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8 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
9 FOR THE COUNTY OF SAN BERNARDINO  
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11 SHERRIE GRIZZELLE and FATIMA  
12 ALRAZAA, individually, on a  
13 representative basis, and on behalf of all  
others similarly situated;

14 Plaintiffs,

15 vs.

16 LUTHERAN SOCIAL SERVICES OF  
17 SOUTHERN CALIFORNIA, a California  
18 Corporation; and DOES 1 through 20,  
inclusive;

19 Defendants.  
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Case No.: CIVSB2520891

*[Assigned to Hon. Winston Keh, Dept S37, for  
all purposes]*

**[PROPOSED] ORDER:**

- 1) **PRELIMINARILY APPROVING  
CLASS ACTION AND PAGA  
SETTLEMENT;**
- 2) **CONDITIONALLY CERTIFYING A  
CLASS FOR SETTLEMENT  
PURPOSES ONLY;**
- 3) **DIRECTING DISTRIBUTION TO THE  
CLASS OF THE SETTLEMENT  
NOTICE AND EXPLANATION FORM;  
AND**
- 4) **SETTING A HEARING FOR FINAL  
APPROVAL OF THE SETTLEMENT**

1 Having reviewed the Class Action and PAGA Settlement Agreement and Release of  
2 Claims (the “Settlement Agreement” or “S.A.”), which is attached as **Exhibit A** to this Order,  
3 between Plaintiffs Sherrie Grizzelle and Fatima Alrazaa (“Plaintiffs”) and Defendant Lutheran  
4 Social Services of Southern California (collectively, the “Parties”), as well as the Memorandum  
5 of Points and Authorities in Support of the Unopposed Motion for Preliminary Approval of Class  
6 Action Settlement, the documents submitted in support of the motion, and all supporting legal  
7 authorities and documents, IT IS HEREBY ORDERED:

8 1. The Court GRANTS preliminary approval of the Settlement based upon the terms  
9 set forth in the Settlement Agreement and finds its terms to be within the range of reasonableness  
10 of a settlement that ultimately could be granted final approval by the Court at a Final Approval  
11 hearing. The settlement appears to be fair, adequate and reasonable to the Class. Based on a  
12 review of the papers submitted by Plaintiffs, the Court finds that the Settlement is the result of  
13 arms-length negotiations conducted after the Parties adequately investigated and became familiar  
14 with the strengths and weaknesses of the claims. The assistance of an experienced mediator in  
15 the Settlement process supports the Court’s conclusion that the Settlement is non-collusive.

16 2. For settlement purposes only, the Court finds that the proposed Class is  
17 ascertainable and that there is a sufficiently defined community of interest among the Class  
18 Members in questions of law and fact. The Court, therefore, conditionally certifies the following  
19 Class, for settlement purposes only: All current and former nonexempt employees employed by  
20 Defendant in California during the Class Period of July 18, 2021, through March 31, 2026.

21 3. Additionally, the “Aggrieved Employees” are defined to include: all current and  
22 former nonexempt employees employed by Defendant in California during the PAGA Period of  
23 July 18, 2024, through March 31, 2026.

24 4. The class action settlement set forth in the Settlement Agreement between  
25 Plaintiffs and Defendant is preliminarily approved as it appears to be proper, to fall within the  
26 range of a fair, reasonable, and adequate settlement, and to be presumptively valid, subject only  
27 to any objections that may be raised at the Final Approval Hearing.  
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1           5.       For settlement purposes only, the Court appoints Plaintiffs Sherrie Grizzelle and  
2 Fatima Alrazaa as Class Representatives, and Brian Mankin and Peter Carlson as Class Counsel.

3           6.       The Court approves Phoenix Settlement Administrators to act as the Settlement  
4 Administrator, who is directed to fulfill all of the duties and services set forth in the Settlement  
5 Agreement. The Settlement Administrator shall file a declaration concurrently with the Motion  
6 for Final Approval, authenticating a copy of every objection and request for exclusion received  
7 by the Settlement Administrator.

8           7.       The Court approves, as to form and content, the Class Notice attached here as  
9 **Exhibit B** and finds that it satisfies the requirements of California Rule of Court, rules 3.766 and  
10 3.769, subd. (f), and fairly apprises the Class Members of the terms of the final approval hearing  
11 date, the proposed settlement terms and of their options, including: (1) the nature of the action,  
12 the definition of the Class, the identity of Class Counsel, and the essential terms of the  
13 Settlement; (2) Plaintiffs' and Class Counsel's applications for the Class Representative Service  
14 Payment, and Class Counsel's request for attorneys' fees and costs; (3) a formula used to  
15 determine the Class Member's estimated Individual Class Payment; (4) Class Members' rights to  
16 appear through counsel if they desire; (5) how to object to the Settlement or submit an opt-out  
17 request if a Class Member wishes to do so; and (6) how to obtain additional information  
18 regarding the action and the Settlement. Counsel for the Parties are authorized to correct any  
19 typographical errors in settlement and make clarifications, to the extent the same are found or  
20 needed, so long as such corrections do not materially alter the substance of the documents.

21           8.       The Court approves the procedure for Class Members to participate in, request  
22 exclusion from or object to, and preserve appeal rights as set forth in the Settlement Agreement  
23 and the Class Notice.

24           9.       The Court finds that the deadlines and method set forth in the Settlement  
25 Agreement for the mailing of the Class Notice meet the requirements of due process, provide the  
26 best notice practicable under the circumstances, constitute due and sufficient notice to all persons  
27 entitled to notice, and otherwise satisfy the requirements of California law and due process.

28           10.      The Court directs the Settlement Administrator to perform address verification

measures and mail the Class Notice by first class mail to the Class Members not later than 10 days after it receives the “Class Data” as defined in the Settlement Agreement and to otherwise carry out the Settlement according to the terms of the Settlement Agreement and in conformity with this Order. The Parties are also ordered to carry out the Settlement according to the terms of the Settlement Agreement.

11. All Class Members shall be deemed to participate in the Settlement, although any Class Member who wishes to comment on or object to the Settlement or who elects not to participate in the Settlement has until 45 days after the mailing of the Class Notice to submit his or her objection or Request to be Excluded, pursuant to the procedures set forth in the Class Notice.

12. The Court approves the handling of unclaimed funds set forth in the Settlement Agreement, specifically that any unclaimed funds in the Administrator’s account as a result of a failure to timely cash a settlement check shall be issued to the State Controller’s Office in the name of the Class Member, as set forth in the Settlement Agreement.

13. The following dates shall govern for purposes of this settlement:

|                                             |                                                                                                                                                                                                 |
|---------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| September 16, 2026                          | Preliminary Approval (PA) hearing                                                                                                                                                               |
| October 19, 2026<br>(31 days after PA)      | Deadline for Administrator to complete first mailing of the Class Notice to all Class Members.                                                                                                  |
| December 3, 2026<br>(45 days after mailing) | Deadline for Class Members to submit Requests for Exclusion, Objections and Disputes to the settlement, except as otherwise extended pursuant to the Settlement Agreement for remailed notices. |
| 16 court days before Final Approval hearing | Deadline for Plaintiffs to file and serve Motion for Final Approval and application for award of fees, costs and service payments.                                                              |
| 9 court days before Final Approval hearing  | Deadline for filing of any written opposition to Plaintiffs’ Motion for Final Approval, or filing response to an objection.                                                                     |
| 5 court days before final approval hearing  | Deadline for filing of any written reply to opposition Motion for Final Approval                                                                                                                |
| Date: _____, 2027<br>Time: 8:30 a.m.        | Final Approval Hearing<br><u>Proposed date:</u> January 20, 2027                                                                                                                                |

1           14.     A final approval hearing shall be held in this Court on the date and time above to  
2 determine (1) whether the proposed settlement is fair, reasonable, and adequate and should be  
3 finally approved by the Court; (2) the amount of Attorneys' Fees and Costs Award to Class  
4 Counsel; and (3) the amount of the Service Payments to the Class Representatives.

5           15.     Neither this Order, the Settlement Agreement, nor any document referred to  
6 therein, nor any action taken to carry out the settlement embodied in the Settlement Agreement  
7 may be construed as, or may be used by Plaintiffs or the Class Members in this Action as an  
8 admission by or against Defendant or any of the other Released Parties (as that term is defined in  
9 the Settlement Agreement) of any fault, wrongdoing or liability whatsoever.

10          16.     The Court may, for good cause shown, extend any of the deadlines set forth in  
11 this Order. If any Class Member submits an objection to the settlement and the Final Approval  
12 Hearing is continued, the Settlement Administrator is directed to give notice of the new hearing  
13 date to the objecting party.

14          17.     In the event that the Settlement Agreement does not receive final approval or the  
15 Effective Date of the Settlement does not occur, this Order shall be rendered null and void and  
16 shall be vacated.

17          18.     Pending the Final Approval hearing, all proceedings in this action, other than  
18 proceedings necessary to carry out or enforce the terms and conditions of the Settlement and this  
19 Order, are stayed.

20  
21 Date: \_\_\_\_\_

\_\_\_\_\_  
Hon. Winston Keh

EXHIBIT “A”

Brian J. Mankin, Esq. [CSB No. 216228]  
*brian@lmlfirm.com*  
Peter J. Carlson, Esq. [CSB No. 295611]  
*peter@lmlfirm.com*  
LAUBY, MANKIN & LAUBY LLP  
5198 Arlington Avenue, PMB 513  
Riverside, CA 92504  
Tel: (951) 320-1444

Attorneys for Plaintiffs, on a representative basis and on behalf of all others similarly situated

Michael D. Thomas, Esq. [CSB No. 226129]  
*michael.thomas@jacksonlewis.com*  
Joseph F. Desiderio, Esq. [CSB No. 309512]  
*Joseph.desiderio@jacksonlewis.com*  
JACKSON LEWIS, P.C.  
200 Spectrum Center Drive, Suite 500  
Irvine, CA 92618  
Tel: (949) 885-1360

Attorneys for Defendant Lutheran Social Services of Southern California

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF SAN BERNARDINO

SHERRIE GRIZZELLE and FATIMA  
ALRAZAA, individually, on a representative  
basis, and on behalf of all others similarly  
situated;

Plaintiffs,

vs.

