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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN DIEGO

ROBERT CELLA, Individually, and on behalf of other members of the general public similarly situated

Plaintiff

v.

GRIFFIS INVESTMENT COMPANY, INC., a Colorado Corporation; GRIFFIS GROUP RESIDENTIAL, LLC, a business entity unknown; GRIFFIS GROUP RESIDENTIAL PAYROLL, a business entity unknown; GRIFFIS RESIDENTIAL, a business entity unknown; and DOES 1-10, inclusive

Defendants

CASE NO. 24CU008274C

DECLARATION RYAN T. KUHN IN SUPPORT OF PLAINTIFF'S *UNOPPOSED* MOTION FOR PRELIMINARY APPROVAL OF GOOD FAITH DETERMINATION OF CLASS ACTION SETTLEMENT

Date: February 27, 2026
Time: 10:30 a.m.
Dept: C-64
Judge: Hon. Loren Freestone

I, Ryan T. Kuhn, hereby declare as follows:

1. I am an attorney licensed to practice law before this Court and am employed with the law firm of Sullivan & Yaeckel Law Group, APC, attorneys of record for Plaintiff ROBERT CELLA, individually and on behalf of the general public similarly situated, in the above-captioned matter. I make this declaration in support of Plaintiff's <u>Unopposed</u> Motion for Preliminary Approval of Class Action Settlement.

2. I have personal knowledge of the facts set forth in this declaration and if called to testify as a witness, I could and would do so.

<u>Background Investigation</u>

3. On August 28, 2024, Plaintiff filed the Complaint in this matter. The original Complaint alleged individual and class representative action claims, under the California Labor code involving, *inter alia*, (1) failure to pay minimum wages; (2) failure to pay proper overtime compensation; (3) failure to provide meal breaks; (4) failure to provide rest breaks; (5) failure to provide all gratuities owed; (6) failure to reimburse employees for necessary business expenses; (7) failure to provide accurate itemized wage statements; and (8) failure to pay all wages to upon termination.

4. Plaintiff propounded one set of separate written discovery devices on Defendant, including requests for admission, special interrogatories, requests for production of documents, and general and employment form interrogatories. Through these requests, Plaintiffs sought, among other information and documents, Defendants' compensation policies, meal and rest period policies, employee handbooks, wage statements, time records, job descriptions, and reimbursement policies. The parties agreed to exchange informal discovery and attend a mediation, held on May 8, 2025. Plaintiff's counsel was provided with, among other things, a sampling of time and payroll records for the aggrieved employees, data points for the aggrieved employees, relevant policy and other documents pertaining to Defendant's wage and hour policies, and Plaintiff's personnel records, time records, payroll records, and wage statements.

5. On May 8, 2025, the parties attended a mediation before an experienced Wage and Hour class mediator, Christianna Kyriacou Mantas. Prior to, and during, the mediation, counsel for both parties agreed to the informal exchange of information pertinent to a class-wide settlement. The mediation was preceded by substantial discovery, investigation into the claims at issue, interviews of numerous Class Members, disclosure and review of documents detailing company-wide policies and practices, informal information exchanges for mediation purposes, and ongoing discussions about the merits between the parties' counsel during the span of the litigation. Prior to mediation, Plaintiff prepared and provided a detailed mediation brief. The Parties ultimately accepted a mediator's proposal and agreed that all claims would be settled on a class basis for the maximum amount of $140,952.50, with no portion of the settlement reverting back to Defendant.

6. On May 13, 2025, the parties agreed to a detailed mediator proposal on the key terms of the settlement. A true and correct copy of the parties' Settlement Agreement is attached as **Exhibit A**. Plaintiff now seeks the Court's preliminary approval of the Agreement.

Terms of the Agreement

7. The parties entered into the Agreement exclusively for the purpose of resolving the action and facilitating the negotiated settlement. Should the Court, for any reason, not preliminarily and/or finally approve the Agreement, or if the Agreement is terminated for any reason, then the parties have agreed that the Agreement will be null and void and this action will revert to its status with respect to any and all matters as they existed prior to the parties signing the Agreement.

8. The parties agreed to use ILYM Group, Inc. ("ILYM"), as the "Settlement Administrator" for purposes of providing the Notice to Settlement Class Members, issuing payments pursuant to the Agreement, and to administer the claims. ILYM's sole business has been the administration of class action settlements and class action notices, and has extensive experience.

9. The Agreement provides for an automatic Individual Settlement Payment to the members of the Class. No claims need to be submitted. Class Members will be entitled to an average share

of approximately **<u>$898.74</u>**.

10. A true and correct copy of the parties agreed upon Class Notice is attached as **Exhibit B**.

11. Defendant agrees to pay Forty-Six Thousand Nine Hundred Eighty-Four Dollars and Twelve Cents ($46,984.12) in attorneys' fees, which is one-third (1/3%) of the total settlement, and up to Twelve Thousand Five Hundred ($12,500.00) in litigation costs. For costs incurred in administrating the settlement, Defendant will pay no more than Six Thousand Five Hundred Fifty Dollars ($6,550.00).

12. Defendant also agrees to allocate Ten Thousand Dollars ($10,000.00) to Plaintiff's PAGA claims, with 65% of the amount, or $6,500.00, being paid to the LWDA, and 35%, or $3,500.00, being distributed amongst the class members.

13. Defendant also agrees to pay Plaintiff Robert Cella Ten Thousand Dollars ($10,000.00) as an enhancement award in consideration for his service as Class Representative. The enhancement awards were decided pursuant to good faith negotiations and is intended to recognize that it was the class representative who initiated the lawsuit, initiated the PAGA claims, provided critical documents and witnesses to his attorneys, and worked with his attorneys to propound and prepare written discovery, all in an effort to obtain moneys allegedly owed not only to himself, but to many other employees.

<u>Claims Analysis and Potential Recovery</u>

14. Each of the primary claims also had risks to obtaining both class certification and a finding of liability. If Defendants' asserted defenses were successful, the class would not receive anything. As is set forth below, Plaintiff submits that the most realistic "best case" scenario would be an average recovery per class member of approximately **$3,759.61** and a worst case scenario would be a recovery of $0, by way of denial of class certification or defense verdict.

15. Given all the risks on each claim, the estimated **$898.74** average recovery secured via this settlement is a reasonable compromise and is in the best interests of the class given all the risks of continued litigation.

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Damage Calculations

16. The following estimated damage calculations were completed after review of the sampling class member time and wage records, and after interviews with Plaintiff, and other class members. The breakdown of the damage and penalties calculation is as follows:

Meal Period Policy Violations: **40** (approximate employee positions) x **$24.00** (average Hourly Rate) x **20** (average number of Meal Period violations, per year per employee) x **5.0** (years in Limitations Period) = **$96,000.00**.

Rest Period Policy Violations: **40** (approximate employee positions) x **$24.00** (average Hourly Rate) x **20** (average number of Rest Period violations, per year) x **5.0** (years in Limitations Period) = **$96,000.00**.

Unpaid Compensation Violations: **40** (employee positions) *x* **$50.00** (average amount of unpaid compensation, per employee per year) *x* **5.0** (years in Limitations Period) = **$10,000**.

Labor Code §226 Penalties: **40** (employee positions) *x* **25** (average number of Wage Statements received, per employee, per year) *x* **$100** (penalty amount) *x* **5.0** (years in Limitations Period) = **$500,000.00**.

Labor Code §2802 Violations: **40** (employee positions) x **$120.00** (average unreimbursed amount per person, per year) x **5.0** (years in Limitations Period) = **$24,000.00.**

Labor Code §203 Penalties: **$24.00** (average hourly rate) **x 8.0** (hours, per day) **x 30** (days, per Labor Code section 203) **x 25** (number of former employees) = **$144,000.00**.

"PAGA" Violations: **7** (separate Labor Code violations based on the above claims) **x $100** (per violation) x **2,100** (pay periods in limitations period) = **$1,470,000.00**. However, by statute the aggrieved employees are only entitled to a 25% share of this amount, which is **$367,500.00**.

17. Based on the above, a best case recovery (which would be admittedly highly unlikely, given the factors set forth below) would be a total judgement of **$1,237,500**.

Relevant Case Law Supports a Further Reduction on any Recovery

18. It is my opinion that it would be *highly* unlikely to ever be awarded any amount approaching the maximum damages set forth above. To wit, the majority of the damages above are

"derivative" penalties under PAGA, Labor Code § 203 and Labor Code § 226.

19. Please see the analysis of the relevant case law cited in the memorandum (pp.11-12) which allows significant mitigation of PAGA penalties, which prohibits stacking of multiple penalties for the same underlying conduct and declines to automatically award §§ 203 and 226 penalties for meal and rest break violations without a further evidentiary showing.

20. Our office believes a mitigation of the damages and potential PAGA penalties would be warranted here. Defendants stepped up to discuss early resolution. Defendants also committed to make changes to the challenged timekeeping and meal and rest period policies after receiving notice of this lawsuit. Also, as in the *Carrington* case (which was handled by this office), there is evidence that Defendant attempted to provide meal and rest periods *in practice*, even where the breaks were missed. Given this, it is likely that any violations by Defendant were not "willful."

21. As to the ex-employee claim pursuant to Labor Code § 203, the parties agree the failure to pay "ex-employees" claim is derivative of the other claims. As Defendants are able to assert a "good faith dispute" for withholding any unpaid wages, it would be difficult to establish any liability for a "willful" failure to pay wages owed.

22. Given my experience, I believe it would be likely that PAGA penalties would be reduced to approximately $5 a violation, and the Court would decline to impose Labor Code § 203 and Labor Code § 226 penalties.

23. If this happened, the realistic anticipated "best case" judgment following trial would be approximately **$244,375.00**. The average class member's share of this recovery would be **$3,759.61** (**$244,375.00** divided by 65 class members). Given our office's analysis, I submit this number is the most likely "best case" (but highly unlikely) recovery per class member. Given all the risks on each claim the estimated **$898.74** average recovery secured via this settlement is a reasonable compromise and is in the best interests of the class given all the risks of continued litigation. In addition, Class Members who worked during the PAGA Period will receive a *pro rata* share of the **$3,500.00** allocated as PAGA penalties to aggrieved employees,

whether or not they opt out of the class settlement, based on the number of Qualifying Pay Periods worked by each aggrieved employee during the PAGA Period. Plaintiff's counsel maintains this recovery was significant in light of the circumstances of the case.

