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Attorneys for Plaintiff JESSE DOWNARD
individually and on behalf of similarly situated employees

SUPERIOR COURT OF CALIFORNIA

FOR THE COUNTY OF PLACER

JESSE DOWNARD, individually and on
behalf of all other similarly situated
employees,

Plaintiff,

vs.

SIERRA MENTAL WELLNESS GROUP, a
California Corporation; and DOES 1 to 100,
inclusive,

Defendants.

Case No. S-CV-0049587

CLASS ACTION

**EXHIBIT LIST AND EXHIBITS IN
SUPPORT OF PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

Date: January 16, 2024

Time: 8:30 a.m.

Dept.: 42

Judge: Hon. Trisha Hirashima

Filed: December 19, 2022

FAC Filed: March 27, 2023

Trial Date: None Set

<u>EXHIBIT</u>	<u>DESCRIPTION</u>
A	Joint Stipulation Regarding Class Action and PAGA Settlement and Release
B	Plaintiff's Operative Complaint
C	Plaintiff's Letter to the LWDA Regarding PAGA Claims
D	ILYM Group, Inc. Quote
E	Plaintiff's Itemized Costs
F	Proposed Notice of Settlement
G	Proof of Submission of Proposed Settlement Agreement to LWDA

Dated: October 27, 2023

Shimoda & Rodriguez Law, PC

By: 
 Galen T. Shimoda
 Justin P. Rodriguez
 Renald Konini
 Attorneys for Plaintiff

EXHIBIT A

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Attorneys for SIERRA MENTAL WELLNESS GROUP

SUPERIOR COURT OF CALIFORNIA
FOR THE COUNTY OF PLACER

JESSE DOWNARD, individually and on behalf
of all other similarly situated employees,

Plaintiff,

vs.

SIERRA MENTAL WELLNESS GROUP, a
California Corporation; and DOES 1 to 100,
inclusive,

Defendant.

Case No.: S-CV-0049587

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

Filed: December 19, 2022
FAC Filed: March 27, 2023
Trial Date: None Set

1 This Joint Stipulation Regarding Class Action and PAGA Settlement and Release is made and
2 entered into between the Plaintiff Jesse Downard (“Plaintiff”), on behalf of himself, the Labor and
3 Workforce Development Agency, Class Members, and Aggrieved Employees, and Defendant Sierra
4 Mental Wellness Group, (“Defendant”). This Agreement is subject to the terms and conditions set forth
5 below and the approval of the Court.

6 **1. DEFINITIONS**

7 The following terms, when used in this Agreement, have the following meanings:

8 1.1 “Action” means the above stated lawsuit, *Downard v. Sierra Mental Wellness Group*, Placer
9 County Superior Court, Case No. S-CV-0049587, filed December 19, 2022, and the First Amended
10 Complaint filed on March 27, 2023.

11 1.2 “Aggrieved Employee(s)” means all hourly non-exempt employees who have worked, or
12 continue to work, for Defendant in California as clinicians, nurses, psychologists, or similar positions
13 responsible for providing care to patients at any point between December 16, 2021, up to either (1) the date
14 a signed order preliminarily approving the settlement is filed by the Court, or (2) 60 days after the
15 Agreement is signed, whichever is earlier. The estimated number of Aggrieved Employees is 143.

16 1.3 “Agreement” or “Settlement” or “Settlement Agreement” means this Joint Stipulation
17 Regarding Class Action and PAGA Settlement and Release.

18 1.4 “Class Counsel” means Galen T. Shimoda, Justin P. Rodriguez and Renald Konini of
19 Shimoda & Rodriguez Law, PC.

20 1.5 “Class Member(s)” means all hourly non-exempt employees who have worked, or continue
21 to work, for Defendant in California as clinicians, nurses, psychologists, or similar positions responsible
22 for providing care to patients at any point between December 19, 2018, up to either (1) the date a signed
23 order preliminarily approving the settlement is filed by the Court, or (2) sixty (60) days after the Agreement
24 is signed, whichever is earlier. The estimated number of Class Members is 302.

25 1.6 “Class Period” means from December 19, 2018, to the date a signed order preliminarily
26 approving the settlement is filed by the Court, or (2) sixty (60) days after the Agreement is signed,
27 whichever is earlier.

28 1.7 “Class Representative” means Plaintiff Jesse Downard .

1 1.8 “Class Representative's Released Claims” means all claims arising from, could have been
2 asserted, or related in any way to the Class Representative's employment with Defendant, under federal,
3 state, or local laws, and/or ordinances, or tort or contract theories, whether known or unknown, and whether
4 anticipated or unanticipated, including without limitation statutory, constitutional, contractual or common
5 law claims for lost wages, unpaid wages, emotional distress, punitive damages, special damages, damages,
6 unpaid costs, penalties, liquidated damages, interest, attorneys’ fees, litigation costs, restitution, equitable
7 relief or other similar relief or claims. The Class Representative's Released Claims exclude claims for
8 workers’ compensation, unemployment insurance benefits, or other claims that cannot be released as a
9 matter of law.

10 1.9 “Complaint” means the operative Complaint and First Amended Complaint on file in the
11 Action with the Court.

12 1.10 “Court” means the Placer County Superior Court.

13 1.11 “Defendant” means Sierra Mental Wellness Group.

14 1.12 “Defendant's Counsel” means Matheny Sears Linkert & Jaime, LLP.

15 1.13 “Enhancement Payment” means the amount approved by the Court to be paid to the Class
16 Representative in recognition of the time and effort expended on behalf of Class Members for the benefit
17 of Class Members, which is in addition to any Individual Settlement Amount paid to the Class
18 Representative as a Participating Class Member.

19 1.14 “Effective Date” means the Final Approval Date unless there is a timely objection lodged
20 that has not later been withdrawn, in which case the Effective Date will be either (a) the 60th calendar day
21 after a signed order approving this settlement has been filed provided no appellate proceeding having been
22 filed; or (b) seventh (7th) calendar day after any appellate proceeding opposing the settlement has been
23 finally dismissed with no material change to the terms of this settlement and there is no right to pursue
24 further remedies or relief, whichever is later.

25 1.15 “Final Approval Date” means the date a signed order granting final approval of this
26 Agreement is filed with the Court.

27 1.16 “Gross Settlement Amount” is the sum of Four Hundred Fifty Thousand Dollars (\$450,000).
28

1 1.17 “Individual Settlement Amount” means an individual Class Member’s and Aggrieved
2 Employee’s allocation of the Net Settlement Amount and PAGA Payment respectively, as defined in
3 Sections 1.19, 1.23, 5.5, and 5.8.

4 1.18 “LWDA” means the California Labor and Workforce Development Agency.

5 1.19 “Net Settlement Amount” is the portion of the Gross Settlement Amount available for
6 distribution to Class Members, as described in this Agreement, after deduction of Class Counsel’s
7 attorneys’ fees and litigation costs, Settlement Administrator Costs, the PAGA Payment, and Enhancement
8 Payment to the Class Representative.

9 1.20 “Notice of Settlement” means the document substantially in the form attached hereto as
10 Exhibit 1.

11 1.21 “Notice Period” means sixty (60) calendar days from the initial mailing of the Notice of
12 Settlement to Class Members and Aggrieved Employees.

13 1.22 “PAGA” means Private Attorneys General Act.

14 1.23 “PAGA Payment” means the amount allocated from the Gross Settlement Amount towards
15 resolving claims under the Private Attorneys General Act of 2004, California Labor Code §§ 2698 *et seq.*

16 1.24 “PAGA Claim Period” means December 16, 2021, up to either (1) the date a signed order
17 preliminarily approving the settlement is filed by the Court, or (2) sixty (60) days after the Agreement is
18 signed, whichever is earlier.

19 1.25 “Parties” mean Defendant and Plaintiff.

20 1.26 “Participating Class Member” means any and all Class Members who have not made any
21 timely request to opt-out of the Agreement.

22 1.27 “Preliminary Approval Date” means the date a signed order granting preliminary approval
23 of this Agreement is filed with the Court.

24 1.28 “QSF” means a Qualified Settlement Fund set up by the Settlement Administrator for the
25 benefit of the Participating Class Members and/or Aggrieved Employees and from which the payments
26 under this Agreement shall be made. Any amounts Defendant has agreed to pay under this Agreement shall
27 remain the property of Defendant until the payments required under the Agreement are made.

1 1.29 “Qualifying Workweeks” are weeks worked by Class Members and/or Aggrieved
2 Employees during the Class Period and/or PAGA Claim Period, respectively, in California. For Class
3 Members, workweeks shall be defined as the total length of service (in days) in California during the Class
4 Period divided by seven. For Aggrieved Employees workweeks shall be defined as the total length of
5 service (in days) in California during the PAGA Claim Period divided by seven. The calculation of a Class
6 Member’s and/or Aggrieved Employee’s workweeks and a determination as to whether a Class Member
7 and/or Aggrieved Employee was actively employed in California in a particular workweek shall be
8 construed from Defendant's records.

9 1.30 “Released Class Claims” means any and all class claims that are alleged in the Complaint,
10 and any additional wage and hour claims that could have been brought based on the facts alleged in the
11 Complaint, through the Class Period. This release excludes the release of claims not permitted by law.
12 The Released Class Claims exclude claims for workers’ compensation or unemployment insurance
13 benefits. This release will cover all Class Members who do not opt out.

14 1.31 “Released PAGA Claims” means any and all claims that were brought under the Private
15 Attorneys General Act, Labor Code §§ 2698 *et seq.*, contained in the Complaint and any additional wage
16 and hour PAGA claims that could have been brought based on the facts alleged in the Complaint during
17 the PAGA Claim Period. Aggrieved Employees cannot opt out of this waiver of claims.

18 1.32 “Released Parties” means Defendant, as well as Defendant's officers, shareholders,
19 directors, agents, employees, attorneys, and insurers.

20 1.33 “Settlement Administrator” means and refers to ILYM Group, Inc., the third-party entity
21 that will administer the Agreement as outlined in Sections 4 and 7, or any other third-party administrator
22 agreed to by the Parties and approved by the Court for the purposes of administering this Agreement. The
23 Parties each represent that they do not have any financial interest in the Settlement Administrator.

24 1.34 “Settlement Administrator Costs” means the fees and expenses reasonably incurred by the
25 Settlement Administrator as a result of the procedures and processes expressly required by this Agreement,
26 and shall include all costs of administering the Agreement, including, but not limited to, all tax document
27 preparation, custodial fees, and accounting fees incurred by the Settlement Administrator; all costs and fees
28 associated with preparing, issuing and mailing any and all notices and other correspondence to Class

Members and/or Aggrieved Employees; all costs and fees associated with communicating with Class Members and/or Aggrieved Employees, Class Counsel, and Defendant's Counsel; all costs and fees associated with computing, processing, reviewing, and paying the Individual Settlement Amounts, and resolving disputes; all costs and fees associated with calculating tax withholdings and payroll taxes, if any, making related payment to federal and state tax authorities, if any, and issuing tax forms relating to payments made under the Agreement; all costs and fees associated with preparing any tax returns and any other filings required by any governmental taxing authority or agency; all costs and fees associated with preparing any other notices, reports, or filings to be prepared in the course of administering Individual Settlement Amounts; and any other costs and fees incurred and/or charged by the Settlement Administrator in connection with the execution of its duties under this Agreement.

2. DESCRIPTION OF THE LITIGATION

2.1 On or about December 16, 2022, Plaintiff sent notice to the LWDA to exhaust administrative remedies under the PAGA for (1) Violation of Labor Code §§ 510, 1194; IWC Wage Order 5, § 3 (Failure to Pay Overtime Wage), (2) Violation of Labor Code §§ 1194, 1197.1; IWC Wage Order 5 § 4 (Failure to Pay Minimum Wages), (3) Violation of Labor Code §§ 226.7, 512 and Wage Order No. 5, §§ 11(A) and 11(B) (Failure to Provide Meal Periods or Pay Premium in Lieu Thereof), (4) Violation of Labor Code § 226.7 and Wage Order No. 5 § 12(A) (Failure to Provide Rest Periods or Pay Premium in Lieu Thereof), (5) Violation of Labor Code §§ 226, 226.3 (Failure to Provide Accurate Wage Statements), (6) Violation of Labor Code §§ 201-203, 256 (Failure to Pay Final Wages), (7) Violation of Labor Code § 2802 (Failure to Pay Reimbursement for Expenses), (8) Violation of Labor Code §§ 558, 558.1 (Provision Regarding Hours and Days of Work in Any Industrial Welfare Commission Order), (9) Violation of Labor Code §§ 226.3, 1174 (Failure to Maintain Accurate Records), and (10) Violation of Labor Code §§ 246, 246.5 248.5. The LWDA did not respond to the notice within the statutorily required time frame and, as such, Plaintiff became authorized to act as a Private Attorneys General on all alleged PAGA claims.

2.2 On or about December 19, 2022, Plaintiff filed a class action Complaint in Placer County Superior Court on behalf of himself and Class Members alleging claims for (1) Failure to Pay Overtime Wages, (2) Failure to Pay Minimum Wages, (3) Failure to Provide Meal Periods or Pay Premiums in Lieu Thereof, (4) Failure to Provide Rest Periods or Pay Premium in Lieu Thereof, (5) Failure to Provide

1 Accurate Wage Statements, (6) Failure to Pay Final Wages, (7) Failure to Pay Reimbursement for
2 Expenses, and (8) Unfair Competition. Plaintiff filed a First Amended Complaint on approximately March
3 27, 2023 to add a PAGA cause of action based on the violations alleged in the December 16, 2022 notice
4 to the LWDA on behalf of himself and Aggrieved Employees.

5 2.3 Through informal discovery, Defendant and Defendant's Counsel provided Class Counsel
6 with copies of all applicable versions of its policies and procedures, employee handbooks, information on
7 Class Members including, but not limited to, Class Members' workweeks, dates of employment, total
8 number of Class Members, their rates of pay, and pay periods as well as timecard data and payroll reports
9 for a randomly selected sample of Class Members.

10 2.4 After Class Counsel received the data, the Parties engaged in informal settlement
11 negotiations, but were not able to come to a resolution. On August 14, 2023, the Parties participated in a
12 lengthy mediation with private mediator Russ J. Wunderli. After a full day of mediation, the parties were
13 able resolve the matter subject to approval from Defendant's Board of Directors. At all times, the Parties'
14 settlement negotiations have been non-collusive, adversarial, and at arm's length.

15 2.5 Discussions between Plaintiff and Class Counsel, between counsel for the Parties, document
16 productions, extensive legal analysis, the provision of information by Defendant to Plaintiff and the
17 detailed analysis of the records, including expert analysis, have permitted each side to assess the relative
18 merits of the claims and the defenses to those claims.

19 2.6 In the Action, Plaintiff contends that Defendant violated California law by 1) failing to
20 incorporate the value of on-call earnings when calculating the regular rate of pay for premium purposes
21 such as overtime, double time, sick leave, and meal and rest period premiums, 2) failing to have enough
22 staff to provide meal and rest periods to Plaintiff and putative class members, 3) engaging in rounding
23 practices, rounding of putative class members' hours despite being able to record actual hours worked
24 down to the minute, and lack of rounding policy and its failure to inform Plaintiff and putative class
25 members of its rounding practices, and 4) failing to reimburse Plaintiff and putative class members for use
26 of their personal cell phone and internet for work purposes. Defendant has denied each of Plaintiff's claims
27 and Defendant has denied that this Action is appropriate for class certification for anything other than
28 settlement purposes. The agreed upon Gross Settlement Amount was reached after evaluating the Parties'

1 theories of potential exposure for the underlying claims and the class data supporting these claims. The
2 Parties, with the assistance of the mediator, also assessed appropriate discounts to the potential liability
3 based on Defendant's factual and legal contentions and defenses.

4 2.7 The Parties agree that the above-described investigation and evaluation, as well as discovery
5 and the information exchanged to date, are more than sufficient to assess the merits of the respective
6 Parties' positions and to compromise the issues on a fair and equitable basis. Plaintiff, Class Counsel,
7 Defendant, and Defendant's Counsel have concluded that it is desirable that the Action be settled in a
8 manner and upon such terms and conditions set forth herein in order to avoid further expense,
9 inconvenience and distraction of further legal proceedings, and the risk of an adverse outcome each of the
10 Parties potentially face in the Action. Therefore, the Parties desire to resolve the claims in the Action.
11 Plaintiff, Class Counsel, Defendant, and Defendant's Counsel are of the opinion that the Agreement for the
12 consideration and terms set forth herein is fair, reasonable, and adequate in light of all known facts and
13 circumstances.

14 **3. THE CONDITIONAL NATURE OF THIS AGREEMENT**

15 3.1 This Agreement and all associated exhibits or attachments are made for the sole purpose of
16 settling the Action. This Agreement and the settlement it evidences are made in compromise of disputed
17 claims. Because the Action was pled as a class action, this Agreement must receive preliminary and final
18 approval by the Court. Accordingly, the Parties enter into this Agreement and associated settlement on a
19 conditional basis. If the Effective Date does not occur, or if the Court's approval of the settlement is
20 reversed or materially modified on appellate review, this Agreement shall be deemed null and void; it shall
21 be of no force or effect whatsoever; it shall not be referred to or utilized for any purpose whatsoever; and
22 the negotiation, terms and entry of the Agreement shall remain subject to the provisions of California
23 Evidence Code Sections 1119 and 1152, Federal Rule of Evidence 408, and any other analogous rules of
24 evidence that may be applicable.

25 3.2 Defendant has denied all claims as to liability, damages, liquidated damages, penalties,
26 interest, fees, restitution, injunctive relief and all other forms of relief asserted in the Action. Defendant
27 has agreed to resolve the Action via this Agreement, but to the extent this Agreement is deemed void or
28 the Effective Date does not occur, Defendant does not waive, but rather expressly reserve, all rights to

challenge all such claims and allegations in the Action upon all procedural and factual grounds, including, without limitation, the ability to challenge class or collective treatment on any grounds, as well as to assert any and all other potential defenses or privileges.

4. SCOPE OF THE CLASS

4.1 The scope of the class of individuals encompassed under the Agreement and subject to all obligations and duties required under the Agreement, shall include all Class Members as defined in Section 1.5 and all Aggrieved Employees as defined in Section 1.2. However, it shall not include any Class Members who submit valid and timely requests to opt-out of the Agreement and settlement, as set forth in Section 7.5.1.

4.2 Only Participating Class Members and Aggrieved Employees are entitled to recover under this Agreement.

4.3 Any person who believes that he or she is a Class Member or Aggrieved Employee and wishes to participate in the Agreement, but did not receive a Notice of Settlement because his or her name did not appear on the class list provided to the Settlement Administrator prior to mailing, may submit a data request to the Settlement Administrator. The data request must contain all of the following information: (a) the full name and, if applicable, Social Security Number of the individual making the request; (b) the name used by such employee as of the time his or her employment with Defendant ended; (c) the individual's dates of employment with Defendant; and (d) a return address to which a response may be sent. Every data request must be postmarked on or before the conclusion of the Notice Period or otherwise submitted to the Settlement Administrator such that it is received before the conclusion of the Notice Period. Upon receipt of any data requests, the Settlement Administrator shall promptly (in no event more than two business days) transmit the data requests to Defendant's Counsel and request that Defendant review its records.

4.4 If Defendant agrees that the person listed in a data request is a Class Member and/or Aggrieved Employee, the Settlement Administrator shall promptly mail a Notice of Settlement to the person who submitted the data request, at the address designated for that purpose in the data request. All provisions of this Agreement relating to the Notice of Settlement shall apply to Notice of Settlements sent in response to data requests, and any person who submits a data request and is sent a Notice of Settlement

in response shall be treated by the Settlement Administrator as a Class Member and/or Aggrieved Employee for all other purposes.