LUTHERAN SOCIAL SERVICES OF  
SOUTHERN CALIFORNIA, a California  
Corporation; and DOES 1 through 20,  
inclusive;

Defendants.

Case No.: CIVSB2520891  
*[Assigned to Hon. Michael Dauber, Dept S37,  
for all purposes]*

**CLASS ACTION AND PAGA  
SETTLEMENT AGREEMENT AND  
RELEASE OF CLAIMS**

This Class Action Settlement Agreement and Release of Claims is entered into by and  
between Plaintiffs Sherrie Grizzelle and Fatima Alrazaa, individually and on behalf of all others  
similarly situated, and on behalf of the State of California, and Defendant Lutheran Social Services

of Southern California, and is approved by their respective counsel of record, subject to the terms and conditions hereof and the Court’s approval.

**A. Definitions**

1. “Action” collectively refers to: (a) Plaintiff Grizzelle’s lawsuit alleging wage and hour violations against Defendant captioned *Grizzelle v. Lutheran Social Services of Southern California*, which was initiated on July 18, 2025, and is pending in Superior Court of the State of California, County of San Bernardino, Case No. CIVSB2520891 (the “Class Action”), and (b) Plaintiff Grizzelle’s separate lawsuit alleging wage and hour violations under PAGA against Defendant captioned *Grizzelle v. Lutheran Social Services of Southern California*, which was initiated on October 2, 2025, and is pending in Superior Court of the State of California, County of San Bernardino, Case No. CIVSB2529067 (the “PAGA Action”). The Class Action and PAGA Action were deemed related and consolidated by way of the filing of a first amended complaint in the Class Action on May 26, 2026.

2. “Administrator” means and refers to Phoenix Settlement Administrators, the third-party class action settlement administrator agreed to by the Parties, that will provide the Notice to the Class Members and distribute the settlement amounts as described in this Agreement.

3. “Administration Costs” means the costs payable from the Settlement Amount to the Administrator for administering this Settlement, including, but not limited to, printing, distributing, and tracking documents for this Settlement, tax reporting, and deposit of the employee and employer share of payroll taxes, unclaimed property due diligence, reporting and remittance obligations, distributing the Settlement Amount, and providing necessary reports and declarations, as requested by the Parties. The Administration Costs shall be paid from the Settlement Amount, including, if necessary, any such costs in excess of the amount represented by the Administrator as being the maximum costs necessary to administer the Settlement.

4. “Aggrieved Employee(s)” means all current and former nonexempt employees employed by Defendant in California during the PAGA Period.

5. “Agreement” or “Settlement Agreement” or “Settlement” shall mean this Class Action and PAGA Settlement Agreement and Release of Claims.

1           6.       “Class” is defined all current and former nonexempt employees employed by  
2 Defendant in California during the Class Period.

3           7.       “Class Member(s)” refers to individual members of the Class.

4           8.       “Class Counsel” refers to Brian Mankin and Peter Carlson of Lauby, Mankin &  
5 Lauby LLP.

6           9.       “Class Data” means a complete list that Defendant will diligently and in good faith  
7 compile from their records and provide to the Administrator on one spreadsheet which shall  
8 include, for each Class Member, the individual’s full name, last known address, Social Security  
9 Number, total Work Weeks worked during the Class Period and total Pay Periods worked during  
10 the PAGA Period.

11          10.      “Class Period” is deemed to be any time during the period of July 18, 2021, through  
12 March 31, 2026.

13          11.      “Class Representatives” or “Plaintiffs” means and refers to Plaintiffs Sherrie  
14 Grizzelle and Fatima Alrazaa.

15          12.      “Complaint” refers to the operative first amended class and PAGA representative  
16 action complaint filed in the Class Action.

17          13.      “Court” (or “Judge”) means the California Superior Court, County of San  
18 Bernardino.

19          14.      “Defendant” means and refers to Lutheran Social Services of Southern California.

20          15.      “Defendant’s Counsel” or “Defense Counsel” means and refers to Jackson Lewis,  
21 P.C.

22          16.      “Effective Date” means the latest of the following dates: (i) if no Class Member  
23 timely and properly intervenes, or files a motion to vacate the judgment approving the Settlement  
24 Agreement under Code of Civil Procedure § 663, then the date of the Court’s Notice of Entry of  
25 Order regarding Final Approval of the Settlement; (ii) if a Class Member intervenes, or files a  
26 motion to vacate the judgment approving the Settlement Agreement, then sixty-one (61) calendar  
27 days following the date the Court enters an order granting Final Approval, assuming no appeal is  
28 filed; or (iii) if a timely appeal is filed, then the date of final resolution of that appeal or other

collateral attack (including any requests for rehearing and/or petitions for *certiorari*), resulting in final judicial approval of the Settlement.

17. “Escalator Clause:” Defendant represents that the Class Members worked approximately 40,000 Work Weeks during the Class Period. Should the total number of Work Weeks in the Class Period exceed 44,000 (which is 10% more than Defendant’s representation), then Defendant shall have the option of either: (1) increasing the Gross Settlement Amount by \$15.00 (GSA divided by 40,000) for each additional Workweek above 44,000, or (2) changing the end date of the Class Period to a date through which there are no more than 44,000 workweeks. However, in no event shall the Class Period end before February 19, 2026 (the date of mediation).

18. “Final Approval” refers to the order of the Court granting final approval of this Settlement Agreement and entering a judgment approving this Agreement on substantially the terms provided herein or as may be modified by subsequent agreement of the Parties.

19. “Individual Class Payment” refers to each Participating Class Members share of the Net Settlement Amount, as further discussed in Paragraph 46(c) below.

20. “Individual PAGA Payment” refers to each Aggrieved Employees share of the PAGA Penalties, as further discussed in Paragraph 46(h) below.

21. “Net Settlement Amount” shall have the meaning ascribed to it in Paragraph 46(b) below.

22. “Notice” means the notice of proposed class settlement that will be sent to the Class Members and which will advise each Class Member of the settlement and his or her estimated Individual Class Payment and Individual PAGA Payment and will further advise of the setting of a Final Approval Hearing.

23. “Objecting Class Member” means a Class Member, other than Plaintiffs, who submits a valid and timely objection to the terms of this Agreement, pursuant to Paragraph 67(c) below.

24. “PAGA Penalties” means the amount that the Parties have agreed to pay to the Labor and Workforce Development Agency (“LWDA”) in connection with the California Labor

Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*, “PAGA”), as well as the Individual PAGA Payment allocated to each Aggrieved Employee.

25. “PAGA Period” is deemed to be any time during the period of July 18, 2024, through March 31, 2026.

26. “Participating Class Member” means any and all Class Members who are deemed to participate and receive an Individual Class Payment and do not opt-out by submitting timely valid Requests for Exclusion.

27. “Parties” means Plaintiffs and Defendant, collectively.

28. “Preliminary Approval Date” means the date the Court approves the Settlement Agreement and enters the Preliminary Approval Order.

29. “Preliminary Approval Order” means the judicial Order to be entered by the Court, upon the application or motion of the Plaintiffs, preliminarily approving this Settlement and providing for the issuance of the Notice to the Class, an opportunity to opt out of the Settlement, an opportunity to submit timely objections to the Settlement, and setting a final approval hearing on the fairness of the terms of Settlement, including approval of attorneys’ fees and costs. Provided that the motion is consistent with the terms herein, Defendant will not object to Plaintiffs’ motion for preliminary approval but will be provided with an opportunity to review and comment upon the motion before it is filed.

30. “QSF” means the Qualified Settlement Fund set up by the Administrator for the benefit of the Participating Class Members and Aggrieved Employees, and from which the settlement payments shall be made.

31. “Released Class Claims” or “Class Claims” by the Participating Class Members include all claims that were alleged, or that reasonably could have been alleged based upon the facts stated in the Complaint, including: (1) failure to pay minimum wages, (2) failure to pay overtime wages, (3) failure to provide meal periods, (4) failure to provide rest breaks, (5) failure to reimburse business expenses, (6) failure to pay vested vacation, (7) failure to timely pay final wages, (8) failure to provide accurate itemized wage statements, and (9) unfair and unlawful competition. The time period governing the Released Class Claims shall be the Class Period.

1           32.     “Released PAGA Claims” or “PAGA Claims” means the PAGA claims alleged in  
2 the Complaint and in the relevant LWDA notice letters, or that reasonably could have been alleged  
3 based on the facts stated in the Complaint and in the relevant LWDA notice letters, including all  
4 PAGA claims seeking civil penalties premised upon: (1) failure to pay minimum wages, (2) failure  
5 to pay overtime wages, (3) failure to provide meal periods, (4) failure to provide rest breaks, (5)  
6 failure to reimburse business expenses, (6) failure to pay vested vacation, (7) failure to timely pay  
7 final wages, (8) failure to provide accurate itemized wage statements, and (9) all other claims for  
8 civil penalties recoverable under the Private Attorneys General Act, Labor Code §§ 2698 et seq.  
9 based on the facts or claims alleged in the LWDA notice letters and Complaint. The time period  
10 governing the PAGA Released Claims shall be the PAGA Period. The Released PAGA Claims  
11 do not release any Aggrieved Employees’ claims for wages or statutory penalties (“Released  
12 PAGA Claims”). The time period governing the PAGA Released Claims shall be the PAGA  
13 Period. The PAGA Released Claims do not release any Aggrieved Employees’ claims for wages  
14 or statutory penalties.

15           33.     “Released Parties” means Defendant, together with its officers, directors,  
16 employees, agents, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and  
17 affiliates.

18           34.     “Response Deadline” is 45 calendar days from the date the Notice is mailed to the  
19 Class Members.

20           35.     “Request for Exclusion” shall have the meaning ascribed to it in Paragraph 67(a)  
21 below.

22           36.     “Service Payment” or “Service Award” means the amount approved by the Court  
23 to be paid to the Class Representatives in addition to their Individual Class Payments as  
24 Participating Class Members and Individual PAGA Payments as Aggrieved Employees.