Analysis of Risk on Each Potential Claim

24. Plaintiff's unpaid wages (and unpaid overtime) claims were based on the allegation that employees were performing unpaid work (1) due to Griffis's failure to include the value of non-discretionary compensation, including bonuses, commissions and employee bonuses for purposes of calculating the regular rate of pay; (2) due to Griffis's use of an illegal "transactional transfer" system; and (3) due to the workload and customer needs often requiring employees to continue working during their "purported" Meal Periods and/or after clocking out. Plaintiff alleged this resulted in regular time and overtime pay being owed where Defendants were on notice of work being performed without pay.

25. Defendants denied that any unpaid work occurred, and even if some did occur, Griffis claimed it was not on notice of these alleged Labor Code violations and had a strict written prohibition against off-the-clock work and a mandate that all time worked must be accurately recorded. Griffis asserted proof of these alleged violations would require individualized inquiries, which could make any PAGA claims unmanageable.

26. Plaintiff was able to identify hundreds of examples of "missing", "short", or "late" Meal Periods without the provision of a Meal Period Penalty Payment. However, Defendant argued that these records do not conclusively show whether (1) Griffis actually failed to provide the Meal Period, (2) there was a voluntary waiver, (3) employees forgot to clock out, or (4) employees voluntarily chose to skip or take them late even though they were provided. Additionally, in light of Defendant's written Meal Period policy and the wide variations in alleged violations and departments, Defendants contended there was no uniform policy or practice, requiring individualized inquiries that would result in de-certification and make any PAGA claims unmanageable.

27. Plaintiff also alleged the Griffis written policies improperly restricted class members from

leaving the premises during Meal and Rest Periods. Griffis argued that witness testimony would demonstrate that - in practice - Griffis did not restrict its employees from "leave the premises" during Rest Periods. Griffis also contended individualized inquiries abound as to why individual employees may have failed to take appropriate Meal or Rest Periods.

28. Plaintiff alleged that the Rest Period policy lacks the required statutory language. Plaintiff also alleged Griffis's written policies improperly restricted class members from leaving the premises during their Rest Periods, among other deficiencies. Griffis pointed out that they provided for adequate breaks and argued that witness testimony would demonstrate that in practice, no restriction on rest breaks were ever enforced. Griffis also contended individualized inquiries will abound as to why individual employees may have failed to take appropriate Meal or Rest Periods.

29. As to the wage statement claims, Plaintiff acknowledges that these claims are largely derivative, in that both the gross and net wages could be found to be inaccurate, due to the above-referenced claims. Griffis argued that the failure to list gross and net wages are derivative of other claims that may ultimately fail and as a result there is no "knowing and intentional failure" to list information, which triggers liability under Labor Code §226(e).

30. The California Supreme Court has recently held that the failure to pay meal and rest period premiums ***may*** give rise to a claim for inaccurate wage statements (or waiting time penalties). However, such derivative liability is not automatic and the Plaintiff still must show *a* “knowing and intentional” or “wilful” failure to comply with the Labor Code. See *Naranjo v. Spectrum Security Services, Inc.* (2022) 13 Cal.5th 93,109. Griffis (as with the underlying Meal and Rest Period claims) maintained individualized inquires would abound as to why breaks were missed and whether Meal Period Premiums should have been paid in the first place, requiring individualized inquiries that would make any PAGA claims unmanageable.

31. Plaintiff contends that Griffis violated Labor Code section 2802 by failing to reimburse its employees for certain costs, including cellular phone costs. Griffis contends it would have reimbursed any business expenses, but was not aware of any expenses incurred by its

employees.

32. Based on all of the above, my experience, and all the information within the moving papers, I submit that this proposed Settlement is fair, adequate and reasonable. I also submit it is well within the accepted range of recoveries for similar wage and hour class actions.

Certification of the Proposed Settlement Class is Appropriate

33. Here, the parties estimate that as of the end of the Class Period, the Settlement Class consisted of approximately Sixty Five (**65**) individuals, as determined by Defendant's employment records.

34. Here, for purposes of the Settlement, the parties agree the claims of Class Members all involve the same questions of law and fact. Namely, all class members were subject to the same employment policies and practices of Defendant.

35. The proposed class representative has no adverse interests to the class. Plaintiff is paid based on the same formula as other class members and have claims substantially the same as all the other Class Members.

36. Additionally, any Class Member who wishes to "opt out" of the Settlement may do so and retain all of their individual rights. Therefore there is no conflict of interest between the Class Representatives and the Class Members. Thus, at least for settlement purposes, we submit the adequacy prong is met.

37. The proposed class is ascertainable because all Class Members currently or formerly worked for Defendant as a nonexempt employee and will be identified through Defendant's employment records. Thus, the ascertainability requirement is met.

38. Given that there are 65 individuals, it would be preferable to resolve all of the Class Members' claims by means of a class-wide settlement than to require each Class Member to litigate his or her individual claims.

39. The proposed class in this case is sufficiently cohesive because, for purposes of the Settlement only, the parties have stipulated that all class certification elements are met.

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Preliminary Approval of the Class Settlement is Proper

40. When negotiating the settlement, both sides took into account the strengths and weaknesses of their opponent's positions as pointed out by Christianna Kyriacou Mantas, the data available to evaluate liability and damages, the lack of data or evidence on certain issues, and the substantial and evolving law applicable to the merits of the claims. The Agreement was only agreed to after extensive arms-length negotiations resulting in a unique compromise that permits all parties to move forward and bring this action to close. In spite of a mutual desire to resolve this action, the negotiations remained at all times adversarial.

41. I believe this settlement is in the best interest of the class as it provides **(1)** a guaranteed favorable result; **(2)** guaranteed monetary recovery over a reasonably short period of time, as opposed to possibly waiting additional years for a potentially worse result; and **(3)** significant savings in attorneys' fees and costs, which would have increased had the case progressed through trial and possible appeals.

42. Without entering into the Agreement, there existed a significant chance that Defendant would prevail on the merits of some or all claims and that Class Members would receive nothing. Through the Agreement, participating Class Members receive guaranteed cash, and this action has also been the catalyst for programmatic relief.

43. If the litigation were to proceed in lieu of settlement, additional and substantial attorneys fees and costs, expert witnesses fees would quickly accumulate. Given the numerous claims being litigated, the parties may be required to hire multiple experts each (as many as 8 total). This would result in not only the production of eight expert reports, but eight depositions as well. And, based on previous discussions between counsel regarding the remaining claims (including the PAGA claims), the parties anticipated at least one motion to compel, a motion for class certification and two dueling motions for summary judgment / adjudication (one from each side).

44. Importantly, even after engaging in all of the potential continued and protracted litigation set forth above, the putative class would continue to have no guarantee of success on any of the

claims advanced in this case. Thus, the parties and their counsel believe in good faith that the proposed resolution is a fair, reasonable, and adequate compromise.

45. Class Counsel has considerable experience in wage and hour and class action litigation. William Sullivan has over 30 years of experience, 29 years of which has been devoted to both prosecuting and defending class action litigation. Mr. Yaeckel has over 14 years of experience in "class litigation." Mr. Kuhn has over 6 years of experience in class action litigation.

46. Based on this experience, and all other relevant factors addressed above, our firm believes the Agreement to represent a fair, adequate and reasonable settlement that is well within the accepted range of recoveries for similar wage and hour class actions. We further believe the Agreement is in the best interests of the Settlement Class Members.

47. Based on this experience, we also believe the $10,000 allocation towards the PAGA claims is a fair, reasonable, and adequate allocation, especially given the risks of mitigation identified above.

48. Prior to preliminary approval, what can be said of the reaction the class members is limited. However, Plaintiff's counsel has spoken to some Class Members since the parties reached a proposed settlement agreement, and <u>all</u> were in favor of the settlement.

49. Plaintiff's counsel has also interviewed several Class Members in the course of investigating and litigating this matter. Counsel has also reviewed hundreds of pages of documents produced by Defendants, Plaintiff, and Class Members. This information, along with documents and information obtained through informal discovery, allowed Plaintiff's counsel to prepare a detailed Mediation Brief. The Brief was provided to opposing counsel and contained a breakdown of potential damages based on all of the information obtained from all Parties.

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50. At the time of the settlement, a Motion for Class Certification had not been filed. As the Court never ruled on the Motion, neither side had a decided advantage in the litigation. Even if Plaintiff did obtain class certification of the claims, each claim is subject to substantial risk of a Defense verdict at trial.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 14th day of August, 2025.

Ryan Kuhn

RYAN T. KUHN

Exhibit A

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Attorneys for Defendant
GRIFFIS GROUP RESIDENTIAL, LLC

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN DIEGO

ROBERT CELLA, individually and on behalf of other members of the general public similarly situated, Plaintiff, v. GRIFFIS INVESTMENT COMPANY, INC., a Colorado Corporation; GRIFFIS GROUP RESIDENTIAL, LLC, a business entity unknown; GRIFFIS GROUP RESIDENTIAL PAYROLL, a business entity unknown; GRIFFIS RESIDENTIAL, a business entity unknown; and DOES 1-10, inclusive Defendants.	Case No.: 24CU008274C ASSIGNED FOR ALL PURPOSES TO HON. LOREN FREESTONE, DEPT. C-64 **CLASS ACTION AND PAGA SETTLEMENT AGREEMENT** Complaint Filed: August 28, 2024

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement states the proposed terms of the class action and Private Attorneys General Act ("PAGA") settlement of the above-entitled action. The terms stated below are agreed to and binding on Plaintiff Robert Cella ("Plaintiff") and Defendant Griffis Group Residential, LLC ("Defendant"). Once approved by the Court, the Settlement shall be binding under the terms stated herein on Plaintiff, Defendant, and the Class Members (as defined below).

SUMMARY OF THE SETTLEMENT

The Parties herein, as stated in more detail in the terms and definitions below, have agreed to settle on a class basis all claims asserted by Plaintiff for various alleged violations of the Labor Code and unfair competition law. The class consists of all individuals employed by Defendant in the State of California as non-exempt employees during the Class Period defined below. The Parties participated in mediation for this case on May 8, 2025, with mediator Christianna Mantas. The Parties ultimately accepted a mediator's proposal and agreed that all claims would be settled on a class basis for the maximum amount of $140,952.50, with no portion of the settlement reverting back to Defendant. Of that settlement amount, $10,000.00 will be designated as PAGA Penalties under PAGA, sixty-five percent (65%) of which will be paid to the California Labor and Workforce Development Agency ("LWDA") and thirty-five percent (35%) of which will be paid to the PAGA Members in accordance with the terms herein below.