4.5 If Defendant does not agree that the person listed in a data request is a Class Member and/or Aggrieved Employee, Defendant's Counsel and Class Counsel shall attempt to resolve any such dispute in good faith within seven (7) calendar days of Class Counsel being advised in writing of the data request dispute. Defendant's records shall control unless the individual submitting the data request provides persuasive evidence to doubt the accuracy of those records. Each data request dispute that Defendant's Counsel and Class Counsel cannot timely resolve shall be resolved by the Settlement Administrator. The Settlement Administrator must accept and weigh all the evidence provided in a good faith attempt to resolve the dispute. The Settlement Administrator must resolve any dispute submitted to it within seven (7) calendar days after Defendant's Counsel and Class Counsel submit the dispute to the Settlement Administrator. The decision by the Settlement Administrator shall be final as between the parties, subject to Court review.

5. TERMS OF THE SETTLEMENT

The Parties agree as follows:

5.1 Gross Settlement Amount: In consideration and exchange for the releases described in Section 6, Defendant shall pay the Gross Settlement Amount (\$450,000). Funding of the Gross Settlement Amount shall occur in two installments of \$225,000. The first installment shall be due on or before May 14, 2024. The second installment shall be due by August 14, 2024. The installments shall be held in trust in a QSF by the Settlement Administrator. The Gross Settlement Amount includes payments to Participating Class Members, Aggrieved Employees, all attorneys' fees, costs and litigation expenses related to the Action incurred to date, as well as all such fees and costs incurred in documenting the Agreement, administering the Agreement (including Settlement Administrator Costs), and obtaining final approval of the Agreement, the Enhancement Payment to the Class Representative and the PAGA Payment. Any monies necessary to satisfy Defendant's tax obligations (*e.g.* employer FICA, FUTA and SDI contributions on wage payments) on any monies distributed to Participating Class Members will be paid in addition to the Gross Settlement Amount.

1 5.2 Attorneys' Fees and Costs: Class Counsel will apply to the Court for attorney's fees of 35%
2 of the Gross Settlement Amount, which shall be paid from the Gross Settlement Amount. Defendant has
3 agreed to not oppose Class Counsel's application for attorneys' fees so long as it does not exceed the 35%
4 threshold. Class Counsel will also be entitled to reimbursement for advanced litigation expenses not to
5 exceed \$10,000, which shall be paid from the Gross Settlement Amount. Defendant has agreed to not
6 oppose Class Counsel's request for reimbursement for advanced litigation expenses so long as they do not
7 exceed the \$10,000 threshold. The Settlement Administrator will issue Class Counsel an IRS Form 1099
8 for the attorneys' fees and costs paid under this Agreement. In the event that the Court awards less than
9 the requested attorney's fees and/or costs, the portion of the requested amounts not awarded to Class
10 Counsel shall be added to the Net Settlement Amount to be distributed to Participating Class Members on
11 a pro rata basis.

12 5.3 Settlement Administrator Costs: The Settlement Administrator Costs shall be paid from the
13 Gross Settlement Amount and shall not exceed \$15,000. The difference between any actual costs and the
14 allocated \$15,000 shall be added to the Net Settlement Amount to be distributed to Participating Class
15 Members on a pro rata basis.

16 5.4 Enhancement Payment: Class Counsel, on behalf of Plaintiff, shall apply to the Court for
17 an Enhancement Payment to the Class Representative in an amount not to exceed Fifteen Thousand Dollars
18 (\$15,000) to compensate for the risks, time, and expense of his involvement in the Action and securing the
19 benefits of this Agreement for Class Members. The Enhancement Payment is in addition to the Individual
20 Settlement Amount Plaintiff would otherwise be due under the Agreement as a Participating Class Member.
21 Defendant has agreed to not oppose Class Counsel's request for an Enhancement Payment to Plaintiff so
22 long as it does not exceed the amount stated herein. The Enhancement Payment will be designated as a
23 non-wage payment and reported on an IRS Form 1099-MISC. In the event that the Court awards less than
24 the Enhancement Payment amount requested, then any portion of the requested amount not awarded to the
25 Class Representative shall be added to the Net Settlement Amount to be distributed to Participating Class
26 Members on a pro rata basis.

27 5.5 PAGA Payment: Twenty Thousand Dollars (\$20,000) of the Gross Settlement Amount
28 shall be allocated to resolving claims under the PAGA. Seventy-Five percent (75%) of the PAGA Payment

1 will be paid to the LWDA and Twenty-Five percent (25%) will be paid to Aggrieved Employees on a pro
2 rata basis as described below in Section 5.8. Any amount not approved by the Court for the allocated
3 PAGA Payment shall be added to the Net Settlement Amount to be distributed to Participating Class
4 Members on a pro rata basis.

5 5.6 Treatment of Residue and Cy Pres: For any portion of the Net Settlement Amount or PAGA
6 Payment allocated to Participating Class Members and/or Aggrieved Employees that were not claimed by
7 cashing their respective settlement checks before the deadline to do so, that remaining amount shall be
8 donated equally, *i.e.* 50/50, to Capital Pro Bono, Inc., and the Center for Workers' Rights under the doctrine
9 of *cy pres*. No portion of the Gross Settlement Amount will revert to Defendant for any reason.

10 5.7 No Additional Benefits Contributions: All Individual Settlement Amounts paid to
11 Participating Class Members and Aggrieved Employees shall be deemed to be income solely in the year in
12 which such amounts were actually received. It is expressly understood and agreed that the receipt of such
13 Individual Settlement Amounts will not entitle any Participating Class Member or Aggrieved Employee to
14 any new or additional compensation or benefits under any company bonus or other compensation or benefit
15 plan or agreement in place during the period covered by the Agreement, nor will it entitle any Participating
16 Class Member Aggrieved Employee to any increased retirement, 401(k) and/or 403(b) benefits or matching
17 benefits, or deferred compensation benefits. It is the intent of this Agreement that the Individual Settlement
18 Amounts provided for in this Agreement are the sole payments to be made by Defendant to the Participating
19 Class Members and Aggrieved Employees in connection with this Agreement (notwithstanding any
20 contrary language or agreement in any benefit or compensation plan document that might have been in
21 effect during the period covered by this Agreement).

22 5.8 Pro Rata Distribution Formula: Payment to Participating Class Members and Aggrieved
23 Employees of their Individual Settlement Amount will not require the submission of a claim form. A Net
24 Settlement Amount will be determined by subtracting from the Gross Settlement Amount any amounts for
25 approved attorneys' fees and costs, any Enhancement Payment to the Class Representative, the Settlement
26 Administrator Costs, and the PAGA Payment. Each Class Member's share will be initially determined by
27 dividing their total Qualifying Workweeks within the Class Period by the total Qualifying Workweeks of
28 all Class Members. That fraction will then be multiplied by the Net Settlement Amount to arrive at the

Class Member's individual share of the Net Settlement Amount. Any funds allocated to Class Members under this formula who timely opt out of the Settlement will be redistributed to Participating Class Members on a pro rata basis, *i.e.* each Participating Class Member's share will be determined by dividing their total Qualifying Workweeks within the Class Period by the total Qualifying Workweeks of all Participating Class Members and that fraction will then be multiplied by the Net Settlement Amount to arrive at the Participating Class Member's individual share of the Net Settlement Amount. Each Aggrieved Employee's share of the 25% portion of the PAGA Payment will be determined by dividing their total Qualifying Workweeks within the PAGA Claim Period by the total Qualifying Workweeks by all Aggrieved Employees within the PAGA Claim Period. That fraction will then be multiplied by the 25% portion of the PAGA Payment to arrive at the Aggrieved Employee's individual share.

5.9 Tax Allocation: The Parties recognize that the Individual Settlement Amounts to be paid to Participating Class Members and/or Aggrieved Employees reflect a settlement of a dispute over claimed penalties and wages. The Settlement Administrator shall calculate the employer's share of payroll taxes on the amounts paid to Participating Class Members as wages as well as calculating all required withholdings and deductions from said wage payments. The characterization of Individual Settlement Amounts to Participating Class Members and Aggrieved Employees are as follows:

5.9.1 One Third (1/3) of each Participating Class Members' Individual Settlement Amount shall be allocated for payment of disputed wages and shall be subject to required employer taxes. Participating Class Members shall receive an IRS Form W-2 for reporting of this portion of their Individual Settlement Amount.

5.9.2 Two Thirds (2/3) of each Participating Class Members' Individual Settlement Amount shall be allocated for disputed statutory penalties and interest, and no amount shall be deducted for any taxes. This portion of the Individual Settlement Amount consists of other income, not wages, for which the Participating Class Members shall receive an IRS Form 1099-MISC.

5.9.3 The entirety (100%) of each Aggrieved Employee's share of the 25% portion of the PAGA Payment shall be allocated for payment of disputed civil penalties, and no amount shall be deducted for any taxes. This portion of the Individual Settlement Amount consists of other income, not wages, for which the Aggrieved Employees shall receive an IRS Form 1099-MISC.

1 5.10 Participating Class Members and Aggrieved Employees shall be solely responsible for the
2 reporting and payment of their share of any federal, state and/or municipal income or other taxes on
3 payments made pursuant to this Agreement, and shall hold the Parties, Class Counsel, and Defendant's
4 Counsel free and harmless from any claims resulting from treatment of such payments as non-taxable,
5 including the treatment of such payments as not subject to withholding or deduction for payroll and
6 employment taxes. No party has made any representation to any of the other Parties as to the taxability of
7 any payments pursuant to this Agreement, including the payments to Participating Class Members, the
8 payments to Aggrieved Employees, the payments to Class Counsel, the payments to the Class
9 Representative, the payroll tax liability of Defendant, or the allocation of the Net Settlement Amount or
10 PAGA Payment to wage and non-wage income as provided in this Section, or otherwise as to tax
11 implications of any provision of this Agreement.

12 5.11 No Additional Contribution by Defendant: Defendant's monetary obligation under this
13 Agreement is limited to the Gross Settlement Amount and any employer side payroll taxes owed on
14 amounts characterized as wages under this Agreement. All other costs and expenses arising out of or in
15 connection with the performance of this Agreement shall be paid from the Gross Settlement Amount, unless
16 expressly provided otherwise herein. However, in the event this agreement is deemed null and void as
17 described in Section 3 because the Court, in its independent determination, finds that the Agreement does
18 not meet the standards for settlement approval, then Defendant and Plaintiff shall be equally responsible
19 for the costs of the Settlement Administrator incurred between the date the Agreement was executed and
20 the date of such event.

21 5.12 Certification For Settlement Purposes: The Parties agree that, for purposes of settlement
22 only, certification of the class as defined in Section 1.5 and 4.1 is appropriate and the requisites for
23 establishing class certification have been met and are met.

24 5.13 Adequacy of Class Counsel and Class Representative: The Parties agree that, for purposes
25 of settlement only, Class Counsel and Plaintiff are adequate representatives for Class Members and
26 Aggrieved Employees.

27 **6. RELEASE**
28

1 6.1 Release of Claims by Participating Class Members: Upon the Effective Date, all
2 Participating Class Members will be deemed to fully, finally and forever release the Released Class Claims
3 as to all Released Parties. In addition, on the Effective Date, all Participating Class Members and their
4 successors in interest will be permanently enjoined and forever barred from prosecuting any of Released
5 Class Claims against any of the Released Parties.

6 6.2 Release of Claims by Aggrieved Employees: Upon the Effective Date, all Aggrieved
7 Employees will be deemed to fully, finally and forever release the Released PAGA Claims as to all
8 Released Parties. In addition, on the Effective Date, all Aggrieved Employees and their successors in
9 interest will be permanently enjoined and forever barred from prosecuting any of the Released PAGA
10 Claims against any of the Released Parties.

11 6.3 Release by Plaintiff: Upon the Effective Date, Plaintiff will be deemed to fully, finally and
12 forever release the Released Class Claims, Released PAGA Claims, and Class Representative's Released
13 Claims as to all Released Parties. In addition, on the Effective Date, Plaintiff and any successors in interest
14 will be permanently enjoined and forever barred from prosecuting any of the Released Class Claims,
15 Released PAGA Claims, and Class Representative's Released Claims against any of the Released Parties.

16 7. **SETTLEMENT ADMINISTRATION**

17 7.1 Duties of Settlement Administrator: The Settlement Administrator shall be responsible for:
18 1) receiving Class Member and Aggrieved Employee contact information and confirming addresses are
19 valid; 2) calculating estimated Individual Settlement Amounts and any and all taxes associated with the
20 Individual Settlement Amounts, including employer taxes; 3) taking appropriate steps to trace and locate
21 any individual Class Members and Aggrieved Employee whose address or contact information as provided
22 to the Settlement Administrator is inaccurate or outdated and mailing the Notice of Settlement to Class
23 Members; 4) providing notification to the appropriate state and federal officials of this Agreement as
24 required under the law; 5) receiving, independently reviewing, and resolving any challenges (in
25 consultation with Class Counsel and Defendant's Counsel) from Class Members or Aggrieved Employees,
26 including any associated documentation, regarding their Qualified Workweek calculations; 6) receiving
27 and serving on Class Counsel, Defendant's Counsel, and the Court, copies of any written objections, and/or
28 any opt out statements; 7) establishing a toll free telephone line and responding to inquiries and requests

1 for information or assistance from Class Members and/or Aggrieved Employees; 8) maintaining a QSF; 9)
2 determining and paying the final amounts due to be paid under the Agreement after resolution of all
3 challenges, disputes, opt-outs, awarded attorneys' fees and costs, Settlement Administrator Costs, PAGA
4 Payment, taxes, any Enhancement Payments, and for funds that cannot be distributed due to the inability
5 to locate Class Members or Aggrieved Employees; 10) determining the validity of any disputes or late opt-
6 outs by previously unidentified Class Members or Aggrieved Employees; 11) paying any residual funds
7 from uncashed checks; 12) reporting to Class Counsel and Defendant's Counsel regarding the statistics of
8 the administration, including (a) the number of initial Notice of Settlements mailed; (b) the number of
9 forwarded Notice of Settlements; (c) the number of re-mailed Notice of Settlements; (d) the number of
10 total undeliverable Notice of Settlements; (e) the number of address traces performed for undeliverable
11 Notice of Settlements; (f) the number of Notice of Settlements undeliverable from traced addresses; (g) the
12 number of total objections received; (h) the number of opt-out requests received; (i) the number of disputes
13 received; (j) the number of disputes resolved; 13) providing a declaration to the Court regarding the final
14 statistics of the administration and compliance with all payment obligations under the Agreement; 14)
15 completing all necessary tax reporting on the QSF and payment of the Individual Settlement Amounts to
16 Participating Class Members and Aggrieved Employees; and 15) carrying out other related tasks as
17 necessary to effectuate the terms of this Agreement and any Order of the Court. All disputes relating to
18 the Settlement Administrator's ability and need to perform its duties shall be referred to the Court, if
19 necessary, which will have continuing jurisdiction over the terms and conditions of this Agreement, until
20 all payments and obligations contemplated by the Agreement have been fully executed.

21 7.2 Notice to Class Members and Aggrieved Employees: Defendant represent and warrant that
22 Class Members and Aggrieved Employees are able to read and write in English such that no translation of
23 the Notice of Settlement into another language is necessary. The Notice of Settlement will provide Class
24 Members and Aggrieved Employees with a summary of the terms and conditions of the Agreement, how
25 to participate in the settlement, how to object to the Agreement, how to dispute the individual's Qualifying
26 Workweeks, and how to opt-out from the Agreement. The Notice of Settlement will also inform Class
27 Members and Aggrieved Employees of the Gross Settlement Amount, Net Settlement Amount, proposed
28 attorneys' fees and costs allocations, any proposed Enhancement Payments, proposed Settlement

1 Administrator Cost allocations, proposed PAGA Payment allocations, the scope of the class, the nature and
2 extent of the released claims, dates set for a fairness hearing and hearing on Class Counsels' motion for
3 attorneys' fees and costs. The Notice of Settlement shall include information regarding Class Member's
4 and Aggrieved Employee's estimated Individual Settlement Amount. The Notice of Settlement will
5 provide information on how to access electronic copies online of the Notice of Settlement, any motions for
6 approval of the Agreement, any motions for approval of attorneys' fees and costs, and any other documents
7 as the Court directs.

8 7.3 Class Member Data and Mailing: No later than fourteen (14) calendar days after the
9 Preliminary Approval Date, Defendant shall provide the Settlement Administrator with the name, last
10 known mailing address, last known telephone number, Social Security Number, start and end date of
11 employment (if any) of each Class Member and Aggrieved Employee, and any other information the
12 Settlement Administrator needs to effectuate notice to Class Members and Aggrieved Employees as
13 outlined herein. The Settlement Administrator shall review the data to determine the number of Qualifying
14 Workweeks for each Class Member and Aggrieved Employee. No later than fourteen (14) calendar days
15 after receipt of such address information, the Settlement Administrator will perform a national change of
16 address ("NCOA") search, update the addresses per the results of the NCOA search, and then mail the
17 Notice of Settlement, substantially in the form attached as Exhibit 1, to each Class Member and Aggrieved
18 Employee by first-class mail, postage prepaid. The Settlement Administrator shall maintain all information
19 received from Defendant confidential to itself, and Defendant's Counsel. However, Class Counsel shall be
20 able to review the breakdown of Qualified Workweeks and estimated Individual Settlement Amounts for
21 Class Members and Aggrieved Employees prior to mailing for quality assurance provided the personal
22 identifying information is redacted and/or omitted.

23 7.4 Returned and/or Re-mailed Notice of Settlements: In the event that a Notice of Settlement
24 is returned to the Settlement Administrator as undeliverable on or before the conclusion of the Notice
25 Period, the Notice of Settlement shall be sent to the forwarding address affixed thereto within five (5)
26 calendar days. If no forwarding address is provided, then the Settlement Administrator shall promptly
27 attempt to determine a correct address using a skip-trace, computer or other search using the name, address
28 and/or Social Security number of the individual involved, and shall then perform a single re-mailing within

five (5) calendar days to any more recent address found as a result of the search. Following each search that does not result in a corrected address, for those Class Members who appear to be current employees of Defendant at the time of the Preliminary Approval Date, the Settlement Administrator shall contact Defendant's Counsel for assistance and Defendant shall cooperate in good faith with the Settlement Administrator's reasonable efforts to obtain valid mailing addresses for Class Members to the extent they are active employees of Defendant. In the event the Notice of Settlement is forwarded to a new address and/or re-mailed to a Class Member, the deadline for the Class Member to submit any request to opt-out, a dispute, or an objection shall be the end of the Notice Period or 10 days from the date of the re-mailing/forwarding to a new address, whichever is later. In the event the procedures in this Section are followed and the Class Member does not timely and properly request to opt-out, the Class Member shall be bound by all terms of the Agreement, including the releases contained in Section 6.

7.5 Responses to Notice of Settlement:

7.5.1 *Opt-Outs:* The Notice of Settlement shall provide that Class Members who wish to exclude themselves from the Agreement must submit a request to opt-out as provided in this Section. The request to opt-out must (a) state the Class Member's full name and date of birth; (b) a statement that he or she does not want to be a Class Member, does not want to participate in the settlement, and/or wants to be excluded from the settlement; (c) identify the case name and number (i.e. Downard v. Sierra Mental Wellness Group, Case No. S-CV-0049587); (d) be signed; and (e) be post-marked no later than the conclusion of the Notice Period or the re-mailing timeline stated in Section 7.4. The Class Member must personally sign the request to opt-out. No request to opt-out may be made on behalf of a group of Class Members. The date of the postmark on the return-mailing envelope shall be the exclusive means used to determine whether a request to opt-out has been timely submitted. Any Class Member who requests to opt-out of the Agreement will not be entitled to any portion of the Net Settlement Amount nor will they have any right to object, appeal or comment thereon. The name of any Class Member who submits a valid and timely opt out request will be specifically identified in any proposed order granting final approval. Class Members who fail to submit a valid and timely request to opt-out shall be bound by all terms of the Agreement and any order or final judgment thereon. Regardless of whether an Aggrieved Employee opts

1 out of being a Class Member, they will still receive their share of the PAGA Payment as Aggrieved
2 Employees cannot opt out of this Agreement as it relates to the PAGA Payment or Released PAGA Claims.