25           37.     “Settlement Amount” is \$600,000.00, subject to the Escalator Clause and exclusive  
26 of Defendant’s obligation to fund their share of payroll taxes, as further discussed in Paragraph  
27 46(c) below.

1           38.     “Work Weeks” or “Weeks Worked” in the context of a Class Member means any  
2 and all work weeks during the Class Period during which the Class Member worked at least one  
3 day in California for Defendant. Likewise, in the context of Aggrieved Employees, “Pay Periods”  
4 means any and all pay periods worked during the PAGA Period during which the Aggrieved  
5 Employee worked at least one day in California for Defendant.

6     **B.     General Terms**

7           39.     Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff Grizzelle gave timely  
8 written notice to Defendant and the LWDA by sending the PAGA Notice Letter on July 18, 2025.  
9 That same day, Plaintiff Grizzelle commenced the Class Action by filing a complaint against  
10 Defendant on a putative class action basis, alleging the following causes of action: (a) failure to  
11 pay minimum wages, (b) failure to pay overtime wages, (c) failure to provide meal periods, (d)  
12 failure to provide rest breaks, (e) failure to reimburse business expenses, (f) failure to pay vested  
13 vacation wages, (g) failure to timely pay wages upon separation of employment, (h) failure to  
14 provide accurate itemized wage statements, and (i) unfair and unlawful competition. After the  
15 LWDA exhaustion period ran and the LWDA declined to assert jurisdiction over the PAGA  
16 Claims, Plaintiff Grizzelle filed a separate PAGA Action on October 2, 2025. The Court deemed  
17 the Class Action and PAGA Action related, and then the actions were consolidated by way of the  
18 filing of the operative first amended Complaint, which also added Fatima Alrazaa as a Plaintiff  
19 and proposed Class Representative.

20           40.     On February 19, 2026, the Parties attended private mediation with Hon. Daniel  
21 Buckley (Ret.) and reached this Settlement.

22           41.     Defendant denies Plaintiffs’ claims and allegations and contends that the Action is  
23 not suitable for class certification.

24           42.     The Class Representatives believe they can proceed with the representative and  
25 class claims, that the Action is meritorious, and that class certification is appropriate.

26           43.     The Parties have conducted a thorough investigation into the facts of the Action.  
27 This includes conducting an extensive exchange of informal discovery, including a sampling of  
28 payroll and timekeeping records for Class Members. Class Counsel is both knowledgeable about

1 and has done extensive research with respect to the applicable law and potential defenses to the  
2 claims of the Class. Class Counsel has diligently pursued an investigation of the Class Members'  
3 claims against Defendant. Based on the foregoing data and on their own independent investigation  
4 and evaluation, Class Counsel is of the opinion that the settlement with Defendant for the  
5 consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and  
6 adequate and is in the best interest of the Class Members in light of all known facts and  
7 circumstances, including the risk of significant delay and uncertainty associated with litigation,  
8 various defenses asserted by Defendant, and numerous potential appellate issues.

9 44. The Parties agree that neither the Parties' Settlement, this Agreement, nor the acts  
10 to be performed or judgment to be entered pursuant to the terms of the Settlement and Agreement,  
11 shall be construed as an admission by Defendant of any wrongdoing or violation of any statute or  
12 law or liability on the claims or allegations in the Action.

13 45. Stipulation for Class Certification. For settlement purposes only, Defendant will  
14 stipulate that the Participating Class Members may be conditionally certified as a Class. This  
15 stipulation to certification is in no way an admission that class action certification is proper and  
16 shall not be admissible in this or in any other action except for the sole purposes of enforcing this  
17 Agreement. Should, for whatever reason, the Court fail to issue Final Approval, the Parties'  
18 stipulation to class certification as part of the Settlement shall become null and void *ab initio* and  
19 shall have no bearing on, and shall not be admissible in connection with, the issue of whether  
20 certification would be appropriate in a non-settlement context. Defendant expressly reserves its  
21 rights and declares that it would continue to oppose class certification and the substantive merits  
22 of the case should the Court fail to issue Final Approval. Plaintiffs expressly reserve their rights  
23 and declare that they will continue to pursue class certification and a trial should the Court fail to  
24 issue Final Approval.

25 **C. Terms of Settlement**

26 46. The financial terms of the Settlement are as follows:

27 (a) Settlement Amount: The Parties agree to settle this Action for the  
28 Settlement Amount, subject to the Escalator Clause and Defendant's obligation to separately pay

the share of payroll taxes owed on the wage portion of the Individual Class Payments, which is the maximum amount that will be paid by Defendant and includes Individual Class Payments, Class Counsel's Attorneys' Fees and Costs Award, the Service Payments to the Class Representatives, Administration Costs, and PAGA Penalties.

(b) Net Settlement Amount: The "Net Settlement Amount" is defined as the Settlement Amount less the Attorneys' Fees and Costs Award, the Service Payments to the Class Representatives as awarded by the Court, the Administration Costs, and PAGA Penalties. If the Court reduces the Attorneys' Fees and Costs Award, Service Award, or Administrator Costs, or either increases or decreases the amount allocated to the PAGA Penalties, the difference shall be placed in the Net Settlement Amount and allocated to the Class.

(c) Calculation of Individual Class Payments: Individual Class Payments for the Class will be calculated and apportioned from the Net Settlement Amount based on the number of Weeks Worked by a Class Member during the Class Period. Each specific Individual Class Payment will be calculated by: (a) dividing the Net Settlement Amount by the total number of Weeks Worked by all Participating Class Members during the Class Period, and (b) multiplying the result by each Participating Class Members' Weeks Worked. The entire Net Settlement Amount will be disbursed to all Participating Class Members. If there are any valid and timely Requests for Exclusion, the Administrator shall proportionally increase the Individual Class Payment for each Participating Class Member according to the number of Weeks Worked, so that the amount actually distributed to Participating Class Members equals one hundred percent (100%) of the Net Settlement Amount.

(d) Allocation of Individual Class Payments: The Individual Class Payments to Participating Class Members will be allocated as follows: 10% as wages subject to withholding of all applicable local, state and federal taxes; and 90% will be allocated for interest and statutory penalties (pursuant to, *e.g.*, California Labor Code sections 203, 210, 226) from which no taxes will be withheld. The Administrator will issue to each Participating Class Member an Internal Revenue Service Form W-2 and comparable state forms with respect to the wage allocation and a Form 1099 with respect to the penalties and interest allocations.

1           (e)     Service Payments to Class Representatives: The amount, if any, awarded  
2 to each Class Representative as a Service Payment will be set by the Court in its discretion, not to  
3 exceed \$10,000 for each Plaintiff in exchange for the services that Plaintiffs performed on behalf  
4 of the Class. Defendant agrees not to oppose this request. The Service Payments to the Class  
5 Representatives will be paid out of the Settlement Amount. The Class Representatives will be  
6 issued an IRS Form 1099 in connection with these payments and shall be solely and legally  
7 responsible to pay all applicable taxes on this payment. The Parties agree that any amount awarded  
8 as the Service Payments to the Class Representatives less than the requested amount shall not be  
9 a basis for Class Counsel to void this Settlement Agreement. Should the Court approve a lesser  
10 amount for the Service Payments, the difference shall be added to the Net Settlement Amount to  
11 be distributed to the Participating Class Members.

12           (f)     Attorneys' Fees and Costs Award: Defendant agrees to not oppose a request  
13 by Class Counsel to the Court for an award of attorneys' fees of one-third of the Settlement  
14 Amount, plus reasonable litigation costs not to exceed \$30,000 ("Attorney's Fees and Cost  
15 Award"). Defendant agrees not to oppose any contention by Class Counsel that attorneys' fees  
16 should be based on the common fund theory. The Attorney's Fee and Cost Award shall be paid  
17 from the Settlement Amount, and, except for this award, Defendant shall have no further obligation  
18 to pay any attorneys' fees, costs, or expenses to Class Counsel. Should the Court approve a lesser  
19 amount than what is sought by Class Counsel, the difference shall be added to the Net Settlement  
20 Amount to be distributed to the Participating Class Members. Any Court order awarding less than  
21 the amount sought by Class Counsel shall not be grounds to rescind the Settlement Agreement or  
22 otherwise void the Settlement. The Administrator shall issue to Class Counsel an IRS Form 1099  
23 reflecting the amount of attorneys' fees and costs awarded by the Court.

24           (g)     Administration Costs: The fees and other charges of the Administrator will  
25 be paid from the Settlement Amount, not to exceed \$10,500.00, unless (1) the Escalator Clause is  
26 triggered (whereby any reasonable increase in Administration Costs shall be paid from the  
27 increased Settlement Amount, subject to Court approval), or (2) as otherwise approved by all  
28 Parties and the Court.

1 (h) PAGA Penalties: The Parties agree that \$20,000 is allocated to PAGA  
2 Penalties, and is to be paid from the Settlement Amount, subject to Court approval. Of this amount,  
3 \$13,000 (65%) shall be paid to the LWDA in satisfaction of civil penalties under the Private  
4 Attorney General Act of 2004 (“PAGA”) and \$7,000 (35%) will form the Individual PAGA  
5 Payments to the Aggrieved Employees, which shall be calculated and allocated pro-rata by (a)  
6 dividing the amount of the Aggrieved Employees’ 35% share of PAGA Penalties (\$7,000) by the  
7 total number of PAGA Period pay periods worked by all Aggrieved Employees during the PAGA  
8 Period and (b) multiplying the result by each Aggrieved Employee’s PAGA Period Pay Periods.  
9 Individual PAGA Payments will be treated entirely as civil penalties and shall be reported as  
10 required on an IRS Form 1099. Class Counsel shall give proper notice to the LWDA of the  
11 Settlement.

12 (i) Tax Liability: Class Counsel and Defendant make no representations as to  
13 the tax treatment or legal effect of settlement amounts called for hereunder, and Plaintiffs and the  
14 Class Members are not relying on any statement or representation by Class Counsel or Defendant  
15 in this regard. Plaintiffs, Participating Class Members, and Aggrieved Employees understand and  
16 agree that they will be solely responsible for the payment of any taxes and penalties assessed on  
17 their respective Individual Class Payments and Individual PAGA Payments, described herein.  
18 Forms 1099 will be distributed in the manner required by the Internal Revenue Code of 1986 (the  
19 “Code”) and consistent with this Agreement. If the Code, the regulations promulgated thereunder,  
20 or other applicable tax law, is changed after the date of this Agreement, the processes set forth in  
21 this Section may be modified in a manner to bring Defendant into compliance with any such  
22 changes. Plaintiffs, Participating Class Members, and Aggrieved Employees understand and agree  
23 that they will be solely responsible for the payment of any taxes and penalties assessed on their  
24 respective payments described herein.