DEFINITIONS

1. The following definitions are applicable to this Settlement, in addition to other terms defined elsewhere in the Settlement:

a. "Action" shall mean the following lawsuit: *Robert Cella v. Griffis Investment Company, Inc., et al.*, San Diego County Superior Court Case No. 24CU008274C, including the original and First Amended Complaint described herein.

b. "Class Counsel Litigation Expenses Payments" means reasonable attorneys' costs approved by the Court for Class Counsel's litigation and resolution of the Action incurred and to be incurred by Class Counsel in the Action up to, but estimated not to exceed, $12,500. Class Counsel Litigation Expenses Payments shall be paid to Class Counsel. The Class Counsel Litigation

Expenses Payments shall only be paid from the Gross Settlement Amount. If costs exceed this amount, Counsel shall apply for the costs reimbursements.

c. "Class Counsel Fees Payment" means the attorneys' fees agreed upon by the Parties herein and approved by the Court for Class Counsel's litigation and resolution of the Action up to, but not to exceed, $46,984.12 (1/3 of the Gross Settlement Amount). Class Counsel Fees Payment shall only be paid to Class Counsel from the Gross Settlement Amount.

d. "Class" and "Class Members" for purposes of this Settlement shall be defined as all current and former hourly-paid or non-exempt employees of Defendant within the State of California at any time during the Class Period. Based on a review of its records to date, Defendant estimates there are 65 Class Members who worked a total of 4,337 Workweeks through May 8, 2025.

e. "Class Counsel" shall mean Eric K. Yaeckel, Ryan T. Kuhn and Cody D. Archer of Sullivan & Yaeckel Law Group, APC.

f. "Class Period" shall mean the time period from August 28, 2020, through July 13, 2025.

g. "Class Representative Service Payment" shall mean an award up to, but not to exceed, $10,000 to Plaintiff in recognition of his efforts and work in prosecuting the Action on behalf of Class Members and PAGA Members, risks undertaken for the payment of costs in the event of loss. The Class Representative Service Payment shall be paid from the Gross Settlement Amount.

h. "The Court" shall mean the San Diego County Superior Court, Hon. Loren Freestone, or such other San Diego County Superior Court Judge as may be assigned to hear this matter.

i. "Defendant" shall mean Griffis Group Residential, LLC.

j. "Effective Date" shall be sixty-five (65) days from the date of service of a Notice of entry of an Order Granting Final Approval of the Settlement and Entering Judgment described below. However, if an appeal is filed within sixty (60) days of service of Notice of an Order Granting Final Approval of the Settlement and Entering Judgment, then the Effective Date shall be the latest of: (i) the date of final affirmance of the Order Granting Final Approval and Entering Judgment; (ii) the date of final dismissal of any appeal from the Order Granting Final Approval of the

Settlement and Entering Judgment; or (iii) the final dismissal of any proceeding to review the Order Granting Final Approval and Entering Judgment that has the effect of confirming the Order Granting Final Approval and Entering Judgment with no avenue for additional appeal or review available.

k. "Employer Taxes" means Defendant's share of employer-side payroll taxes to be paid on that portion of the Class Member's Individual Settlement Payment characterized as wages, i.e. FICA, FUTA, payroll taxes, and/or any similar tax or charge. The Employer Taxes will be paid outside of and in addition to the Gross Settlement Amount.

l. "Gross Settlement Amount" (or "GSA") shall mean the maximum non-reversionary amount of $140,952.50 payable by Defendant as provided for by this Agreement.

m. "Individual Settlement Payment" means the amount each Class Member and PAGA Member shall be entitled to receive pursuant to the Settlement. This payment will include compensation pursuant to the terms of this Agreement for all Workweeks worked during the Class Period and the number of Pay Periods worked during the PAGA Period. Class Members who opt out of the non-PAGA portion of the Settlement shall only receive payment based on the number of Pay Periods worked during the PAGA Period.

n. "LWDA Payment" means the sixty-five percent (65%) portion of the PAGA Penalties to be paid to the California Labor and Workforce Development Agency ("LWDA") pursuant to the PAGA.

o. "Net Settlement Amount" shall mean the Gross Settlement Amount less the: (i) Class Representative Service Payment; (ii) Administration Costs; (iii) Class Counsel Fees Payment; (iv) Class Counsel Litigation Expenses Payments; and (v) the PAGA Penalties.

p. "Class Notice" shall mean the Notice of Proposed Class Action Settlement substantially in the form attached as **Exhibit A.**

q. "PAGA" shall mean the Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq.*

r. "PAGA Member(s)" and "PAGA Group" means all current and former hourly-paid or non-exempt employees of Defendant within the State of California at any time during the PAGA Period.

s. "PAGA Members Payment" means the thirty-five percent (35%) portion of the PAGA Penalties to be paid to PAGA Members pursuant to the PAGA.

t. "PAGA Pay Period(s)" means any pay period in which a PAGA Member worked at least one day in that pay period during the PAGA Period, excepting those dates/times taken for vacations and leaves of absences.

u. "PAGA Penalties" means civil penalties under the PAGA agreed upon by the Parties and approved by the Court up to, but not to exceed, $10,000.00, sixty-five percent (65%) of which will be paid to the California Labor and Workforce Development Agency ("LWDA Payment"), and the remaining thirty-five percent (35%) ("PAGA Members Payment") shall be distributed proportionately to PAGA Members.

v. "PAGA Period" shall mean the time period from May 8, 2024, through July 13, 2025.

w. "Participating Class Member(s)" means any Class Member who does not return a valid and timely request to be excluded from the non-PAGA portion of the Settlement. All Participating Class Members will be mailed their Individual Settlement Payment without the need to return a claim form.

x. "Parties" shall mean collectively, Plaintiff and Defendant.

y. "Plaintiff" and "Class Representative" shall mean Plaintiff Robert Cella.

z. "Response Deadline" means the deadline by which Class Members must postmark and return to the Administrator signed, dated, and timely requests for exclusion from the non-PAGA portion of the Settlement, objections to the Settlement and/or disputes concerning the number of Workweeks worked during the Class Period and number Pay Periods worked during the PAGA Period. The Response Deadline will be thirty (30) calendar days from the initial mailing of the Class Notices by the Administrator, unless the 30th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline will be extended fifteen (15) calendar days for any Class Member who is re-mailed a Class Notice by the Administrator, unless the 15th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline may also be extended by express agreement between Class Counsel and Defendant.

aa. "Released Claims" means any and all claims, debts, rights, demands, obligations, or liabilities of every nature and description, for damages, premiums, penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief against the Released Parties, arising during the Class Period and alleged in the operative complaint, or which could have been alleged based on the facts pled in the operative complaint, including without limitation, claims relating to: (i) failure to pay for all hours worked, including, but not limited to, as the result of off-the-clock work; (ii) failure to pay minimum wages; (iii) failure to pay overtime wages; (iv) failure to correctly calculate the regular rate of pay and pay wages that are derived from the regular rate of pay; (v) failure to provide meal periods or pay meal period premiums at the regular rate of pay; (vi) failure to provide rest periods or pay rest period premiums at the regular rate of pay; (vii) failure to provide complete and accurate wage statements; (viii) failure to timely pay wages during employment; (ix) failure to timely pay all wages owed to employees who quit or are terminated; (x) failure to reimburse for business expenses, including, but not limited to, personal cell phone usage; (xi) failure to maintain accurate time and payroll records; and (xii) claims for interest and any other claims and penalties premised on the aforementioned allegations. "Released Claims" includes all types of relief available for the above-referenced claims, including any claims for damages, restitution, losses, premiums, penalties, fines, liens, attorneys' fees, costs, expenses, debts, interest, injunctive relief, declaratory relief, or liquidated damages, whether under federal law, state law, or any state or local law or common law, including violations of the Labor Code, Wage Orders, applicable regulations, and any and all claims under the Fair Labor Standards Act related to the facts and claims alleged in the operative complaint.

bb. "Released PAGA Claims" means any and all PAGA claims against the Released Parties arising during the PAGA Period and alleged in the operative complaint and/or Plaintiff's letter to the LWDA, or which could have been alleged based on the facts pled in the operative complaint and/or alleged in Plaintiff's letter to the LWDA, including without limitation PAGA claims relating to: (i) failure to pay for all hours worked, including, but not limited to, as the result of off-the-clock work; (ii) failure to pay minimum wages; (iii) failure to pay overtime wages; (iv) failure to correctly calculate the regular rate of pay and pay wages that are derived from the regular rate of pay; (v) failure to provide meal periods or pay meal period premiums at the regular rate of pay; (vi) failure to provide rest periods or pay rest period premiums at the regular rate of pay; (vii) failure to provide complete and accurate wage statements; (viii) failure to timely pay wages during employment; (ix) failure to timely pay all wages owed to employees who quit or are terminated; (x) failure to reimburse for business expenses, including, but not limited to, personal cell phone usage; (xi) failure to maintain accurate time and payroll records; and (xii) any other PAGA claims premised on the aforementioned allegations.

cc. "Released Parties" means Griffis Group Residential, LLC and its past, present, and future parents, subsidiaries, affiliated or sister companies, and divisions, including but not limited to Griffis Investment Company, Inc., and their respective past, present, and future officers, directors, employees, partners, shareholders, owners, agents, insurers, legal representatives, attorneys and all of their successors (including persons or entities who may acquire them in the future), assigns, representatives, heirs, executors, and administrators and all other persons acting by, through, under or in concert with them that could be liable for the Released Claims or Released PAGA Claims.

dd. "Settlement" or "Agreement" or "Settlement Agreement" shall mean this Joint Stipulation of Class Action Settlement and Release.

ee. "Administrator" means ILYM Group, Inc. or any other third-party class action Administrator agreed to by the Parties and approved by the Court for the purposes of administering this Settlement.

ff. "Administration Costs" means the costs allocated from the Gross Settlement Amount to pay for administration of the settlement, as described in this Agreement, including: (i) required tax calculations and tax reporting to the appropriate governmental entities in connection with the Individual Settlement Payments (as defined below); (ii) issuing of IRS Forms 1099 and W-2; (iii) address updates through the National Change of Address database (prior to the mailing of the Class Notices); (iv) distributing Class Notices; (v) skip-tracing Class Notices returned as undeliverable; (v) calculating and distributing the Individual Settlement Payments; (vi) weekly status reports; (vii) resolving disputed claims with the aid of the Parties' counsel; and (viii) providing all reports and declarations deemed necessary by the Parties in an amount not to exceed $6,550.

gg. "Workweek" means any week in which a Class Member worked at least one day in that week during the Class Period, excepting those dates/times taken for vacations and leaves of absences.

