and the waiting time claims.

The share of the wage statement allocation will be calculated by multiplying the number of workweeks worked during the Wage Statement Time Period by the arbitration multiplier and dividing that value by the sum of these values for all class members.

The sum of these calculations for each claim would be that class member's share of the settlement.

- (b) To the Class Representatives. Class Representative Service Awards to the Class Representatives of not more than \$29,000 total to be paid out of the Gross Settlement Amount. The award is to be split between the Class Representatives, subject to the Court's approval, as follows: \$17,500 to Kristal Morris; \$10,000 to Amy Coronado, and \$1,500 to Jonah Gojar. Each service award shall be reported on an IRS 1099-MISC form. These amounts are in addition to any Individual Class Payment to which each Class Representative is entitled to receive.

Plaintiffs will seek Court approval for the Class Representative Service Awards as part of the motion for final approval. Defendants will not oppose this request. If the Court approves Class Representative Service Awards less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Class Representatives assume full responsibility and liability for any taxes owed on the Class Representative Service Awards.

- (b) To Class Counsel. Class Counsel Fees of not more than 33 ⅓ percent of the Gross Settlement Amount, and Class Counsel Expenses of not more than seventy five thousand dollars (\$75,000.00). Defendants agree that these expenses were necessary and reasonable.

The Class Representatives will file a motion for an award of attorneys' fees and expenses no later than 16 court days prior to the Final Approval Hearing. If the Court approves Class Counsel Fees and/or Class Counsel Expenses less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount.

The Administrator will pay the Class Counsel Fees and Class Counsel Expenses using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees and

the Class Counsel Expenses and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these payments.

- (c) To the Administrator. Administrator's Expenses not to exceed \$12,000 except for a showing of good cause and as approved by the Court. To the extent the Administrator's Expenses are less or the Court approves payment less than the amount set forth herein, the Administrator will allocate the remainder to the Net Settlement Amount.
- (d) Tax Allocation of Individual Class Payments. For tax purposes, each payment to a Class Member will be allocated as follows: (1) 40% to wages and reported on an IRS W-2 basis, (2) 50% to non-wage statutory penalties, to be reported on an IRS Form 1099-MISC, and (3) 10% to interest, to be reported on an IRS Form 1099-MISC. The Parties agree that this allocation may be adjusted by the Court and is not a material term of this settlement.

4. SETTLEMENT FUNDING AND PAYMENTS

- 4.1 Class Data. Not later than 14 days after the Court grants Preliminary Approval of the Settlement, Defendants SBHH and Signature will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendants SBHH and Signature have a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted any Class Data and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants SBHH and Signature must send the Class Data to the Administrator. The Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.
- 4.2 Funding of Gross Settlement Amount. Defendants SBHH and Signature shall fund the settlement fund by wiring an amount equal to the Gross Settlement Amount plus the Administrator's estimate of Defendants' share of payroll taxes to the Settlement Administrator no later than March 17, 2026. The Administrator shall hold these funds in accordance with Paragraph 7.2 below.
- 4.3 Payments from the Gross Settlement Amount. The Administrator will deduct from the Gross Settlement Amount the Administrator's Expenses payment and thereafter mail checks for the Individual Class Payments, the Class Counsel Fees, the Class Counsel Expenses, and the Class Representative Service Awards.
 - (a) The Administrator will issue checks for the Individual Class Payments and send them to the Class Members via first class mail. The face of each check shall prominently state the date (not less than 180 days after the date

of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date.

- (b) The Administrator will send checks for Individual Class Payments to all Class Members (including those for whom Class Notice was returned undelivered). Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
- (c) The Administrator must conduct an Address Search for all Class Members whose checks are returned undelivered without a forwarding address. The Administrator must re-mail checks to any forwarding address provided or to an address ascertained through the Address Search within three (3) business days of receiving a returned check. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.
- (d) For any Class Member whose Individual Class Payment check is uncashed and cancelled after the void date, the Administrator shall transmit these residual funds to Legal Aid At Work as the *cy pres* recipient, subject to Court approval.
- (e) The payment of Individual Class Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to Class Members (such as retirement or 401(k) plan contributions, compensation, bonuses or benefits under other employment benefit plans or programs) beyond those specified in this Agreement.

5. RELEASE OF CLAIMS

5.1 Provided Defendants SBHH and Signature comply with timely payments in accordance with Paragraph 4.2, and in consideration for a waiver of fees and costs by Landowner Defendants in Paragraph 3.3, the following releases of claims shall be effective on the date when Defendants SBHH and Signature have funded the entire Gross Settlement Amount and all employer payroll taxes owed on the Wage Portion of the Individual Class Payments:

- (a) Release by Participating Class Members. Each Participating Class Member releases and discharges Defendants, their members, shareholders, directors, predecessors, successors, assigns, insurers, reinsurers, officers, employees, supervisors, managers, agents and attorneys, from any and all claims within the Class Period based on the facts alleged in the Operative Complaint, including but not limited to claims for unpaid overtime, meal and rest period violations, meal period premiums, rest period premiums, waiting time penalties, and accurate and complete wage statements, or arising under Labor Code §§ 201, 202, 203, 226, 226.7, 510, 512, 516, 1194, 1194.2, 1199 or Sections 11 and 12 of the applicable IWC Wage

Order. Participating Class Members do not release any other claims, such as claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

This release does not include any claims for civil penalties pursuant to PAGA. Defendants warrant and represent that a PAGA-only settlement has been reached in *Tejeda v. Sacramento Behavioral Healthcare Hospital*, a PAGA action filed in December 2022 in the Sacramento Superior Court, and that that settlement does not affect or include any class action claims. Upon final approval of the class settlement in this Action, the PAGA Claims asserted in this Action will be dismissed without prejudice, provided that the PAGA settlement in *Tejeda* has been approved by the Court and submitted to the LWDA.