25 (j) CIRCULAR 230 DISCLAIMER. EACH PARTY TO THIS  
26 AGREEMENT (FOR PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY”  
27 AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING  
28 PARTY, AN “OTHER PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO

1 PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR  
2 DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND  
3 OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH  
4 COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE  
5 RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES  
6 TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE  
7 ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS  
8 OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX  
9 ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO  
10 THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY  
11 OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED  
12 TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR  
13 ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE  
14 IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER  
15 TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE  
16 CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES  
17 (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON  
18 DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX  
19 STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION  
20 CONTEMPLATED BY THIS AGREEMENT.

21 (k) "Non-Reversionary" Settlement. This is a "non-reversionary" settlement.  
22 Under no circumstances will any portion of the Settlement Amount revert to Defendant.  
23 Participating Class Members and Aggrieved Employees will not have to make a claim in order to  
24 receive an Individual Class Payment or Individual PAGA Payment. Distributions, in the form of  
25 Individual Class Payment or Individual PAGA Payments will be made directly to each  
26 Participating Class Member and Aggrieved Employee. The Administrator shall be responsible for  
27 accurately and timely reporting and remittance obligations with respect to unclaimed funds as a  
28

1 result of a Participating Class Member and/or Aggrieved Employee not cashing any checks  
2 delivered pursuant to the Settlement by the check cashing deadline, as set forth herein.

3 (l) Class Counsel and Plaintiffs believe that the Settlement is fair and  
4 reasonable and will so represent same to the Court.

5 **D. Release by the Participating Class Members**

6 47. Upon entry of the Final Approval Order and Defendant fully funding the Settlement  
7 Amount and the required employer-side payroll taxes, and except as to such rights or claims as  
8 may be created by this Agreement, Plaintiffs and the Participating Class Members will forever  
9 completely release and discharge the Released Parties from the Released Class Claims for the  
10 Class Period.

11 48. Each Participating Class Member will be deemed to have made the foregoing  
12 Release as if by manually signing it.

13 49. Class Representatives, on behalf of themselves and the Class, acknowledge and  
14 agree that the claims for unpaid wages and untimely payment of wages in the Action are disputed,  
15 and that the payments set forth herein constitute payment of all sums allegedly due to them. Class  
16 Representatives, on behalf of themselves and the Class, acknowledge and agree that Labor Code  
17 §§ 206.5 and 2804 are not applicable to the Parties or Settlement. Labor Code § 206.5 provides in  
18 pertinent part as follows: “An employer shall not require the execution of any release of any claim  
19 or right on account of wages due, or to become due, or made as an advance on wages to be earned,  
20 unless payment of those wages has been made.”

21 **E. Release of PAGA Claims**

22 50. Upon entry of the Final Approval Order and Defendant fully funding the Gross  
23 Settlement Amount and the required employer-side payroll taxes, Plaintiffs – in their individual  
24 capacity and on behalf of the State of California, LWDA and Aggrieved Employees – shall  
25 completely release and discharge the Released Parties from the Released PAGA Claims for the  
26 PAGA Period.

1           51.     Regardless of submitting a valid Request for Exclusion, neither Plaintiffs nor any  
2 Aggrieved Employee shall have the right to opt-out or otherwise exclude themselves from  
3 releasing the Released PAGA Claims.

4           52.     It is the intent of the Parties that the Final Approval Order shall have full equitable  
5 and collateral estoppel and res judicata effect to the fullest extent permitted by law.

6 **F.     Release by Plaintiffs and Class Representatives**

7           53.     The Class Representatives do hereby, for themselves and their spouses, heirs,  
8 successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators,  
9 guardians, personal representatives, and assigns forever and completely release and discharge the  
10 Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises,  
11 agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses,  
12 debts, and expenses (including back wages, statutory penalties, civil penalties, liquidated damages,  
13 exemplary damages, interest, attorneys' fees, and costs) of any nature whatsoever, from the  
14 beginning of time through the execution of this Agreement, whether known or unknown, suspected  
15 or unsuspected, including but not limited to all claims arising out of, based upon, or relating to  
16 Class Representatives' employment with Defendant or the remuneration for or termination of such  
17 employment (the "Class Representatives' Claims"). The Release of Class Representatives' Claims  
18 is expressly conditioned on and subject to the terms of the separate individual settlement  
19 agreements entered into by and among Plaintiffs and Defendant.

20           54.     Without limiting the generality of the foregoing, this general release by Plaintiffs  
21 includes all federal, state and local statutory claims, federal and state common law claims  
22 (including but not limited to those for contract, tort and equity), including without limitation the  
23 Americans with Disabilities Act, Age Discrimination in Employment Act, Title VII of the Civil  
24 Rights Act of 1964 (as amended), 42 USC sec. 1981, 42 USC sec. 1983, the Fair Labor Standards  
25 Act, the Employment Retirement Security Income Act of 1974, the California Constitution, the  
26 California Fair Employment and Housing Act, the California Unfair Competition Act (California  
27 Business and Professions Code section 17200 et seq.), and the California Labor Code.

1           55.     Plaintiffs agree that there is a risk that any injury that they may have suffered by  
2 reason of the Released Parties' relationship with them might not now be known, and there is a  
3 further risk that said injuries, whether known or unknown at the date of this Settlement Agreement,  
4 might possibly become progressively worse, and that as a result thereof further damages may be  
5 sustained. Nevertheless, Plaintiffs agree to forever and fully release and discharge the Released  
6 Parties, and understands that by the execution of this Settlement Agreement no further claims for  
7 any such injuries that existed at the time of the execution of this Settlement Agreement may ever  
8 be asserted by Plaintiffs with respect to claims arising in the time period from the beginning of  
9 time to the execution of this Settlement Agreement.

10           56.     Plaintiffs expressly waive and relinquish all rights and benefits afforded by Section  
11 1542 of the Civil Code of the State of California and do so understanding and acknowledging the  
12 significance of the waiver of Section 1542. Section 1542 of the Civil Code of the State of  
13 California states:

14                   A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS  
15                   THAT THE CREDITOR OR RELEASING PARTY DOES NOT  
16                   KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT  
17                   THE TIME OF EXECUTING THE RELEASE AND THAT, IF  
18                   KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY  
19                   AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR  
20                   OR RELEASED PARTY.

21           Notwithstanding the provisions of Section 1542, and for the purpose of implementing a  
22 full and complete release and discharge of all parties, the Class Representatives expressly  
23 acknowledges that this Settlement Agreement is intended to include in its effect, without  
24 limitation, all claims that Class Representatives knew of, as well as all claims that they do not  
25 know or suspect to exist in his favor against the Released Parties, or any of them, for the time  
26 period from the beginning of time to the execution of this Settlement Agreement, and that this  
27 Settlement Agreement contemplates the extinguishment of any such Class Representatives'  
28 Claims. Notwithstanding the above, the general release by the Class Representatives shall not  
extend to claims for workers' compensation benefits, claims for unemployment benefits, claims  
for state disability benefits, or other claims that may not be released by law.

1 **G. Interim Stay of Proceedings**

2 57. Pending completion of all of the prerequisites necessary to effectuate this  
3 Settlement, the Parties agree, subject to Court approval, to a stay of all proceedings in the Action  
4 except such as is necessary to effectuate the Settlement.

5 **H. Notice Process**

6 58. Appointment of Administrator. The Parties have agreed to the appointment of the  
7 Administrator to perform the duties of a settlement administrator, including mailing the Notice,  
8 using standard devices to obtain forwarding addresses, independently reviewing and verifying  
9 documentation associated with any claims or opt-out requests, resolving any disputes regarding  
10 the calculation or application of the formula for determining the Individual Class Payment and  
11 Individual PAGA Payments, drafting and mailing the settlement checks to Participating Class  
12 Members and Aggrieved Employees, issuing all necessary tax forms, and performing such other  
13 tasks as set forth herein or as the Parties mutually agree or that the Court orders.

14 59. Disputes Regarding Administration. Any and all disputes relating to administration  
15 of the Settlement by the Administrator (except for disputes regarding Class Data) shall be referred  
16 to the Court, if necessary, which will have continuing jurisdiction over the terms and conditions  
17 of this Agreement, until Plaintiffs and Defendant notify the Court that all payments and obligations  
18 contemplated by this Agreement have been fully carried out. Prior to presenting any issue to the  
19 Court, counsel for the Parties will confer in good faith to resolve the dispute without the necessity  
20 of Court intervention. The Administrator shall also be responsible for issuing to Plaintiffs,  
21 Participating Class Members, and Aggrieved Employees, and Class Counsel any Tax Forms as  
22 may be required by law for all amounts paid pursuant to this Agreement.

23 60. Class Data. Within twenty-one (21) days after entry of the Preliminary Approval  
24 Order, Defendant shall provide the Class Data to the Administrator. The Administrator will run a  
25 check of the Class Members' addresses against those on file with the U.S. Postal Service's National  
26 Change of Address List. The Class Data provided to the Administrator will remain confidential  
27 and will not be used or disclosed to anyone, except as required by applicable tax authorities,  
28 pursuant to Defendant's express written consent, or by order of the Court. Although Class Counsel

will not be provided with the list of Class Data, nothing herein shall prevent Class Counsel from communicating with Class Members regarding the Action and Settlement.

