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Attorneys for Plaintiff

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE**

KEITH PENDER, individually, and on behalf
of other members of the general public
similarly situated and other aggrieved
employees pursuant to the California Private
Attorneys General Act,

Plaintiff,

v.

CONGREGATIONAL HOMES, INC., an
unknown business entity; and DOES 1
through 100, inclusive,

Defendants.

Case No.: 21STCV29229

Honorable William F. Highberger
Department SSC10

CLASS ACTION

**[PROPOSED] ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

Date: July 10, 2023
Time: 10:30 a.m.
Department: SSC10

Complaint Filed: August 9, 2021
FAC Filed: April 19, 2023
Trial Date: None Set

1 This matter has come before the Honorable William F. Highberger in Department SSC10
2 of the Superior Court of the State of California, for the County of Los Angeles, on July 10, 2023 at
3 10:30 a.m. for Plaintiff's Motion for Preliminary Approval of Class Action Settlement. Lawyers for
4 Justice, PC appears as counsel for Plaintiff Keith Pender ("Plaintiff"), individually and on behalf of
5 all others similarly situated and other aggrieved employees and O'Hagan Meyer appears as counsel
6 for Defendant Congregational Homes, Inc. ("Defendant").

7 The Court, having carefully considered the papers, argument of counsel, and all matters
8 presented to the Court, and good cause appearing, hereby GRANTS Plaintiff's Motion for
9 Preliminary Approval of Class Action Settlement.

10 **IT IS HEREBY ORDERED THAT:**

11 1. The Court preliminarily approves the Joint Stipulation of Class Action and PAGA
12 Settlement and Release of Claims ("Settlement" or "Agreement") attached as "EXHIBIT 1" to the
13 Declaration of Brian J. St. John in Support of Plaintiff's Motion for Preliminary Approval of Class
14 Action Settlement. This is based on the Court's determination that the Settlement falls within the
15 range of possible approval as fair, adequate, and reasonable.

16 2. This Order incorporates by reference the definitions in the Settlement Agreement,
17 and all terms defined therein shall have the same meaning in this Order as set forth in the Settlement
18 Agreement.

19 3. It appears to the Court on a preliminary basis that the Settlement is fair, adequate
20 and reasonable. It appears to the Court that extensive investigation and research have been conducted
21 such that counsel for the parties at this time are able to reasonably evaluate their respective positions.
22 It further appears to the Court that the Settlement, at this time, will avoid substantial additional costs
23 by all parties, as well as avoid the delay and risks that would be presented by the further prosecution
24 of the case. It further appears that the Settlement has been reached as the result of intensive, serious
25 and non-collusive, arms-length negotiations, and was entered into in good faith.

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1 4. The Court preliminarily finds that the Settlement, including the allocations for the
2 Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative
3 Enhancement Payment, PAGA Penalties, Settlement Administrator Payment, and payments to the
4 Participating Class Members and PAGA Group Members provided thereby, appear to be within the
5 range of reasonableness of a settlement that could ultimately be given final approval by this Court.
6 Indeed, the Court has reviewed the monetary recovery that is being granted as part of the Settlement
7 and preliminarily finds that the monetary settlement awards made available to the Class Members
8 and PAGA Group Members are fair, adequate, and reasonable when balanced against the probable
9 outcome of further litigation relating to certification, liability, and damages issues.

10 5. The Court concludes that, for settlement purposes only, the proposed Class meets
11 the requirements for certification under section 382 of the California Code of Civil Procedure in
12 that: (a) the Class is ascertainable and so numerous that joinder of all members of the Class is
13 impracticable; (b) common questions of law and fact predominate, and there is a well-defined
14 community of interest amongst the members of the Class with respect to the subject matter of the
15 litigation; (c) Plaintiff's claims are typical of the claims of the members of the Class; (d) Plaintiff
16 will fairly and adequately protect the interests of the members of the Class; (e) a class action is
17 superior to other available methods for the efficient adjudication of the controversy; and (f) Class
18 Counsel is qualified to act as counsel for Plaintiff in his individual capacity and as the representative
19 of the Class.