- (b) Plaintiffs' Release. Plaintiffs waive and generally release the Released Parties, and each of them, from and against any and all claims, whether known or unknown, that Plaintiffs have or may have against the Released Parties, or any of them, which arose on or prior to November 25, 2024.
- (c) Plaintiffs' Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiffs' Release in Paragraph 5.1(b) above, Plaintiffs expressly waive and relinquish the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

6. MOTION FOR PRELIMINARY APPROVAL

- 6.1 Defendants' Declaration in Support of Preliminary Approval. Within 10 days of the full execution of this Agreement, Defendants will prepare and deliver to Class Counsel a signed joint declaration from Defendants and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest, financial or otherwise, with the Administrator and *cy pres* recipient identified in paragraph 4.3(c). In their declarations, Defense Counsel and Defendants shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.
- 6.2 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously obtaining a prompt hearing date for the motion for preliminary approval and timely finalizing and filing the motion for preliminary approval; and for appearing in Court to advocate in favor of the motion for preliminary approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

- 6.3 Class Counsel's Responsibilities. Class Counsel will prepare (i) a draft of the notice and memorandum in support of the motion for preliminary approval; (ii) a draft proposed order granting preliminary approval; (iii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members and the proposed *cy pres* recipient; and the nature and extent of any financial relationship with Plaintiffs, Class Counsel or Defense Counsel; (iv) a draft declaration from Class Counsel attesting to all facts relevant to the motion for preliminary approval.
- 6.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed motion for preliminary approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected Simpluris to serve as the Administrator and verified that, as a condition of appointment, the proposed Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administrator's Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 7.3 Notice to Class Members.
- (a) The Administrator shall notify Class Counsel no later than three (3) business days after receipt of the Class Data that the list has been received and state the number of Class Members and the number of Workweeks in the Class Data.
 - (b) Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class mail, the Class Notice substantially in the form attached to this Agreement as Exhibit A. The Class Notice shall prominently display the number of Workweeks used to calculate the Class Member's Individual Class Payment. Before mailing

Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

In addition to the mailed notice, the Administrator shall also provide notice substantially in the form of Exhibit A via electronic mail, and via text message, a notice in the following form:

If you worked at the Sacramento Behavioral Healthcare Hospital as a registered nurse, a licensed vocational nurse or psychiatric technician, or a mental health worker or technician between December 6, 2018, and November 25, 2024, you may be eligible for benefits from a class action settlement. Visit [website link] or call [toll-free number] for more information. Your notice id was provided in the Notice that was mailed and/or emailed to you.

- (c) Not later than three (3) business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct an Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
- (d) The deadlines for Class Members' written objections, requests to opt out of the settlement, and Workweek challenges will be extended an additional 14 days beyond the 60 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- (e) If the Administrator, Defense Counsel or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in good faith to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

- 7.4 Workweek Challenges. Each Class Member shall have 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed prior to the close of the objection period) to challenge the number of Workweeks allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the

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

7.5 Objections to Settlement.

- (a) Class Members may send written objections to the Administrator, by fax, email, or mail. Class Members may also appear in Court (or hire an attorney to appear in Court) to present oral objections at the Final Approval Hearing. A Class Member who elects to send a written objection to the Administrator must do so not later than 60 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).
- (b) The Administrator shall provide Class Counsel by email with any objections that it has received no later than five (5) days of receipt.

7.6 Requests to Opt Out of the Settlement. Class Members may send a written request to opt out of the settlement, by fax, email, or mail. Such a request must include the Class Member's name, address, email address, and telephone number, and affirmatively state a desire to opt out of the settlement. To be valid, the request to opt out of the settlement must be postmarked or transmitted to the Administrator no later than 60 days after the mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed). The Administrator shall accept any opt out request as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of an opt out request, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge. Every Class Member who does not submit a timely and valid request to opt out of the settlement is deemed to be a Participating Class Member under this Agreement.

7.7 Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement, motion for preliminary approval, the Preliminary Approval, the Long Form Class Notice, the motion for final approval, the motion for class counsel fees and expenses, the Final Approval, and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes, and emails.

- 7.8 Weekly Reports. The Administrator shall, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, objections and opt out requests received, workweek challenges received and/or resolved (“Weekly Report”).
- 7.9 Administrator’s Declaration. Not later than 10 days before the date by which Plaintiff is required to file the motion for final approval, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, and the number of written objections and requests to opt out. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator’s declaration(s) in Court.
- 7.10 Final Report and Compliance Declaration by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator’s declaration in Court.