61. Total Workweeks. At least 5 days prior to mailing the Notice, the Administrator shall provide a spreadsheet to Class Counsel and Defense Counsel containing a preliminary calculation of all payments to be paid from the Settlement Amount, including the estimated Individual Class Payments to each Class Member and Individual PAGA Payments to each Aggrieved Employee (a person's name shall be redacted and a control number used in place of the name). In the event that the total Workweeks worked by all Class Members triggers the Escalator Clause, the Administrator shall notify the Parties of the increased Settlement Amount, and related increased payments from the Settlement Amount, including increased Attorneys' Fees and Costs and any increased Administration Costs, all of which shall be subject to Court approval. In the event that the Escalator Clause is triggered, Defendant shall have 3 days after receiving the spreadsheet to make its selection regarding paying the increased Settlement Amount or shortening the Class Period. If Defendant does not timely make its selection, then the Administrator shall select the increased Settlement Amount option and update the Notice to reflect the changes due to the Escalator Clause.

62. Notice. The Notice, as approved by the Court, shall be sent by the Administrator to the Class Members, by first class mail, in English, within ten (10) calendar days following the Administrator's receipt of the Class Data. The Administrator shall use standard devices, including a skip trace, to obtain forwarding addresses of Class Members if any envelopes are returned.

63. Returned Notices. The Administrator will take steps to ensure that the Notice is received by all Class Members, including utilization of the National Change of Address Database maintained by the United States Postal Service to review the accuracy of and, if possible, update a mailing address. Notices will be re-mailed to any Class Member for whom an updated address is located within ten (10) calendar days following both the Administrator learning of the failed mailing and its receipt of the updated address. The Notice shall be identical to the original Notice, except that it shall notify the Class Member that the exclusion (opt-out) request or objection must

1 be returned by the later of the Response Deadline or fifteen (30) days after the remailing of the  
2 Notice.

3 64. Presumption Regarding Receipt of Notice. It will be conclusively presumed that if  
4 an envelope has not been returned to Administrator by the Response Deadline that the Class  
5 Member received the Notice.

6 65. Disputes Regarding Class Data. Class Members are deemed to participate in the  
7 Settlement unless they opt-out, and Aggrieved Employees may not opt out of the Released PAGA  
8 Claims. The Notice will inform Class Members of his/her estimated Individual Class Payment and  
9 Individual PAGA Payment, as well as the number of weeks he/she worked during the Class Period  
10 and PAGA Period. If a Class Member believes they should be credited with more Weeks Worked  
11 than Defendant's records show, they may dispute the amounts by timely submitting evidence to  
12 the Administrator. Defendant's records will be presumed determinative absent reliable evidence  
13 to rebut Defendant's records, but the Administrator will evaluate the evidence submitted by the  
14 Class Member and provide it to Class Counsel and Defense Counsel, who agree to meet and confer  
15 in good faith about the evidence to determine the Class Member's actual number of Work Weeks,  
16 and estimated Individual Class Payment and Individual PAGA Payment. If Class Counsel and  
17 Defense Counsel are unable to agree, they agree to submit the dispute to the Court to render a final  
18 decision. Class Members and Aggrieved Employees will have until the Response Deadline to  
19 dispute Weeks Worked, object or opt out, unless extended by the Court.

20 66. Declaration of Due Diligence. The Administrator shall provide counsel for the  
21 Parties a declaration of due diligence and proof of mailing with regard to the mailing of the Notice  
22 within 7 days after the Response Deadline.

23 67. Class Members' Rights. Each Class Member will be fully advised of the  
24 Settlement, the ability to object to the settlement, and the ability to opt-out or request exclusion  
25 from the Released Class Claims portion of the Settlement. The Notice will inform the Class  
26 Members of the Court-established deadlines for filing objections or requesting exclusion from the  
27 Settlement in accordance with the following guidelines:  
28

1 (a) Requests for Exclusion from Class. Any Class Member, other than  
2 Plaintiffs, may request to be excluded from the Class by submitting a “Request for Exclusion” to  
3 the Administrator, postmarked on or before the Response Deadline. The Request for Exclusion  
4 should state:

5 “I WISH TO BE EXCLUDED FROM THE CLASS IN THE  
6 LUTHERAN SOCIAL SERVICES’ LAWSUIT. I UNDERSTAND  
7 THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT  
8 CLASS, I WILL NOT RECEIVE MY INDIVIDUAL CLASS  
9 PAYMENT FROM THIS LAWSUIT.”

10 To be valid, any Request for Exclusion must include the full name, address, telephone  
11 number, last four digits of the social security number or date of birth, and signature of the Class  
12 Member requesting exclusion. The Request for Exclusion must be returned by mail to the  
13 Administrator at the specified address set forth in the Notice. Any such Request must be made in  
14 accordance with the terms set forth in the Notice. A Request for Exclusion will be timely only if  
15 postmarked by the Response Deadline, unless the Parties otherwise agree in writing. Any Class  
16 Member who timely requests exclusion in compliance with these requirements: (i) will not have  
17 any rights under this Agreement, including the right to object, appeal or comment on the  
18 Settlement; (ii) will not be entitled to receive the Individual Class Payment under this Agreement;  
19 and (iii) will not be bound by this Agreement, or the Judgment. Any Class Member who is an  
20 Aggrieved Employee who requests timely exclusion will still be subject to the Released PAGA  
21 Claims to the fullest extent permitted by law and receive an Individual PAGA Payment. All Parties  
22 and their counsel, including Defendant’s respective members, member managers, owners, officers,  
23 and directors, shall not encourage or solicit opt-outs or objections, directly or indirectly, through  
24 any means.

25 (b) Binding Effect on Participating Class Members. All Participating Class  
26 Members will: (i) be bound by the terms and conditions of this Agreement, the Judgment, and the  
27 releases set forth herein; and (ii) except as otherwise provided herein, will be deemed to have  
28

1 waived all objections and oppositions to the fairness, reasonableness, and adequacy of the  
2 Settlement.

3 (c) Objections to Settlement. Any Class Member, other than Plaintiffs, who  
4 does not submit a valid and timely Request for Exclusion may object to the terms of this  
5 Agreement. To object, a Class Member shall inform the Administrator, in writing, of his or her  
6 objection which must be postmarked by the Response Deadline at the address set forth in the  
7 Notice. Such objection shall include the Objecting Class Member's full name, address, telephone  
8 number, last four digits of the social security number or date of birth, signature, and dates of  
9 employment with Defendant, in addition to the case name and number, the basis for the objection,  
10 including any legal support and each specific reason in support of the objection, as well as any  
11 documentation or evidence in support thereof, and, if the Objecting Class Member is represented  
12 by counsel, the name and address of his or her counsel. The Administrator shall provide  
13 objections, if any, to Class Counsel and Defense Counsel within three (3) calendar days of receipt,  
14 and the Administrator shall attach the same to its declaration of due diligence and file with the  
15 Court prior to the Final Approval Hearing. An Objecting Class Member remains eligible to receive  
16 monetary compensation from the Settlement. Plaintiffs and Defendant shall not be responsible for  
17 any fees, costs, or expenses incurred by an Objecting Class Member and/or his or her counsel  
18 related to any objections to the Settlement. Submitting an objection does not preserve the right to  
19 appeal a final judgment. Rather, the right to appeal is preserved by becoming a party of record by  
20 timely and properly intervening or filing a motion to vacate the judgment under Code of Civil  
21 Procedure § 663.

22 (d) Failure to Object. Any Class Member who does not timely and properly  
23 become a party of record by intervening or filing a motion to vacate the judgment waives any and  
24 all rights to appeal from the Judgment, including all rights to any post-judgment proceeding and  
25 appellate proceeding, such as a motion to vacate judgment, motion for new trial, a motion under  
26 California Code of Civil Procedure section 473, and extraordinary writs.

1 (e) Responses to Objections. Counsel for the Parties may file a response to any  
2 objections submitted by an Objecting Class Member at least five (5) court days before the date of  
3 the Final Approval Hearing.

4 (f) Class Members will have until the Response Deadline to object or submit a  
5 Request for Exclusion to the Administrator by U.S. Mail. The Administrator shall disclose jointly  
6 to Class Counsel and Defense Counsel what objections or Requests for Exclusion were timely  
7 submitted on a weekly basis, and upon the request of Class Counsel or Defense Counsel.

8 68. Funding of the Settlement Amount. Defendant shall fund the Gross Settlement  
9 Amount, plus Defendant's share of payroll taxes, pursuant to the following payment plan: (1) by  
10 December 1, 2026, or 10 days after the Effective Date, whichever is later, Defendant shall fund  
11 50% of the Gross Settlement Amount, plus Defendant's proportional share of payroll taxes as  
12 determined by the Settlement Administrator, and (2) by December 1, 2027, or 10 days after the  
13 Effective Date, whichever is later, Defendant shall fund the remaining 50% of the Gross Settlement  
14 Amount, plus Defendant's remaining share of payroll taxes as determined by the Settlement  
15 Administrator.

16 69. Distribution of Funds. No later than ten (10) calendar days after receipt of each  
17 installment, described above, the Administrator shall mail 50% (one-half) of the Court approved  
18 payments, including Individual Class Payments to the Participating Class Members, Individual  
19 PAGA Payments to the Aggrieved Employees, payment to Class Counsel for the Attorneys' Fees  
20 and Costs Award, Service Payment to the Class Representatives, payment to the LWDA for PAGA  
21 Penalties, and Administration Costs.

22 70. Deadline for Cashing Settlement Checks. Participating Class Members and  
23 Aggrieved Employees shall have 180 calendar days after mailing by the Administrator to cash  
24 their settlement checks. The release will be binding upon all Participating Class Members who do  
25 not cash their checks within the 180-day period. In the event that any settlement check is returned  
26 to the Administrator within 180 days of mailing, the Administrator will, within five (5) business  
27 days of receipt of the returned settlement check, perform a skip trace to locate the individual, and  
28 notify Defense Counsel and Class Counsel of the results. If a new address is located by these

means, the Administrator will have ten (10) business days to re-issue the check. Neither Defendant, Defense Counsel, Class Counsel, Plaintiffs, nor the Administrator will have any liability for lost or stolen settlement checks, forged signatures on settlement checks, or unauthorized negotiation of settlement checks. Without limiting the foregoing, in the event a Participating Class Member and/or Aggrieved Employee notifies the Administrator that he or she believes that a settlement check has been lost or stolen, the Administrator shall immediately stop payment on such check. If the check in question has not been negotiated prior to the stop payment order, the Administrator will issue a replacement check. For any individual whose Individual Class Payment check and/or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall hold those funds in its account until 180 days after the second disbursement, and then transmit all uncashed funds in the Administrator's account to the California State Controller's Unclaimed Property Fund in the name of the Class Member or Aggrieved Employee, thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b)

**I. Duties of the Parties Prior to the Court's Approval**

71. Promptly after execution of this Agreement, Plaintiffs will move the Court for Preliminary Approval of this Settlement and entry of the Preliminary Approval Order accomplishing the following:

- (a) Approving as to form and content the proposed Notice;
- (b) Directing the mailing of the Notice by first class mail to the Class Members;
- (c) Preliminarily approving this Settlement;
- (d) Preliminarily certifying the class for purposes of this Settlement;
- (e) Advising the LWDA of the proposed Settlement; and
- (f) Scheduling the Final Approval Hearing on the issue of whether this Settlement should be finally approved as fair, reasonable and adequate.