3 7.5.2 *Objection Procedures:* Any Class Member who does not opt-out but who wishes to
4 object to this Agreement or otherwise to be heard concerning this Agreement shall send their written
5 objections to the Settlement Administrator and also serve copies of the objections on Class Counsel and
6 Defendant's Counsel. The Notice of Settlement shall make clear that the Court can only approve or deny
7 the Agreement, not change the terms of the Agreement. The objection must (a) state the Class Member's
8 full name and date of birth; (b) provide evidence that the individual is, in fact, a Class Member; (c) state
9 the reasons for the objection(s), including any supporting documentation; (d) identify the case name and
10 number (*i.e.* Downard v. Sierra Mental Wellness Group, Case No. S-CV-0049587) (e) be signed; and (f)
11 be post-marked no later than the conclusion of the Notice Period or the re-mailing timeline stated in Section
12 7.4. The Notice of Settlement will inform the Class Member that they should also file a notice of intent to
13 appear with the Court and serve the notice on Class Counsel and Defendant's Counsel, if they intend to
14 appear at the final approval hearing.

15 7.5.3 *Dispute Procedures:* Any Class Member who disputes the number of Qualifying
16 Workweeks on the Notice of Settlement shall contact the Settlement Administrator. The dispute must (a)
17 identify the nature of the dispute; (b) provide any information or documentation supporting the dispute; (c)
18 be signed; and (d) be post-marked no later than the conclusion of the Notice Period or the re-mailing
19 timeline stated in Section 7.4. The Settlement Administrator shall promptly (in no event more than two
20 business days) forward all such disputes to Defendant's Counsel and request that Defendant review the
21 dispute. Defendant's records shall presumptively control unless the Class Member can produce
22 documentation evidencing other periods of employment worked. If Defendant agrees with submitted
23 information, the Class Member shall be credited or subtracted Qualifying Workweeks in accordance with
24 their submitted dispute and that final number of Qualified Workweeks shall govern the calculation of that
25 Class Member's Individual Settlement Amount. If Defendant disagrees with the submitted information,
26 Defendant's Counsel will promptly advise Class Counsel of the dispute, which includes turning over any
27 documentation submitted by the Class Member as part of the dispute. Defendant's Counsel and Class
28 Counsel shall attempt in good faith to resolve any such dispute within five (5) calendar days of Class

Counsel being advised of the dispute. Each dispute that Defendant's Counsel and Class Counsel cannot timely resolve shall be resolved by the Settlement Administrator, subject to Court review.

7.5.4 *Deficient Opt-Outs, Objections, or Disputes:* In the event that a deficient opt-out, objection, or dispute is received on or before the conclusion of the Notice Period, the Settlement Administrator shall mail a letter to the Class Member within five (5) calendar days informing them of the deficiency. If a deficiency letter is mailed to a Class Member, the deadline for the Class Member to cure the deficiency shall be the end of the Notice Period or 10 calendar days from the date of the deficiency letter, whichever is later.

7.6 Due Process Acknowledgement: Compliance with the procedures set forth in Sections 7.1 to 7.5.4 shall constitute due and sufficient notice to Class Members of the Action and the Agreement and shall satisfy Class Members' due process rights. Nothing else shall be required of the Parties, Class Counsel or Defendant's Counsel to provide notice of the proposed Agreement.

7.7 Settlement Administrator Declaration Regarding Notice Period: Within fourteen (14) calendar days after the conclusion of the Notice Period, the Settlement Administrator shall provide Class Counsel and Defendant's Counsel with a signed declaration under penalty of perjury providing a complete and detailed report regarding the statistics and responses of settlement administration to date and all the Settlement Administrators' obligations under Sections 5.8 to 5.9.3 and 7.1 to 7.5.4.

7.8 Settlement Administrator Payments to Participating Class Members, Class Counsel and Plaintiff: Within seven (7) calendar days after the Effective Date and the Court's determination of the amount of attorneys' fees and costs payable to Class Counsel, the Enhancement Payment payable to Plaintiff, the PAGA Payment, and Settlement Administrator Costs, the Settlement Administrator shall calculate the final Net Settlement Amount, the final Individual Settlement Amounts for Participating Class Members and/or Aggrieved Employees, any applicable taxes thereon, and report the results of these calculations Class Counsel and Defendant's Counsel. Defendant shall wire the Gross Settlement Amount and applicable taxes necessary to fund the Settlement as described in Section 5.1 to the Settlement Administrator within twenty-one (21) calendar days after the Effective Date to be to be held in trust in a QSF. Within seven (7) calendar days after Defendant fund the settlement, the Settlement Administrator shall deliver payment of Class Counsels' attorney's fees and costs, the Enhancement Payment payable to

1 Plaintiff, the 75% portion of the PAGA Payment payable to the LWDA, Settlement Administrator Costs,
2 and payment to Participating Class Members and/or Aggrieved Employees as required under this
3 Agreement and approved by Court.

4 7.8.1 The Settlement Administrator shall wire the Court-approved attorneys' fees and
5 costs to Class Counsel unless another method is requested by Class Counsel. Class Counsel shall provide
6 the Settlement Administrator with the pertinent taxpayer identification number and payment instructions
7 after the Final Approval Date.

8 7.8.2 The Settlement Administrator shall send a check by mail for the Court-approved
9 Enhancement Payment to the Class Representative, care of Class Counsel unless another method is
10 requested by Class Counsel.

11 7.8.3 Only Participating Class Members and Aggrieved Employees will receive their
12 Individual Settlement Amount.

13 7.8.4 The Settlement Administrator shall remit and report the applicable portions of the
14 payroll tax payment to the appropriate taxing authorities on a timely basis pursuant to its duties under this
15 Agreement. Defendant agree to reasonably cooperate with the Settlement Administrator to the extent
16 necessary to determine the amount of the payroll tax payment required.

17 7.9 Settlement Check Expiration and Uncashed Checks: The Settlement Administrator shall
18 issue Individual Settlement Amounts to Participating Class Members and Aggrieved Employees in the
19 form of a check, which shall become null and void if not deposited within one hundred eighty (180)
20 calendar days of issuance. After one hundred eighty (180) calendar days of issuance, the checks shall be
21 voided and funds from all uncashed checks shall be transmitted in accordance with Section 5.6. The
22 Settlement Administrator shall deliver these funds within fourteen (14) calendar days after the check
23 cashing deadline.

24 7.10 Settlement Administrator Declaration Regarding Compliance and Settlement
25 Administration: Within twenty-one (21) calendar days after the last day for Participating Class Members
26 and Aggrieved Employees to cash their settlement checks, the Settlement Administrator shall provide Class
27 Counsel and Defendant's Counsel with a signed declaration under penalty of perjury providing a complete
28 and detailed report regarding the settlement administration documenting that all payments under the

Agreement have been made, that the Court's final approval order has been complied with, and that all the obligations of the Settlement Administrator have been completed.

8. PRELIMINARY SETTLEMENT ADMINISTRATION SCHEDULE

8.1 The schedule may be modified depending on whether and when the Court grants necessary approvals, orders notice to Class Members and Aggrieved Employees, and sets further hearings. The schedule may also be modified to correct clerical errors and to reflect the provisions in the Agreement as described above. In the event of such modification, the Parties shall cooperate to complete the settlement procedures as expeditiously as reasonably practicable. The preliminary schedule for notice, approval, and payment procedures carrying out the Agreement is as follows:

Last day for Defendant to provide Settlement Administrator with Class Member and Aggrieved Employee information	Within 14 calendar days after the Preliminary Approval Date
Last day for Settlement Administrator to complete NCOA search, update Class Member and Aggrieved Employee mailing information, and mail Notice of Settlement	Within 14 calendar days after the Settlement Administrators' receipt of Class Members' information from Defendant
Last day for Class Members to opt-out, submit disputes, submit objections, and submit data requests	60 calendar days after mailing of Notice of Settlement or within 10 days after Notice of Settlement is re-mailed, whichever is later
Last day for Settlement Administrator to provide Parties with signed declaration reporting on settlement administration statistics	Within 14 calendar days after end of the Notice Period
Last day for Settlement Administrator to calculate the final Net Settlement Amount, the final Individual Settlement Amounts for Participating Class Members and/or Aggrieved Employees, any applicable taxes thereon, and report the results of these calculations to Class Counsel and Defendant's Counsel	Within 7 calendar days after the Effective Date
Last day for Defendant to fund first installment payment	May 14, 2024

Last day for Defendant to fund second installment payment	August 14, 2024
Last day for Settlement Administrator to deliver payment of Class Counsel's attorney's fees and costs, Enhancement Payments, PAGA Payment, Settlement Administrator Costs, payment to Participating Class Members, and payment to Aggrieved Employees	Within 7 calendar days after Defendant has fully funded the settlement
Last day for Participating Class Members and Aggrieved Employees to cash settlement checks	180 calendar days after issuance of checks to Participating Class Members and Aggrieved Employees
Last day for Settlement Administrator to deliver value of uncashed settlement checks to <i>cy pres</i> beneficiaries	Within 14 calendar days after settlement check cashing deadline
Last day for Settlement Administrator to provide Parties with compliance declaration	Within 21 calendar days after settlement check cashing deadline

9. DUTIES OF THE PARTIES

9.1 Preliminary Approval: The Parties will cooperate in obtaining, through an unopposed motion to be filed as soon as reasonably practicable, an order from the Court preliminarily approving this Agreement at the earliest possible date concurrently with the Court's certification of the Action as a class action for settlement purposes. The Parties further agree to fully cooperate in the drafting and/or filing of any further documents or filings reasonably necessary to be prepared or filed, shall take all steps that may be requested by the Court relating to, or that are otherwise necessary to the approval and implementation of this Agreement and shall otherwise use their respective best efforts to obtain certification for settlement purposes, approval of, and implementation of this Agreement. The Parties will submit this Agreement to the Court for preliminary approval of its terms and for approval of the steps to be taken to obtain its final approval. Within one week of signing this Agreement Class Counsel shall provide a draft of the Preliminary Approval Motion to Defendant's Counsel. Defendant's Counsel will provide comments and/or proposed revisions within one week after receipt of the draft Preliminary Approval Motion from Class Counsel. With regard to the final approval documents, a similar one-week maximum review and response

time shall be observed by the Parties. The Parties will request that the Court's preliminary approval of this Agreement be embodied in an Order Granting Preliminary Approval of Class Action and PAGA Settlement.

9.1.1 Plaintiff's motion shall seek an order: 1) Preliminarily approving the Agreement; 2) Approving as to form and content the proposed Notice of Settlement; 3) Directing the mailing of the Notice of Settlement by first class mail to Class Members and Aggrieved Employees; 4) Preliminarily appointing Plaintiff and Class Counsel as representatives of Class Members; 5) Preliminarily approving settlement administration services to be provided by the Settlement Administrator; 6) Preliminarily approving the proposed Enhancement Payment to Plaintiff; 7) Preliminarily approving the application for payment of reasonable attorneys' fees and reimbursement of litigation-related expenses to Class Counsel; and 8) Scheduling a fairness hearing on the question of whether the proposed Agreement should be finally approved as fair, reasonable and adequate as to the Class Members.

9.1.2 Defendant shall not oppose Plaintiff's motion for approval of the proposed Agreement.

9.1.3 The Parties shall cooperate with each other and the Settlement Administrator during the process of giving Class Members notice and opportunity to object to the Agreement, as necessary and appropriate to assure effective communication to individual Class Members of information about their rights and obligations under this Agreement.

9.2 Final Approval and Fairness Hearing: On a date approved by the Court and set forth in the Notice of Settlement, the Court shall hold the Final Approval and Fairness Hearing where objections, if any, may be heard. Class Counsel shall provide the Court as part of the motion for final approval of the Agreement, a declaration by the Settlement Administrator of due diligence and proof of mailing of the Notice of Settlement required to be mailed to Class Members by this Agreement, and of the delivery results of the Settlement Administrator's mailings including tracing and re-mailing efforts. The Settlement Administrator declaration shall identify, by name, any Class Member who submitted a timely and valid request to opt out during the Notice Period.

9.2.1 Class Counsel and Defendant shall work in good faith to draft a mutually agreeable Proposed Order Granting Final Approval of Class Action and PAGA Settlement and Final Judgment. The

Proposed Order Granting Final Approval of Class Action and PAGA Settlement and Final Judgment shall include findings and orders: 1) Approving the Agreement, adjudging the terms thereof to be fair, reasonable and adequate, and directing that its terms and provisions be carried out; 2) Approving the payment of an Enhancement Payment to the Class Representative; 3) Approving Class Counsel's application for an award of attorneys' fees and reimbursement of out-of-pocket litigation expenses; 4) Approving the Settlement Administrator Costs; and 5) Providing that the Court will retain jurisdiction to oversee administration and enforcement of the terms of the Agreement and the Court's orders.

9.2.2 Following entry of the Court's order granting final approval of the Agreement, the Parties will each act to ensure the fulfillment of all its provisions, including but not limited to the following: 1) Should an appeal be taken from the final approval of the Agreement or motion to set aside the judgement be filed, all parties will support the final approval order on appeal or otherwise; 2) Class Counsel will assist the Settlement Administrator as needed or requested in the process of identifying and locating Participating Class Members and Aggrieved Employees entitled to payments under the Agreement and assuring delivery of such payments; 3) Class Counsel and Defendant's Counsel will cooperate with each other and assist the Settlement Administrator as needed or requested in completing the distribution of any residual amounts, as specified above, to the *cy pres* beneficiaries; 4) Class Counsel, in conjunction with the Settlement Administrator, will certify to the Court completion of all payments required to be made by this Agreement.

9.3 Final Judgment: If the Court approves this Agreement at the final approval and fairness hearing, the Parties will request that the Court enter an Order Granting Final Approval of Class Action and PAGA Settlement and Final Judgment.

9.4 Notice to LWDA: Plaintiff will provide notice to the Labor and Workforce Development Agency ("LWDA") of this settlement in accordance with Labor Code § 2699(1)(2).

10. MISCELLANEOUS TERMS

10.1 Defendant's Right to Withdraw Based on Opt-Outs: If, prior to the Final Approval Date, 15% or more of the Class Members have submitted proper and timely requests to opt-out in accordance with the provisions of the Agreement, Defendant may rescind the Agreement and all actions taken in its furtherance will be thereby null and void. Defendant must exercise this right of rescission, in writing, to Class Counsel, within seven (7) calendar days after the Settlement Administrator notifies the Parties of the

total number of opt-outs. If the option to rescind is exercised, then any Settlement Administrator Costs shall be paid by Defendant. Defendant has represented that there are no more than 19,717 workweeks during the Class Period. In the event the number of workweeks during the Class Period is more than 22,674.5 (i.e., greater than 15% more than 19,717), then the Gross Settlement Amount shall be increased proportionally by the workweeks in excess of 22,674.5, multiplied by the workweek value; or Defendant has the option of shortening the Class Period end date so that the total number of workweeks does not exceed 115% of 19,717. For example, if there were 19,717 workweeks represented to exist during the Class Period, but there are actually 25,000 workweeks in the Class Period, and the actual workweek value is \$5.00 per workweek, Defendant would have to increase the Gross Settlement Amount by \$11,627.5 (25,000 workweeks – 22,674.5 workweeks = 2,325.5 workweeks x \$5.00/workweek).

10.2 Circular 230 Disclaimer: EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX

1 STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON
2 DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX
3 STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY
4 THIS AGREEMENT.

5 10.3 No Prior Assignments: The Parties represent, covenant, and warrant that they have not
6 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to
7 any person or entity any portion of any liability, claim, demand, action, cause of action or right released
8 and discharged in this Agreement.

9 10.4 Waiver of Appeal and Ability to Opt Out: To the extent permitted by applicable law, by
10 signing this Agreement Defendant is waiving any rights to appeal from the Court's approval of the
11 settlement unless the Court materially modifies the settlement. Furthermore, by signing this Agreement
12 Plaintiff is waiving any right or ability to opt out of this Agreement during the Notice Period or otherwise.

13 10.5 Exhibits Incorporated by Reference: The terms of this Agreement include the terms set
14 forth in any attached Exhibits, which are incorporated by this reference as though fully set forth in this
15 Agreement. Any Exhibits to this Agreement are an integral part of the Settlement.

16 10.6 Judgment and Retention of Jurisdiction to Enforce: Upon the Effective Date, judgment will
17 be entered according to this Agreement. The Parties stipulate and agree that the Placer County Superior
18 Court shall have continuing jurisdiction to enforce the terms of the Agreement pursuant to Civil Procedure
19 Code section 664.6 and that the prevailing party any action necessary to enforce the terms of the Agreement
20 after default by the other party may recover reasonable attorney's fees and costs related thereto.

21 10.7 Mutual Cooperation: The Parties agree to cooperate fully with one another to accomplish
22 and implement the terms of this Agreement. Such cooperation shall include, but not be limited to, execution
23 of such other documents and the taking of such other action as may reasonably be necessary to fulfill the
24 terms of this Agreement. The Parties to this Agreement shall use their best efforts, including all efforts
25 contemplated by this Agreement and any other efforts that may become necessary by Court order, or
26 otherwise, to effectuate this Agreement and the terms set forth herein.

27 10.8 No Admission of Liability: Neither the acceptance nor the performance by Defendant of
28 the terms of this Agreement, nor any of the related negotiations or proceedings, is or shall be claimed to

be, construed as, or deemed to be, an admission by Defendant of the truth of any of the allegations in the Complaint, the representative character of the Action, the validity of any of the claims that were or could have been asserted by Plaintiff and/or Class Members in the Action, or of any liability or guilt of Defendant in the Action. Nothing in this Agreement shall be construed to be or deemed an admission by Defendant of any liability, culpability, negligence, or wrongdoing toward Plaintiff, the Class Members, or any other person, and Defendant specifically disclaim any liability, culpability, negligence, or wrongdoing toward Plaintiff, the Class Members, or any other person. Each of the Parties has entered into this Stipulation with the intention to avoid further disputes and litigation.

10.9 Notices: Unless otherwise specifically provided herein, all notices, demands, or other communications given hereunder shall be in writing and shall be deemed to have been duly given as of the third business day after mailing by United States certified mail, return receipt requested, addressed as follows:

To Plaintiff and the Class:

Galen T. Shimoda,
Justin P. Rodriguez
Renald Konini
Shimoda & Rodriguez Law, PC
9401 East Stockton Blvd., Suite 120
Elk Grove, CA 95624

To Defendant:
Ronald E. Enabnit
Matheny Sears Linkert & Jaime, LLP
3638 American River Drive
Sacramento, CA 95864
Telephone: (916) 978-3434
Facsimile: (916) 978-3430

10.10 Mutual Drafting of Agreement: The Parties hereto agree that the terms and conditions of this Agreement are the result of lengthy, intensive, arm's-length negotiations between the Parties and that this Agreement shall not be construed in favor of or against any party by reason of the extent to which any party or its counsel participated in the drafting of this Agreement.

10.11 Attorneys' Fees and Costs Limitations: Neither Class Counsel nor any other attorneys acting for, or purporting to act for, the Class, Class Members, or Plaintiff, may recover or seek to recover

any amounts for fees, costs, or disbursements from the Releasees or the Gross Settlement Amount except as expressly provided in this Agreement.

10.12 No Modifications: This Agreement may be amended or modified only by a written instrument signed by counsel for all Parties or their successors-in-interest. This Agreement may not be discharged except by performance in accordance with its terms.

10.13 Authorization to Enter Into Settlement Agreement: Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Agreement and 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 required to effectuate the terms of this Agreement.

10.14 Class Member Signatories: Because the Action has not yet been certified, and the Class Members are so numerous, the Parties agree that it is impossible or impractical to have each Class Member sign this Agreement. It is agreed that, for purposes of seeking approval of the Agreement, this Agreement may be executed on behalf of all Class Members by the Class Representative.

10.15 Counterparts: This Agreement shall become effective upon its execution by all of the undersigned. Plaintiff, Class Counsel, Defendant and Defendant's Counsel may execute this Agreement in counterparts, and execution of counterparts shall have the same force and effect as if each had signed the same instrument. Facsimile, electronic, and/or scanned copies of signatures shall have the same force and effect of originals.

10.16 Choice of Law: The Agreement and any exhibits hereto shall be considered to have been negotiated, executed, and delivered, and to have been wholly performed, in the State of California, and the rights and obligations of the Parties to the Agreement shall be construed and enforced in accordance with, and governed by, the substantive laws of the State of California without giving effect to that State's choice of law principles.