8. MOTION FOR FINAL APPROVAL

- 8.1 Not later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiffs will file in Court, a motion for final approval of the Settlement, which shall include a request for approval of the Class settlement, a proposed order granting Final Approval, and a proposed Judgment. Plaintiffs shall provide drafts of these documents to Defense Counsel not later than two (2) days prior to filing the motion. Class Counsel and Defense Counsel will expeditiously meet and confer in good faith in person or by telephone to resolve any disagreements concerning the motion for final approval. Plaintiffs shall file any objections that were submitted by Class Members along with the motion for final approval.
- 8.2 Response to Objections. Plaintiffs shall file any objections that were submitted by Class Members along with the motion for final approval. Each Party retains the right to respond to any objection raised by a Class Member, including the right to file responsive documents in Court no later than five court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
- 8.3 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously

work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Award, Class Counsel Fees, Class Counsel Expenses and/or Administrator Expenses shall not constitute a material modification to the Agreement.

- 8.4 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters and (iii) addressing such post-Judgment matters as are permitted by law.
- 8.5 Compliance Hearing. The motion for final approval will include dates for a compliance hearing to be held after the settlement has been fully administered. The Parties will file a status report at least five (5) court days prior to the compliance hearing.
- 8.6 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 Expenses set forth in this Settlement, the Parties, their respective counsel and all Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Gross Settlement Amount or the Net Settlement Amount.
- 8.7 Appellate Court Orders to Vacate, Reverse or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administrator's Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse or modify the Court's award of the Class Representative Service Award 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.

9. ADDITIONAL PROVISIONS.

- 9.1 Guaranty and Default: Green River Management, LLC, Vista Life Properties, LLC, San Jose Life Properties, LLC, and Roseville Life Properties, LLC shall serve as Guarantors and provide a guarantee to insure the punctual payments of all

indebtedness of SBHH and Signature under the terms of this Settlement. Defendants warrant and represent that Guarantors own land in California, that Guarantors are 100% owned by the same individual who is the sole member of Signature (who is the sole member of SBHH), and that Guarantors have agreed to guarantee the payments owed by SBHH and Signature. If SBHH and Signature fail to timely pay the amounts owed under this Agreement, Plaintiff shall have the option of demanding payment of the owed portion of the Gross Settlement Amount from any or all of the Guarantors. The Guarantors shall pay in full the owed portion of the Gross Settlement Amount no later than thirty (30) days after Plaintiff makes a written demand therefor, and Plaintiff shall not be required to proceed first against any other person or entity or against any collateral security, before resorting to serving a written demand to the Guarantors for payment. When making such written demand to the Guarantors, Plaintiff shall also provide notice of default to SBHH and Signature and provide them with thirty (30) days to pay in full the entire owed amount. If after the thirty-day demand and notice period the entire owed amount is not paid by Defendants and/or Guarantors, Plaintiff shall have the option to file a Stipulation of Judgment with the Court (a written form of which will be executed as part of the Settlement) for the unpaid portion of the Gross Settlement Amount as of the date of default on timely payment and statutory interest (10% per annum) accruing from that date. Such stipulation of judgment will set forth the unpaid portion of the Gross Settlement Amount which remains due and owing and interest and shall state that SBHH, Signature, and Guarantors – are judgment-debtors each jointly and severally liable for the entire unpaid portion of the Gross Settlement Amount.

- 9.2 For purposes of Paragraph 9.1, a default shall occur: (a) if, prior to the full payment of the Gross Settlement Amount, SBHH or Signature files any petition in bankruptcy, voluntarily or involuntarily, or makes an assignment for the benefit of creditors; or (b) if, prior to the payment of the Gross Settlement Amount, any attachment or garnishment is taken against SBHH, Signature, or Guarantors, which impairs any of their ability to pay the Gross Settlement Amount on a timely basis.
- 9.3 Parties to Bear Their Own Attorney's Fees and Costs. With the sole exceptions of the Class Counsel Fees and Class Counsel Expenses to be paid from the Gross Settlement Amount, any fees awarded pursuant to Paragraph 6, and any fees to which may be granted pursuant to statute for judgment enforcement proceedings, each Party to this Agreement shall bear all its or her own attorneys' fees, costs and expenses of any kind, if any, incurred in connection with the prosecution, defense, mediation or settlement of this Action.
- 9.4 No Admission of Liability, or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that any Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' defenses in the Action have merit provided, however, that Plaintiff agrees that a good faith dispute exists between the Parties as to the claims alleged in the Operative Complaint, including

any claims for alleged unpaid wages. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