SUMMARY OF THE LITIGATION AND SETTLEMENT

1. On August 28, 2024, Plaintiff filed a wage and hour class action lawsuit in the Superior Court of California, County of San Diego (Case No. 24CU008274C), alleging violations of: (a) Labor Code sections 226.7 and 512 (failure to provide meal and rest breaks); (b) Labor Code sections 510, 1194 and 1197 (failure to pay minimum wage and overtime); (c) Labor Code section 226 (non-compliant wage statements); (d) Labor Code section 2802 (unreimbursed business expenses); (e) Labor Code sections 201-203 (final wages not timely paid); and (f) Business & Professions Code section 17200, *et seq*.

2. After engaging in informal discovery, investigations, and negotiation, on May 8, 2025, the Parties remotely attended mediation with the mediator Christianna Mantas, eventually resulting in the Parties reaching a settlement.

3. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the operative complaint, and denies any and all liability for the causes of action alleged.

4. The Parties conducted significant investigation and informal discovery of the facts and law both before and after the Action was filed. Defendant produced documents relating to its policies, practices, and procedures regarding reimbursement of business expenses, paying non-exempt employees for all hours worked, and meal and rest breaks along with payroll, timekeeping, and operational policies. As part of Defendant's production, Plaintiff also reviewed time records, pay records, and information relating to the size and scope of the Class, as well as data permitting Plaintiff to understand the number of Workweeks and PAGA Pay Periods. Plaintiff also located and interviewed Class Members who worked for Defendant during the Class Period. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Ford Motor*

Co. (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130.

5. The Court has not granted class certification.

6. The Parties represent they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement Agreement.

TERMS OF THE CLASS SETTLEMENT

7. Gross Settlement Amount. Defendant shall pay the Gross Settlement Amount to completely resolve the Action, including the Amended Complaint, on a class-wide basis. In addition to the Gross Settlement Amount, Defendant shall pay the Employer Taxes due on the portion of the Individual Settlement Payments allocated to wages. Under no circumstances shall Defendant be obligated to pay any more than the Gross Settlement Amount and the Employer Taxes for the complete resolution of the Action, including the Amended Complaint.

8. Allocation of the Gross Settlement Amount. From the Gross Settlement Amount, and subject to the approval of the Court, the Parties agree to the following allocations:

a. Class Counsel Fees Payment. Class Counsel shall be paid a Class Counsel Fees Payment of up to $46,984.12 (1/3 of the Gross Settlement Amount).

b. Class Counsel Litigation Expenses Payments. Class Counsel shall be paid an award for reimbursement of their Class Counsel Litigation Expenses Payments of up to $12,500.

c. Class Representative Service Payment. Plaintiff shall be paid a Class Representative Service Payment of up to $10,000 in recognition of his effort and work in prosecuting the Action on behalf of Class Members and PAGA Members and undertaking the burdens and risks for the payment of costs in the event of loss. The Class Representative Service Payment shall be paid in addition to Plaintiff's Individual Settlement Payment. Plaintiff shall be solely and legally responsible to pay any and all applicable taxes on his Class Representative Service Payment. Any portion of the Class Representative Service Payment not awarded to Plaintiff shall remain with the Net Settlement Amount.

d. Administration Costs. The Administrator shall be paid "Administration Costs" in an amount not to exceed $6,550.

e. PAGA Penalties. PAGA Penalties of $6,500.00 (65% of $10,000.00) shall be paid to the LWDA and $3,500.00 (35% of $10,000.00) to PAGA Members who have worked during the PAGA Period. PAGA Members shall not have the right to opt out of the PAGA portion of this Settlement.

9. Allocation of the Net Settlement Amount and PAGA Members Payment. The Net Settlement Amount and PAGA Members Payment shall both be allocated to Class Members and PAGA Members based on the formulas described below. Any portion of the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payments, Class Representative Service Payment, Administration Costs, and/or PAGA Penalties not approved by the Court shall be added to the Net Settlement Amount. No portion of the Net Settlement Amount shall be reverted to or be retained by Defendant. The Net Settlement Amount and PAGA Members Payment shall be distributed to Participating Class Members and PAGA Members on a proportionate basis as follows:

a. Payment to Participating Class Members. Each Participating Class Member shall receive a proportionate share of the Net Settlement Amount that is equal to: (i) the number of Workweeks he/she worked during the Class Period divided by (ii) the total number of Workweeks worked by all Participating Class Members during the Class Period.

b. PAGA Members Payment. Each PAGA Member will receive a proportionate share of the PAGA Members Payment that is equal to: (i) the number of Pay Periods he/she worked during the PAGA Period divided by (ii) the total number of Pay Periods worked by all PAGA Members during the PAGA Period.

10. Individual Settlement Payments. Participating Class Members shall receive an Individual Settlement Payment calculated as set forth above. Class Members who opt out of the non-PAGA portion of the Settlement shall receive only an Individual Settlement Payment representing payment for the PAGA Members Payment as set forth above. If a Class Member should dispute the information upon which his or her Individual Settlement Payment is calculated, and it is determined by the Administrator from the information and/or documentation provided by that Class or PAGA Member that an amount more than that initially calculated is payable to any Participating Class

Member or PAGA Member pursuant to the Settlement, that additional amount will be paid from the Gross Settlement Amount. In no event shall Defendant ever be required to pay any amount greater than the Gross Settlement Amount plus the Employer Taxes.

11. No Credit Toward Benefit Plans. Unless otherwise required by any applicable benefit plan, the Individual Settlement Payments made to Participating Class Members and PAGA Members, as well as any other payments made pursuant to this Settlement, shall not be construed as compensation for, nor utilized to calculate, any additional benefits under any benefit plans to which any Class Members may otherwise be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan of Defendant or pursuant to any Collective Bargaining Agreement. Unless otherwise required by any applicable benefit plan, this Settlement shall not affect any rights, contributions, or amounts to which any Class Members may be entitled under any benefit plans.

12. PAGA Notice. Promptly upon execution of this Agreement, Plaintiff's counsel shall file a Notice with the LWDA to include PAGA claims for: (i) alleged failure to pay for all hours worked, including, but not limited to, as the result of off-the-clock work; (ii) the alleged failure to pay minimum wages; (iii) failure to pay overtime wages; (iv) the alleged failure to correctly calculate the regular rate of pay and pay wages that are derived from the regular rate of pay; (v) the alleged failure to provide meal periods or pay meal period premiums at the regular rate of pay; (vi) the alleged failure to provide rest periods or pay rest period premiums at the regular rate of pay; (vii) the alleged failure to provide complete and accurate wage statements; (viii) the alleged failure to timely pay wages during employment; (ix) the alleged failure to timely pay all wages owed to employees who quit or are terminated; (x) the alleged failure to reimburse for business expenses, including, but not limited to, personal cell phone usage; (xi) the alleged failure to maintain accurate time and payroll records; and (viii) any other PAGA claims premised on the aforementioned allegations. In the event the LWDA timely notifies Plaintiff that it intends to investigate the claims in the PAGA Notice, this Settlement Agreement shall be null and void.

13. Amended Complaint. Upon expiration of the sixty-five (65) day time period for receipt of a response to the PAGA Notice from the LWDA, the Parties shall stipulate to the filing of, and

Plaintiff shall file, an Amended Complaint alleging class and PAGA claims for: (i) the alleged failure to pay for all hours worked, including, but not limited to, as the result of off-the-clock work; (ii) the alleged failure to pay minimum wages; (iii) the alleged failure to pay overtime wages; (iv) the alleged failure to correctly calculate the regular rate of pay and pay wages that are derived from the regular rate of pay; (v) the alleged failure to provide meal periods or pay meal period premiums at the regular rate of pay; (vi) the alleged failure to provide rest periods or pay rest period premiums at the regular rate of pay; (vii) the alleged failure to provide complete and accurate wage statements; (viii) the alleged failure to timely pay wages during employment; (ix) the alleged failure to timely pay all wages owed to employees who quit or are terminated; (x) the alleged failure to reimburse for business expenses, including, but not limited to, personal cell phone usage; (xi) the alleged failure to maintain accurate time and payroll records; (xii) PAGA penalties based thereon; and (xiii) unfair business practices. The Parties shall agree upon the form of the Amended Complaint. In the event the Amended Complaint is not allowed by the Court, this litigation shall return to the status prior to the execution of this Agreement, and this Agreement shall be null and void, provided that the Parties will negotiate in good faith to resolve any issues that led the Court to deny the filing of the Amended Complaint. In the event this Settlement does not receive final approval by the Court or the Effective Date does not occur, the Parties shall stipulate to the withdrawal of the Amended Complaint, and this litigation shall return to the status prior to the execution of this Agreement.

PRELIMINARY APPROVAL OF THE SETTLEMENT

14. Preliminary Approval: Upon filing of the Amended Complaint, Plaintiff shall file a Motion for Order Granting Preliminary Approval of the Class Action Settlement which requests the following: (a) preliminary approval of the Settlement, subject only to the objections of Class Members and final review by the Court; (b) conditional certification of a class for purposes of settlement only; (c) a schedule for final approval hearing regarding the proposed Settlement, including payment of Class Counsel Fees Payment, Class Counsel Litigation Expenses Payments, and Class Representative Service Payment; (d) approval as to form and content of the proposed Class Notice; (e) a schedule for the procedures for the Response Deadline; and (f) a schedule for the mailing of the Class Notice by first class mail to the Class Members. Class Counsel will provide counsel for Defendant with a draft

of the motion for preliminary approval including the proposed Order Granting Preliminary Approval at least seven (7) calendar days before it is filed with the Court for Defendant's review and input. Defendant shall not oppose the Preliminary Approval Motion and may, in its sole option, file a declaration of non-opposition. Concurrently with the filing of the Preliminary Approval Motion, counsel for Plaintiff shall submit a copy of this Agreement to the LWDA and provide proof of said submission to the Court and counsel for Defendant.

15. Class Certification for Settlement Purposes Only. The Parties agree to stipulate to certification of the Class for purposes of the Settlement only. If the Settlement is not approved, the stipulation to certification shall be void. The Parties further agree that certification for purposes of the Settlement is not an admission that class action certification is proper under the standards applied to contested certification motions and that this Settlement shall not be admissible in this or any other proceeding as evidence that either: (a) class action should be certified; or (b) Defendant is liable to Plaintiff or any Class Member, other than according to the Settlement's terms.