10.17 Headings and Captions: Section titles or captions contained in the Agreement are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Agreement, or any provision thereof.

10.18 No Retaliation or Discouragement: The Parties agree they will take no action that could be construed as retaliation against any Class Members for participating or seeking to participate in this class action settlement. The Parties will not discourage any class member from participating or seeking to participate in this class action settlement. This is a material term of the Agreement and non-breaching Parties will seek court intervention if this provision is breached.

10.19 Integrated Agreement: This Agreement sets forth the entire understanding between the Parties and supersedes any and all prior agreements, oral or written, pertaining to the subject matter hereof. Each party acknowledges that there is no representation, inducement, promise or agreement which has been made, orally or otherwise, by the other party, concerning the terms or conditions of this Agreement, which is not expressly embodied in this Agreement. In entering into this Agreement, the Parties represent that the terms of this Agreement are fully understood and voluntarily accepted by the Parties.

10.20 Binding on Successors and Assigns: This Agreement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties to this Agreement, as previously defined.

10.21 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 so as to define all provisions of this Settlement Agreement valid and enforceable.

10.22 Waiver of Compliance: 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.

IN WITNESS WHEREOF, this Agreement is executed by the Parties and their duly authorized attorneys, as of the day and year herein set forth.

For Plaintiff:

Date: 10/6/2023

DocuSigned by:
Jesse Downard
47B3BD9042D544D...

Jesse Downard

FOR Defendant:

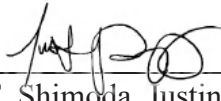
Date: 10-10-23

By: Jon Kerschner
For SIERRA MENTAL WELLNESS GROUP
JON KERSCHNER
EXECUTIVE DIRECTOR

APPROVED AS TO FORM

Dated: 10/10/2023

Shimoda & Rodriguez Law, PC

By: 
Galen T. Shimoda, Justin P. Rodriguez and
Renald Konini
Attorney for Plaintiff and Aggrieved
Employees

APPROVED AS TO FORM

Dated: October 10, 2023

**MATHENY SEARS LINKERT & JAIME,
LLP**

By: 
Ronald E. Enabnit
Attorney for Defendant

Exhibit 1

**CALIFORNIA SUPERIOR COURT
FOR THE COUNTY OF PLACER**

JESSE DOWNARD, individually and on behalf
of all other similarly situated employees,

Plaintiff,

vs.

SIERRA MENTAL WELLNESS GROUP, a
California Corporation; and DOES 1 to 100,
inclusive,

Defendant.

Case No. **S-CV-0049587**

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

ATTENTION: All hourly non-exempt employees who have worked, or continue to work, for Defendant in California as clinicians, nurses, psychologists, or similar positions responsible for providing care to patients at any point from December 19, 2018, to [REDACTED] (the "Class Members").

PLEASE READ THIS NOTICE CAREFULLY. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT OF CLASS ACTION LITIGATION AND POTENTIAL DISBURSEMENT OF SETTLEMENT FUNDS TO YOU. IF YOU ARE A CLASS MEMBER, IT CONTAINS IMPORTANT INFORMATION ABOUT YOUR RIGHT TO PARTICIPATE IN OR OPT OUT OF THE SETTLEMENT ACCORDING TO THE PROCEDURES DESCRIBED BELOW.

You are receiving this notice pursuant to an order from the Placer County Superior Court ("Court") granting Plaintiff's motion for preliminary approval of a Joint Stipulation of Regarding Class Action PAGA Settlement and Release ("Agreement" or "Settlement") as fair, reasonable, and adequate. The Settlement was entered into between Plaintiff Jesse Downard ("Plaintiff" or "Class Representative"), and Defendant SIERRA MENTAL WELLNESS GROUP ("Defendant") on behalf of Class Members as defined above. The terms of the Settlement are outlined herein. You are receiving this notice because Defendant's records indicate you fall within the definition of "Class Member." Defendant's records also indicate that you worked [REDACTED] weeks during the applicable Class Period (as defined below), which means your total share of the settlement proceeds is estimated to be [REDACTED]. Your actual share of the settlement proceeds will vary depending on the total number of Class Members that choose to participate and the resolution of any workweek disputes as described in this notice.

The terms of the Agreement and a description of the case are identified in this notice. Pursuant to the Court's order, YOU ARE HEREBY NOTIFIED AS FOLLOWS:

I. BACKGROUND OF THE CASE

On December 19, 2022, Plaintiff filed a Complaint against Defendant in the Placer County Superior Court of California on behalf of himself and Class Members. The term "Action" means this putative class action pending in Placer County Superior Court, Case No. S-CV-0049587. The Class Period all hourly non-exempt employees who have worked, or continue to work, for Defendant in California as clinicians, nurses, psychologists, or similar positions responsible for providing care to patients at any point from December 19, 2018, is to [REDACTED] (the "Class Period").

In the Action, Plaintiff sought to obtain unpaid wages, interest, statutory penalties, civil penalties, fees, and costs on behalf of himself, Class Members, and Aggrieved Employees. Plaintiff alleged that Defendant violated California law by 1) failing to pay overtime wages, 2) failing to pay minimum wages, 3) failing to provide meal periods or pay premiums in lieu thereof, 4) failing to provide rest periods or pay premiums in lieu thereof, 5) failing to provide accurate wage statements, 6) failing to timely pay all final wages, 7) failing to reimburse employees for incurred expenses, 8) failing to provide paid sick leave, 9) failing to maintain accurate records, 10) engaging in unfair competition, and 10) committing PAGA violations. Defendant has denied all of Plaintiff's allegations. The Action has been actively litigated. There have been on-going investigations, and there has been an exchange of extensive documentation and information. Furthermore, the Parties have participated in a full day mediation facilitated by a neutral third party.

Based upon the negotiations, and all known facts and circumstances, including the various risks and uncertainties related to legal actions, the Parties reached a class-wide settlement. By settling, the Parties will avoid the risks associated with a lengthy litigation process. Despite agreeing to and supporting the Agreement, Defendant continue to deny all allegations and claims. Defendant has entered into this Settlement to fully, finally, and forever resolve this Action, based on the terms set forth in the Agreement, in order to avoid the burden and expense associated with ongoing litigation.

The Agreement applies to any and all Class Members, which are defined as all hourly non-exempt employees who have worked, or continue to work, for Defendant in California as clinicians, nurses, psychologists, or similar positions responsible for providing care to patients at any point from December 19, 2018, to [REDACTED]. The Agreement also applies to Aggrieved Employees, which are defined as all hourly non-exempt employees who have worked, or continue to work, for Defendant in California as clinicians, nurses, psychologists, or similar positions responsible for providing care to patients at any point between December 16, 2021, to [REDACTED]. If you are a Class Member, you have the opportunity to participate in the Settlement, or to exclude yourself ("opt out") from the Settlement. This notice is to advise Class Members of how they can either participate in the Settlement or be excluded from the Settlement. As set forth below, Aggrieved Employees cannot opt out of this Agreement as it relates to the PAGA Payment or Released PAGA Claims regardless of whether they opt out of being a Class Member. Aggrieved Employees will receive their share of the PAGA Payment regardless of whether they opt out of being a Class Member.

II. SUMMARY OF THE PROPOSED SETTLEMENT

A. The Amount of the Settlement

Under the terms of the Agreement, Defendant has agreed to pay a total sum of Four Hundred Fifty Thousand Dollars (\$450,000) ("Gross Settlement Amount"). Deducted from this Gross Settlement Amount will be sums approved by the Court for attorneys' fees not to exceed 35% of the Gross Settlement Amount, attorneys' costs not to exceed \$10,000, Settlement Administrator Costs estimated not to exceed \$15,000, Class Representative's Enhancement Payment of \$15,000, and \$20,000 for alleged PAGA penalties (the "PAGA Payment"), which will result in a "Net Settlement Amount" for distribution to all Class Members. Any employer side taxes attributable to payments allocated as wages will be paid by Defendant in addition to the Gross Settlement Amount. As explained further below, the amount of each Class Member's share of the Net Settlement Amount will depend on the number of weeks worked by participating Class Members during the Class Period. Of the \$20,000 allocated to resolving the PAGA claims, 75% of the PAGA Payment will be paid to the State of California Labor and Workforce Development Agency and 25% of the PAGA Payment will be divided among Aggrieved Employees.

The number of weeks you worked during the Class Period and your estimated total share of the Net Settlement Amount and PAGA Payment ("Individual Settlement Amount") is stated on the first page of this notice. The actual amount received may be more or less than the amount stated depending on the actual number of weeks worked by Participating Class Members (i.e., those who do not opt out of the Settlement), the resolution of any disputes regarding workweeks, and on the distributions finally approved and allocated by the Court. However, whether Class Members opt out will have no effect on Aggrieved Employees' allocations for the PAGA claims.

B. Individual Settlement Amounts and Allocation Between Class Members and Aggrieved Employees

Defendant will pay Individual Settlement Amounts through the Settlement Administrator, as described below, to each Participating Class Member and to Aggrieved Employees. All Individual Settlement Amounts will be subject to appropriate taxation. The Parties have agreed, based on the allegations in the Action that all Individual Settlement Amounts payable to eligible Class Members will be allocated from the Net Settlement Amount and paid as 2/3 for disputed interest, statutory penalties, and other non-wage damages for which IRS Forms 1099-MISC and 1099-INT will issue and 1/3 for disputed wages for which IRS Forms W-2 will issue. The PAGA Payment to Aggrieved employees will be paid as 100% for civil penalties.

Payment to Participating Class Members and Aggrieved Employees will not require the submission of a claim form. Each Participating Class Member's share will be determined by dividing their total weeks worked within the Class Period by the total weeks worked by all Participating Class Members within the Class Period. That fraction will then be multiplied by the Net Settlement Amount to arrive at the Class Member's individual share of the Net Settlement Amount. Each Aggrieved Employee's share of the 25% portion of the PAGA Payment will be determined by dividing their total weeks worked within the PAGA Claim Period by the total weeks worked by all Aggrieved Employees within the PAGA Claim Period. That fraction will then be multiplied by the 25% portion of the PAGA Payment to arrive at the Aggrieved Employee's individual share. The PAGA Claim Period is defined as December 16, 2021 up to [REDACTED]. Defendant's records indicate that you worked [REDACTED] weeks during the applicable PAGA Claim Period, which means your share of the PAGA Payment is estimated to be [REDACTED]. This amount is included in your estimated Individual Settlement Amount

stated on the first page of this notice, not in addition to it. You will still receive your share of the PAGA Payment even if you opt out of being a Class Member. Receipt of the Individual Settlement Amounts will not entitle any Class Member or Aggrieved Employee to additional compensation or benefits under any compensation, retirement or benefit plan or agreement in place during the period covered by the Settlement.

C. Calculations to Be Based on Defendant's Records and Resolution of Workweek Disputes

For each Class Member, the amount payable will be calculated by the Settlement Administrator from Defendant's records. Defendant's records will be presumed correct unless evidence to the contrary is provided to the Settlement Administrator. Defendant's records and any additional evidence will be reviewed by the Settlement Administrator in the event of a dispute about the number of workweeks worked by an individual Class Member. If a Class Member disputes the accuracy of Defendant's records, all supporting documents evidencing additional workweeks must be submitted by the Class Member. The dispute must (a) identify the nature of the dispute; (b) provide any information or documentation supporting the dispute; (c) be signed; and (d) be post-marked no later than [REDACTED]. The dispute will be resolved by the Settlement Administrator based on the records and evidence provided.

D. Release of Claims

For those Class Members who do not opt out and Aggrieved Employees, the Agreement contains the following releases:

Class members who do not opt out will be deemed to have released any and all class claims that are alleged in the Complaint, and any additional wage and hour claims that could have been brought based on the facts alleged in the Complaint, through the Class Period. This release excludes the release of claims not permitted by law. The Released Class Claims exclude claims for workers' compensation or unemployment insurance benefits. This release will cover all Class Members who do not opt out.

Aggrieved Employees will be deemed to have released any and all claims that were brought under the Private Attorneys General Act, Labor Code §§ 2698 *et seq.*, contained in the Complaint and any additional wage and hour PAGA claims that could have been brought based on the facts alleged in the Complaint during the PAGA Claim Period. Aggrieved Employees cannot opt out of this waiver of claims.

The individuals released ("Released Parties") include Defendant, as well as Defendant's officers, shareholders, directors, agents, employees, attorneys, and insurers.

Class Members and/or Aggrieved Employees can talk to one of the lawyers appointed as Class Counsel (listed below) for free or talk to their own lawyer if they have questions about the released claims and what they mean.

III. WHAT ARE YOUR RIGHTS AS A CLASS MEMBER

A. Participating in the Settlement as a Class Member

If you wish to be a Participating Class Member and believe your workweek information is accurate, **you do not need to take any further action**. Payment will be automatically made to you consistent with the terms of the Agreement and Court Order. If you wish to dispute the workweek calculation, you may follow the procedures outlined in Section II.C above. California law protects Class Members from retaliation based on their decision to participate in the Settlement.

B. Excluding Yourself from the Settlement as a Class Member

The Court will exclude you from the being a Class Member if you request this by [REDACTED]. If you do not wish to be bound by the Settlement as a Class Member, you may request to be excluded (*i.e.*, "opt out") by submitting a timely written request to the Settlement Administrator. The request to opt-out must (a) state your full name and date of birth; (b) a statement that you do not want to be a Class Member, do not want to participate in the Settlement, and/or wants to be excluded from this Settlement; (c) identify the case name and number (*i.e.* Downard v. Sierra Mental Wellness Group, S-CV-0049587); (d) be signed; and (e) be post-marked no later than [REDACTED]. The request to opt out must be mailed by First Class U.S. Mail, or the equivalent, to:

[admin info]

If you submit a request to opt out which is not postmarked by [REDACTED], your request to opt out will be rejected, and you will be bound by the release and all other terms of the Agreement. Do not use a postage meter as that may not result in a postmark appearing on the envelope containing your request to opt out. Any Class Member who submits a complete and timely request to opt out shall, upon receipt by the Settlement Administrator, no longer be a Class Member and not received their share of the Net Settlement Amount. Aggrieved Employees cannot opt out of this Agreement and will receive their share of the PAGA Payment regardless of whether they opt out of being a Class Member.

C. Objection to Settlement

If you do not opt out of the Settlement, you can object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. You can ask the Court to deny approval by filing an objection. You cannot ask the Court to order a larger settlement; the Court can only approve or deny the settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. The objection must (a) state your full name and date of birth; (b) provide evidence that you are, in fact, a Class Member; (c) state the reasons for the objection(s), including supporting documentation; (d) identify the case name and number (i.e. Downard v. Sierra Mental Wellness Group, S-CV-0049587) (e) be signed; and (f) be postmarked no later than [REDACTED]. The objection must be sent to the Settlement Administrator at the address identified in Section III.B and to counsel for Plaintiff and Defendant at the addresses identified in Section VI of this notice.

If you have submitted a written objection as outlined above, you may also appear at the final approval hearing to state your objection. Any Class Member who does not request exclusion may, if the Class Member so desires, enter an appearance through an attorney. If you appear through your own attorney, you are responsible for paying that attorney. You should also file a notice of intent to appear with the Court and serve the notice on counsel for Plaintiff and Defendant.

IV. EFFECT OF THE SETTLEMENT: RELEASED RIGHTS AND CLAIMS

If the Court grants final approval of the Settlement, the Court will make and enter judgment consistent therewith. The judgment, whether favorable or not, will bind all Class Members who do not request exclusion. After final approval, each and every Class Member who does not opt out of the Settlement and Aggrieved Employee, will release Defendant and the Released Parties from the Released Class Claims and the Released PAGA Claims described above. In other words, if you were employed as a Class Member by Defendant in California during the Class Period, and you do not exclude yourself from the Settlement, you will be deemed to have entered into these releases and to have released the above-described claims. In addition, you will be barred from ever suing Defendant and the Released Parties with respect to the claims covered by this Settlement. If the Settlement is not approved by the Court or does not become final for some other reason, the litigation will continue.

V. FINAL SETTLEMENT APPROVAL HEARING

The Court will hold a hearing in Department ____, [address] on [REDACTED] at [REDACTED] to determine whether the Agreement should be finally approved as fair, reasonable and adequate. The Court also will be asked to approve Class Counsel's request for attorneys' fees and costs, the Settlement Administrator Costs, and the Class Representative's Enhancement Payment. The hearing may be continued without further notice. It is not necessary for you to appear at this hearing.

VI. ADDITIONAL INFORMATION

You may access the Complaint, Class Counsel's motion for preliminary approval, the Agreement, and any other documents required by the Court at the Settlement Administrator's website: [admin web address]. You can also contact Class Counsel or Defendant's Counsel as follows:

Galen T. Shimoda
Justin P. Rodriguez
Renald Konini
Shimoda & Rodriguez Law, PC
9401 East Stockton Blvd., Suite 120
Elk Grove, CA 95624
Telephone: (916) 525-0716
Facsimile: (916) 760-3733
On behalf of Plaintiff

Ronald E. Enabnit
Matheny Sears Linkert & Jaime, LLP
3638 American River Drive
Sacramento, CA 95864
Telephone: (916) 978-3434
Facsimile: (916) 978-3430
On behalf of Defendant

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS. IF YOU HAVE ANY QUESTIONS, CALL [number]

BY ORDER OF THE COURT

EXHIBIT B

1 Galen T. Shimoda (Cal. State Bar No. 226752)
2 Justin P. Rodriguez (Cal. State Bar No. 278275)
3 Renald Konini (Cal. State Bar No. 312080)
4 **Shimoda & Rodriguez Law, PC**
5 9401 East Stockton Boulevard, Suite 120
6 Elk Grove, CA 95624
7 Telephone: (916) 525-0716
8 Facsimile: (916) 760-3733

ELECTRONICALLY FILED
Superior Court of California,
County of Placer
03/27/2023 at 12:36:59 PM
By: Ashley A Nichols
Deputy Clerk

9 Attorneys for Plaintiff JESSE DOWNARD,
10 Individually and on behalf of all other similarly situated employees

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SUPERIOR COURT OF CALIFORNIA
FOR THE COUNTY OF PLACER

JESSE DOWNARD, individually and on
behalf of all other similarly situated
employees,

Plaintiff,

vs.

SIERRA MENTAL WELLNESS GROUP, a
California Corporation; and DOES 1 to 100,
inclusive,

Defendants.

Case No. S-CV-0049587

CLASS ACTION

**FIRST AMENDED COMPLAINT FOR
DAMAGES:**

1. Failure to Pay Overtime Wages
2. Failure to Pay Minimum Wages
3. Meal Period Violations
4. Rest Period Violations
5. Wage Statement Violations
6. Waiting Time Penalties
7. Failure to Reimburse Expenses
8. Unfair Competition
9. Private Attorneys General Act

DEMAND FOR JURY TRIAL

1 Plaintiff JESSE DOWNARD (“Plaintiff”), on behalf of himself and all other similarly
2 situated employees, hereby files this First Amended Complaint against Defendants SIERRA
3 MENTAL WELLNESS GROUP, a California Corporation; and DOES 1 to 100, inclusive
4 (hereinafter all collectively referred to as “Defendants”). On information and belief, Plaintiff allege
5 the following:

6 **INTRODUCTION**

7 1. This is a class action and Private Attorneys General Act (“PAGA”) lawsuit brought by
8 Plaintiff for failure to provide overtime wages, failure to provide minimum wages, meal and rest period
9 violations, wage statement violations, waiting time penalties, failure to reimburse expenses, failure to
10 pay appropriate sick leave wages, and unfair competition.

11 **JURISDICTION AND VENUE**

12 2. The Placer County Superior Court has jurisdiction in this matter pursuant to California
13 Code of Civil Procedure section 410.10 to determine alleged violations of the California Labor Code,
14 California Business and Professions Code, and Wage Order No. 5.

15 3. Venue is proper pursuant to Civil Procedure Code §§ 395(a), and 395.5, in that
16 Defendants reside in Placer County. In addition, some of the wrongful acts and violations of law
17 asserted herein occurred within Nevada County, and Defendants’ obligation to pay wages arose in
18 Nevada County pursuant to *Madera Police Officers Assn. v. City of Madera*, 36 Cal.3d 403, 414 (1984).