- 9.5 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to object to the Settlement, opt out of 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.
- 9.6 Confidentiality Regarding Settlement Prior to Preliminary Approval Motion. The Settlement and this Agreement shall remain confidential until a Preliminary Approval Motion is filed with the Court. The Parties agree that this provision shall not prevent the disclosure of such information prior to the filing of the Preliminary Approval Motion to (1) regulators, rating agencies, independent accountants, advisors, financial analysts, agents, existing or potential insurers or reinsurers, experts, courts, co-counsel, the Released Parties and any existing or potential investor of or any existing or potential lender to any of the Released Parties, the Settlement Administrator or any potential Settlement Administrator and/or as otherwise required to comply with any applicable law or regulation; and (2) any person or entity to whom Plaintiffs and Defendants agree in writing disclosure must be made to effectuate the Settlement. Nothing in this Agreement or the Settlement will prevent Class Counsel from communicating with Plaintiffs or Class Members regarding the Settlement or the status of the Action.
- 9.7 Confidentiality of Information Produced in Action. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 9.8 Non-Disparagement. The Parties agree that they will not defame each other. Nothing in this agreement prevents Plaintiffs from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Plaintiffs have reason to believe is unlawful. Nothing in this agreement prevents Plaintiffs from discussing or disclosing information that is contained in public filings in this Action.
- 9.9 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 all oral representations, warranties, covenants or inducements made to or by any Party.
- 9.10 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendants, 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.

- 9.11 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence, and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of an agreed-upon mediator and/or the Court for resolution.
- 9.12 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.
- 9.13 No Tax Advice. Neither Plaintiff, Class Counsel, Defendants nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Agreement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 9.14 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives and approved by the Court.
- 9.15 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 9.16 Prevailing Party Attorneys' Fees. If any Party brings any claim or action for breach of, or to enforce the terms of, this Agreement, the prevailing Party in said action shall be entitled to recover its reasonable costs and attorneys' fees incurred in the prosecution or defense of said claim or action, in addition to any other relief to which said Party may be entitled, provided that the Party gave at least ten business days notice to the breaching Party and a reasonable opportunity to cure, if possible, prior to bringing such claim or action.
- 9.17 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the State of California, without regard to conflict of law principles.
- 9.18 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 9.19 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.

- 9.20 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.
- 9.21 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

If to Plaintiff and/or class members, to their attorneys at the following address:

Xinying Valerian (xinying@valerianlaw.com)
Dan Gildor (dan@valerian.law)
VALERIAN LAW, P.C.
2222 Harold Way
Berkeley, California 94704

Hunter Pyle (hunter@hunterpylelaw.com)
Katie Fiester (kfiester@hunterpylelaw.com)
HUNTER PYLE LAW, P.C.
505 14th Street, Suite 600
Oakland, California 94612

If to Defendants, to their attorney at the following address:

Anthony Oceguela (aoceguela@ohaganmeyer.com)
Elaine McCormick (emccormick@ohaganmeyer.com)
O’HAGAN MEYER LLP
1201 K Street, Suite 1960
Sacramento, CA 95814

Ashleigh Kasper (akasper@ohaganmeyer.com)
O’HAGAN MEYER LLP
550 S. Hope Street, Suite 2400
Los Angeles, CA 90071

- 9.22 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (e.g., 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.
- 9.23 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 pursuant to Code of Civil Procedure section 583.330 that the signing of this Agreement extends the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of the Court's settlement approval process.

Dated: 03 / 07 / 2025



Kristal Morris
Plaintiff

Dated: 03 / 12 / 2025



Amy Coronado
Plaintiff

Dated: 03 / 12 / 2025



Jonah Gojar
Plaintiff

Dated: _____

Nathan Jensen
Nathan Jensen (Mar 14, 2025 10:11 PDT)

Sacramento Behavioral Healthcare Hospital, LLC
Defendant
By: Nathan Jensen, Authorized Officer

Dated: _____

Signature Healthcare Services, LLC
Defendant
By: Laura Sanders, Authorized Officer

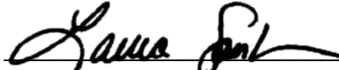
Dated: _____

Villa Oaks, LLC dba Villa Oaks – Santa Rosa, LLC
Defendant
By: Laura Sanders, Authorized Officer

Dated: _____

Villa Oaks – Anaheim, LLC
Defendant
By: Laura Sanders, Authorized Officer

Dated: 3/19/2025

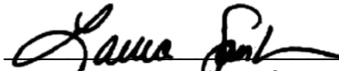


Villa Oaks – AV, LLC

Defendant

By: Laura Sanders, Authorized Officer

Dated: 3/19/2025



Villa Oaks – Bakersfield, LLC

Defendant

By: Laura Sanders, Authorized Officer

Dated: 3/19/2025

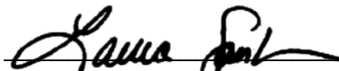


Green River Management, LLC

Defendant

By: Laura Sanders, Authorized Officer

Dated: 3/19/2025

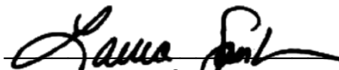


Vista Life Properties, LLC

Defendant

By: Laura Sanders, Authorized Officer

Dated: 3/19/2025



Riverside Life Properties, LLC

Defendant

By: Laura Sanders, Authorized Officer

Dated: 3/19/2025

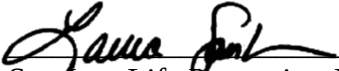


Roseville Life Properties, LLC

Defendant

By: Laura Sanders, Authorized Officer

Dated: 3/19/2025

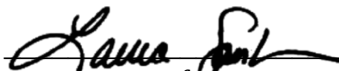


San Jose Life Properties, LLC

Defendant

By: Laura Sanders, Authorized Officer

Dated: 3/19/2025

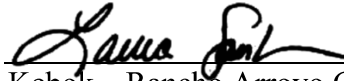


Livermore Life Properties, LLC

Defendant

By: Laura Sanders, Authorized Officer

Dated: 3/19/2025



Kebok – Rancho Arroyo Grande, LLC
Defendant
By: Laura Sanders, Authorized Officer