20 6. The Court conditionally certifies, for settlement purposes only, the Class, defined as
21 follows:

22 All current and former non-exempt employees who worked for Defendant in
23 California during the Class Period.

24 7. The Court provisionally appoints Lawyers *for* Justice, PC as counsel for the Class
25 ("Class Counsel").

26 8. The Court provisionally appoints Plaintiff Keith Pender as the representative of the
27 Class ("Class Representative").

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1 9. The Court provisionally appoints Phoenix Settlement Administrators (“Phoenix”) to
2 handle the administration of the Settlement (“Settlement Administrator”).

3 10. Within twenty-one (21) calendar days of the date of this Order, Defendant shall
4 provide the Settlement Administrator the “Class Members’ Data,” which shall consist of an
5 electronic database containing (i) each Class Member’s last-known first and last name, (ii) the last-
6 known mailing address, (iii) the Class Member’s Social Security number or Tax ID, (iv) the Class
7 Member’s total number of Individual Workweeks, and (v) the Class Member/PAGA Group
8 Member’s total number of Individual Pay Periods, if applicable, in conformity with the Settlement
9 Agreement.

10 11. The Court approves, both as to form and content, the Notice of Proposed Settlement
11 (“Class Notice”) attached hereto as “**EXHIBIT A.**” The Class Notice shall be provided to Class
12 Members in the manner set forth in the Settlement Agreement. The Court finds that the Class Notice
13 appears to fully and accurately inform the Class Members of all material elements of the Settlement,
14 of Class Members’ right to be excluded from the Class Settlement by submitting an opt out request,
15 of Class Members’ right to dispute the Workweeks credited to each of them, and of each
16 Participating Class Member’s right and opportunity to object to the Settlement by submitting a
17 written objection. The Court further finds that distribution of the Class Notice substantially in the
18 manner and form set forth in the Settlement Agreement and this Order, and that all other dates set
19 forth in the Settlement Agreement and this Order, meet the requirements of due process and shall
20 constitute due and sufficient notice to all persons entitled thereto. The Court further orders the
21 Settlement Administrator to mail the Class Notice by First-Class U.S. mail to all Class Members
22 within seven (7) business days of receipt of the Class Members’ Data, pursuant to the terms set forth
23 in the Settlement Agreement.

24 12. The Court hereby preliminarily approves the proposed procedure, set forth in the
25 Settlement Agreement, for seeking exclusion from the Settlement. Any Class Member may choose
26 to be excluded from the Class Settlement by submitting a timely written opt out request in conformity
27 with the requirements set forth in the Class Notice, to the Settlement Administrator, postmarked no
28 later than the date which is forty-five (45) calendar days from the initial mailing of the Class Notice

1 to Class Members (“Response Deadline”), or, in the case of a re-mailed Class Notice, the Response
2 Deadline will extended by fifteen (15) days from the original deadline. Any such person who timely
3 and validly chooses to opt out of, and be excluded from, the Class Settlement will not be entitled to
4 any recovery under the Class Settlement and will not be bound by the Class Settlement or have any
5 right to object, appeal, or comment thereon. All PAGA Group Members will be bound to the PAGA
6 Settlement and will be issued their PAGA Payment Share regardless of their decision to participate
7 in the Class Settlement. Class Members who have not submitted a complete, valid, and timely and
8 valid Request for Exclusion from the Class Settlement (i.e., Participating Class Member) shall be
9 bound by the Settlement Agreement and any final judgment based thereon.

10 13. A Final Approval Hearing shall be held before this Court on
11 _____ at _____ a.m./p.m. in
12 Department SSC10 of the Los Angeles County Superior Court, located at 312 North Spring Street,
13 Los Angeles, CA 90012, to determine all necessary matters concerning the Settlement, including:
14 whether the proposed settlement of the action on the terms and conditions provided for in the
15 Settlement is fair, adequate, and reasonable and should be finally approved by the Court; whether a
16 judgment, as provided in the Settlement, should be entered herein; whether the plan of allocation
17 contained in the Settlement should be approved as fair, adequate, and reasonable to the Class
18 Members and PAGA Group Members; and determine whether to finally approve the requests for the
19 Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative
20 Enhancement Payment, and Settlement Administrator Payment.