19 4. Plaintiff sought permission pursuant to California Labor Code section 2699 *et seq.* to
20 pursue the claims set forth in this Complaint against Defendants as a Private Attorney General on behalf
21 of himself and other similarly situated employees. Pursuant to California Labor Code section 2699.3,
22 Plaintiff gave written notice via online submission to the Labor and Workforce Development Agency
23 (“LWDA”) on approximately December 16, 2022. Plaintiff provided facts and legal bases for his claims
24 within the notice to the LWDA on all violations asserted under the Private Attorneys General Act cause
25 of action. Plaintiff also submitted the \$75.00 filing fee. The December 16, 2022, notice was also sent
26 via certified mail to Defendants on the same day. To date, the LWDA has not provided any response to
27 Plaintiff’s notice correspondence. Accordingly, Plaintiff has exhausted all administrative remedies
28 pursuant to the Private Attorneys General Act (“PAGA”) and may bring this action on behalf of himself

1 and all similarly situated employees, *i.e.* Aggrieved Employees. See Cal. Lab. Code § 2699.3(a)(2)(A),
2 (c)(3); *Caliber Bodyworks, Inc., v. Sup. Ct.*, 134 Cal. App. 4th 365, 383 n.18, 385 n.19 (2005).
3 Aggrieved Employees include, but is not limited to the following: all non-exempt employees who have
4 worked, or continue to work, for Defendants in California as clinicians, nurses, psychologists, or similar
5 positions responsible for providing care to patients from December 16, 2021 to present.

6 PARTIES

7 5. JESSE DOWNARD is an individual over the age of eighteen (18) and is a resident of
8 the State of California.

9 6. On information and belief, Plaintiff alleges, SIERRA MENTAL WELLNESS
10 GROUP, is now and/or at all times mentioned in this Complaint was a California Corporation and
11 the owner and operator of an industry, business and/or facility doing business in the State of
12 California.

13 7. Defendants DOES 1 through 100 are affiliates, subsidiaries and related entities and the
14 alter egos of each of the other Defendants named herein, corporate or otherwise, who participated in and
15 are liable for the actions herein alleged. Plaintiff will seek to amend this Complaint to allege the true
16 names and capacities of these DOE Defendants when they are ascertained.

17 8. At all times mentioned herein, each Defendant was the agent or employee of each of the
18 other Defendants and was acting within the course and scope of such agency or employment. The
19 Defendants are jointly and severally liable to Plaintiff.

20 9. Defendants, and each of them, are now and/or at all times mentioned in this Complaint
21 were members of and/or engaged in a joint employment, joint venture, partnership and common
22 enterprise, and were acting within the course and scope of, and in pursuance of said joint employment,
23 joint venture, partnership and common enterprise.

24 10. Defendants, and each of them, now and/or at all times mentioned in this Complaint
25 approved, ratified, acquiesced, aided or abetted the acts and omissions alleged in this Complaint.

26 11. Defendants proximately caused Plaintiff to be subjected to the unlawful practices,
27 wrongs, complaints, injuries and/or damages alleged in this Complaint.

28 //

1 **CLASS ALLEGATIONS**

2 12. Plaintiff brings the First through Eighth Causes of Action on behalf of himself and all
3 others similarly situated as a class action pursuant to California Code of Civil Procedure section 382.

4 The class which Plaintiff seeks to represent is composed of, and defined, as follows:

5 All hourly non-exempt employees who have or continue to work for
6 Defendant in California as clinicians, nurses, psychologists, or similar
7 positions responsible for providing care to patients from December 19,
8 2018, to the present.

9 13. This action has been brought and may be properly maintained as a class action,
10 pursuant to the provision of California Code of Civil Procedure section 382, because there is a well-
11 defined community of interests in the litigation and the proposed class is easily ascertainable.

12 (a) Numerosity: The putative class is so numerous that the individual joinder of all members
13 is impracticable under the circumstances of this case. While the exact number of class
14 members is unknown to Plaintiff at this time, Plaintiff is informed and believes that
15 Defendants have employed as many as one hundred fifty (150) individuals falling within
16 the above stated class definition throughout the State of California during the applicable
17 statute of limitations, who were subjected to the policies and practices outlined in this
18 Complaint. As such, joinder of all members of the putative class is not practicable.

19 (b) Common Questions Predominate: Common questions of law and fact exist as to all
20 members of the putative class and predominate over questions that affect only individual
21 members of the class. These common questions of law and fact include, without
22 limitation, the following:

- 23 (1) Whether Defendants had rounded employees' hours worked despite being able to
24 and actually recording actual hours worked down to the minute;
25 (2) Whether Defendants violated the law by only paying employees for their rounded
26 hours rather than all actual hours worked, including minimum wages and
27 overtime;
28 (3) Whether Defendants paid the putative class members for all hours worked;
(4) Whether Defendants maintained accurate payroll records;

- 1 (5) Whether, as a result of Defendants' policies and practices, Plaintiff and putative
2 class members were not paid all minimum and overtime wages owed;
- 3 (6) Whether Defendants failed to correctly calculate the regular rate of pay for
4 premium wage purposes such as overtime, double time, meal and rest period
5 premiums, and sick leave wages;
- 6 (7) Whether, as a result of Defendants' policies and practices, Plaintiffs and putative
7 class members received all wages, due and owing, at the time of their termination
8 or separation;
- 9 (8) Whether, as a result of Defendants' policies and practices, Plaintiff and putative
10 class members were not authorized and permitted to take all meal and rest periods
11 owed;
- 12 (9) Whether Defendant failed to reimburse Plaintiff and putative class members for
13 work-related cell phone use and internet use; and
- 14 (10) Whether Defendants provided Plaintiff's and putative class members with wage
15 statements that complied with Labor Code section 226.
- 16 (c) Typicality: Plaintiff's claims are typical of the claims of the members of the putative
17 class. The putative class also sustained damages arising out of Defendants' common
18 course of conduct in violation of the law as complained of herein. Plaintiff and all
19 members of the putative class were non-exempt employees who were not paid minimum
20 and overtime wages, meal and rest period premiums, and reimbursement of expenses as a
21 result of Defendants' policies and practices. Additionally, Defendants issued Plaintiff
22 and all members of the putative class wage statements that did not comply with Labor
23 Code section 226. As a result, Plaintiff and each member of the putative class will have
24 suffered the same type of harm and seek the same type of recovery based on the same
25 legal theories.
- 26 (d) Adequacy: Plaintiff will fairly and adequately protect the interests of the members of the
27 putative class. For all relevant times, Plaintiff resided in California and worked for
28 Defendants in California. Moreover, Plaintiff is an adequate representative of the

1 putative class as Plaintiff has no interests that are adverse to those of putative class
2 members. Additionally, Plaintiff has retained counsel who has substantial experience in
3 complex civil litigation and wage and hour matters.

- 4 (e) Superiority: A class action is superior to other available means for the fair and efficient
5 adjudication of the controversy since individual joinder of all members of the putative
6 class is impracticable. Class action treatment will permit a larger number of similarly
7 situated persons to prosecute their common claims in a single forum simultaneously,
8 efficiently, and without the unnecessary duplication of effort and expense that numerous
9 individual actions would engender. Further, as damages suffered by each individual
10 member of the class may be relatively small, the expenses and burden of the individual
11 litigation would make it difficult or impossible for individual members of the class to
12 redress the wrongs done to them, and an important public interest will be served by
13 addressing the matter as a class action. The cost to the court system of adjudication of
14 such individualized litigation would be substantial. Individualized litigation would also
15 present the potential for inconsistent or contradictory judgments.

16 14. Plaintiff is unaware of any difficulties that are likely to be encountered in the
17 management of this action that would preclude its maintenance as a class action.

18 GENERAL ALLEGATIONS

19 15. Plaintiff incorporates by reference and re-alleges paragraphs 1 through 14 as though fully
20 set forth herein.

21 16. Defendants provide mental health services to patients and employ various health care
22 professionals to provide these services, including clinicians, nurses, and psychologists, across California.
23 Defendants contract with several counties to provide these services at health care facilities therein,
24 including San Luis Obispo County, Glenn County, Nevada County, Placer County, and Colusa County.

25 17. Plaintiff worked for Defendants as a non-exempt employee from approximately
26 December 12, 2020, to September 9, 2022. Plaintiff was employed by Defendants as a non-exempt
27 employee from approximately December 21, 2020, to approximately September 9, 2022, working as a
28

1 crisis clinician. Similarly, similarly situated employees worked as clinicians, nurses, psychologists, or
2 similar positions responsible for providing care to patients.

3 18. Defendants paid Plaintiff and similarly situated employees under an on-call/roll out pay
4 system. Under this pay system, Plaintiff and similarly situated employees were given set shifts in which
5 they were required to be ready to respond to calls for care at any number of healthcare facilities in the
6 area, including, potentially, going to the facility to perform services. Plaintiff and similarly situated
7 employees were paid approximately \$13-\$15 per hour during the time in which they were subject to
8 being called. When Plaintiff and similarly situated employees were actually responding to calls over the
9 phone, actually in the facility in response to a call, or working during a regularly scheduled shift, they
10 were paid a higher amount, approximately \$33-\$36 per hour. Plaintiff and similarly situated employees
11 regularly worked more than eight (8) hours a day and forty (40) hours a week. When Defendants
12 calculated Plaintiff and similarly situated employees' regular rate of pay for premium purposes such as
13 overtime, double time, sick leave, they failed to incorporate the value of on-call earnings when
14 calculating the regular rate of pay. This resulted in overtime, double time, and sick leave wage
15 payments that were substantially lower than they otherwise should be, sometimes \$12-\$24 lower per
16 hour than required under the law.

17 19. For example, Defendants paid Plaintiff and similarly situated employees bi-monthly and
18 utilized a defined workweek for overtime/regular rate calculation purposes of Sunday 12:00 a.m. to
19 Saturday 11:59:59 p.m. During the pay period of August 1, 2022, to August 15, 2022, Plaintiff's basic
20 hourly rate was \$36 and he was paid overtime at the rate of \$54. But, Plaintiff also earned \$105 in on-
21 call pay during the first week of this pay period (7 hours x \$15/hr), which also included 3.5 hours of
22 overtime. His regular rate for this week should have been \$38.41, which would equal a \$57.62 overtime
23 rate of pay. Thus, Plaintiff was underpaid \$12.67 in this week alone. Plaintiff and similarly situated
24 employees earning records are replete with these types of errors. In or around January 2022, Plaintiff
25 raised this issue with his supervisor, stating he believed the overtime calculation was wrong. However,
26 his supervisor simply stated that she would pass on the information. Nothing was ever done to correct
27 the issue. Thus, Plaintiff and similarly situated employees were not paid all overtime, double time, and
28 sick leave wages due. Plaintiff is informed and believes that, due to the systemic nature of this pay

1 practice, any meal and rest period premiums paid also failed to include the failure of on-call time when
2 calculating the regular rate of pay.

3 20. Defendants regularly understaffed its operations such that there were many scheduled
4 shifts where only one individual was working at a time. For example, Plaintiff and similarly situated
5 employees covered hospitals and were mobile crisis responders where they would go to residences, the
6 side of a highway, community centers, schools, or other locations where a patient requiring emergency
7 care might be. The length of time for these trips and ensuring care prevented timely meal or rest periods
8 from occurring. Furthermore, due to the nature of the services, Plaintiff and similarly situated
9 employees were not able to take meal periods because there was no one else scheduled to cover for them
10 during this time. Plaintiff and similarly situated employees missed many rest periods due to similar
11 reasons. Plaintiff and similarly situated employees would also receive many work-related phone calls
12 from the hospital or county during their meal and rest periods. As a result, Defendants did not authorize
13 and permit Plaintiff and similarly situated employees to take all meal and rest periods owed to them.
14 Plaintiff and similarly situated employees did not receive all uninterrupted thirty (30) minute meal
15 periods every five (5) hours and ten (10) minute rest periods every four (4) hours or major fraction
16 thereof. The lack of compliant meal periods is confirmed by Defendants' time records, which show
17 many instances where no meal period clock in/outs occurred on shifts lasting greater than five (5) hours
18 and no meal period was paid either. Defendants did not pay Plaintiff and similarly situated employees
19 all meal and rest period premiums owed to them.

20 21. Plaintiff and similarly situated employees used their personal cell phone for work related
21 matters. Plaintiff and similarly situated employees used their cell phones to address patient placements,
22 communicate with coworkers and management, communicate with county members, enter timecards,
23 text messages, and for searching diagnosis codes and criteria. Plaintiff informed his supervisor that he
24 was getting work-related phone calls when he was not working a regularly scheduled shift shift and was
25 not clocked in during on call hours. The calls occurred several times per week and lasted approximately
26 5-10 minutes each time. Defendants told Plaintiff that Defendants would reimburse Plaintiff for cell
27 phone use, but Defendants never did. Plaintiff was also not reimbursed for work-related internet usage
28 from home. Plaintiff's cell phone bill was approximately \$60.00 per month and his internet bill was

1 approximately \$100 per month. Plaintiff is informed and believes that similarly situated employees were
2 not reimbursed for work-related cell phone and internet usage.

3 22. In addition, Plaintiff and similarly situated employees would enter their hours worked
4 using their cell phone in Paycom, a service used by Defendants for time reporting. Plaintiff's supervisor
5 would review his timecards and approve them. However, Defendants engaged in rounding despite being
6 able to record actual hours worked down to the minute through Paycom. Defendants does not have a
7 policy regarding its rounding practices and failed to inform Plaintiff of its rounding practices.
8 Defendants' rounding resulted in Plaintiff and similarly situated employees not receiving pay for all
9 actual hours worked, including overtime and minimum wages.

10 23. As a result of Defendants' failure to pay Plaintiff and similarly situated employees all
11 overtime, double time, sick leave wages, and meal and rest period premiums owed, the wage statements
12 Defendants issued were inaccurate. The paystubs that Defendants issued did not itemize accurate
13 regular and overtime hours worked, accurate missed meal and rest period premiums owed, and accurate
14 gross and net wages earned. Furthermore, the total hours stated on the paystub were incorrect and did
15 not even correspond to the actual total hours worked that Defendant was paying Plaintiff and similarly
16 situated employees for. For example, Defendants included the number of on call hours paid as part of
17 total hours worked, when, in fact, the time spent being on-call not actively responding to calls ("roll out
18 time") was not considered hours worked. This practice masked Defendants failure to appropriately
19 calculate the regular rate of pay for overtime and other premium pay purposes. Furthermore, time
20 periods for which the wage statements purport to be paying for are incorrect. Due to Defendants' bi-
21 monthly pay system, there were several instances where overtime or regular hours from a prior pay
22 period were included in a current pay period and where overtime or regular hours worked during a
23 current pay period were not paid because they would be paid in the future pay period. However, those
24 hours and wages paid that were affected by this practice were not itemized on Plaintiff and similarly
25 situated employees' paystubs. Consequently, Plaintiff and similarly situated employees were not able to
26 determine the total wages owed to them from their paystubs alone.

27 24. As of this date of this letter, Defendants has not paid Plaintiff and similarly situated
28 employees all overtime wages, minimum wages, meal and rest period premiums, sick leave wages and

1 reimbursement expenses owed to them. As of this date of this letter, Defendants have not paid Plaintiff
2 and similarly situated employees all overtime wages, minimum wages, meal and rest period premiums,
3 and reimbursement expenses owed to them.

4 **CAUSES OF ACTION**

5 **FIRST CAUSE OF ACTION**
6 **FAILURE TO PAY OVERTIME WAGES**
7 **(As to all Defendants)**

8 25. Plaintiff incorporates by reference and re-alleges paragraphs 1 through 24 as though fully
9 set forth herein.

10 26. During the period Plaintiff was employed by Defendants, Defendants were required to
11 compensate Plaintiff at one and one-half (1½) times the regular rate of pay for hours worked in excess of
12 eight (8) hours per day and/or forty (40) hours per week, and two (2) times the regular rate of pay for
13 hours worked in excess of twelve (12) hours per day. *See, e.g.*, IWC Wage Order No. 5, section (3)(A);
14 Cal. Lab. Code §§ 510, 1194.

15 27. Plaintiff and similarly situated employees worked in excess of eight (8) hours per day
16 and/or forty (40) hours per week on several occasions while employed by Defendants. However,
17 Defendants failed to compensate Plaintiff and similarly situated employees for all overtime hours
18 worked at their regular rate of pay.

19 28. Plaintiff and similarly situated employees were not exempt from overtime protections
20 employees under the California Wage Orders and Labor Code.

21 29. As a proximate result of Defendants' conduct, Plaintiff and similarly situated employees
22 have been damaged as stated in the section below entitled "DAMAGES," which is incorporated here to
23 the extent pertinent as if set forth here in full.

24 **SECOND CAUSE OF ACTION**
25 **FAILURE TO PAY MINIMUM WAGES**
26 **(As to all Defendants)**

27 30. Plaintiff incorporates by reference and re-alleges paragraphs 1 through 29 as though fully
28 set forth herein.

31. For the period preceding the filing of this Complaint, Defendants were required to
compensate Plaintiff and similarly situated employees with at least California's applicable minimum for

every hour worked. See MW-Order 2019; IWC Wage Order, No. 5, section 4(A); Cal. Lab. Code § 1194.

32. Plaintiff was not exempt to the State's Minimum Wage Order. Defendants aware of their obligation to pay the minimum wage for each hour worked but failed to do so.

33. As a proximate result of Defendants' conduct, Plaintiff and similarly situated employees have been damaged as stated in the section below entitled "DAMAGES," which is incorporated here to the extent pertinent as if set forth here in full.

THIRD CAUSE OF ACTION
MEAL PERIOD VIOLATIONS
(As to all Defendants)

34. Plaintiff incorporates by reference and re-alleges paragraphs 1 through 33 as though fully set forth herein.

35. An employer must provide an employee a meal period in accordance with the applicable Wage Order, and California Labor Code sections 226.7 and 512.

36. California Labor Code sections 226.7 and 512 and IWC Wage Order No. 5, section 11(A) require an employer to provide an uninterrupted meal period of not less than thirty (30) minutes for each work period of more than five (5) hours.

37. California Labor Code section 512 and Wage Order No. 5 section 11(B) further provide that employers may not employ employees for a work period for more than ten (10) hours per day without providing the employee with a second meal period of at least thirty (30) minutes. However, if the total hours worked is no more than twelve (12) hours, the second meal period may be waived so long as there was no waiver as to the first meal period. Employees are entitled to one (1) hour of pay at their regular rate of compensation for each meal period not provided.

38. Defendants employed Plaintiff and similarly situated employees for periods of more than five (5) hours without providing meal breaks of at least thirty (30) minutes or a second meal period of at least thirty (30) minutes when Plaintiff and similarly situated employees worked more than ten (10) hours in a day. Defendants also failed to allow Plaintiff and similarly situated employees to take their first meal period before the completion of their fifth hour of work and failed to allow Plaintiff and similarly situated employees to take their second meal period before the

1 completion of their tenth hour of work. Plaintiff and similarly situated employees did not waive their
2 rights to all meal periods throughout their employment.

3 39. Defendants further failed to pay Plaintiff and similarly situated employees the
4 applicable meal period premiums for any such missed meal breaks.

5 40. As a proximate result of Defendants' conduct, Plaintiff and similarly situated
6 employees have been damaged as stated in the section below entitled "DAMAGES," which is
7 incorporated here to the extent pertinent as if set forth here in full.

8 **FOURTH CAUSE OF ACTION**
9 **REST PERIOD VIOLATIONS**
10 **(As to all Defendants)**

11 41. Plaintiff incorporates by reference and re-alleges paragraphs 1 through 40 as though fully
12 set forth herein.

13 42. An employer must provide an employee a rest period in accordance with the
14 applicable Wage Order and California Labor Code section 226.7.

15 43. California Labor Code section 226.7 and Wage Order No. 5, section 12(A) require an
16 employer to provide a rest period of not less than ten (10) minutes for each work period of more than
17 four (4) hours or a major fraction thereof.