Dated: 3/20/2025

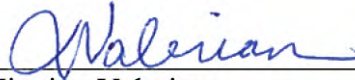


Soon Kim
Defendant

Approved as to form:

Dated: 3/12/2025

VALERIAN LAW, P.C.



Xinying Valerian
Counsel for Plaintiffs and the Class

Dated: 03 / 12 / 2025

HUNTER PYLE LAW, P.C.



Hunter Pyle
Counsel for Plaintiffs and the Class

Dated: 3/24/2025

O'HAGAN MEYER LLP



Anthony Ocegura
Counsel for Defendants

Exhibit A



Superior Court of California in and for Sacramento County
Kristal Morris v. Sacramento Behavioral Healthcare Hospital, LLC, et al.
Case No. 34-2022-00330937

Notice of Class Action Settlement

Authorized by the Superior Court of California in and for Sacramento County

Why did I get this letter?

You got this letter because you are part of a group, known as a class, that will get money from a proposed class action settlement if it gets approved by the court.

If you've worked as a registered nurse, licensed vocational nurse, licensed psychiatric technician, or mental health worker/technician in the Nursing Department at Sacramento Behavioral Healthcare Hospital between December 6, 2018, and November 25, 2024, you have a decision to make.

What decision do I have to make?

Do Nothing	Get your share of the settlement. If you wish to receive your share electronically, visit the website below and enter the following notice id: [notice id]
Object to the Settlement	Let the court know why you believe the settlement is not fair or right before MM/DD/YYYY.
Exclude Yourself from the Settlement	Request to be excluded from the settlement by MM/DD/YYYY. You will have to pursue your own claims on your own subject to various deadlines.
Correct Information Used to Determine Your Settlement Share	Provide evidence that the listed number of work weeks is incorrect and needs correction by MM/DD/YYYY.

How your share will be calculated:

Records show that you are a [current/former] [title], who [did/did not] sign an arbitration agreement, and who worked the following weeks in these time periods:

12/6/18- 11/25/24	12/1/2021- 12/8/22	12/6/21- 11/25/24

You can learn more at:

[\[settlement website\].com](#)

(You can also scan QR code below)

Key things to know:

- This is an important legal document.
- If you take no action, you will be bound by the settlement, and your rights will be affected.
- If you have questions or need assistance, please call [1-800-222-3333](tel:1-800-222-3333).



Exhibit B



Superior Court of California in and for Sacramento County
Kristal Morris v. Sacramento Behavioral Healthcare Hospital, LLC, et al.
Case No. 34-2022-00330937

Notice of Class Action Settlement

Authorized by the Superior Court of California in and for Sacramento County

Did you work as a registered nurse, licensed vocational nurse, psychiatric technician, or mental health worker or technician in the Nursing Department at the Sacramento Behavioral Healthcare Hospital between December 6, 2018 and November 25, 2024?

There is a settlement of a class action lawsuit that affects your rights.

No money is available yet.
Please be patient

You will automatically receive your share that will be determined by various factors.

You can:

- object to the settlement; exclude yourself from the settlement;
- correct the information that will be used to calculate your share; or
- elect to receive your check electronically

You can learn more at [\[settlement website\]](#).

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About This Notice

1. Why did I get this notice?

You received this notice because you are part of a group, known as a class, that will get money from an upcoming class action settlement if it gets approved by the court.

If you've worked as a registered nurse, licensed vocational nurse, licensed psychiatric technician, or mental health worker/technician in the Nursing Department at Sacramento Behavioral Healthcare Hospital between December 6, 2018, and November 25, 2024, you need to make a choice.

This notice provides a summary of the terms of the proposed settlement, details the rights you hold as a part of the 'class,' and guides you to make a knowledgeable decision regarding your next steps.

This notice is an important legal document. You should read it in its entirety.

If you don't understand anything in this notice or need help, please visit [\[settlement website\]](#) or call 1-800-000-0000.

2. What do I do next?

Read this notice to understand the settlement and decide if you want to:

CONTEST THE INFORMATION USED TO DETERMINE YOUR SETTLEMENT SHARE	Provide evidence that you worked more weeks than reflected in the notice that was mailed to you or held a different title.
OBJECT TO THE SETTLEMENT	Tell the Court why you don't think the settlement is fair or reasonable.
EXCLUDE YOURSELF FROM THE SETTLEMENT	Request to be excluded from the settlement and be free to pursue your claims on your own subject to various deadlines.
OPT TO RECEIVE ELECTRONIC PAYMENT	Get paid through an electronic check.
DO NOTHING	Get your share of the settlement as determined by the formulas set forth below.