SETTLEMENT ADMINISTRATION

16. Administrator. The Parties each represent that they do not have any financial interest in the Administrator or otherwise have a relationship with the Administrator that could create a conflict of interest.

17. Class Data List. Within fourteen (14) calendar days of the Order Granting Preliminary Approval, Defendant shall provide to the Administrator for each identifiable member of the Class the following information: (a) name and address; (b) social security number; (c) telephone number; (c) number of work weeks worked during the Class Period; and (d) number of Pay Periods worked during the PAGA Period based on its business and payroll records ("Class Data List"). The Class Data List and information shall remain confidential. The Administrator shall only use this information to facilitate notice, administration of the Settlement, and for distribution of Individual Settlement Payments to Participating Class Members and PAGA Members. The Parties agree to cooperate in the administration of the Settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in administration of the Settlement.

18. Duty to Protect Class Data. The Administrator shall represent and warrant that it shall:

(a) provide reasonable and appropriate administrative, physical and technical safeguards for the Class Data List that it receives from Defendant; (b) not disclose the Class Data List to Class Counsel, Plaintiff, any party or third parties, including agents or subcontractors, without Defendant's consent and keep the Class Data List confidential; (c) not disclose or otherwise use the Class Data other than to carry out its duties as set forth herein; and (d) promptly provide Defendant with notice if it becomes aware that the Class Data List becomes subject to unauthorized access, use, or disclosure.

19. Confirmation of Contact Information in the Class Data List. Following receipt of the Class Data List from Defendant, and prior to mailing, the Administrator shall perform a search of the National Change of Address Database to update and correct stale Class Member addresses. If any Class Notice is returned to the Administrator as non-deliverable on or before the Response Deadline, within three (3) calendar days of its receipt, the Administrator shall send it promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto, and the Administrator shall indicate the date of such re-mailing on the Class Notice. If no forwarding address is provided, the Administrator shall promptly attempt to determine the correct address by using a skip-trace, or other search using the name, address and/or social security number of the Class Member involved, and shall, within three (3) calendar days of learning the correct address, re-mail the Class Notice. Should a Class Notice associated with a currently employed Class Member be returned to the Administrator, it shall immediately inform Defendant to obtain a more current mailing address for that Class Member to re-mail the Class Notice.

20. Notice by First-Class U.S. Mail. Within fourteen (14) calendar days following Defendant providing the Class Data List to the Administrator as set forth above, the Administrator shall mail the individualized Class Notice by First Class U.S. Mail. Each individualized Class Notice shall include the Class Member's number of Workweeks during the Class Period and number of Pay Periods during the applicable PAGA Period and the estimated Individual Settlement Payment amount. The Class Notice will also inform Class Members of their right to opt-out of the non-PAGA portion of the Settlement, that they will receive payment for the Settlement without having to submit a claim and that they each will be mailed their Individual Settlement Payment at the address on file with the Administrator. The Class Notice will also inform the Class of the manner and deadline to submit: (a)

requests for exclusion from the non-PAGA portion of the Settlement; (b) objections to the Settlement; and (c) disputes concerning the number of Workweeks during the Class Period and the number of Pay Periods worked during the PAGA Period. The Class Notice further informs the Class of the claims to be released, including if they do not request to be excluded, and the date, time, and place set for the Final Approval Hearing.

21. Disputed Workweek and/or Pay Period Information. Class Members may contact the Administrator with questions regarding the number of Workweeks they have been assigned during the Class Period or the number of Pay Periods. Class Members may produce evidence to the Administrator showing that such information is inaccurate. There is a rebuttable presumption that Defendant's personnel and payroll records are correct, but Class Members may, should they disagree with Defendant's records, provide documentation to show contrary employment dates and/or records of Workweeks or Pay Periods no later than the Response Deadline. The dispute must: (a) set forth the name, address, telephone number and last four digits of the social security number of the Class Member submitting the dispute; (b) be signed by the Class Member; (c) be timely returned to the Administrator; (d) clearly state the reason(s) that the Class Member disputes the information provided contained in the Class Notice; and (e) be postmarked on or before the Response Deadline. All disputes shall be decided by the Administrator within ten (10) business days of the Response Deadline.

22. Request for Exclusion Procedures. Any Class Member wishing to opt-out from the non-PAGA portion of the Settlement must sign and postmark a written Request for Exclusion to the Administrator, in the manner set forth in the Class Notice, by the Response Deadline. The Request for Exclusion must: (a) set forth the name, address, telephone number and last four digits of the Social Security number of the Class Member requesting the exclusion; (b) be signed by the Class Member; (c) be timely returned to the Administrator; (d) clearly state that the Class Member does not wish to be included in the non-PAGA portion of the Settlement and does not wish to receive any payment or other benefits therefrom; and (e) be postmarked on or before the Response Deadline. The postmark date shall be the exclusive means to determine whether a Request for Exclusion has been timely submitted. No Request for Exclusion may be made on behalf of a group of Class Members. Workweeks by Class Members who have submitted a valid and timely Request for Exclusion shall be

deducted from the aggregate number of Workweeks for the non-PAGA portion of the Settlement. Class Members shall not have the right to opt out of the PAGA portion of the Settlement.

23. Defective Submissions. If a Class Member's Request for Exclusion is defective as to any of the requirements listed herein, that Class Member shall be given an opportunity to cure the defect(s). The Administrator shall mail the Class Member a cure letter within three (3) business days of receiving the defective submission to advise the Class Member that his or her submission is defective and that the defect must be cured to render the Request for Exclusion valid. The Class Member shall have until (a) the Response Deadline or (b) ten (10) calendar days from the date of the cure letter, whichever date is later, to postmark a revised Request for Exclusion. If the revised Request for Exclusion is not postmarked within that period, it shall be deemed untimely. Class Members shall be limited to one cure letter advising them of the defect. A Class Member who submits an invalid or untimely request to be excluded will remain a Class Member, will receive their Individual Settlement Payment and be bound by the releases and judgment entered as set forth herein. Invalid and untimely Requests for Exclusion shall be deemed null and void.

24. Objection Procedures. To object in writing to the non-PAGA portion of the Settlement, a Class Member must postmark a valid Notice of Objection to the Administrator on or before the Response Deadline. Class Members shall not have a right to object to the PAGA portion of the Settlement. The Notice of Objection must be signed by the Class Member and contain all information required by this Settlement and as set forth in the Class Notice, including: (a) the objector's full name, signature, address, and telephone number; (b) a written statement of all grounds for the objection accompanied by any legal support for such objection; (c) copies of any papers, briefs, or other documents upon which the objection is based; and (d) a statement whether the objector intends to appear at the Final Approval Hearing. The postmark date shall be deemed the exclusive means for determining that the Notice of Objection is timely. Alternatively, Class Members may appear at the Final Approval Hearing to request to have their objections heard by the Court. Only Class Members who have not opted out of the non-PAGA portion of the Settlement may object. Any Class Member who does not submit an objection to the Settlement shall be foreclosed from objecting to the Settlement and seeking any adjudication or review of the Settlement, by appeal or otherwise. Class Members who

postmark timely Notices of Objection shall have a right to appear at the Final Approval Hearing to have their objections heard by the Court. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written objections to the Settlement or appeal from the Final Approval and Judgment. Class Counsel shall not represent any Class Members with respect to any such objections to this Settlement. The Parties shall file all Notices of Objection, valid or invalid, timely or untimely, with the Court in advance of the Final Approval Hearing. If the Court overrules the Class Member's objection(s), or if the Court approves the Settlement despite any objection(s), the Class Member will be deemed to be a Participating Class Member and will be bound by the terms of this Agreement and will be mailed their Individual Settlement Payment.

25. Administrator Reports Regarding Class Member Participation. The Administrator shall provide Defendant's counsel and Class Counsel a biweekly report that certifies the number of Class Members who have submitted valid Requests for Exclusion and objections to the Settlement, and whether any Class Member has submitted a challenge to any information contained in their Class Notices. The Administrator shall provide to counsel for both Parties any updated reports regarding the administration of the Settlement as needed or requested. No later than fourteen (14) calendar days after the final Response Deadline, the Administrator will provide the Parties with a complete and accurate list of all Participating Class Members, all Non-Participating Class Members and all Class Members who objected to the Settlement Agreement.

26. Administrator Declaration. No later than sixteen (16) court days prior to the Final Approval Hearing, the Administrator will provide the Parties with its declaration of due diligence setting forth its compliance with its obligations under this Agreement to be filed with the Court, and will supplement its declaration as needed or as requested by the Court.

27. Administrator Final Report. By no later than five (5) calendar days following the Effective Date, the Administrator shall provide counsel for both Parties with the aggregate number of Workweeks by Participating Class Members during the Class Period and aggregate number of Pay Periods worked by PAGA Members during the PAGA Period. Upon completion of administration of the Settlement, the Administrator shall provide a written declaration under oath to certify such completion to the Court and counsel for all Parties.

28. Defendant's Right to Rescind. Defendant shall have, in its sole discretion, the right to void and withdraw from the Settlement if, at any time prior to Final Approval, five percent (5%) or more of Class Members timely and validly Request Exclusion from the non-PAGA portion of the Settlement. Defendant must exercise this right of rescission in writing to Class Counsel within fourteen (14) calendar days after the latest date any Class Member may timely submit his or her Request for Exclusion. In addition, Defendant shall have, in its sole discretion, the right to void and withdraw from the Settlement if Plaintiff: (1) fails to execute the separate Severance and Release Agreement providing a general release of all Plaintiff's individual claims not being release in this Agreement; or (2) timely revokes the separate Severance and Release Agreement after executing it. If Defendant exercises its right of rescission pursuant to this Paragraph, Defendant shall be responsible for all costs incurred by the Administrator.

29. Escalator Clause. It is estimated that there are approximately 4,337 Workweeks worked by all Class Members during the Class Period. If the Workweek number is ultimately greater than 110% of that estimate (4,771), the Gross Settlement Amount will be increased on a pro rata basis for each Workweek above 4,771. Alternatively, Defendant may, in its sole discretion, cut off the release period as of the date 4,771 Workweeks are reached.