18 44. Plaintiff alleges that Defendants failed to authorize and permit Plaintiff and similarly
19 situated employees to take paid rest periods of at least ten (10) minutes for each work period that
20 they worked more than four (4) hours or a major fraction thereof.

21 45. Defendants further failed to pay Plaintiff and similarly situated employees the
22 applicable rest period premiums for any such missed rest periods.

23 46. As a proximate result of Defendants' conduct, Plaintiff and similarly situated
24 employees have been damaged as stated in the section below entitled "DAMAGES," which is
25 incorporated here to the extent pertinent as if set forth here in full.

26 **FIFTH CAUSE OF ACTION**
27 **WAGE STATEMENT VIOLATIONS**
28 **(As to all Defendants)**

47. Plaintiff incorporates by reference and re-alleges paragraphs 1 through 46 as though fully
set forth herein.

1 48. Pursuant to California Labor Code section 226(a), an employer must provide an itemized
2 statement to an employee, semimonthly or at the time of each payment of wages, showing:

3 *(1) gross wages earned, (2) total hours worked by the employee, except for*
4 *any employee whose compensation is solely based on a salary and who is*
5 *exempt from payment of overtime under subdivision (a) of Section 515 or*
6 *any applicable order of the Industrial Welfare Commission, (3) the*
7 *number of piece-rate units earned and any applicable piece rate if the*
8 *employee is paid on a piece-rate basis, (4) all deductions, provided that*
9 *all deductions made on written orders of the employee may be aggregated*
10 *and shown as one item, (5) net wages earned, (6) the inclusive dates of the*
11 *period for which the employee is paid, (7) the name of the employee and*
12 *the last four digits of his or her social security number or an employee*
13 *identification number other than a social security number, (8) the name*
14 *and address of the legal entity that is the employer and, if the employer is*
15 *a farm labor contractor, as defined in subdivision (b) of Section 1682, the*
16 *name and address of the legal entity that secured the services of the*
17 *employer, and (9) all applicable hourly rates in effect during the pay*
18 *period and the corresponding number of hours worked at each hourly rate*
19 *by the employee. The deductions made from payment of wages shall be*
20 *recorded in ink or other indelible form, properly dated, showing the*
21 *month, day, and year, and a copy of the statement and the record of the*
22 *deductions shall be kept on file by the employer for at least three years at*
23 *the place of employment or at a central location within the State of*
24 *California.*

25 49. Plaintiff alleges that Defendants intentionally and knowingly failed to provide an
26 itemized statement or failed to provide an accurate and complete itemized statement showing the
27 requirements set forth in California Labor Code section 226(a). Specifically, Defendants did not
28 accurately itemize all applicable hourly rates in effect during the pay period, all regular, overtime
and double time hours worked and corresponding rates of pay, and gross and net wages earned. The
paystubs also did not accurately itemize Plaintiff's and similarly situated employees' total hours
worked due to Defendants' rounding, non-counting of on-call hours towards the amount of overtime
hours, nonpayment of meal and rest period premiums, and work-related calls that resulted in off-the-
clock work. Plaintiff and similarly situated employees were not able to promptly and easily
determine their total hours worked from their paystubs alone. Additionally, Plaintiff and similarly
situated employees suffered confusion over whether they received all wages owed and were
prevented from effectively challenging information on their wage statements.

50. As a proximate result of Defendants' conduct, Plaintiff and similarly situated employees have been damaged as stated in the section below entitled "DAMAGES," which is incorporated here to the extent pertinent as if set forth here in full.

SIXTH CAUSE OF ACTION
WAITING TIME PENALTIES
(As to all Defendants)

51. Plaintiff incorporates by reference and re-alleges paragraphs 1 through 50 as though fully set forth herein.

52. An employer must pay an employee who is terminated all unpaid wages immediately upon termination. See Cal. Lab. Code § 201.

53. An employer must pay an employee who resigns all unpaid wages within seventy-two (72) hours of their resignation. *See* Cal. Lab. Code § 202.

54. Plaintiff and similarly situated employees did not receive all wages, including minimum and overtime wages, meal and rest period premiums, and reimbursement expenses at their termination or within the required time after their separation from employment.

55. An employer who willfully fails to pay an employee wages in accordance with California Labor Code sections 201 and/or 202 must pay the employee a waiting time penalty of up to thirty (30) days. See Cal. Lab. Code § 203.

56. Defendants knew of their obligation to pay Plaintiff's and similarly situated employees' their final wages when their employment terminated. Indeed, Defendants had knowledge that Plaintiff and similarly situated employees were not paid all regular and overtime wages, as well as meal and rest period premiums, and sick leave wages because Defendants authorized the violating practices to occur in the first place. Also, Defendants knew of the number of regular hours, overtime hours, and on call hours that Plaintiff worked because Plaintiff's timecards were reviewed and approved by Plaintiff's supervisor. Furthermore, Defendants knew that Plaintiff was the only crisis worker on the shift or on call and that Plaintiff received and responded to many phone calls while off the clock. Plaintiff informed his management that he was receiving phone calls outside of his work shift and that he used his cell phone to communicate regarding work related matters. Defendants promised Plaintiff to reimburse him for his cell phone use, but they never did. Also, Plaintiff communicated via his cell

1 phone with Defendants and management regarding work issues while Plaintiff was off the clock. As a
2 result, Defendants knew that Plaintiff was using his cell phone for work purposes. Plaintiff also
3 submitted many work-related documents from his home using his internet connection. Defendants knew
4 that submitting work documents regarding patient care required internet connection. Such conduct
5 shows Defendants had knowledge of earned, but unpaid wages at the time of separation, yet Defendants
6 still refused to pay the remaining wages owed.

7 57. As a proximate result of Defendants' conduct, Plaintiff and similarly situated employees
8 have been damaged and deprived of their wages and thereby seek their daily rate of pay multiplied by
9 thirty (30) days for Defendants' failure to pay all wages due.

10 **SEVENTH CAUSE OF ACTION**
11 **FAILURE TO REIMBURSE EXPENSES**
12 **(As to all Defendants)**

13 58. Plaintiff incorporates by reference and re-alleges paragraphs 1 through 57 as though fully
14 set forth herein.

15 59. California Labor Code section 2802(a) states that "An employer shall indemnify his or
16 her employee for all necessary expenditures or losses incurred by the employee in direct consequence of
17 the discharge of his or her duties, or of his or her obedience to the directions of the employer, even
18 though unlawful, unless the employee, at the time of obeying the directions, believed them to be
19 unlawful."

20 60. Defendants required Plaintiff and similarly situated employees to use their cell phones
21 but failed to reimburse them for such use. Also, Plaintiff had to use his internet connection at home to
22 work from home and respond to calls, inquires, and submit documents for different work issues, such as
23 patient management and placement. Plaintiff used his cell phone to respond to calls, communicate
24 regarding patient placement, communicate with coworkers, management, and county members. Plaintiff
25 also used his cell phone to report his working hours via Paycom, send text messages, and for searching
26 diagnoses codes and criteria. Plaintiff informed his supervisor that he was getting work-related phone
27 calls when he was not working in the shift and was not clocked in. Plaintiff had to use his laptop at
28 home to assess for danger of patient to self and others and to address diagnoses and patient placement
matters. Defendant told Plaintiff that Defendant would reimburse Plaintiff for cell phone use, but

1 Defendant never did. Plaintiff was also not reimbursed for work-related internet usage from home.
2 Plaintiff's cell phone bill was approximately \$60.00 per month and his internet bill was approximately
3 \$100 per month. Plaintiff is informed and believes that similarly situated employees were not
4 reimbursed for work-related cell phone and internet usage.

5 61. As a proximate result of Defendants' conduct, Plaintiff and similarly situated employees
6 have been damaged as stated in the section below entitled "DAMAGES," which is incorporated here to
7 the extent pertinent as if set forth here in full.

8 **EIGHTH CAUSE OF ACTION**
9 **UNFAIR COMPETITION**
10 **(As to all Defendants)**

11 62. Plaintiff incorporates by reference and re-alleges paragraphs 1 through 61 as though fully
12 set forth herein.

13 63. Unfair competition shall mean and include any unlawful, unfair or fraudulent business act
14 or practice and unfair, deceptive, untrue or misleading advertising and any act prohibited by Chapter 1
15 (commencing with Section 17500) of Part 3 of Division 7 of the Business and Professions Code. See
16 California Business and Professions ("B&P") Code § 17200.

17 64. Plaintiff and similarly situated employees were not paid all wages owed, including
18 minimum and overtime wages, sick leave wages, and meal and rest period premiums, or reimbursed for
19 business expenses, during their employment or any time thereafter. Moreover, through Defendants'
20 conduct Plaintiff and similarly situated employees were denied statutory protections regarding meal and
21 rest periods.

22 65. Plaintiff further alleges that such actions and/or conduct constitute a violation of the
23 California Unfair Competition Law ("UCL") (Business and Professions Code 17200 *et seq.*) pursuant to
24 *Cortez v. Purolator Air Filtration Products Co.*, 23 Cal. 4th 163 (2000).

25 66. As a direct and legal result of the Defendants' conduct, as alleged herein, pursuant to the
26 UCL (including B&P Code §17203), Plaintiff and similarly situated employees are entitled to
27 restitution, including, but not limited to, interest and penalties pursuant to Business & Professions Code
28 sections 17203, 17208, violations of California Labor Code sections 226.7, 245 *et seq.*, 510, 512, and

1 1194 all in an amount as yet unascertained but subject to proof at trial, for four (4) years from the filing
2 of this Action.

3 **NINTH CAUSE OF ACTION**
4 **PRIVATE ATTORNEYS GENERAL ACT**
5 **(As to all Defendants)**

6 67. Plaintiff incorporates by reference and re-alleges paragraphs 1 through 66 as though fully
7 set forth herein.

8 68. Plaintiff has alleged to the Labor Commissioner that Defendants have violated the
9 following provisions of the Labor Code in their dealings with Plaintiff and other similarly situated
10 current and former employees:

- 11 • Violation of Labor Code §§ 510, 1194; IWC Wage Order 5, § 3 (Failure to Pay Overtime
12 Wages)
- 13 • Violation of Labor Code §§ 1194, 1197.1; IWC Wage Order 5, § 4 (Failure to Pay
14 Minimum Wages)
- 15 • Violation of Labor Code §§ 226.7, 512 and Wage Order No. 5, §§ 11(A) and 11(B)
16 (Failure to Provide Meal Periods or Pay Premiums in Lieu Thereof)
- 17 • Violation of Labor Code § 226.7 and Wage Order No. 5, § 12(A) (Failure to Provide Rest
18 Periods or Pay Premiums in Lieu Thereof)
- 19 • Violation of Labor Code §§ 226, 226.3 (Failure to Provide Accurate Wage Statements)
- 20 • Violation of Labor Code §§ 201-203, 256 (Failure to Pay Final Wages)
- 21 • Violation of Labor Code § 2802 (Failure to Pay Reimbursements for Expenses)
- 22 • Violation of Labor Code §§ 558, 558.1 (Provisions Regulating Hours and Days of
23 Work in Any Industrial Welfare Commission Order)
- 24 • Violation of Labor Code §§ 246, 246.5, 248.5 (Failure to Provide Paid Sick Leave)
- 25 • Violation of Labor Code §§ 226.3, 1174 (Failure to Maintain Accurate Records)

26 69. Plaintiff seeks civil penalties against Defendants as provided in the California Labor
27 Code, or, if no civil penalty is provided, default penalties pursuant to California Labor Code section
28 2699(f)(2).

70. Plaintiff seeks these civil penalties from Defendants pursuant to California Labor Code sections 2699(a) and 2699.3.

71. As a proximate result of Defendants' conduct, Plaintiff and similarly situated employees have been damaged as stated in the section below entitled "DAMAGES," which is incorporated here to the extent pertinent as if set forth here in full.

DAMAGES

WHEREFORE Plaintiff requests relief as follows:

1. A jury trial;
2. As to the First Cause of Action:
 - a. Wages in an amount to be proven at trial;
 - b. Interest for the wages due pursuant to California Labor Code section 1194;
 - c. For reasonable attorney's fees and costs incurred pursuant to California Labor Code section 1194;
3. As to the Second Cause of Action:
 - a. Wages in an amount to be proven at trial;
 - b. Interest for the wages due pursuant to California Labor Code section 1194;
 - c. For reasonable attorney's fees and costs incurred pursuant to California Labor Code section 1194;
 - d. Liquidated damages pursuant to California Labor Code section 1194.2;
4. As to the Third Cause of Action:
 - a. Wages in an amount to be proven at trial;
 - b. Attorney's fees, costs and interest pursuant to California Code of Civil Procedure section 1021.5;
5. As to the Fourth Cause of Action:
 - a. Wages in an amount to be proven at trial;
 - b. Attorney's fees, costs and interest pursuant to California Code of Civil Procedure section 1021.5;
6. As to the Fifth Cause of Action:

- a. Penalties as provided for in Labor Code section 226, including the greater of all actual damages or fifty dollars (\$50.00) for the initial pay period in which the violation occurred and one hundred dollars (\$100.00) per employee for each violation in the subsequent pay periods, but not to exceed four thousand dollars (\$4,000.00);
- b. For reasonable attorney's fees and costs incurred pursuant to Labor Code section 226(e);

7. As to the Seventh Cause of Action:

- a. Unreimbursed expenses in an amount to be proven at trial;
- b. For attorney's fees, interest, and costs pursuant to Labor Code section 2802(c);

8. As to the Ninth Cause of Action:

- a. For civil penalties as provided in the Labor Code for each enumerated violation;
- b. For those Labor Code sections where there is no civil penalty provided for their violation, the default penalty provided in Labor Code section 2699(f): for any initial violation, one hundred dollars (\$100) for each aggrieved employee per pay period; For any subsequent violation, two hundred dollars (\$200) for each aggrieved employee per pay period;
- c. Reasonable attorney's fees and costs pursuant to Labor Code section 2699;
- d. For any other remedies as allowed by law and/or deemed appropriate by the Court;

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Downard v Sierra Mental Wellness Group
Placer County Superior Court of California S-CV-0049587

**PROOF OF SERVICE — CCP §§ 1010.6, 1013a and 2015.5
and California Rules of Court, Rule 1.21, Rule 2.150, and Rule 2.251**

I, Elias Tapia, declare that:

I am a citizen of the United States and am over the age of eighteen years and not a party to the within above-entitled action.

On March 27, 2023, I served the following documents on the party below:

- FIRST AMENDED COMPLAINT FOR DAMAGES

Ronald E. Enabnit Matheny Sears Linkert & Jaime, LLP 3638 American River Dr Sacramento, CA 95864 Telephone: 916-978-3434 Facsimile: 916-978-3430 E-mail: renabnit@mathenysears.com msilva@mathenysears.com	
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[] [By Mail] I am familiar with my employer's practice for the collection and processing of correspondence for mailing with the United States Postal Service and that each day's mail is deposited with the United States Postal Service that same day in the ordinary course of business. On the date set forth above, I served the aforementioned document(s) on the parties in said action by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid, for collection and mailing on this date, following ordinary business practices, at Sacramento, California, addressed as set forth above.

[] [By Personal Service] By personally delivering a true copy thereof to the office of the addressee above.

[XXX] [By Electronic Mail] I e-mailed the documents(s) to the person(s) shown above. No error was reported by the e-mail service that I used.

[] [By Overnight Courier] By causing a true copy and/or original thereof to be personally delivered via the following overnight courier service:_____.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed on March 27, 2023, at Elk Grove, California.


Elias Tapia

EXHIBIT C



Shimoda & Rodriguez Law, PC
9401 East Stockton Blvd.
Suite #120
Elk Grove, CA 95624
Ph. (916) 525-0716
Fax (916) 760-3733
www.shimodalaw.com

December 16, 2022

For Online Filing:

Labor and Workforce Development Agency
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612

Re: *Downard v. Sierra Mental Wellness Group*

Dear Labor Commissioner,

As counsel for Jesse Downard (“Plaintiff”), I am writing to provide you and the following “employers” notice pursuant to California Labor Code section 2699.3:

Sierra Mental Wellness Group
406 Sunrise Ave., Ste. 300
Roseville, CA 95661

Julia Arnold
210 Manzanita
Roseville, CA 95678

Bryan Wagner
8001 Folsom Blvd.
Sacramento, CA 95826

Don Hutchinson
P.O. Box 1042
Loomis, CA 95650

We are setting forth the “facts and theories” to support each of the counts found within this complaint. Please notify us of your intent to investigate any or all of the claims alleged herein against Sierra Mental Wellness Group, Julia Arnold, Bryan Wagner, Don Hutchinson (“Defendants”). Should you decide not to investigate, we request that you allow us to bring the following action on behalf of Plaintiff and all Aggrieved Employees, pursuant to Labor Code section 2699(a). Specifically, Aggrieved Employees shall include, but is not limited to the following: all non-exempt employees who have worked, or continue to work, for Defendants in California as clinicians, nurses, psychologists, or similar positions responsible for providing care to patients. Plaintiff is clearly entitled to bring a Private Attorneys General Act (“PAGA”) claim for civil penalties on behalf of these individuals pursuant to *Huff v. Securitas Security Services*



USA, Inc., 23 Cal.App.5th 745, 757 (2018) (finding a plaintiff has PAGA standing if affected by one of the alleged violations; the plaintiff need not have personally experienced all the violations pursued in PAGA action).

A. FACTS

Defendants provide mental health services to patients and employ various health care professionals to provide these services, including clinicians, nurses, and psychologists, across California. Defendants contract with several counties to provide these services at health care facilities therein, including San Luis Obispo County, Glenn County, Nevada County, Placer County, and Colusa County. Plaintiff worked for Defendants as a non-exempt employee from approximately December 12, 2020, to September 9, 2022. Plaintiff was employed by Defendants as a non-exempt employee from approximately December 21, 2020, to approximately September 9, 2022, working as a crisis clinician. Similarly, Aggrieved Employees worked as clinicians, nurses, psychologists, or similar positions responsible for providing care to patients.

Defendants paid Plaintiff and Aggrieved Employees under a on-call/roll out pay system. Under this pay system, Plaintiff and similarly situated employees were given set shifts in which they were required to be ready to respond to calls for care at any number of healthcare facilities in the area, including, potentially, going to the facility to perform services. Plaintiff and Aggrieved Employees were paid approximately \$13-\$15 per hour during the time in which they were subject to being called. When Plaintiff and Aggrieved Employees were actually responding to calls over the phone, actually in the facility in response to a call, or working during a regularly scheduled shift, they were paid a higher amount, approximately \$33-\$36 per hour. Plaintiff and Aggrieved Employees regularly worked more than eight (8) hours a day and forty (40) hours a week. When Defendants calculated Plaintiff and Aggrieved Employees' regular rate of pay for premium purposes such as overtime, double time, sick leave, they failed to incorporate the value of on-call earnings when calculating the regular rate of pay. This resulted in overtime, double time, and sick leave wage payments that were substantially lower than they otherwise should be, sometimes \$12-\$24 lower per hour than required under the law. For example, Defendant paid Plaintiff and Aggrieved Employees bi-monthly and utilized a defined workweek for overtime/regular rate calculation purposes of Sunday 12:00 a.m. to Saturday 11:59:59 p.m. During the pay period of August 1, 2022, to August 15, 2022, Plaintiff's basic hourly rate was \$36 and he was paid overtime at the rate of \$54. But, Plaintiff also earned \$105 in on-call pay during this week (7 hours x \$15/hr), which also included 3.5 hours of overtime. His regular rate for this week should have been \$38.41, which would equal a \$57.62 overtime rate of pay. Thus, Plaintiff was underpaid \$12.67 in this week alone. Plaintiff and Aggrieved Employees earning records are replete with these types of errors. In or around January 2022, Plaintiff raised this issue with his supervisor, stating he believed the overtime calculation was wrong. However, his supervisor simply stated that she would pass on the information. Nothing was ever done to correct the issue. Thus, Plaintiff and Aggrieved Employees were not paid all overtime, double



time, and sick leave wages due. Plaintiff is informed and believes that, due to the systemic nature of this pay practice, any meal and rest period premiums paid also failed to include the failure of on-call time when calculating the regular rate of pay.