Keep reading to understand the details of the settlement and what each option would mean for you.

3. What are the most important dates?

Your deadline to contest the information used to calculate your settlement share	[60 days]
Your deadline to object to the settlement.	[60 days]
Your deadline to exclude yourself from the settlement.	[60 days]
Settlement approval hearing	[hearing date]

Learning About the Lawsuit

4. What is this lawsuit about?

Kristal Morris filed a class action lawsuit in 2022 alleging that Sacramento Behavioral Healthcare Hospital ("SBHH") failed to provide her and current and former registered nurses, licensed vocational nurses, psychiatric technicians, or mental health workers or technicians in the Nursing Department at Sacramento Behavioral Healthcare Hospital proper meal and rest periods and failed to pay overtime wages between December 1, 2021, and December 8, 2022. The lawsuit also alleges that SBHH failed to provide these employees with accurate wage statements and failed to pay employees all their wages due when they quit or were terminated. The lawsuit alleges that the other defendants — Signature Healthcare Services, LLC ("Signature"), Sacramento Behavioral Healthcare – Santa Rosa, LLC ("SBHH"), Villa Oaks, LLC dba Villa Oaks – Santa Rosa, LLC, Villa Oaks – Anaheim, LLC, Villa Oaks – Av, LLC, Villa Oaks – Bakersfield, LLC, Green River Management, LLC, Kebok – Rancho Arroyo Grande, LLC, Livermore Life Properties, LLC, Riverside Life Properties, LLC, Roseville Life Properties, LLC, San Jose Life Properties, LLC, Vista Life

Where can I learn more?

Scan the QR code to the right to get a complete copy of the proposed settlement and other key documents.



Properties, LLC, and Soon Kim — all worked in concert with SBHH and are responsible for the alleged violations.

These Defendants deny that they did anything wrong.

5. Why is there a settlement in this lawsuit?

After carefully analyzing the legal claims and defenses, the evidence in this case including time punch and payroll records, and considering the risks and expense of further litigation, the attorneys representing the Parties in the case have agreed to a settlement to avoid the cost, delay, and uncertainty of continuing the lawsuit.

The Settlement is not an admission of any wrongdoing by the Defendants, and the Court has not decided which side is right. Instead, both sides have agreed to the Settlement to ensure a resolution and provide benefits to eligible class members.

By settling the lawsuit, class members can receive compensation for the alleged Labor Code violations sooner rather than later and avoid the risks and costs of continuing the case, including the risk that class members would receive nothing if the case went to trial and the Defendants won.

6. What happens next in this lawsuit?

The Court has not decided this case in favor of either side. The Court has only preliminarily decided that the Settlement is sufficiently fair and adequate to provide you with an opportunity to review the Settlement and decide whether to object or exclude yourself.

While the Court has approved this Notice, the Court must still grant final approval before any payments can be distributed. Please be patient. The Court will hold a Final Approval Hearing to decide whether to approve the Settlement:

Where: Department 22 of the Gordon D. Schaber Sacramento County Courthouse located at 720 9th Street, Sacramento, CA 95814.

When: [hearing date/time]

You are not required to attend the Final Approval Hearing. However, you may attend at your own expense if you wish. You may also ask the Court for permission to speak at the hearing to express your views about the Settlement.

To join by Zoom link: <https://saccourt-ca-gov.zoomgov.com/my/sscdept22>.

To join by phone: (833) 568-8864 / ID: 16184738886

If the Court does not approve the Settlement, or if the parties terminate the Settlement Agreement, the Settlement will be void and the lawsuit will continue.

Important Note: The hearing date may change without further notice to the Class. For current information about the hearing date and additional Settlement details, please scan the QR code to the right.



Learning About the Settlement

7. What does the settlement provide?

Defendants have agreed to pay \$2,300,000 as full and final settlement of the claims in this case. This money will be used to pay for costs and fees approved by the Court, including the Class Counsel's fees and expenses, the cost of administering this settlement (expected to be approximately \$12,000), and "service awards" up to \$29,000 to the named plaintiffs in this case—Kristal Morris, Amy Coronado, and Jonah Gojar—to compensate them for their time and effort in bringing this action and serving as class representatives. The remainder will be distributed to class members such as yourself. Your individual share will be calculated based on the formulas set forth below in question 8.

You will have 180 days to cash your checks. If you do not cash your check within 180 days, your check will become invalid. Any checks that remain uncashed after 180 days will be donated to Legal Aid At Work. You will still be bound by the terms of the settlement even if you do not cash your check.

As part of the settlement, you will release the defendants in the Action, their members, shareholders, directors, predecessors, successors, assigns, insurers, reinsurers, officers, employees, supervisors, managers, agents and attorneys, from any and all claims based on the facts alleged in the Second Amended Complaint, including but not limited to claims for unpaid overtime, meal and rest period violations, meal period premiums, rest period premiums, waiting time penalties, and accurate and complete wage statements, or arising under Labor Code §§ 201, 202, 203, 226, 226.7, 510, 512, 516, 1194, 1194.2, 1199 or

Sections 11 and 12 of the applicable IWC Wage Order between December 6, 2018, and November 25, 2024.