FINAL APPROVAL

30. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the Response Deadline as ordered by the Court at the time of the Preliminary Approval Hearing, a Final Approval Hearing shall be conducted to determine the Final Approval of the Settlement along with the amounts properly payable for: (a) Individual Settlement Payments; (b) Class Representative Service Payment; (c) Class Counsel Fees Payment; (d) Class Counsel Litigation Expenses Payments; (e) Administration Costs; and (f) PAGA Penalties. The Final Approval Hearing shall not be held earlier than thirty (30) calendar days after the Response Deadline. Class Counsel shall be responsible for drafting all documents necessary to obtain final approval. The Motion for Order Granting Final Approval and Entering Judgment shall include Class Counsel's application for the Class Counsel's Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and Administration Costs. A draft of such motion shall be provided to Counsel for

Defendant seven (7) business days prior to its filing with the Court. Plaintiff agrees not to file his motion and/or application without Defendant's review and input. The Administrator shall maintain on its website a section for this Settlement which includes a copy of the Motion for Preliminary Approval, along with any accompanying Exhibit, and the operative Complaint. It shall be updated after Judgment is entered with a copy of the final Judgment.

31. Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment. Defendant shall not object to Class Counsel's request of reasonable Class Counsel Fees Payment of up to $46,984.12 (1/3 of the Gross Settlement Amount) and their reasonable Class Counsel Litigation Expenses Payments not expected to exceed $12,500. Class Counsel's application for Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment shall be included within the Motion for Order Granting Final Approval of Class Action Settlement, unless the Court instructs otherwise.

32. Judgment and Continued Jurisdiction. Concurrent with the Motion for Order Granting Final Approval of the Class Action Settlement, the Parties shall present an Order Granting Final Approval and Entering Judgment to the Court, in a form mutually agreed to by the Parties, for approval. After entry of the Judgment, the Court shall have continuing jurisdiction over the Settlement as required by law, including: (a) the interpretation and enforcement of the terms of the Settlement; (b) settlement administration matters; and (c) such post-Judgment matters as may be appropriate under court rules or as set forth in this Settlement.

33. Funding of the Settlement. Defendant shall transmit the Gross Settlement Amount and the Employer Taxes, within fifteen (15) calendar days following the Effective Date of Settlement. Defendant shall transmit the Gross Settlement Amount to the Administrator together with the amount representing the Employer Taxes (to be communicated by the Administrator to Defendant at least (5) business days before transmittal of the Gross Settlement Amount). The Administrator shall deposit the Gross Settlement Amount into a Qualified Settlement Account, from which the Administrator will have the authority to distribute money in accordance with the terms of this Settlement Agreement.

34. No Effective Date. If there is no Effective Date: (a) the Settlement Agreement shall have no force and effect and no Party shall be bound by any of its terms; (b) Defendant shall have no obligation to make any payments required under this Agreement; (c) the Parties shall evenly distribute

and pay any Administration Costs incurred up until the date that the Settlement ceases to exist; and (d) the Settlement Agreement and all negotiations, statements, proceedings, and data relating thereto shall be protected as privileged settlement communications and shall be without prejudice to the rights of any of the Parties, all of whom shall be restored to their respective positions in the Action prior to the date of execution of the Term Sheet. In such event, the Parties shall work cooperatively to request a conference with the Court in which to attempt to resolve any issues that the Court has raised regarding the Agreement so that it can gain the Court's approval, or alternatively, effectuate their intent to resume the Action.

35. Distribution and Timing of Payments. Within ten (10) calendar days following receipt of the Gross Settlement Amount and the Employer Taxes, the Administrator shall issue payments to: (a) Participating Class Members; (b) PAGA Members; (c) Plaintiff; (d) Class Counsel; and (e) LWDA. However, payments shall not be issued to Class Members whose Class Notices are returned as undeliverable and for whom no forwarding address can be located. Individual Settlement Payments for such Class Members shall be held by the Administrator unless claimed by the Class Member and shall be paid to the *cy pres* beneficiary as set forth below if unclaimed by the end of the one hundred eighty (180) calendar day period to cash settlement checks as set forth below. The Administrator shall also issue a payment to itself for the Court-approved amount for its services.

36. Un-cashed Settlement Checks. Settlement checks shall remain valid for a period of one hundred eighty (180) calendar days after mailing, at which time the checks shall become null and void. Sixty (60) calendar days following the mailing of the Individual Settlement Payment Checks, the Administrator shall mail a postcard to each Participating Class Member and PAGA Member whose check is uncashed to remind them of the void date. Any funds represented by Individual Settlement Payment checks remaining un-cashed for more than one hundred eighty (180) calendar days after issuance shall be delivered to the *cy pres* recipient Legal Aid at Work. Participating Class Members and PAGA Members who fail to cash their checks within the 180-day period shall remain bound by the Settlement as set forth herein. The Parties and their counsel represent and warrant that they have no financial interest in, or involvement with, the selected *cy pres* beneficiary Legal Aid at Work such that there would be a conflict of interest.

37. Administration of Taxes by the Administrator. The Administrator shall be responsible for issuing to Plaintiff, Participating Class Members, PAGA Members and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement. The Administrator shall also be responsible for calculating and processing all payroll taxes and penalties for payment to the appropriate government authorities.

TAX TREATMENT OF SETTLEMENT AMOUNTS

38. Tax Treatment of Individual Settlement Payments. The Parties have agreed to allocate the Individual Settlement Payment as follows: for Participating Class Members – thirty-five percent (35%) of the amount attributable to the class portion of the settlement to wages for which an IRS Form W-2 shall be issued and sixty-five percent (65%) to interest and penalties (35% to penalties and 30% to interest) for which IRS Form 1099 shall be issued. Employee-side payroll taxes and withholding shall be deducted from the wage portion of the payment pursuant to state and federal law. The entirety of the portion of the Individual Settlement Payments attributable to the PAGA portion of the settlement shall be allocated to penalties for which IRS Form 1099 shall be issued.

39. Class Member and Plaintiff's Responsibility for Taxes. Participating Class Members and PAGA Members are responsible for paying appropriate taxes due on the Individual Settlement Payments they receive, and Plaintiff is responsible for paying the appropriate taxes due on the Class Representative Service Payment. All Individual Settlement Payments shall be deemed paid to such Class Members and PAGA Members solely in the year in which such payments are issued. Counsel does not purport this communication to constitute tax or legal advice. If this Settlement, or any of its attachments, is interpreted to contain or constitute advice regarding any federal or state tax issue, such advice is not intended or written to be used, and cannot be used, by any person to avoid penalties under the federal Internal Revenue Code or any state tax code. The Class Notice will advise Class Members that they shall be solely responsible for the payment of any taxes and penalties assessed on their respective Individual Settlement Payments.

40. Class Counsel shall be issued an IRS Form 1099 for any attorneys' fees and costs awarded by the Court.

RELEASE BY THE CLASS

41. Release by Class Members and PAGA Members. As of the Effective Date, Plaintiff and all Participating Class Members (on behalf of each of them and each of their heirs, executors, administrators, and assigns) irrevocably and unconditionally fully release and forever discharge the Released Parties from any and all Released Claims that accrued during the Class Period as set forth herein. As of the Effective Date, Plaintiff, the State of California, the LWDA and all PAGA Members (on behalf of each of them and each of their heirs, executors, administrators, and assigns) irrevocably and unconditionally fully release and forever discharge the Released Parties from any and all Released PAGA Claims that accrued during the PAGA Period as set forth herein.

42. 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 WILL 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 STRATEGIES (REGARDLESS OF WHETHER

SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

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

ADDITIONAL TERMS

44. Exhibit Incorporated by Reference. The terms of this Settlement include the terms set forth in any attached Exhibit, which is incorporated by this reference as though fully set forth herein. Any Exhibit to this Settlement is an integral part of the Settlement.

45. No Publicity. Plaintiff and Class Counsel agree not to publicize the settlement, including in communications with the press. Nothing in this Agreement shall prevent Plaintiff and Class Counsel from engaging in direct communications with Class Members about the settlement. Nothing in this Agreement shall prevent Class Counsel from identifying the Settlement on their website, so long as Class Counsel does not mention Defendant by name and instead refers to it only as an apartment management company. Class Counsel is permitted to discuss the Settlement, including Defendant's name, the case number, etc. in future Court declarations and in such communications as are reasonably necessary for purposes of meeting their responsibilities as class representatives and Class Counsel.

46. Entire Agreement. This Settlement and attached Exhibit constitute the entirety of the settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties recognize Civil Code section 1625 and Code of Civil Procedure section 1856(a), which provide that a written agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written representations or terms shall modify, vary or contradict the terms of this Settlement.

47. Amendment or Modification. No amendment, change, or modification to this

Settlement shall be valid unless in writing and signed, either by the Parties or their counsel.

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

49. Binding on Successors and Assigns. This Settlement shall be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

50. California Law Governs. All terms of this Settlement and Exhibit hereto shall be governed by and interpreted according to the laws of the State of California.

51. Execution and Counterparts. This Settlement is subject only to the execution of all Parties. However, the Settlement may be executed in one or more counterparts and by DocuSign. All executed counterparts and each of them, including facsimile and scanned copies of the signature page, shall be deemed to be one and the same instrument provided that counsel for the Parties shall exchange among themselves original signed counterparts.

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

53. Acknowledgement of Future Legislation. Each Party recognizes that legislation could affect the outcome of the Action. The Parties, nevertheless, enter this settlement to avoid risk of loss and to avoid uncertainty with the interpretation, nature, and applicability of future legislation.

54. Invalidity of Any Provision. Before declaring any provision of this Settlement invalid, the Court shall 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 valid and enforceable.

55. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class certification for purposes of this Settlement only. However, Plaintiff or Class Counsel may appeal any reduction to the Class Counsel Fees Payment or Class Counsel Litigation Expenses Payments below the amounts they request from the Court, and either party may appeal any court order that materially alters the Settlement terms.

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

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

58. Enforcement Actions. If one or more of the Parties institutes any legal action or other proceeding against any other Party to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party shall be entitled to recover from the

unsuccessful Party reasonable attorneys' fees and costs, including reasonable expert witness fees incurred in connection with any enforcement actions.

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

60. Representation by Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement, and that this Settlement has been executed with the consent and advice of counsel. Plaintiff and Class Counsel warrant and represent that there are no liens on the Settlement. Class Counsel also represents that there are no attorneys who have or could have any liens with respect to any aspect of this Settlement, or any funds received by Plaintiff.