21 14. Class Counsel shall file a motion for final approval of the Settlement and for Class
22 Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative
23 Enhancement Payment, and Settlement Administrator Payment, along with the appropriate
24 declarations and supporting evidence, including the Settlement Administrator’s declaration, by
25 _____, to be heard at the Final
26 Approval Hearing.

27 15. To object to the Class Settlement, a Participating Class Member may submit a
28 written objection to the Settlement Administrator no later than the Response Deadline. The objection

1 must be signed and must contain the information that is required, as set forth in the Class Notice,
2 including and not limited to the grounds for the objection. In addition to, or in lieu of a written
3 Objection in the manner and by the deadline specified herein, the Participating Class Member may
4 appear at the Final Approval Hearing to state their objection to the Class Settlement orally.

5 16. The Settlement is not a concession or admission, and shall not be used against
6 Defendant as an admission or indication with respect to any claim of any fault or omission by
7 Defendant. Whether or not the Settlement is finally approved, neither the Settlement, nor any
8 document, statement, proceeding or conduct related to the Settlement, nor any reports or accounts
9 thereof, shall in any event be construed as, offered or admitted into evidence as, received as or
10 deemed to be in evidence for any purpose adverse to the Defendant, including, but not limited to,
11 evidence of a presumption, concession, indication or admission by Defendant of any liability, fault,
12 wrongdoing, omission, concession, or damage, except for legal proceedings concerning the
13 implementation, interpretation, or enforcement of the Settlement.

14 17. In the event the Settlement does not become effective in accordance with the terms
15 of the Settlement Agreement, or the Settlement is not finally approved, or is terminated, cancelled
16 or fails to become effective for any reason, this Order shall be rendered null and void, shall be
17 vacated, and the Parties shall revert back to their respective positions as of before entering into the
18 Settlement Agreement.

19 18. The Court reserves the right to adjourn or continue the date of the Final Approval
20 Hearing and any dates provided for in the Settlement Agreement without further notice to the Class
21 Members and retains jurisdiction to consider all further applications arising out of or connected with
22 the Settlement.

23 **IT IS SO ORDERED.**

24
25 Dated: _____

26 By: _____
The Honorable WILLIAM F. HIGHBERGER
Judge of the Superior Court

EXHIBIT A

Keith Pender v. Congregational Homes, Inc.
Los Angeles County Superior Court Case No. 21STCV29229

|||||
<<PSA ID>>

<<First Last>>

<<Address>>

<<City, State, Zip, Country>>

Name/Address Changes (if any):

NOTICE OF CLASS ACTION SETTLEMENT

If you are or were a non-exempt, hourly employee of Congregational Homes, Inc. at any time between August 9, 2017, and October 31, 2022, you may be able entitled to receive money from a Class Action Settlement.

A court approved this notice. This is not a solicitation from a lawyer. You are not being sued.

PLEASE READ THIS NOTICE.

Your legal rights are affected whether you act or don't act. Your legal rights and options—and the deadlines to use them—are explained in this notice.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING AND RECEIVE SETTLEMENT PAYMENT	You are not required to take action to receive a payment. If you do nothing, you will automatically receive a payment from the Settlement if the Court finally approves the Settlement. In exchange, you will be bound by the Settlement including the release of all claims covered by the Settlement.
REQUEST EXCLUSION	Request to be excluded and receive no benefits from the Settlement. If you submit a Request for Exclusion, you will not receive a settlement payment. PAGA Group Members (defined below) cannot opt-out of the PAGA portion of the proposed Settlement, and will receive their <i>pro rata</i> share of the PAGA Employee Payment even if they opt out of the class settlement.
OBJECT	If you wish to object to the Settlement, you may submit a written objection and supporting papers to the Settlement Administrator. Any written objections will be provided to the Court. You may also offer your oral comments at the Final Approval Hearing. In order to object, you must not have excluded yourself from the Settlement.