Defendants regularly understaffed its operations such that there were many scheduled shifts where only one individual was working at a time. For example, Plaintiff and Aggrieved Employees covered hospitals and were mobile crisis responders where they would go to residences, the side of a highway, community centers, schools, or other locations where a patient requiring emergency care might be. The length of time for these trips and ensuring care prevented timely meal or rest periods from occurring. Furthermore, due to the nature of the services, Plaintiff and Aggrieved Employees were not able to take meal periods because there was no one else scheduled to cover for them during this time. Plaintiff and Aggrieved Employees missed many rest periods due to similar reasons. Plaintiff and Aggrieved Employees would also receive many work-related phone calls from the hospital or county during their meal and rest periods. As a result, Defendants did not authorize and permit Plaintiff and Aggrieved Employees to take all meal and rest periods owed to them. Plaintiff and Aggrieved Employees did not receive all uninterrupted thirty (30) minute meal periods every five (5) hours and ten (10) minute rest periods every four (4) hours or major fraction thereof. The lack of compliant meal periods is confirmed by Defendants' time records, which show many instances where no meal period clock in/outs occurred on shifts lasting greater than five (5) hours and no meal period was paid either. Defendants did not pay Plaintiff and Aggrieved Employees all meal and rest period premiums owed to them.

Plaintiff and Aggrieved Employees used their personal cell phone for work related matters. Plaintiff and Aggrieved Employees used their cell phones to address patient placements, communicate with coworkers and management, communicate with county members, enter timecards, text messages, and for searching diagnosis codes and criteria. Plaintiff informed his supervisor that he was getting work-related phone calls when he was not working a regularly scheduled shift and was not clocked in during on call hours. The calls occurred several times per week and lasted approximately 5-10 minutes each time. Defendants told Plaintiff that Defendants would reimburse Plaintiff for cell phone use, but Defendants never did. Plaintiff was also not reimbursed for work-related internet usage from home. Plaintiff's cell phone bill was approximately \$60.00 per month and his internet bill was approximately \$100 per month. Plaintiff is informed and believes that Aggrieved Employees were not reimbursed for work-related cell phone and internet usage.

In addition, Plaintiff and Aggrieved Employees would enter their hours worked using their cell phone in Paycom, a service used by Defendants for time reporting. Plaintiff's supervisor would review his timecards and approve them. However, Defendants engaged in rounding despite being able to record actual hours worked down to the minute through Paycom. Defendants does not have a policy regarding its rounding practices and failed to inform Plaintiff



of its rounding practices. Defendants' rounding resulted in Plaintiff and Aggrieved Employees not receiving pay for all actual hours worked, including overtime and minimum wages.

As a result of Defendants' failure to pay Plaintiff and Aggrieved Employees all overtime, double time, sick leave wages, and meal and rest period premiums owed, the wage statements Defendants issued were inaccurate. The paystubs that Defendants issued did not itemize accurate regular and overtime hours worked, accurate missed meal and rest period premiums owed, and accurate gross and net wages earned. Furthermore, the total hours stated on the paystub were incorrect and did not even correspond to the actual total hours worked that Defendant was paying Plaintiff and Aggrieved Employees for. For example, Defendants included the number of on call hours paid as part of total hours worked, when, in fact, the time spent being on-call not actively responding to calls ("roll out time") was not considered hours worked. This practice masked Defendants failure to appropriately calculate the regular rate of pay for overtime and other premium pay purposes. Furthermore, time periods for which the wage statements purport to be paying for are incorrect. Due to Defendants' bi-monthly pay system, there were several instances where overtime or regular hours from a prior pay period were included in a current pay period and where overtime or regular hours worked during a current pay period were not paid because they would be paid in the future pay period. However, those hours and wages paid that were affected by this practice were not itemized on Plaintiff and Aggrieved Employees' paystubs. Consequently, Plaintiff and Aggrieved Employees were not able to determine the total wages owed to them from their paystubs alone.

As of this date of this letter, Defendants has not paid Plaintiff and Aggrieved Employees all overtime wages, minimum wages, meal and rest period premiums, sick leave wages and reimbursement expenses owed to them.

B. ALLEGATIONS AND CHARGES

Count One – Violation of Labor Code §§ 510, 1194; IWC Wage Order 5, § 3 (Failure to Pay Overtime Wages)

Labor Code sections 510 and 1194 require employers to pay employees 1 ½ times their regular rate of pay for any work in excess of eight (8) hours in one workday and any work in excess of forty (40) hours in any one workweek. Employers must also pay employees 1 ½ times their regular rate of pay for the first eight (8) hours worked on the seventh day of work in any one workweek. Finally, employers must pay employees 2 times their regular rate of pay for all hours worked in excess of twelve (12) hours in any workday and for all hours worked in excess of eight (8) hours on the seventh day of work in any one workweek. As stated above, Plaintiff and Aggrieved Employees worked over eight (8) hours per day and forty (40) hours per week and were not paid all overtime wages owed. Plaintiff and all Aggrieved Employees are entitled to recover all unpaid overtime wages. Failure to pay such wages is against the law.



Count Two – Violation of Labor Code §§ 1194, 1197.1; IWC Wage Order 5, § 4 (Failure to Pay Minimum Wages)

During the period Plaintiff and Aggrieved Employees were employed by Defendants they were entitled to be paid at least the State’s minimum wage rate for each hour that they worked. *See, e.g.*, IWC Wage Order MW-2019; IWC Wage Order No. 5, § (4); Cal. Lab. Code §§ 1194, 1197.1. For the reasons stated above, Defendants did not pay Plaintiff and Aggrieved Employees for all hours worked. Thus, Plaintiff and Aggrieved Employees were not paid at least the applicable state minimum wage for those hours worked. This is against the law.

Count Three - Violation of Labor Code §§ 226.7, 512 and Wage Order No. 5, §§ 11(A) and 11(B) (Failure to Provide Meal Periods or Pay Premiums in Lieu Thereof)

Labor Code section 226.7 and Wage Order No. 5, section 11(A) require employers to provide employees meal periods of thirty (30) minutes per five (5) hours worked, which is to be taken before the completion of the fifth hour. Labor Code section 512 and Wage Order No. 5, section 11(B) further provide that employers may not employ employees for a work period of more than ten (10) hours per day without providing the employee with a second meal period of thirty (30) minutes; however, if the total hours worked is no more than twelve (12) hours, the second meal period may be waived so long as there was no waiver as to the first meal period. For the reasons stated above, Plaintiff and Aggrieved Employees were not authorized and permitted to take legally compliant meal periods pursuant to California law. To the extent any meal period premiums were paid, they were not paid at the regular rate of pay. This was in violation of the law.

Count Four – Violation of Labor Code § 226.7 and Wage Order No. 5, § 12(A) (Failure to Provide Rest Periods or Pay Premiums in Lieu Thereof)

Labor Code section 226.7 and Wage Order No. 5, section 12(A) require employers to provide employees paid off-duty rest periods of ten (10) minutes per four (4) hours or major fraction thereof worked. For the reasons stated above, Plaintiff and Aggrieved Employees were not authorized and permitted to take legally compliant rest periods pursuant to California law. To the extent any meal and rest period premiums were paid, they were not paid at the regular rate of pay. This was in violation of the law.

Count Five – Violation of Labor Code §§ 226, 226.3 (Failure to Provide Accurate Wage Statements)

Labor Code section 226 requires employers to furnish to employees with “an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee, . . . (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on



written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer . . . and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee . . .” For the reasons stated above, Defendants failed to comply with these requirements with respect to Plaintiff and Aggrieved Employees. This is in violation of the law.

Count Six – Violation of Labor Code §§ 201-203, 256 (Failure to Pay Final Wages)

Labor Code sections 201-203 require that all wages, including overtime wages, minimum wages, sick leave wages, and meal and rest period premiums, be paid to employees upon separation and/or termination of employment. Here, for the reasons stated above, Plaintiff and Aggrieved Employees did not receive all final wages due and owing to them at the time of termination or seventy-two (72) hours thereafter as required by Labor Code sections 201-203. This is in violation of the law.

Count Seven – Violation of Labor Code § 2802 (Failure to Pay Reimbursements for Expenses)

Labor Code section 2802(a) states that “An employer shall indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer, even though unlawful, unless the employee, at the time of obeying the directions, believed them to be unlawful.” Defendants failed to pay any reimbursements for work-related cell phone use and internet use by Plaintiff and Aggrieved Employees. This was in violation of the law.

Count Eight – Violation of Labor Code §§ 558, 558.1 (Provisions Regulating Hours and Days of Work in Any Industrial Welfare Commission Order)

Labor Code section 558 states that it is unlawful for any employer, or other person acting on behalf of an employer, to violate or cause to be violated any of sections 500 to 558.1 of the Labor Code or any order of the Industrial Welfare Commission. Similarly, Labor Code section 558.1 states that it is unlawful for any employer or other person acting on behalf on an employer to violate, or cause to be violated, any provision regulating minimum wages or hours and days of work in any order of the Industrial Welfare Commission, as well as Sections 203, 226, 226.7, 1193.6, 1194, or 2802 of the Labor Code. From February 10, 2020, to present Julia Arnold was Defendants CEO, Bryan Wagner was Defendants Secretary, and Don Hutchinson was Defendants CFO. These individuals had supervisory responsibility for the policies and practices put into place by Defendants, including those alleged herein Plaintiff contends are unlawful.



Furthermore, Julia Arnold, Bryan Wagner, and Don Hutchinson were responsible for training subordinate staff and managers who carried out these practices as well and ratified their unlawful conduct by failing to take any corrective action when reviewing their own documents and pay practices. Defendants, by and through Defendants agents, violated Plaintiff and Aggrieved Employees' rights provided for under Labor Code sections 558 and 558.1 as well as the incorporated Wage Orders and incorporated statutes therein. This is against the law.

Count Nine – Violation of Labor Code §§ 246, 246.5, 248.5 (Failure to Provide Paid Sick Leave)

Labor Code sections 246, *et seq.*, mandate that employers must provide California employees, who work thirty (30) or more days within a year for the employer, paid sick leave of at least one (1) hour for every thirty (30) hours worked that begins to accrue at the commencement of employment. An employer may use a different accrual method, other than providing one hour per every 30 hours worked, provided that the accrual is on a regular basis so that an employee has no less than twenty-four (24) hours of accrued sick leave or paid time off by the 120th calendar day of employment or each calendar year, or in each 12-month period. An employer may limit the use of sick leave to either twenty-four (24) hours or the equivalent of three (3) days, whichever is greater, during a year period. However, employers using an accrual method rather than a lump sum method must allow employees to accrue up to forty-eight (48) hours or the equivalent of six (6) days at any given time. Employers must authorize employees to take paid sick leave under the conditions set forth in the Healthy Workplaces, Healthy Families Act of 2014 ("HWHFA") for the diagnosis, care, or treatment of an existing health condition of, or preventive care for, an employee or an employee's family member. Any sick leave taken must be paid at the employee's regular rate of pay. For the reasons state above, Defendants failed to pay Plaintiff and Aggrieved Employees all sick leave owed because they failed to correctly calculate the regular rate of pay for those payments.

Count Ten – Violation of Labor Code §§ 226.3, 1174 (Failure to Maintain Accurate Records)

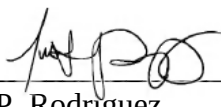
Labor Code section 226.3 provides that any employer who fails to maintain records required by Labor Code section 226(a) or provide records required by 226(a) shall be subject shall be subject to a civil penalty in the amount of two hundred fifty dollars (\$250) per employee per violation in an initial citation and one thousand dollars (\$1,000) per employee for each violation in a subsequent citation. Labor Code section 1174(d) provides that employers must keep and maintain accurate payroll records showing the hours worked daily by, and the wages paid to, employees. Defendants failed to maintain the accurate records required by law and, instead, maintained incomplete, inaccurate records regarding Plaintiff and Aggrieved Employees' wage records and hours worked. This was against the law.



If you have any questions or require any further information regarding the facts and theories to support these claims, do not hesitate to contact our office.

Very truly yours,

Shimoda & Rodriguez Law, PC

By: _____
Justin P. Rodriguez

JPR:rk
cc: Client via e-mail

Downard v Sierra Mental Wellness Group

**PROOF OF SERVICE — CCP §§ 1010.6, 1013a and 2015.5
and California Rules of Court, Rule 1.21, Rule 2.150, and Rule 2.251**

I, Elias Tapia, declare that:

I am a citizen of the United States and am over the age of eighteen years and not a party to the within above-entitled action.

On December 16, 2022, I served the following documents on the party below:

- PAGA LETTER (PRIVATE ATTORNEYS GENERAL ACT)

Sierra Mental Wellness Group 406 Sunrise Ave., Ste. 300 Roseville, CA 95661	Julia Arnold 210 Manzanita Roseville, CA 95678
Bryan Wagner 8001 Folsom Blvd. Sacramento, CA 95826	Don Hutchinson P.O. Box 1042 Loomis, CA 95650

[XXX] [By Certified Mail] I am familiar with my employer's practice for the collection and processing of correspondence for mailing with the United States Postal Service and that each day's mail is deposited with the United States Postal Service that same day in the ordinary course of business. On the date set forth above, I served the aforementioned document(s) on the parties in said action by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid, for collection and mailing on this date, following ordinary business practices, at Sacramento, California, addressed as set forth above.

[] [By Personal Service] By personally delivering a true copy thereof to the office of the addressee above.

[] [By Electronic Mail] I e-mailed the documents(s) to the person(s) shown above. No error was reported by the e-mail service that I used.

[] [By Overnight Courier] By causing a true copy and/or original thereof to be personally delivered via the following overnight courier service:_____.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed on December 16, 2022, at Elk Grove, California.


Elias Tapia

EXHIBIT D

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

Case Name: Downard v. Sierra Mental Wellness Group

Tuesday, August 22, 2023

Requesting Attorneys Name:	Renald Konini
E-Mail:	rkonini@shimodalaw.com
ILYM Contact:	Lisa Mullins
E-Mail:	lisa@ilymgroup.com
Contact Number:	714.878.8836

ESTIMATE FOR ADMINISTRATION SOLUTIONS

ASSUMPTIONS	
Total Number of Class Members	332
Estimated Mail Returned as Undeliverable	20%
NCOA	Yes
Case Duration (Year(s))	1

Activity	Rate Type	Unit Cost	Volume	Amount
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CASE STARTUP				
Initial Setup - Import and Formatting of Data*	Hourly	\$150.00	2	\$300.00
Programming of Class Database	Hourly	\$175.00	2	\$350.00

**ILYM assumes that data will be in a standard format. Client will be notified immediately if not in standard format to correct data or ILYM can convert to standard format @ \$150.00 per hour.*

Subtotal \$650.00

PROJECT MANAGEMENT & NOTICING				
Project Manager (Case notification and maintenance)	Hourly	\$120.00	3	\$360.00
Staff Hours for Processing Opt-Outs, Disputes and Objection(s)	Hourly	\$70.00	1	\$70.00
Staff Hours for Processing Returned Mail	Hourly	\$70.00	1	\$70.00
Report Processing	Hourly	\$70.00	3	\$210.00
NCOA	Flat Rate	\$75.00	1	Waived
Toll Free Customer Service Representative	Flat Fee	\$100.00	1	\$100.00
Status Reports	Flat Rate	\$750.00	1	Waived

Subtotal \$810.00

NOTIFICATION/MAILING				
Fulfillment of Notice, English only	Per Piece	\$1.50	332	\$498.00
USPS First Class 1oz Postage	Per Piece	\$0.63	332	\$209.16
Re-Mails (Forward/Skip trace Undeliverables)	Per Piece	\$2.00	66	\$132.80
Storage, Photocopies, Deliveries	Flat Fee	\$254.08	1	\$254.08

Subtotal \$1,094.04

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

Activity	Rate Type	Unit Cost	Volume	Amount
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DISTRIBUTION (Includes EIN, Bank Acct * /QSF Setup)				
Distribution Setup & Management	Hourly	\$150.00	3	\$450.00
Account Reconciliation & Distribution Reporting	Hourly	\$125.00	3	\$375.00
Check Stub & Release - Print & Mail (W-2/1099)	Per Check	\$1.00	332	\$332.00
USPS First Class 1oz Postage	Per Piece	\$0.63	332	\$209.16
Re-Mails (Forward/Skip trace Undeliverables up to 10%)	Per Piece	\$1.50	33	\$49.80
Preparation of Taxes	Hourly	\$120.00	6	\$720.00
Annual Filing of Tax Return	Per Year	\$1,500.00	1	\$1,500.00

*Additional Bank fees may apply

Subtotal \$3,635.96

CASE CONCLUSION				
Data Manager Final Reporting	Hourly	\$100.00	2	\$200.00
Project Manager Final Reporting	Hourly	\$120.00	3	\$360.00
Process Uncashed Funds	Flat Fee	\$750.00	1	\$750.00
Declaration	Hourly	\$125.00	2	\$250.00

Subtotal \$1,560.00

CAPPED FEE: \$7,750.00

Terms and Conditions

All services to be provided by ILYM Group, Inc. (hereinafter, "ILYM") to Client shall be subject to the following terms and conditions:

Services: Subject to the terms hereof, ILYM agrees to provide the Client with Administration Services (hereinafter, "services") as specified in the Proposal provided to Client to which these Terms and Conditions are attached. The estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make provision for any services or class members/size not delineated in the request for proposal or stipulations. Such services do not in any way constitute legal services or advice. ILYM is performing its services as an Independent Contractor and neither it nor its employees shall be deemed to be employees of the Client.

Mailing and Data Conversion: ILYM's database administration assumes the Client will provide complete data that includes all information required to send notifications and complete the administration process. Data must be provided in a complete, consistent, standardized electronic format. ILYM's standard format is Microsoft Excel, however, ILYM may accept other formats at its discretion. Further developments or enhancements to non-standardized data will be billed to Client by ILYM on a time and materials basis, according to ILYM's Standard Rates.

Charges for Services: Charges to the Client for services shall be on a time and materials basis at our prevailing rates, as the same may change from time to time. Any fee estimates set forth in the proposal are estimates only, based on information provided by Client to ILYM. Actual fees charged by ILYM to Client may be greater or less than such estimate, and Client shall be responsible for the payment of all such charges and expenses in accordance with Section 5 hereof. Charges incurred related to resolving post distribution withholdings and related corrective files due to voids and re-issues of payments and related correspondence with state and federal taxing authorities will not be charged to the Client to the extent that funds are received from the taxing authorities offset these charges. ILYM may derive financial benefits from financial institutions in connection with the deposit and investment of settlement funds with such institutions, including without limitation, discounts on eligible banking services and fees, and loans at favorable rates.

Indemnification: Client will indemnify and hold ILYM (and the officers, employees, affiliates and agents harmless against any Losses incurred by ILYM, arising out of, in connection with, or related to (i) any breach of the terms by Client; (ii) the processing and handling of any payment by ILYM in accordance with Client's instructions, including without limitation, the imposition of any stop payment or void payment on any check or the wrongful dishonor of a check by ILYM pursuant to Client's instructions.

Payment of Charges: ILYM reserves the right to request payment of postage charges and 50% of the final administration charges at the start of the case. ILYM bills are due upon receipt unless otherwise negotiated and agreed to with the Client. In the event settlement terms provide that ILYM is to be paid out of the Settlement Fund, ILYM will request that Counsel endeavor to make alternate payment arrangements for ILYM charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the Settlement Account is funded by, or no later than the time of disbursement. Decisions of the court and actions of the parties, including disapproval or withdrawal of a settlement, do not affect the Client's liability to ILYM for payment of services. Services are not provided on a contingency fee basis.

Confidentiality: ILYM maintain reasonable and appropriate security measures and safeguards to protect the security and confidentiality of Client data provided to ILYM by Client in connection herewith. Should ILYM ever be notified of any judicial order or other proceedings in which a third party seeks to obtain access to the confidential data created by or for the Client, ILYM will promptly notify the Client, unless prohibited by applicable law. The Client shall have the option to (1) provide legal representation at the Client's expense to avoid such access or (2) promptly reimburse ILYM for any of its costs, including attorneys' fees, reasonably incurred in avoiding, attempting to avoid or providing such access and not paid by the entity seeking the data. If ILYM is required, pursuant to a court order, to produce documents, disclose data, or otherwise act in contravention of the obligations imposed by this Agreement, or otherwise, with respect to maintaining the confidentiality, proprietary nature and secrecy of the produced documents or disclosed data, ILYM will not be liable for breach of said obligation.