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

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

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

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

To Plaintiff and the Class:

Eric K. Yaeckel
Ryan T. Kuhn
Cody D. Archer

SULLIVAN & YAECKEL LAW GROUP, APC
2330 Third Avenue
San Diego, California 92101
Telephone: (619) 702-6760
Facsimile: (619) 702-6761
Emails: yaeckel@sullivanlawgroupapc.com
ryan@sullivanlawgroupapc.com
cody@sullivanlawgroupapc.com

To Defendant:

David Dow
Christine M. Fitzgerald
Littler Mendelson, P.C.
501 West Broadway, Suite 900
San Diego, CA 92101
Telephone: (619) 232-0441
Facsimile: (619) 232-4302
Emails: DDow@littler.com
CFitzgerald@littler.com

AGREED.

PLAINTIFF ROBERT CELLA

Dated: ______________________

____
Robert Cella

DEFENDANT GRIFFIS GROUP RESIDENTIAL, LLC

Dated: 8/5/2025

By: ______________________
NAME: CHRIS SOUTTER
TITLE: CFO

APPROVED AS TO FORM:

Dated: 8-7-25

Cody Archer

Eric K. Yaeckel
Ryan T. Kuhn
Cody D. Archer
Sullivan & Yaeckel Law Group, APC
Attorneys for Plaintiff

Dated: August 5, 2025

David Dow

David J. Dow
Christine M. Fitzgerald
Littler Mendelson, P.C.
Attorneys for Defendant

4896-0019-7603.6 / 110261-1003

SULLIVAN & YAECKEL LAW GROUP, APC
2330 Third Avenue
San Diego, California 92101
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Facsimile: (619) 702-6761
Emails: yaeckel@sullivanlawgroupapc.com
ryan@sullivanlawgroupapc.com
cody@sullivanlawgroupapc.com

To Defendant:

David Dow
Christine M. Fitzgerald
Littler Mendelson, P.C.
501 West Broadway, Suite 900
San Diego, CA 92101
Telephone: (619) 232-0441
Facsimile: (619) 232-4302
Emails: DDow@littler.com
CFitzgerald@littler.com

AGREED.

PLAINTIFF ROBERT CELLA

Dated: 8/2/2025

Signed by:
Robert Cella
D137A6F968874FC...

Robert Cella

DEFENDANT GRIFFIS GROUP RESIDENTIAL, LLC

Dated: ____________________

By: ________________________________
NAME: ______________
TITLE: ______________

APPROVED AS TO FORM:

Exhibit B

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

Cella v. Griffis Group Residential, LLC, et al., Case No. 24CU008274C

The San Diego County Superior Court authorized this Notice.
Read it carefully!

TO: All current and former hourly-paid or non-exempt employees of Griffis Group Residential, LLC within the State of California at any time during the period from August 28, 2020, through July 13, 2025.

THIS NOTICE CONTAINS IMPORTANT LEGAL INFORMATION THAT MAY AFFECT YOU
YOU ARE NOT BEING SUED

You may be eligible to receive money from an employee class action lawsuit titled *Cella v. Griffis Group Residential, LLC* for alleged wage and hour violations ("the Action"). The Action was filed by a former employee of Griffis Group Residential, LLC and seeks relief for non-exempt employees who worked for Griffis Group Residential, LLC in California from August 28, 2020, through July 13, 2025 (collectively, "Class" or "Class Members"). For the purposes of this Notice, Griffis Group Residential, LLC shall be referred to here as the "Company".

The proposed Settlement has two main parts: (1) settlement of class claims under California state wage and hour law and (2) settlement of claims for civil penalties under California's Private Attorneys General Act of 2004 ("PAGA"). You may be eligible for payment as described below. You do not need to do anything to receive payment.

Based on the Company's records, and the Parties' current assumptions, your estimated payments are as follows:

Individual Class Payment (less withholding): _____
Individual PAGA Payment: _____

The actual amount you may receive likely will be different and will depend on several factors. (If no amount is stated for your PAGA Payment, then according to the Company's records you are not eligible for that payment under the Settlement because you did not work during the period applicable to the PAGA claim.)

The Court has preliminarily approved the proposed Settlement and this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or do not act. You will be deemed to have carefully read and understood this Notice. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff's attorneys. The Court will also decide whether to enter a judgment that requires the Company to make payments under the Settlement and requires employees to give up their rights to assert certain claims against the Company.

YOUR OPTIONS	
Do Nothing	You will automatically receive payment for the Settlement. In exchange, you will give up your right to assert the California state law wage claims and PAGA claims against the Company that are covered by this Settlement.
Exclude Yourself from the Class Portion of the Settlement	If you exclude yourself from the class portion of the Settlement, you will not receive payment for that part of the Settlement. You will retain the right to assert your individual California state law claims. To opt out, you must timely write to the Administrator and follow the

	procedures described below. You will still receive payment for the PAGA portion of the Settlement. You cannot exclude yourself from the PAGA portion of the Settlement.
Object to the Class Portion of the Settlement	If you disagree with any aspect of the class portion of the Settlement, you may assert your objections by timely writing to the Administrator and filing with the Court your objection according to the procedures described below. If you exclude yourself from the class portion of the Settlement, you may not object to that portion of the Settlement. If you object, you will still receive payment under the Settlement and will still be bound by the Settlement, if approved by the Court.

- These rights and options – and the deadlines to exercise them – are explained in this notice.
- The Court in charge of this case still must decide whether to grant final approval of the Settlement. Payments will be made only if the Court grants final approval of the Settlement and after appeals (if any) are resolved. Please be patient.

BASIC INFORMATION

1. Why did I get this notice package and why should I read this Notice?

The Company's records indicate that you were employed by the Company at some point from August 28, 2020, through July 13, 2025. If the Court approves the Settlement your legal rights may be affected. Thus, you have a right to information about the Settlement and your legal rights. That is the intent of this notice.

2. What is this lawsuit about?

Plaintiff Robert Cella ("Plaintiff") has asserted the following claims against the Company on behalf of current and former employees of the Company: (1) failure to pay for all hours worked, including, but not limited to, as the result of off-the-clock work; (2) failure to pay minimum wages; (3) failure to pay overtime wages; (4) failure to correctly calculate the regular rate of pay and pay wages that are derived from the regular rate of pay; (5) failure to provide meal periods or pay meal period premiums at the regular rate of pay; (6) failure to provide rest periods or pay rest period premiums at the regular rate of pay; (7) failure to provide complete and accurate wage statements; (8) failure to timely pay wages during employment; (9) failure to timely pay all wages owed to employees who quit or are terminated; (10) failure to reimburse for business expenses, including, but not limited to, personal cell phone usage; (11) failure to maintain accurate time and payroll records; (12) PAGA penalties based thereon; and (13) unfair business practices. These claims are referred to herein as the "Claims".

The Company denies that the Claims are valid, denies that the Court should permit Plaintiff to bring the Claims on behalf of current and former employees, and contends that it complied with the law at all times.

3. What is a class action?

In a class action, one or more people called the Named Plaintiff sues on behalf of people who they allege have similar claims.

4. Why is there a Settlement?

The Court did not decide in favor of Plaintiff or the Company on the Claims being settled. Plaintiff thinks he could win a significant amount of wages, penalties, and interest on behalf of the class if he were to obtain class certification and win at trial. On the other hand, the Company denies all liability and believes that Plaintiff would not have won anything in the case. Both sides have agreed to the Settlement for the claims discussed below. That way, the Class can be provided with an immediate benefit. Plaintiff, the Company, and their attorneys all believe that this Settlement is best for the Class and the Parties.

The Court has given its preliminary approval to this settlement as fair and reasonable to the Class and has appointed Plaintiff to act as the Class Representative and for his attorneys to act as attorneys for the Class regarding the Settlement ("Class Counsel"). The Court has determined that these are adequate representatives for the Class**.**

5. How do I know if I am part of the Settlement?

Everyone who fits the description below is a Class Member:

> All current and former hourly-paid or non-exempt employees of Griffis Group Residential, LLC within the State of California at any time during the period from August 28, 2020, through July 13, 2025.

6. Are there exceptions to being included?

Yes. If you do not want to receive payment for the class portion of the Settlement, you may opt out of that portion of the Settlement as set forth below.

7. I'm still not sure if I am included.

If you are still not sure whether you are included, you can call the Administrator at 1-8xx-xxx-xxxx or write to the Administrator at *Cella v. Griffis Group Resident, LLC*, c/o _______________. This is the Administrator's mailing address for all written communications described herein. You also may contact Class Counsel identified below for more information.

8. How much money is the Settlement for and how is it allocated?

The Company has agreed to pay a total of $140,952.50 to settle all Claims in this lawsuit. Class Members will be paid out of the Net Settlement Amount, which is the $140,952.50 total settlement amount minus the following payments: (1) attorneys' fees as approved by the Court in an amount not to exceed $46,984.12 (1/3 of the total settlement amount); (2) attorneys' costs of litigation as approved by the Court in an amount not to exceed $12,500; (3) service award to Plaintiff not to exceed $10,000 for serving as the Class Representatives and assisting in prosecuting the case; (4) fees to the Administrator that are estimated at up to $6,550 for the costs of administrating the Settlement; and (5) PAGA Penalties of $10,000.00, including a payment to the California Labor and Workforce Development Agency ("LWDA") for its share of PAGA Penalties.

The Net Settlement Amount will be allocated to Class Members as described below.

- Class Members who do not exclude themselves from the class portion of the Settlement will receive payment based on the proportional number of workweeks worked by each Class Member who does not exclude themself during the period of August 28, 2020, through July 13, 2025 (calculated as the number of workweeks worked by the Class Member divided by the total number of workweeks worked by all Class Members who do not exclude themselves).

- Of the PAGA Penalties, $3,500.00 will be paid to Class Members based on the proportional number of pay periods worked by each Class Member during the period of May 8, 2024, through July 13, 2025 (calculated as the number of pay periods worked by the Class Member divided by the total number of pay periods worked by all Class Members during that time period).

9. For how long will checks be valid and what happens to uncashed checks?

The checks issued to Class Members will be valid for one hundred eighty (180) calendar days from the date they are mailed. After one hundred eighty (180) calendar days, the checks will become null and void.

Funds from uncashed checks will be delivered to a charitable organization called _________, which ______________.

10. What information is used to calculate my payment?

Based on Defendant's records, your workweeks and pay periods, as applicable, are as follows:

You worked ____ workweeks during the period of August 28, 2020, through July 13, 2025.
You worked ____ pay periods during the period of May 8, 2024, through July 13, 2025.