**J. Duties of the Parties Following Court's Final Approval**

72. In connection with the Final Approval Hearing provided for in this Agreement, Class Counsel shall submit a proposed Final Approval Order:

1 (a) Approving the Settlement, adjudging the terms thereof to be fair, reasonable  
2 and adequate, and directing consummation of its terms and provisions;

3 (b) Approving Class Counsel's application for an award of attorneys' fees and  
4 reimbursement of litigation costs and expenses, Service Payments to the Class Representatives,  
5 and the payment to the Administrator for costs of administering the settlement; and

6 (c) Entering judgment approving settlement.

7 **K. Voiding the Agreement**

8 73. If the Court fails or refuses to issue the Final Approval Order or fails to approve  
9 any material condition of this Agreement which effects a fundamental change of the Settlement,  
10 the entire Agreement shall be rendered voidable and unenforceable as to all Parties herein at the  
11 option of either Party.

12 74. If the Settlement is voided or fails for any reason, Plaintiffs and Defendant will  
13 have no further obligations under the Settlement, including any obligation by Defendant to pay the  
14 Settlement Amount, or any amounts that otherwise would have been owed under this Settlement.

15 75. If the Settlement is voided or fails for any reason, any costs incurred by the  
16 Administrator shall be borne equally by Defendant and Plaintiffs, unless otherwise specified in  
17 this Agreement.

18 **L. Other Terms**

19 76. Waiver. The waiver by one Party of any breach of this Agreement by another Party  
20 shall not be deemed a waiver of any other prior or subsequent breach of this Agreement.

21 77. Parties' Authority. The signatories hereto represent that they are fully authorized to  
22 enter into this Agreement and bind the Parties hereto to the terms and conditions hereof.

23 78. Mutual Full Cooperation. The Parties agree to fully cooperate with each other to  
24 accomplish the terms of this Agreement, including but not limited to, execution of such documents  
25 and to take such other action as may reasonably be necessary to implement the terms of this  
26 Agreement. The Parties to this Agreement shall use their best efforts, including all efforts  
27 contemplated by this Agreement and any other efforts that may become necessary by order of the  
28 Court, or otherwise, to effectuate this Agreement and the terms set forth herein. As soon as

1 practicable after execution of this Agreement, Class Counsel shall, with the assistance and  
2 cooperation of Defendant and Defense Counsel, take all necessary steps to secure the Court's  
3 preliminary and final approval of the settlement, and the final entry of judgment.

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

8 80. No Admission. Defendant denies any and all liability to Plaintiffs and/or any Class  
9 Member and/or Aggrieved Employee in this Action, as to any and all causes of action that were  
10 asserted or that might have been asserted in this Action. Nonetheless, Defendant wishes to settle  
11 and compromise the matters at issue in the Complaint to avoid further substantial expense and the  
12 inconvenience and distraction of protracted and burdensome litigation. Defendant has taken into  
13 account the uncertainty and risks inherent in litigation, and without conceding any infirmity in the  
14 defenses that they has asserted or could assert against Plaintiffs, has determined that it is desirable  
15 and beneficial that Plaintiffs' claims be settled in the manner and upon the terms and conditions  
16 set forth in this Agreement.

17 81. Inadmissibility of Agreement. Whether or not the Court issues the Final Approval  
18 Order, nothing contained herein, nor the consummation of this Agreement, is to be construed or  
19 deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant  
20 or any of the other Released Parties. Each of the Parties hereto has entered into this Agreement  
21 with the intention of avoiding further disputes and litigation with the attendant inconvenience and  
22 expenses. This Agreement is a settlement document, and it, along with all related documents such  
23 as the notices, and motions for preliminary and final approval, shall, pursuant to California  
24 Evidence Code section 1152 and/or Federal Rule of Evidence 408, be inadmissible in evidence in  
25 any proceeding, except an action or proceeding to approve the settlement, and/or interpret or  
26 enforce this Agreement. The stipulation for class certification as part of this Agreement is for  
27 settlement purposes only and if, for any reason the settlement is not approved, the stipulation will  
28 be of no force or effect.

1           82.    No Publicity. The Parties will not publicize the Settlement or disclose it to third  
2 parties prior to the Court granting Preliminary Approval, except as required or necessary to  
3 effectuate its terms and comply with law. After the Final Approval Date, Class Counsel and Class  
4 Representatives agree that they will not discuss the Settlement with the media, any settlement and  
5 verdict reporting service, any social media postings or other Internet postings. Nothing herein  
6 shall be construed to prevent Class Counsel from the public filing of motions or other case  
7 materials in the Action related to seeking and obtaining Court approval of this Settlement and the  
8 related awards of attorneys' fees and costs, or to communications with Class Members or their  
9 representatives about this Settlement, including through the posting of Court-filed documents on  
10 Class Counsel's websites for access solely by the Class Members, or to prevent the Parties or their  
11 representatives from communicating with financial or legal advisors regarding the Settlement. In  
12 response to any media inquiry, Class Counsel may state only that the Action has been settled on  
13 terms mutually agreeable to the Parties.

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

18                   *To the Class:*

19                   Brian J. Mankin  
20                   **brian@lmlfirm.com**  
21                   Lauby, Mankin & Lauby LLP  
22                   5198 Arlington Ave, PMB 513  
23                   Riverside, CA 92504  
24                   Tel: (951) 320-1444 | Fax: (951) 320-1445

25                   *To Defendant:*

26                   Michael D. Thomas  
27                   **michael.thomas@jacksonlewis.com**  
28                   JACKSON LEWIS, P.C.  
29                   200 Spectrum Center Drive, #500  
30                   Irvine, CA 92618  
31                   Tel: (949) 885-1360

1           84.    Construction. The Parties hereto agree that the terms and conditions of this  
2 Agreement are the result of lengthy, intensive arms' length negotiations between the Parties and  
3 that this Agreement shall not be construed in favor of or against any Party by reason of the extent  
4 to which any Party or his or its counsel participated in the drafting of this Agreement. Plaintiffs  
5 and Defendant expressly waive the common-law and statutory rule of construction that ambiguities  
6 should be construed against the drafter of an agreement and further agree, covenant, and represent  
7 that the language in all parts of this Agreement shall be in all cases construed as a whole, according  
8 to its fair meaning.

9           85.    Captions and Interpretations. Paragraph titles or captions contained herein are  
10 inserted as a matter of convenience and for reference, and in no way define, limit, extend, or  
11 describe the scope of this Agreement or any provision hereof. Each term of this Agreement is  
12 contractual and not merely a recital.

13           86.    Modification. This Agreement may not be changed, altered, or modified, except in  
14 writing and signed by the Parties hereto, and approved by the Court. This Settlement Agreement  
15 may not be discharged except by performance in accordance with its terms or by a writing signed  
16 by all of the Parties hereto.

17           87.    Dispute Resolution. Prior to instituting legal action to enforce the provisions of  
18 this Agreement or to declare rights and/or obligations under this Agreement, a Party shall provide  
19 written notice to the other Party and allow an opportunity to cure the alleged deficiencies, and  
20 Plaintiffs and Defendant may agree to seek the help of the Mediator to resolve any dispute they  
21 are unable to resolve informally. During this period, the Parties shall bear their own attorneys' fees  
22 and costs. This provision shall not apply to any legal action or other proceeding instituted by any  
23 person or entity other than Plaintiffs or Defendant.

24           88.    Choice of Law. This Settlement Agreement shall be governed by and construed,  
25 enforced and administered in accordance with the laws of the State of California, without regard  
26 to its conflicts-of-law rules.

27           89.    Integration Clause. This Settlement Agreement contains the entire agreement  
28 between the Parties relating to the settlement and transaction contemplated hereby, and all prior or

1 contemporaneous agreements, understandings, representations, and statements, whether oral or  
2 written and whether by a Party or such Party's legal counsel, are merged herein. No rights  
3 hereunder may be waived except in writing.

4 90. Binding On Assigns. This Agreement shall be binding upon and inure to the benefit  
5 of the Parties hereto and their respective heirs, trustees, executors, administrators, successors and  
6 assigns.

7 91. Signatures of All Class Members Unnecessary to be Binding. It is agreed that,  
8 because the members of the Class are numerous, it is impossible or impractical to have each Class  
9 Member execute this Agreement. The Notice will advise all Class Members of the binding nature  
10 of the release provided herein and such shall have the same force and effect as if this Agreement  
11 were executed by each Class Member.

12 92. Counterparts. This Agreement may be executed in counterparts, and when each  
13 Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an  
14 original, and, when taken together with other signed counterparts, shall constitute one fully signed  
15 Agreement, which shall be binding upon and effective as to all Parties. Electronic signatures shall  
16 have the same force and effect as an original.

17  
18 Dated: Jun 25, 2026

**PLAINTIFF AND CLASS REPRESENTATIVE**

19 

20 Sherrie Grizzelle (Jun 25, 2026 21:51:33 PDT)

21 Sherrie Grizzelle

22  
23 Dated: \_\_\_\_\_

**PLAINTIFF AND CLASS REPRESENTATIVE**

24  
25 Fatima Alrazaa

1 contemporaneous agreements, understandings, representations, and statements, whether oral or  
2 written and whether by a Party or such Party's legal counsel, are merged herein. No rights  
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15 Agreement, which shall be binding upon and effective as to all Parties. Electronic signatures shall  
16 have the same force and effect as an original.