1. Why should you read this notice?

A proposed settlement (the "Settlement") has been reached in a class action lawsuit entitled *Keith Pender v. Congregational Homes, Inc.* Los Angeles County Superior Court Case No. 21STCV29229 (the "Action"). The Defendant in the Action is Congregational Homes, Inc. (referred in this Notice as "Defendant").

The Court has granted preliminary approval of a “Settlement Class” defined as follows:

All persons employed in the State of California as hourly, non-exempt employees by Defendant at any time between August 9, 2017, and October 31, 2022.

The Court has also granted preliminary approval of a “PAGA Group” defined as follows:

All persons employed in the State of California as hourly, non-exempt employees by Defendant at any time between August 9, 2017, and October 31, 2022.

Defendant’s employment records indicate that you meet one or both of these definitions, which makes you a member of the Settlement Class (referred to in this Notice as a “Class Member”) and possibly a member of the PAGA Group (referred to in this Notice as a “PAGA Group Member”). The Court directed that this Notice be sent to all Class Members and PAGA Group Members to inform you about the case and your rights and options before the Court decides to approve the Settlement. If the Court approves the Settlement, and after any appeals are resolved, payments will be made to Class Member who have not opted out of the Settlement and all PAGA Group Members.

This Notice explains the Lawsuit, the Settlement, your legal rights and options, what benefits are available and how to get them.

2. What is this Lawsuit about?

On August 9, 2021, Plaintiff filed his class action complaint against the Defendant alleging several violations of California wage and hour laws. Plaintiff filed his lawsuit on behalf of himself and on behalf of all current and former non-exempt, hourly employees. By Plaintiff’s Complaint, he alleges causes of action for: (1) Unpaid Overtime; (2) Unpaid Meal Period Premiums; (3) Unpaid Rest Period Premiums; (4) Unpaid Minimum Wages; (5) Final Wages Not Timely Paid; (6) Wages Not Timely Paid During Employment; (7) Non-Compliant Wage Statements; (8) Failure to Keep Requisite Payrolls; (9) Unreimbursed Business Expenses; and (10) Violation of California Business & Professions Code Section 17200, et seq. On April 19, 2023 Plaintiff amended his Complaint to add a cause of action alleging Defendant owe civil penalties under California’s Private Attorneys General Act of 2004, California Labor Code §§ 2698-2699.5 (“PAGA”).

Defendant vigorously denies all the claims and contentions made in the Action and maintains it has fully complied with the law. However, Defendant has agreed to settle the Action to avoid the expense of litigation.

3. Why is there a Settlement?

The Court did not decide in favor of Plaintiff or Defendant. Instead, both sides agreed to a Settlement. This allows the Parties to avoid the risk and uncertainty of trial and any subsequent appeal, and all affected employees who have not opted out of the Settlement will receive compensation. The Settlement is not an admission of liability by Defendant. The Class Representative and the attorneys believe the Settlement is fair, reasonable and adequate, and in the best interests of all Class Members.

4. What are the terms of the Settlement?

Defendant will pay One Million, Seven Hundred and Fifty-Four Thousand, Eight Hundred Dollars and Zero Cents (\$1,754,800.00) to settle the Action (the “Maximum Settlement Amount”). The Maximum Settlement

Amount includes: (a) all Settlement Payments to Participating Class Members; (b) the Class Representative Enhancement Payment; (c) the Class Counsel Fees Payment (d) the Class Counsel Litigation Expenses Payment; (e) a payment to the California Labor and Workforce Development Agency for civil penalties brought under PAGA; (f) all PAGA Payments to the PAGA Group Members; and (g) the reasonable fees and costs of the Settlement Administrator. Defendant will pay its portion of all payroll taxes resulting from the Settlement in addition to the Maximum Settlement Amount.