You will not release any other claims, such as claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period, or any claims for civil penalties arising under the Labor Code Private Attorneys General Act of 2004, Labor Code section 2699, *et seq.*

8. How much will my payment be?

The amount you'll receive depends on several things.

First, the administrator will subtract from the total settlement fund the attorneys' fees and costs, administration costs, and payments to the class representatives as approved by the court. This creates the net settlement fund.

The net settlement fund will then be allocated across the claims alleged in the case based on the relative strength of each claim as follows:

- 60% will be allocated to pay the unpaid overtime claims;
- 30% will be allocated to pay the meal and rest period claims;
- 5% will be allocated to pay the wage statement claims; and
- 5% will be allocated to pay the waiting time penalty claims.

The administrator will calculate the number of work weeks you worked during each of the following periods that are applicable to the different claims asserted in the case::

- **Meal and Rest Time Period**
From December 6, 2018, to November 25, 2024
- **Unpaid Overtime Time Period**
From December 1, 2021, to December 8, 2022
- **Wage Statement Time Period**
From December 6, 2021. to November 25,2024 []

The administrator will then adjust the number of work weeks you worked in each time period as follows:

1. If you're a class member and you didn't sign an arbitration agreement, your work weeks will be multiplied by 1.27. This is intended to make up for the inclusion of the claims of those class members who are subject to arbitration agreements whose claims are inherently riskier given the arbitration agreement; and
2. Your work weeks will also be multiplied by the average hourly rate based on payroll data for your title.:

House Supervisor	\$60.83
RN	\$52.57
UR Specialist 2 RN	\$50.46
UR Specialist 1 LVN/LPT/LPN	\$35.74
LVN/LPT/LPN	\$33.12
MHT/Staffing Coordinator	\$23.86
MHW/MHT/BHT	\$21.73

Once the administrator has calculated each class member's adjusted work weeks, the administrator will then calculate your proportion of the adjusted work weeks for each claim. Your share will then be that proportionate share for each claim multiplied by the amount of the net settlement fund allocated to pay that claim.

By way of example, to calculate the share of the settlement allocated to the unpaid overtime claim for a class member who worked as an RN, who did not sign an arbitration agreement, and who worked 40 weeks during the Overtime Time Period, the administrator would multiply $40 \times 1.27 \times 52.57$. The administrator would then divide that value by the sum of these values for all class members to calculate that class member's proportionate share of the amount of money allocated to the unpaid overtime claim for that class member.

The administrator would make similar calculations for the meal and rest period claims and the waiting time claims.

The share of the wage statement allocation will be calculated by multiplying the number of workweeks worked during the Wage Statement Time Period by the arbitration multiplier and dividing that

value by the sum of these values for all class members. This calculation does not include the average hourly rate because the wage statement penalties are calculated strictly based on the number of pay periods irrespective of hour rates.

The sum of these calculations for each claim will net that class member's share of the settlement overall.

Please refer to the notice you received in the mail to verify the number of weeks you worked in the relevant periods according to Defendants' records and other information relevant to the calculation of your share.

If you think the number of work weeks you worked on your mailed notice is wrong, you can send the administrator the proof necessary to verify that you worked more work weeks than indicated on your mailed notice in the relevant time periods.

You can mail this proof to the administrator at the address on the right.

Settlement Administrator
Main Avenue
Suite 1
City, ST 00000-0000
1-800-000-00000
Cleveland, OH 44113

Your dispute must be postmarked by [objection postmark] and must include the case name and number (*Kristal Morris v, Sacramento Behavioral Healthcare Hospital, LLC, et al.*, Case No. 34-2022-00330937), your full name, address and telephone number, and email address (if you have one); and an explanation setting forth the reason why you believe the number based on Defendants' records is incorrect. If you have any records to substantiate your dispute, please include them in your dispute.

Deciding What You Want to Do

9. How do I weigh my options?

You have four courses of action that you can take at this time.

- You can contest the number of workweeks you worked for Defendant as set forth above.
- You can tell the court that you do not believe that the settlement is fair or reasonable. If the court doesn't agree with your objection, you'll still have to accept the settlement, and you'll get your payment without doing anything more.

- You can exclude yourself from the settlement and be free to file your own claims against any of the Defendants. You will not be bound by the settlement and your share of the settlement will be redistributed among all the other participating class members.

Please be aware that there are important deadlines that may apply to your claims. You should consult with an attorney before determining that you would like to exclude yourself from the settlement; or

- You can do nothing and get your share of the settlement automatically. You will be bound by the release and will not be able to bring any claims on your own that were alleged in this case between December 6, 2018, and November 25, 2024. Payment will only take place after the Court finally approves the settlement and Defendants fund the settlement fund. The settlement provides that Defendants have until March 6, 2026, to fund the settlement. Please be patient.

10. What are the consequences of doing nothing?

If you do nothing, you will automatically get your share of the settlement as determined by the Administrator. You will be bound by the release and will not be able to bring any claims on your own that were alleged in this case between December 6, 2018, and November 25, 2024. Payment will only take place after the Court finally approves the settlement and Defendants fund the settlement fund. The settlement provides that Defendants have until March 6, 2026, to fund the settlement. Please be patient.