17  
18 Dated: \_\_\_\_\_

**PLAINTIFF AND CLASS REPRESENTATIVE**

19  
20  
21 \_\_\_\_\_  
Sherrie Grizzelle

22 Dated: Jun 25, 2026

**PLAINTIFF AND CLASS REPRESENTATIVE**

23  
24   
25 \_\_\_\_\_  
Fatima Alrazaa (Jun 25, 2026 23:38:47 PDT)  
26  
27  
28 Fatima Alrazaa

1 Dated: 07/07/2026  
2

**DEFENDANT LUTHERAN SOCIAL SERVICES OF  
SOUTHERN CALIFORNIA**

3   
4

5 By: Anita LaSharnda Beckwith (name)  
6 President and CEO (title)  
7

**APPROVED AS TO FORM:**

8 Dated: \_\_\_\_\_  
9

**CLASS COUNSEL**  
LAUBY, MANKIN & LAUBY LLP

10  
11 \_\_\_\_\_  
12 Brian J. Mankin  
Attorneys for Plaintiffs

13 Dated: \_\_\_\_\_  
14

**DEFENSE COUNSEL**  
JACKSON LEWIS, P.C.

15  
16 \_\_\_\_\_  
17 Michael D. Thomas, Esq.  
Attorneys for Defendant

18 4930-9728-7095, v. 1  
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1 Dated: \_\_\_\_\_  
2  
3

**DEFENDANT LUTHERAN SOCIAL SERVICES OF  
SOUTHERN CALIFORNIA**

4 \_\_\_\_\_  
5 By: \_\_\_\_\_ (name)

6 \_\_\_\_\_ (title)

7 **APPROVED AS TO FORM:**

8 Dated: 6/26/26

**CLASS COUNSEL**  
LAUBY, MANKIN & LAUBY LLP

9  
10 

11 Brian J. Mankin  
12 Attorneys for Plaintiffs

13 Dated: July 8, 2026

**DEFENSE COUNSEL**  
JACKSON LEWIS, P.C.

15 

16 Michael D. Thomas, Esq.  
17 Attorneys for Defendant

18 4930-9728-7095, v. 1  
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EXHIBIT “B”

# COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT

**Grizzelle and Alrazaa v. Lutheran Social Services of Southern California**

(San Bernardino County Superior Court, Case No. CIVSB2520891)

***The San Bernardino County Superior Court authorized this Notice. Read it carefully!  
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.***

**You may be eligible to receive money** from an employee class action lawsuit for alleged violations of the California Labor Code (the “Action”) filed against Defendant Lutheran Social Services of Southern California (“Defendant”).

The Action was filed by Sherrie Grizzelle and Fatima Alrazaa (“Plaintiffs” or “Class Representatives”) and seeks payment of (1) unpaid wages, statutory damages and penalties, interest and attorneys’ fees on behalf of all Class Members, who are defined as “all current and former nonexempt employees employed by Defendant in California during the Class Period (which is July 18, 2021, through March 31, 2026); and (2) penalties under the California Private Attorneys General Act (“PAGA”) on behalf of all Aggrieved Employees, who are defined as “all current and former nonexempt employees employed by Defendant in California during the PAGA Period (which is July 18, 2024, through March 31, 2026). (Plaintiffs and Defendant shall be collectively referred to as the “Parties.”)

The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendant to fund Individual Class Payments to Class Members, and (2) a PAGA Settlement requiring Defendant to fund Individual PAGA Payments to Aggrieved Employees and pay penalties to the California Labor and Workforce Development Agency (“LWDA”). Based on Defendant’s records, and the Parties’ current assumptions, your Individual Class and PAGA Payments are shown in the charts below, along with the applicable data points from which these estimates are derived.

[CLASS MEMBER NAME] [ID/CONTROL NUMBER]

| Calculations and Data Points for Estimated Payments |        |                                    |          |
|-----------------------------------------------------|--------|------------------------------------|----------|
| Weeks Worked during Class Period                    | INSERT | Estimated Individual Class Payment | \$INSERT |
| Weeks Worked during PAGA Period                     | INSERT | Estimated Individual PAGA Payment  | \$INSERT |

Please note that the actual amount you receive may be different from the above and will depend on several factors. (If no amount is stated as an estimated Individual PAGA Payment, then according to Defendant's records you are not eligible for an Individual PAGA Payment under the Settlement because you didn't work for Defendant in California during the PAGA Period.) If you believe that you worked more weeks during the time periods than are shown in the chart above, you can submit a challenge by **DATE**, 2026 ("**Response Deadline**"). See **Section 4** of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved 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. Read this Notice carefully. You will be deemed to have carefully read and understood it. 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 Plaintiffs and Plaintiffs' attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendant.

If you worked for Defendant in California during the Class Period and/or the PAGA Period, you have a few options as shown in the Chart below:

| YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|--------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>DO NOTHING AND RECEIVE A SETTLEMENT PAYMENT</b>           | If you want to receive your full settlement payment, then no further action is required on your part. You will automatically receive a settlement payment if the Settlement receives final approval by the Court. You will be bound by the terms of the Settlement Agreement and will give up your right to sue on the Released Class Claims described in <b>Section 3</b> .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>EXCLUDE YOURSELF</b>                                      | If you do not wish to participate in the settlement of the Class Claims, you may “opt-out” of the settlement of the Class Claims. If you choose to opt-out, you must submit a Request for Exclusion by [REDACTED], 2026 (see <b>Section 6</b> for more details on how to opt-out). If you opt-out, you will no longer be a Class Member, and you will (1) <u>not</u> receive an Individual Class Payment, but you will preserve your right to pursue the Released Class Claims described below subject to applicable statutes of limitations, and (2) be barred from filing an objection to the settlement. You cannot opt-out of the PAGA portion of the proposed Settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released PAGA Claims. See <b>Section 6</b> of this Notice. |
| <b>OBJECT</b>                                                | If you decide to object to the settlement with respect to the Class Claims because you find it unfair or unreasonable, you must submit an Objection stating why you object to the settlement by [REDACTED], 2026 (see <b>Section 7</b> for more details on how to object).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>DISPUTE THE NUMBER OF WEEKS WORKED AND/OR PAY PERIODS</b> | If you believe the number of workweeks that you were credited with working in the chart above is incorrect, you may submit a written dispute to the Administrator (see <b>Section 4</b> for more details on how to submit a dispute). Defendant’s records will be presumed correct, but you may provide evidence to the Administrator showing how many Work Weeks you believe you should be credited.                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

| YOU MAY ATTEND THE FINAL APPROVAL HEARING, BUT IT’S NOT REQUIRED |                                                                                                                                                                                                                                                                                                                                                 |
|------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>DATE:</b> DATE, 2026<br><b>TIME:</b> 8:30 A.M.                | At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement. You don’t have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform. See <b>Section 8</b> of this Notice. |

## 1. WHAT IS THE ACTION ABOUT?

Plaintiffs are former employees of Defendant. The Action accuses Defendant of violating California labor laws by failing to pay minimum and overtime wages, failure to provide meal and rest breaks, failure to reimburse business expenses, failure to timely pay wages each period and upon separation of employment, and failure to provide accurate itemized wage statements. Based on the same claims, Plaintiffs have also asserted a claim for civil penalties under PAGA.

Defendant denies violating any laws or failing to pay any wages and contends that it complied with all applicable laws.

Both Parties are represented by attorneys in the Action. See Section 9 below for their contact information.

## 2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Defendant or Plaintiffs are correct on the merits. In the meantime, the Parties engaged with an experienced, neutral mediator in an effort to resolve the Action by negotiating to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”), Plaintiffs and Defendant have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede

the merit of any claims.

Plaintiffs and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendant has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) the Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

### 3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Defendant Will Pay \$600,000 as the “Settlement Amount.” Defendant has agreed to pay a total Settlement Amount of \$600,000 and will deposit the Settlement Amount into an account controlled by the Administrator. The Administrator will use the Settlement Amount to pay the Individual Class Payments, Individual PAGA Payments, Class Representatives’ Service Payments, Class Counsel’s attorney’s fees and expenses, the Administrator’s Costs, and PAGA Penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”). Assuming the Court grants Final Approval, Defendant will fund the Settlement in two installments, with the first payment estimated to be in December 2026 and the second payment estimated to be in December 2027, with both dates conditioned on the Judgment entered by the Court becoming final. The Judgment will be final on the date the Court enters Judgment, or a later date if the Judgment is appealed.

2. Court Approved Deductions from Settlement Amount. At the Final Approval Hearing, Plaintiffs and/or Class Counsel will ask the Court to approve the following deductions from the Settlement Amount, the amounts of which will be decided by the Court at the Final Approval Hearing:

A. Up to one-third of the Settlement Amount to Class Counsel for attorneys' fees (\$XX) and up to \$30,000 for their litigation expenses. To date, Class Counsel have invested many hundreds of hours into the case and incurred expenses on the Action without payment to date.

B. Service Payments for litigating the Action, working with Class Counsel, and representing the Class, in an amount up to \$10,000 each for Plaintiffs Grizzelle and Alrazaa.

C. \$10,500 to the Settlement Administrator for services administering the Settlement.

D. Up to \$20,000 for PAGA Penalties, allocated 65% to the LWDA PAGA Payment and 35% in Individual PAGA Payments to the Aggrieved Employees based on their share of Weeks Worked during the PAGA Period.

E. Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the remainder (the “Net Settlement Amount”) by making Individual Class Payments to Participating Class Members based on their pro rata share of total Weeks Worked during the Class Period.

4. Taxes Owed on Payments to Class Members. Plaintiffs and Defendant are asking the Court to approve an allocation of 10% of each Individual Class Payment to taxable wages (“Wage Portion”) and 90% to penalties and interest (“Non-Wage Portion”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendant will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiffs and Defendant have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. **Need to Promptly Cash Payment Checks.** The front of every check issued for Individual Class Payments

and Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California State Controller's Unclaimed Property Fund in your name. If the monies represented by your check is sent to the Controller's Unclaimed Property Fund, you should consult the rules of the Fund for instructions on how to retrieve your money.