Data Rights: ILYM does not convey nor does the Client obtain any right in the programs, system data, or materials utilized or provided by ILYM in the ordinary course of business in the performance of this Agreement.

Document Retention: Unless directed otherwise in writing by Client, ILYM will destroy undeliverable mail on the effective date of the settlement or the date that the disposition of the case is no longer subject to appeal or review, whichever is later. ILYM will maintain claim forms and other correspondence for one year after final distribution of funds or benefits, or until the date that the disposition of the case is no longer subject to appeal or review, whichever is later.

Limitation of damages: ILYM is not responsible to the Client for any special, consequential or incidental damages incurred by Client. Any liability of ILYM to the Client shall not exceed the total amount billed to the Client for the particular services that give rise to any loss.

Termination: The services to be provided under this Agreement may be terminated, at will by the Client upon at least 30 calendar days' prior written notice to ILYM. The Client's obligation to pay for services or projects in progress at the time of notice of withdrawal shall continue throughout that 30 day period. ILYM may terminate this Agreement (i) with 10 calendar days' prior written notice, if the Client is not current in payment of charges or (ii) in any event, upon at least 3 months' prior written notice to the Client.

Notice: Any notice required or permitted hereunder shall be in writing and shall be delivered personally, or sent by registered mail, postage prepaid, or overnight courier service to the responsible officer or principal of ILYM or the Client, as applicable, and shall be deemed given when so delivered personally, or, if mailed, five days after the date of deposit in United States mail, or, if sent by courier, one business day after delivery to such courier service.

Force Majeure: To the extent performance by ILYM of any of its obligations hereunder is substantially prevented by reason of any act of God or by reason of any other matter beyond ILYM's reasonable control, then such performance shall be excused and this Agreement, at ILYM's option, be deemed suspended during the continuation of such condition and for a reasonable time thereafter.

Waiver of Rights: No failure or delay on the part of a party in exercising any right hereunder will operate as a waiver of, or impair, any such right. No single or partial exercise of any such right will preclude any other or further exercise thereof or the exercise of any other right. No waiver of any such right will be effective unless given in a signed writing.

Jurisdiction: The parties hereto submit to the jurisdiction of the Court of the applicable case for purposes of any suit, action or proceeding to enforce any provision of, or based on any right arising out of, this Agreement. The parties hereto hereby waive any objection to the laying of venue of any such suit, action or proceeding in the Court.

Entire Agreement: These terms and conditions and the proposal embody the entire agreement between the parties with respect to the subject matter hereof, and cancels and supersedes all prior negotiations, representations, and agreements related thereto, either written or oral, except to the extent they are expressly incorporated herein. No changes in, additions to, or waivers of, the terms and conditions set forth herein will be binding upon any party, unless approved in writing by such party's authorized representative.

EXHIBIT E

Shimoda & Rodriguez Law, PC - Jesse Downard

Date	Description	Amount
12/16/2022	Administration/Copy Fee - Class Action - Administration/Copy Fee - Class Action - Phone, Fax, Scan, Copying, Westlaw Legal Research Fees	\$500.00
12/16/2022	Payment to LWDA - PAGA Filing Fee	\$75.00
12/20/2022	Complaint 19493466 - \$1435 court fee, \$55.26 filing fee \$1.95 tech fee	\$1,492.21
1/11/2023	Proof of service 19619131	\$14.88
3/15/2023	E-Filing Charge - Stipulation to Amend PAGA	\$13.33
3/22/2023	One Legal Service Fee - Stipulation 20019448	\$35.93
3/29/2023	Complaint: 1st Amended 20092543	\$15.34
4/3/2023	Case Management Conference Statement 20123270	\$15.34
4/12/2023	Other - Downard CMC Appearance Fee	\$27.50
4/17/2023	Other - Downard CMC Appearance Fee Refund	(\$22.50)
4/18/2023	Mediation	\$3,675.00
7/7/2023	One Legal Service Fee - Case management conference order 20752491	\$15.34
7/31/2023	Expenses - Placer Remote Appearance	\$27.50
8/14/2023	Mediation - Parking Cost	\$43.77
10/23/2023	Case Management Conference Statement 21457279	\$14.00
Anticipated	Court Fee - Preliminary Approval Motion Filing	\$60.00
Anticipated	OneLegal Filing Fee - Preliminary Approval Motion	\$12.95
Anticipated	Case Management Conference Statement	\$15.34
Anticipated	Court Fee - Final Approval Motion Filing	\$60.00
Anticipated	OneLegal Filing Fee - Final Approval Motion	\$12.95
Anticipated	Compliance Hearing Filing	\$15.34
	Total	\$6,119.22

EXHIBIT F

**CALIFORNIA SUPERIOR COURT
FOR THE COUNTY OF PLACER**

JESSE DOWNARD, individually and on behalf
of all other similarly situated employees,

Plaintiff,

vs.

SIERRA MENTAL WELLNESS GROUP, a
California Corporation; and DOES 1 to 100,
inclusive,

Defendant.

Case No. S-CV-0049587

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

ATTENTION: All hourly non-exempt employees who have worked, or continue to work, for Defendant in California as clinicians, nurses, psychologists, or similar positions responsible for providing care to patients at any point from December 19, 2018, to [REDACTED] (the "Class Members").

PLEASE READ THIS NOTICE CAREFULLY. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT OF CLASS ACTION LITIGATION AND POTENTIAL DISBURSEMENT OF SETTLEMENT FUNDS TO YOU. IF YOU ARE A CLASS MEMBER, IT CONTAINS IMPORTANT INFORMATION ABOUT YOUR RIGHT TO PARTICIPATE IN OR OPT OUT OF THE SETTLEMENT ACCORDING TO THE PROCEDURES DESCRIBED BELOW.

You are receiving this notice pursuant to an order from the Placer County Superior Court ("Court") granting Plaintiff's motion for preliminary approval of a Joint Stipulation of Regarding Class Action PAGA Settlement and Release ("Agreement" or "Settlement") as fair, reasonable, and adequate. The Settlement was entered into between Plaintiff Jesse Downard ("Plaintiff" or "Class Representative"), and Defendant SIERRA MENTAL WELLNESS GROUP ("Defendant") on behalf of Class Members as defined above. The terms of the Settlement are outlined herein. You are receiving this notice because Defendant's records indicate you fall within the definition of "Class Member." Defendant's records also indicate that you worked [REDACTED] weeks during the applicable Class Period (as defined below), which means your total share of the settlement proceeds is estimated to be [REDACTED]. Your actual share of the settlement proceeds will vary depending on the total number of Class Members that choose to participate and the resolution of any workweek disputes as described in this notice.

The terms of the Agreement and a description of the case are identified in this notice. Pursuant to the Court's order, YOU ARE HEREBY NOTIFIED AS FOLLOWS:

I. BACKGROUND OF THE CASE

On December 19, 2022, Plaintiff filed a Complaint against Defendant in the Placer County Superior Court of California on behalf of himself and Class Members. The term "Action" means this putative class action pending in Placer County Superior Court, Case No. S-CV-0049587. The Class Period all hourly non-exempt employees who have worked, or continue to work, for Defendant in California as clinicians, nurses, psychologists, or similar positions responsible for providing care to patients at any point from December 19, 2018, is to [REDACTED] (the "Class Period").

In the Action, Plaintiff sought to obtain unpaid wages, interest, statutory penalties, civil penalties, fees, and costs on behalf of himself, Class Members, and Aggrieved Employees. Plaintiff alleged that Defendant violated California law by 1) failing to pay overtime wages, 2) failing to pay minimum wages, 3) failing to provide meal periods or pay premiums in lieu thereof, 4) failing to provide rest periods or pay premiums in lieu thereof, 5) failing to provide accurate wage statements, 6) failing to timely pay all final wages, 7) failing to reimburse employees for incurred expenses, 8) failing to provide paid sick leave, 9) failing to maintain accurate records, 10) engaging in unfair competition, and 10) committing PAGA violations. Defendant has denied all of Plaintiff's allegations. The Action has been actively litigated. There have been on-going investigations, and there has been an exchange of extensive documentation and information. Furthermore, the Parties have participated in a full day mediation facilitated by a neutral third party.

Based upon the negotiations, and all known facts and circumstances, including the various risks and uncertainties related to legal actions, the Parties reached a class-wide settlement. By settling, the Parties will avoid the risks associated with a lengthy litigation process. Despite agreeing to and supporting the Agreement, Defendant continue to deny all allegations and claims. Defendant has entered into this Settlement to fully, finally, and forever resolve this Action, based on the terms set forth in the Agreement, in order to avoid the burden and expense associated with ongoing litigation.

The Agreement applies to any and all Class Members, which are defined as all hourly non-exempt employees who have worked, or continue to work, for Defendant in California as clinicians, nurses, psychologists, or similar positions responsible for providing care to patients at any point from December 19, 2018, to [REDACTED]. The Agreement also applies to Aggrieved Employees, which are defined as all hourly non-exempt employees who have worked, or continue to work, for Defendant in California as clinicians, nurses, psychologists, or similar positions responsible for providing care to patients at any point between December 16, 2021, to [REDACTED]. If you are a Class Member, you have the opportunity to participate in the Settlement, or to exclude yourself ("opt out") from the Settlement. This notice is to advise Class Members of how they can either participate in the Settlement or be excluded from the Settlement. As set forth below, Aggrieved Employees cannot opt out of this Agreement as it relates to the PAGA Payment or Released PAGA Claims regardless of whether they opt out of being a Class Member. Aggrieved Employees will receive their share of the PAGA Payment regardless of whether they opt out of being a Class Member.

II. SUMMARY OF THE PROPOSED SETTLEMENT

A. The Amount of the Settlement

Under the terms of the Agreement, Defendant has agreed to pay a total sum of Four Hundred Fifty Thousand Dollars (\$450,000) ("Gross Settlement Amount"). Deducted from this Gross Settlement Amount will be sums approved by the Court for attorneys' fees not to exceed 35% of the Gross Settlement Amount, attorneys' costs not to exceed \$10,000, Settlement Administrator Costs estimated not to exceed \$15,000, Class Representative's Enhancement Payment of \$15,000, and \$20,000 for alleged PAGA penalties (the "PAGA Payment"), which will result in a "Net Settlement Amount" for distribution to all Class Members. Any employer side taxes attributable to payments allocated as wages will be paid by Defendant in addition to the Gross Settlement Amount. As explained further below, the amount of each Class Member's share of the Net Settlement Amount will depend on the number of weeks worked by participating Class Members during the Class Period. Of the \$20,000 allocated to resolving the PAGA claims, 75% of the PAGA Payment will be paid to the State of California Labor and Workforce Development Agency and 25% of the PAGA Payment will be divided among Aggrieved Employees.

The number of weeks you worked during the Class Period and your estimated total share of the Net Settlement Amount and PAGA Payment ("Individual Settlement Amount") is stated on the first page of this notice. The actual amount received may be more or less than the amount stated depending on the actual number of weeks worked by Participating Class Members (i.e., those who do not opt out of the Settlement), the resolution of any disputes regarding workweeks, and on the distributions finally approved and allocated by the Court. However, whether Class Members opt out will have no effect on Aggrieved Employees' allocations for the PAGA claims.

B. Individual Settlement Amounts and Allocation Between Class Members and Aggrieved Employees

Defendant will pay Individual Settlement Amounts through the Settlement Administrator, as described below, to each Participating Class Member and to Aggrieved Employees. All Individual Settlement Amounts will be subject to appropriate taxation. The Parties have agreed, based on the allegations in the Action that all Individual Settlement Amounts payable to eligible Class Members will be allocated from the Net Settlement Amount and paid as 2/3 for disputed interest, statutory penalties, and other non-wage damages for which IRS Forms 1099-MISC and 1099-INT will issue and 1/3 for disputed wages for which IRS Forms W-2 will issue. The PAGA Payment to Aggrieved employees will be paid as 100% for civil penalties.

Payment to Participating Class Members and Aggrieved Employees will not require the submission of a claim form. Each Participating Class Member's share will be determined by dividing their total weeks worked within the Class Period by the total weeks worked by all Participating Class Members within the Class Period. That fraction will then be multiplied by the Net Settlement Amount to arrive at the Class Member's individual share of the Net Settlement Amount. Each Aggrieved Employee's share of the 25% portion of the PAGA Payment will be determined by dividing their total weeks worked within the PAGA Claim Period by the total weeks worked by all Aggrieved Employees within the PAGA Claim Period. That fraction will then be multiplied by the 25% portion of the PAGA Payment to arrive at the Aggrieved Employee's individual share. The PAGA Claim Period is defined as December 16, 2021 up to [REDACTED]. Defendant's records indicate that you worked [REDACTED] weeks during the applicable PAGA Claim Period, which means your share of the PAGA Payment is estimated to be [REDACTED]. This amount is included in your estimated Individual Settlement Amount

stated on the first page of this notice, not in addition to it. You will still receive your share of the PAGA Payment even if you opt out of being a Class Member. Receipt of the Individual Settlement Amounts will not entitle any Class Member or Aggrieved Employee to additional compensation or benefits under any compensation, retirement or benefit plan or agreement in place during the period covered by the Settlement.

C. Calculations to Be Based on Defendant's Records and Resolution of Workweek Disputes

For each Class Member, the amount payable will be calculated by the Settlement Administrator from Defendant's records. Defendant's records will be presumed correct unless evidence to the contrary is provided to the Settlement Administrator. Defendant's records and any additional evidence will be reviewed by the Settlement Administrator in the event of a dispute about the number of workweeks worked by an individual Class Member. If a Class Member disputes the accuracy of Defendant's records, all supporting documents evidencing additional workweeks must be submitted by the Class Member. The dispute must (a) identify the nature of the dispute; (b) provide any information or documentation supporting the dispute; (c) be signed; and (d) be post-marked no later than [redacted]. The dispute will be resolved by the Settlement Administrator based on the records and evidence provided.

D. Release of Claims

For those Class Members who do not opt out and Aggrieved Employees, the Agreement contains the following releases:

Class members who do not opt out will be deemed to have released any and all class claims that are alleged in the Complaint, and any additional wage and hour claims that could have been brought based on the facts alleged in the Complaint, through the Class Period. This release excludes the release of claims not permitted by law. The Released Class Claims exclude claims for workers' compensation or unemployment insurance benefits. This release will cover all Class Members who do not opt out.

Aggrieved Employees will be deemed to have released any and all claims that were brought under the Private Attorneys General Act, Labor Code §§ 2698 *et seq.*, contained in the Complaint and any additional wage and hour PAGA claims that could have been brought based on the facts alleged in the Complaint during the PAGA Claim Period. Aggrieved Employees cannot opt out of this waiver of claims.

The individuals released ("Released Parties") include Defendant, as well as Defendant's officers, shareholders, directors, agents, employees, attorneys, and insurers.

Class Members and/or Aggrieved Employees can talk to one of the lawyers appointed as Class Counsel (listed below) for free or talk to their own lawyer if they have questions about the released claims and what they mean.

III. WHAT ARE YOUR RIGHTS AS A CLASS MEMBER

A. Participating in the Settlement as a Class Member

If you wish to be a Participating Class Member and believe your workweek information is accurate, **you do not need to take any further action.** Payment will be automatically made to you consistent with the terms of the Agreement and Court Order. If you wish to dispute the workweek calculation, you may follow the procedures outlined in Section II.C above. California law protects Class Members from retaliation based on their decision to participate in the Settlement.

B. Excluding Yourself from the Settlement as a Class Member

The Court will exclude you from the being a Class Member if you request this by [redacted]. If you do not wish to be bound by the Settlement as a Class Member, you may request to be excluded (*i.e.*, "opt out") by submitting a timely written request to the Settlement Administrator. The request to opt-out must (a) state your full name and date of birth; (b) a statement that you do not want to be a Class Member, do not want to participate in the Settlement, and/or wants to be excluded from this Settlement; (c) identify the case name and number (*i.e.* Downard v. Sierra Mental Wellness Group, S-CV-0049587); (d) be signed; and (e) be post-marked no later than [redacted]. The request to opt out must be mailed by First Class U.S. Mail, or the equivalent, to:

[admin info]

If you submit a request to opt out which is not postmarked by [redacted], your request to opt out will be rejected, and you will be bound by the release and all other terms of the Agreement. Do not use a postage meter as that may not result in a postmark appearing on the envelope containing your request to opt out. Any Class Member who submits a complete and timely request to opt out shall, upon receipt by the Settlement Administrator, no longer be a Class Member and not received their share of the Net Settlement Amount. Aggrieved Employees cannot opt out of this Agreement and will receive their share of the PAGA Payment regardless of whether they opt out of being a Class Member.

C. Objection to Settlement

If you do not opt out of the Settlement, you can object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. You can ask the Court to deny approval by filing an objection. You cannot ask the Court to order a larger settlement; the Court can only approve or deny the settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. The objection must (a) state your full name and date of birth; (b) provide evidence that you are, in fact, a Class Member; (c) state the reasons for the objection(s), including supporting documentation; (d) identify the case name and number (i.e. Downard v. Sierra Mental Wellness Group, S-CV-0049587) (e) be signed; and (f) be postmarked no later than [redacted]. The objection must be sent to the Settlement Administrator at the address identified in Section III.B and to counsel for Plaintiff and Defendant at the addresses identified in Section VI of this notice.

If you have submitted a written objection as outlined above, you may also appear at the final approval hearing to state your objection. Any Class Member who does not request exclusion may, if the Class Member so desires, enter an appearance through an attorney. If you appear through your own attorney, you are responsible for paying that attorney. You should also file a notice of intent to appear with the Court and serve the notice on counsel for Plaintiff and Defendant.

IV. EFFECT OF THE SETTLEMENT: RELEASED RIGHTS AND CLAIMS

If the Court grants final approval of the Settlement, the Court will make and enter judgment consistent therewith. The judgment, whether favorable or not, will bind all Class Members who do not request exclusion. After final approval, each and every Class Member who does not opt out of the Settlement and Aggrieved Employee, will release Defendant and the Released Parties from the Released Class Claims and the Released PAGA Claims described above. In other words, if you were employed as a Class Member by Defendant in California during the Class Period, and you do not exclude yourself from the Settlement, you will be deemed to have entered into these releases and to have released the above-described claims. In addition, you will be barred from ever suing Defendant and the Released Parties with respect to the claims covered by this Settlement. If the Settlement is not approved by the Court or does not become final for some other reason, the litigation will continue.

V. FINAL SETTLEMENT APPROVAL HEARING

The Court will hold a hearing in Department ____, [address] on [redacted] at [redacted] to determine whether the Agreement should be finally approved as fair, reasonable and adequate. The Court also will be asked to approve Class Counsel's request for attorneys' fees and costs, the Settlement Administrator Costs, and the Class Representative's Enhancement Payment. The hearing may be continued without further notice. It is not necessary for you to appear at this hearing.

VI. ADDITIONAL INFORMATION

You may access the Complaint, Class Counsel's motion for preliminary approval, the Agreement, and any other documents required by the Court at the Settlement Administrator's website: [admin web address]. You can also contact Class Counsel or Defendant's Counsel as follows:

Galen T. Shimoda
Justin P. Rodriguez
Renald Konini
Shimoda & Rodriguez Law, PC
9401 East Stockton Blvd., Suite 120
Elk Grove, CA 95624
Telephone: (916) 525-0716
Facsimile: (916) 760-3733
On behalf of Plaintiff

Ronald E. Enabnit
Matheny Sears Linkert & Jaime, LLP
3638 American River Drive
Sacramento, CA 95864
Telephone: (916) 978-3434
Facsimile: (916) 978-3430
On behalf of Defendant

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS. IF YOU HAVE ANY QUESTIONS, CALL [number]

BY ORDER OF THE COURT

EXHIBIT G