Please see the settlement agreement, which can be found at [\[settlement website\]](#), for a full description of the claims and persons who will be released if this settlement is approved.

11. How do I opt for electronic payment?

To opt for electronic payment, scan the QR code to the right and follow the instructions on the website to register how you would like to receive your payments electronically. You will need the notice id that was provided in the notice you received in the mail or via email or text message. If you cannot find your notice id, you can call [\[settlement phone number\]](#) to get your notice id.



12. Do I have a lawyer in this lawsuit?

In this type of lawsuit, known as a class action, the judge chooses certain people, who are called Class Representatives, to represent everybody else and lawyers, who are called Class Counsel, to work on the case and protect everyone else's interests.

If you want to be represented by your own attorney, you may hire one at your own expense.

As part of the approval process, the Court certified a class in this case and appointed the legal representatives and lawyers that are representing you in this Action.

Class Representatives: Kristal Morris, Amy Coronado, and Jonah Gojar

Class Counsel: Valerian Law, P.C. and Hunter Pyle Law P.C. These law firms negotiated this settlement on your behalf. **You will not be charged for their services.**

13. Do I have to pay the lawyers in this lawsuit?

The money used to cover the costs and fees of the lawyers will come from the Settlement Fund, which is used to pay the claims of group members. This means you won't have to pay the lawyers out of your own pocket.

So far, Class Counsel have not received any compensation for their work or any money back for the expenses they've paid in this case. To pay for their time and risk in bringing this case without any guarantee of payment unless they were successful, Class Counsel will request, as part of the final approval of this Settlement, that the Court approve a payment of up to one-third (33 ⅓ %) of the Settlement Fund in attorneys' fees plus the reimbursement of out-of-pocket expenses up to \$75,000. Attorneys' fees and expenses will only be awarded if approved by the Court as a fair and reasonable amount. You have the right to object to the attorneys' fees even if you think the other settlement terms are fair.

Opting Out

14. What if I don't want to be part of this settlement?

If you don't want to be part of the settlement, you can send a letter to the administrator at the address to the right, letting them know that you wish to be excluded. To be valid, your letter must:

- (1) Be postmarked by [objection postmark deadline];
- (2) Include the case name and number (*Kristal Morris v, Sacramento Behavioral Healthcare Hospital, LLC, et al.*, Case No. 34-2022-00330937);
- (3) Includes your full name, address and telephone number, email address (if you have one), and signature; and
- (4) State affirmatively that you wish to be excluded from the settlement in this case.

Settlement Administrator
Main Avenue
Suite 1
City, ST 00000-0000
1-800-000-00000
Cleveland, OH 44113

Objecting

15. What if I disagree with the settlement?

If you're not happy with any details of the settlement, you can object to the settlement. You must give reasons why you think the Court should not approve the settlement and say whether your objection applies to just you, a part of the class, or the entire class. The Court will consider your views. The Court can only approve or deny the settlement in its current form; it has no authority to change the terms.

To object, you can send a letter to the Administrator at the address to the right that stating the grounds for your objection. To be valid, your letter must:

- (1) Be postmarked by [objection postmark deadline];

Settlement Administrator
Main Avenue
Suite 1
City, ST 00000-0000
1-800-000-00000
Cleveland, OH 44113

- (2) Include the case name and number (*Kristal Morris v, Sacramento Behavioral Healthcare Hospital, LLC, et al.*, Case No. 34-2022-00330937);
- (3) Include your full name, address and telephone number, email address (if you have one), and signature;
- (4) State the reasons for your objection; and
- (5) Say whether either you or your counsel intend to appear at the final approval hearing and your counsel's name; and

You have the option to use your own lawyer for assistance. You and your attorney can also attend the final approval hearing at your own expense and ask the Court for permission to speak and express your opinion about the settlement.

Key Resources

16. How I get more information?

This notice is a summary of the proposed settlement. If you want a printed copy, you can find it [here](#).

Any questions? You can

- contact Class Counsel (information below);
 - scan the QR code to go to the website where the administrator has posted the important documents in the case, including the full settlement agreement.
- or
- access the Court's [Public Portal](#) or by visiting the Clerk's office of the Court (address below).



Case website	[settlement website]
Settlement Administrator	Settlement Administrator Main Avenue Suite 1 City, ST 00000-0000 1-800-000-00000
Class Counsel	Valerian Law, P.C. xinying@valerian.law 2222 Harold Way

	Berkeley, CA 94704 Hunter Pyle Law, P.C. hunter@hunterpylelaw.com 505 14th Street, Suite 600 Oakland, CA 94612
Clerk's Office	Gordon D. Schaber Sacramento County Courthouse 720 9th Street Sacramento, CA 95814

To access the case files on the Court's [Public Portal](#), you will need to create an account. After this step, you can look up using the case number, 34-2022-00330937, and click the link on the next page. You may then download the documents filed in the case. You may also view the documents filed in the case by using one of the computer terminal kiosks available at each court location that has a facility for civil filings.