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Settlement, unless you opt-out of the Settlement, not later than the Response Deadline. See Section 6 of this Notice for details on how to Opt-Out.

7. The Proposed Settlement Will be Void If the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and Defendant have agreed that, in either case, the Settlement will be void: Defendant will not pay any money and Class Members will not release any claims against Defendant.

8. Settlement Administrator. The Court has appointed a neutral company, **Phoenix Settlement Administrators** (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Settlement Administrator will also decide any Disputes over weeks worked, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Settlement Administrator’s contact information is contained in Section 9 of this Notice.

9. Participating Class Members' Release. After the Judgment is final and Defendant has fully funded the Settlement Amount and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant or related entities for claims based on the facts alleged in the Action for the duration of the Class Period and PAGA Period, which are resolved by this Settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members release the Released Parties (which includes Defendant, together with its officers, directors, employees, agents, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates) from all claims that were alleged, or that reasonably could have been alleged based upon the facts stated in the Complaint, including: (1) failure to pay minimum wages, (2) failure to pay overtime wages, (3) failure to provide meal periods, (4) failure to provide rest breaks, (5) failure to reimburse business expenses, (6) failure to pay vested vacation, (7) failure to timely pay final wages, (8) failure to provide accurate itemized wage statements, and (9) unfair and unlawful competition. The time period governing the Released Class Claims shall be the Class Period.

10. Release of Released PAGA Claims. After the Court’s judgment is final, and Defendant has paid the Settlement Amount, Plaintiffs, acting on behalf of all Aggrieved Employees, and the LWDA shall release the Released Parties (which includes Defendant, together with its officers, directors, employees, agents, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates) of PAGA claims alleged in the Complaint and in the relevant LWDA notice letters, or that reasonably could have been alleged based on the facts stated in the Complaint and in the relevant LWDA notice letters, including all PAGA claims seeking civil penalties premised upon: (1) failure to pay minimum wages, (2) failure to pay overtime wages, (3) failure to provide meal periods, (4) failure to provide rest breaks, (5) failure to reimburse business expenses, (6) failure to pay vested vacation, (7) failure to timely pay final wages, (8) failure to provide accurate itemized wage statements, and (9) all other claims for civil penalties recoverable under the Private Attorneys General Act, Labor Code §§ 2698 et seq. based on the facts or claims alleged in the LWDA notice letters and Complaint. The time period governing the PAGA Released Claims shall be the PAGA Period. The Released PAGA Claims do not release any Aggrieved Employees’ claims for wages or statutory penalties (“Released PAGA Claims”). The time period governing the PAGA Released Claims shall be the PAGA Period. The PAGA Released Claims do not release any Aggrieved Employees’ claims for wages or statutory penalties.

#### 4. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Weeks Worked by all Participating Class Members during the Class Period, and (b) multiplying the result by the number of Weeks Worked by each individual Participating Class Member during the Class Period.

2. Individual PAGA Payments. The Settlement Administrator will calculate Individual PAGA Payments by (a) dividing \$7,000 by the total number of Pay Periods Worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by the number of Pay Periods Worked by each individual Aggrieved Employee during the PAGA Period.

3. Disputing Weeks Worked. The number of weeks you worked during the Class Period and PAGA Period, as recorded in Defendant's records, are stated in the tables on page 1 of this Notice. You have until **INSERT DATE** ("Response Deadline") to dispute the number of Workweeks credited to you by timely submitting evidence to the Settlement Administrator on or before **INSERT DATE 45 Days After Mailing**. Section 9 of this Notice has the Administrator's contact information.

You need to support your dispute by sending copies of pay stubs or other records. The Administrator will accept Defendant's calculation of weeks worked based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve challenges based on your submission and on input from Class Counsel and Defendant's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

#### 5. HOW WILL I GET PAID?

1. Participating Class Members and Aggrieved Employees. Assuming the Court grants Final Approval, Defendant will fund the Settlement in two installments, with the first payment estimated to be in December 2026 and the second payment estimated to be in December 2027, with both dates conditioned on the Judgment entered by the Court becoming final. The Judgment will be final on the date the Court enters Judgment, or a later date if the Judgment is appealed. Once the first installment is received, the Administrator will send, by U.S. mail, a check to every Participating Class Member (which includes every Class Member who does not opt-out) and Aggrieved Employee, representing 50% of your share of the Settlement. Likewise, once the second installment is received, the Administrator will mail a second check to you, representing your final 50% share of the Settlement. For individuals receiving both an Individual Class Payment and Individual PAGA Payment, your payments may be combined into single check for each installment.

2. Aggrieved Employees Only. If you opted out of the Class settlement, but qualify as an Aggrieved Employee, then the Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee, including those who opt out of the Class Settlement. Note that Aggrieved Employees will also receive two separate checks in accordance with the payment plan described above.

**Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Settlement Administrator's contact information.**

#### 6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

You will be treated as a Participating Class Member, participating fully in the Settlement, unless you opt-out of the Settlement, not later than the Response Deadline.

If you **do not** wish to take part in the release of the Class Claims in the Settlement, you may exclude yourself by sending to the Administrator a "Request for Exclusion" letter/card postmarked no later than **INSERT DATE**, 2026 with your full name, address, telephone number, last four digits of your social security number or your date of birth, and signature. The Request for Exclusion should state:

“I WISH TO BE EXCLUDED FROM THE CLASS IN THE LUTHERAN SOCIAL SERVICES’ LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE MY INDIVIDUAL CLASS PAYMENT FROM THIS LAWSUIT.”

Any person who submits a timely Request for Exclusion from the Class Claims (1) will not have any rights under this Settlement, including the right to object, appeal or comment on the Settlement; (2) will not be entitled to receive an Individual Class Payment; (3) will preserve the right to pursue the Released Class Claims, and (4) will not be bound by this Settlement, or the Judgment.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Claims remain eligible to receive an Individual PAGA Payment.

If you do not want to participate in the Settlement, the Administrator will exclude you based on timely receipt of a writing communicating your request to be excluded. Be sure to personally sign your request, identify the Action as Grizzelle v. Lutheran Social Services of Southern California and include your identifying information (full name, address, telephone number, approximate dates of employment, and last four digits of social security number or your date of birth for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **Send your request to be excluded to the Administrator by [REDACTED], 2026 (the “Response Deadline”), or it will be invalid.** Section 9 of the Notice has the Administrator’s contact information.

## 7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. A Participating Class Member who disagrees with any aspect of the Settlement may wish to object. **The deadline for sending written objections to the Administrator is [REDACTED], 2026 (the “Response Deadline”).**

If you wish to object to the proposed Settlement, you or your own attorney must submit a written objection, and the objection must include your full name, address, telephone number, last four digits of the social security number or date of birth, signature, and dates of employment with Defendant, in addition to the case name and number (Grizzelle v. Lutheran Social Services of Southern California, Case No. CIVSB2520891), the basis for the objection, including any legal support and each specific reason in support of the objection, as well as any documentation or evidence in support thereof. Additionally, if you are represented by an attorney, the objection must include the name and address of your attorney. This objection and all supporting information must be sent to the Administrator at the address listed in Section 9, **postmarked on or before [REDACTED], 2026.**

If you do not comply with these procedures and the deadline for objections, the Court may not consider your objection at the Final Approval Hearing, and you may lose the right to contest the approval of the Settlement. You are still eligible to receive a settlement payment should the settlement become Final even if you object to the settlement. Submitting an objection does not preserve the right to appeal a final judgment. Rather, the right to appeal is preserved by becoming a party of record by timely and properly intervening or filing a motion to vacate the judgment before entry of judgment.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and facts that support your objection. See Section 8 of this Notice for specifics regarding the Final Approval Hearing.

## 8. WHEN IS THE FINAL APPROVAL HEARING?

On [REDACTED], 2026, the Court will hold a public hearing in Department S37 of the Superior Court for the State of California, County of San Bernardino, 247 West 3rd Street, San Bernardino, CA 92415, for the purposes of determining whether the proposed Settlement is fair, adequate and reasonable and should be approved, whether to approve Class Counsel’s applications for attorneys’ fees and costs, whether to approve the payments to the LWDA, and whether to approve Plaintiffs’ request for the service awards. This hearing may be continued or rescheduled by the Court. Objectors to the proposed settlement will be provided notice in the event that the Final Approval Hearing is continued to a later date. Class Members who support the proposed Settlement do not need to appear at the hearing and do not need to take any other action to indicate their approval. Class Members who object to the proposed Settlement are not required to

attend the Final Approval Hearing.

## 9. HOW CAN I GET MORE INFORMATION?

If you have questions about this Notice, the process to Opt-Out or Object, or the Settlement, or if you did not receive this Notice in the mail and you believe that you are or may be a member of the Class, you may contact the Administrator for more information or to request that a copy of this Notice be sent to you in the mail. And you may also contact Class Counsel. Contact information for both the Administrator and Class Counsel is provided here:

| Settlement Administrator                    | Class Counsel                                                                                                                                                                                            |
|---------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name<br>Mailing Address<br>Telephone Number | Brian Mankin, Esq.<br><i>brian@LMLfirm.com</i><br>Peter Carlson, Esq.<br><i>peter@LMLfirm.com</i><br>Lauby Mankin Lauby LLP<br>5198 Arlington Ave, PMB 513<br>Riverside, CA 92504<br>Tel: (951) 320-1444 |

You may also seek advice and guidance from your own private attorney at your own expense, if you so desire.

This Notice is only a summary. For more detailed information, you may review the Settlement Agreement, containing the complete terms of the proposed Settlement, which is on file with the Court and attached to the Declaration of Brian Mankin in Support of Motion for Preliminary Approval of Class Action Settlement filed on DATE, 2026 and available to be inspected at any time during regular business hours at the Office of the Clerk, San Bernardino County Superior Court, located at 247 West Third Street, San Bernardino, CA 92415.

## DO NOT TELEPHONE THE COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT

## 10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void, you should consult the Unclaimed Property Fund for instructions on how to retrieve the funds.

## 11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.