If you disagree with the workweek or pay period calculations above, you must notify the Administrator by writing to them at the address set forth above. You must sign your notification, and include your full name, address, telephone number, last four digits of your social security number, the reason(s) that you dispute the information, and all supporting documentation. Your notification must be postmarked no later than _______, 2025. The Administrator will make a final decision.

Your total Settlement payment is set forth above. This amount could change, depending on how many Class Members exclude themselves from the class portion of the Settlement and/or rulings of the Court.

Of your Settlement payment sixty five percent (65%) of the amount attributable to the class portion of the Settlement will be treated as interest and penalties and will be reported as 1099 miscellaneous income by the Administrator to federal and state tax authorities, and thirty five percent (35%) will be treated as wages and will be reported as W-2 income subject to withholdings, deductions, and contributions in relation to wage payments. The withholding rate for the W-2 income may not be the same as you have used but is a customary one used in class action settlements. The entirety of the amount of your Settlement payment attributable to the PAGA claim shall be allocated to penalties for which an IRS Form 1099 shall be issued.

You are responsible for all employee tax liability in relation to payment to you under the Settlement. This Notice is not tax advice. Do not ask Class Counsel, the Company, or the Company's counsel for tax advice, as they will not provide it. They are not responsible for the tax advice. You should consult your own tax advisor.

11. How can I get a payment?

You do not need to do anything to receive a settlement payment. However, it is important that you immediately notify the Administrator if your mailing address is different from the address to which this Notice was sent.

12. When will I receive a payment?

Payments will be distributed pursuant to a schedule established by the Settlement and by the Court. Presently, the expected date of payment is estimated to be ____________. This could change depending on factors influencing the Administrator's tasks, any objections to the Settlement, any appeals, and/or actions by the Court.

13. What am I giving up to get a payment?

<u>Released Claims.</u> Upon the Settlement becoming effective, each member of the Class (except those who properly exclude themselves from the class portion of the Settlement) on behalf of each of them and each of their heirs,

executors, administrators, and assigns, will release Griffis Group Residential, LLC and its past, present, and future parents, subsidiaries, affiliated or sister companies, and divisions, including but not limited to Griffis Investment Company, Inc., and their respective past, present, and future officers, directors, employees, partners, shareholders, owners, agents, insurers, legal representatives, attorneys and all of their successors (including persons or entities who may acquire them in the future), assigns, representatives, heirs, executors, and administrators and all other persons acting by, through, under or in concert with them that could be liable (the "Released Parties") from any and all claims, debts, rights, demands, obligations, or liabilities of every nature and description, for damages, premiums, penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief against the Released Parties, arising during the Class Period and alleged in the operative complaint, or which could have been alleged based on the facts pled in the operative complaint. This includes claims relating to the alleged: (1) failure to pay for all hours worked, including, but not limited to, as the result of off-the-clock work; (2) failure to pay minimum wages; (3) failure to pay overtime wages; (4) failure to correctly calculate the regular rate of pay and pay wages that are derived from the regular rate of pay; (5) failure to provide meal periods or pay meal period premiums at the regular rate of pay; (6) failure to provide rest periods or pay rest period premiums at the regular rate of pay; (7) failure to provide complete and accurate wage statements; (8) failure to timely pay wages during employment; (9) failure to timely pay all wages owed to employees who quit or are terminated; (10) failure to reimburse for business expenses, including, but not limited to, personal cell phone usage; (11) failure to maintain accurate time and payroll records; and (12) claims for interest and any other claims and penalties premised on the aforementioned allegations. The "Released Claims" includes all types of relief available for the above-referenced claims, including any claims for damages, restitution, losses, premiums, penalties, fines, liens, attorneys' fees, costs, expenses, debts, interest, injunctive relief, declaratory relief, or liquidated damages, whether under federal law, state law, or any state or local law or common law, including violations of the Labor Code, Wage Orders, applicable regulations, and any and all claims under the Fair Labor Standards Act related to the facts and claims alleged in the operative complaint.

<u>Released PAGA Claims.</u> Upon the Settlement becoming effective, the state of California and each member of the Class on behalf of each of them and each of their heirs, executors, administrators, and assigns, will release the Released Parties from any and all PAGA claims against the Released Parties arising during the PAGA Period and alleged in the operative complaint and/or Plaintiff's letter to the LWDA, or which could have been alleged based on the facts pled in the operative complaint and/or alleged in Plaintiff's letter to the LWDA. This includes the PAGA claims relating to the alleged: (1) failure to pay for all hours worked, including, but not limited to, as the result of off-the-clock work; (2) failure to pay minimum wages; (3) failure to pay overtime wages; (4) failure to correctly calculate the regular rate of pay and pay wages that are derived from the regular rate of pay; (5) failure to provide meal periods or pay meal period premiums at the regular rate of pay; (6) failure to provide rest periods or pay rest period premiums at the regular rate of pay; (7) failure to provide complete and accurate wage statements; (8) failure to timely pay wages during employment; (9) failure to timely pay all wages owed to employees who quit or are terminated; (10) failure to reimburse for business expenses, including, but not limited to, personal cell phone usage; (11) failure to maintain accurate time and payroll records; and (12) any other PAGA claims premised on the aforementioned allegations.

14. How do I opt out of the class portion of the Settlement?

To exclude yourself from the class portion of the Settlement, you must send a signed letter by mail to the Administrator stating words to the effect that you want to be excluded from that portion of the Settlement. You must also include your name, mailing address, telephone number, and the last four digits of your social security number. Your exclusion request must be postmarked no later than _______ and sent to the Administrator at the address set forth above.

If you exclude yourself from class portion of the Settlement, you will not receive any money from the Net Settlement Amount for that part of the Settlement. You also cannot object to that part of the Settlement, and you will not be legally bound by that part of the Settlement. You do not have the right to opt out from the PAGA portion of the Settlement.

15. If I don't exclude myself, can I sue the Released Parties for the same thing later?

Unless you exclude yourself from the class portion of the settlement, you give up any right to sue the Released Parties for the class claims that this Settlement resolves. If you have a pending lawsuit for the same claims that are being settled against the Released Parties, speak to your lawyer in that case immediately. You must exclude yourself from the class portion of the settlement in *this* case to continue your own lawsuit if it involves the same California state law claims.

16. If I exclude myself from the class portion of the Settlement, can I get money from this Settlement?

If you exclude yourself from the class portion of the Settlement, you will not receive any money for that portion of the Settlement, you cannot object to that portion of the Settlement, and you will not be legally bound by that portion of the Settlement if approved.

17. Who is my lawyer if I am included in the Class?

The Court has appointed as Class Counsel the following attorneys: Eric K. Yaeckel, Ryan T. Kuhn and Cody D. Archer of Sullivan & Yaeckel Law Group, APC, 2330 Third Avenue, San Diego, CA, 92101, (619) 702-6760, yaeckel@sullivanlawgroup.com, ryan@sullivanlawgroup.com, and cody@sullivanlawgroupapc.com You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense. If you have questions about this Settlement, you may contact Class Counsel.

18. How do I object to the class portion of the Settlement going forward?

If you do not like the class portion of the Settlement, you may file an objection and provide reasons why the Court should not approve that portion of the Settlement. You can't ask the Court to order a different settlement because the Court can only approve or reject the Settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue.

To object in writing to the class portion of the Settlement, you must postmark a valid Notice of Objection to the Administrator on or before ________. Alternatively, you may appear at the Final Approval Hearing to state your objections to the Court either in person or through your own attorney. If you appear through your own attorney, you are responsible for hiring and paying that attorney. All written objections and supporting papers should include: (1) the objector's full name, signature, address, and telephone number; (2) a written statement of all grounds for the objection accompanied by any legal support for such objection; (3) copies of any papers, briefs, or other documents upon which the objection is based; and (4) a statement whether the objector intends to appear at the Final Approval Hearing.

The Parties will file all Notices of Objection with the Court in advance of the Final Approval Hearing.

Any Class Member who does not object in the manner described above shall be deemed to have waived any objections and shall be foreclosed from objecting to the fairness or adequacy of the proposed Settlement, the payment of attorneys' fees and costs, the service payment to Plaintiff, and any and all other aspects of the Settlement. Even if you file an objection, you will be bound by the terms of the Settlement, including applicable releases as set forth above, unless the Settlement is not finally approved by the Court.

19. What Is the difference between objecting and opting out of the California state law portion of the Settlement?

Objecting is simply saying that you do not like something about the class portion of the Settlement and do not want it approved. Opting out is saying that you do not want to participate in that part of the Settlement. If you opt out of that part of the Settlement, you have no basis to object because that part of the Settlement no longer affects you.

20. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing on _____________, 2025 at _______, in Department C-64 of the San Diego County Superior Court located at 330 West Broadway, San Diego, California 92101. At this hearing, the Court will make a final decision as to whether the Settlement is fair, reasonable, and adequate. If you or other Class Members object to the Settlement, the Court will consider the objections. The Judge will listen to people who have asked to speak at the hearing. At or after the hearing, the Court will decide whether to grant final approval to the Settlement.

The Final Approval Hearing may be continued without further notice to Class Members. You are advised to check the settlement website at _________________ to confirm that the date has not been changed.

21. Do I have to come to the hearing?

No. Class Counsel will answer questions the Judge may have. You are welcome to come at your own expense. If you properly submit an objection, you don't have to come to Court to talk about it. As long as you properly submitted your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

22. Can I speak at the hearing?

You may ask the Court for permission to speak at the final approval hearing. You cannot appear and speak at the hearing if you opt out of the class portion of the Settlement.

23. What happens if I do nothing at all?

If you do nothing, or fail to act timely, you will receive your share of the Settlement, but you will be barred from pursuing the released class claims described above and will also release the PAGA claims as described above.

24. Will there be retaliation from the Company if I am included in the Class?

California law makes it unlawful to retaliate against an employee for participating in a lawsuit like this one.

25. Are there more details about the Settlement?

This Notice is intended as a summary and does not fully describe this action, the claims, the defenses, or the proposed Settlement, which is subject to the terms and conditions of the Settlement Agreement filed with the Court and as preliminarily approved by the Court. For further information, you may call or contact the Administrator (using the contact information set forth above) or Class Counsel (using the contact information set forth above).

The Administrator also maintains a website at which some important documents in this case are available. The link to the website is ________________________________.

You may also obtain more information by accessing the Court docket in this case through the San Diego County Superior Court website and entering the case number or by visiting the Clerk's Office at 330 West Broadway, San Diego, California 92101, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays.

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, OR DEFENDANT OR THEIR COUNSEL WITH INQUIRIES.