The Court has preliminarily approved the following payments from the Maximum Settlement Amount. Class Counsel will request that the Court award Class Counsel thirty five percent (35%) of the Maximum Settlement Amount (currently estimated to be Six Hundred and Fourteen Thousand, One Hundred and Eighty Dollars and Zero Cents (\$614,180.00)) in for the Class Counsel Fee Payment and up to Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00) in out-of-pocket Class Counsel Litigation Expenses, up to Fourteen Thousand Dollars and Zero Cents (\$14,000.00) for Settlement Administration Costs for the third-party Settlement Administrator, and up to Ten Thousand (\$10,000.00) for the Class Representative Enhancement Payment in recognition of his time and service to the Class in pursuing the Action and in fulfilling his obligations as the Class Representative. Additionally, the Settlement provides for a payment of One Hundred and Thirty Thousand Dollars and Zero Cents (\$130,000.00) to resolve PAGA Group Members' claims under PAGA, of which Thirty-Two Thousand, Five Hundred Dollars and Zero Cents (\$32,500.00) ("PAGA Employee Payment") will be distributed to the PAGA Group Members and Ninety-Seven Thousand, Five Hundred Dollars and Zero Cents (\$97,500.00) will be paid to the California Labor and Workforce Development Agency ("LWDA") ("LWDA Payment"). The allocation between the PAGA Employee Payment and LWDA Payment is required by California law.

The final amounts of these various payments are all subject to Court approval.

After deductions of the preceding Court-approved payments, the remaining amount—the "Net Settlement Amount"—will be distributed to those Class Members who have not opted out of the Settlement (the "Participating Class Members"). No portion of the Maximum Settlement Amount will be returned to Defendant.

5. How much can I expect to receive?

Each Participating Class Member will receive a *pro rata* share of the Net Settlement Amount based on the number of workweeks the person worked for Defendant as a non-exempt, hourly employee during the Class Period, defined as the period of time from August 9, 2017, and October 31, 2022. Any workweek in which a Class Member worked at least one day shall be counted as a workweek.

To calculate a Class Member's Individual Settlement Share, the Net Settlement Amount will be divided by the sum of all Class Members' Individual Workweeks,, resulting in the "Workweek Value." Each Participating Class Member's Individual Settlement Payment will be calculated by multiplying each individual Participating Class Member's total number of workweeks by the Workweek Value.

Your Compensable Workweeks are: <<Workweeks>>

Your Estimated Individual Settlement Payment is: \$<<Est.SettlementAmt>>

All settlement payments are subject to taxation. Each Individual Settlement Share will be allocated as follows: (a) 10% as wages that will be subject to deductions and withholdings for the employee's share of state and federal payroll taxes; and (b) 90% as penalties and interest that will not be subject to deductions and withholdings. Each Participating Class Member will receive an IRS Form W-2 with respect to the portion of the Settlement Payment allocated to wages and an IRS Form-1099 with respect to the portion of the Settlement Payment allocated to

penalties and interest. Prior to mailing Settlement checks, the Settlement Administrator will calculate and deduct the employee's required withholdings and payroll taxes from the "wage" portion of the Settlement payment. Defendant will separately pay the employer's share of payroll taxes with respect to the "wage" portion of each Settlement payment.

Please note that each Participating Class Members will be responsible for his/her share of taxes attributable to the receipt of an Individual Settlement Payment. The Parties and their attorneys cannot provide and will not provide any advice regarding tax obligations. Class Members should consult with their tax advisors concerning the tax consequences of the payments they receive under the Settlement.

Each PAGA Group Member will receive a *pro rata* share of the PAGA Payment based on the number of pay periods the person worked for Defendant as a non-exempt, hourly employee during the PAGA Period, defined as the period of time from August 9, 2017, and October 31, 2022. Any pay period in which a PAGA Group Member worked at least one day shall be counted as a pay period.

To calculate a PAGA Group Member's Individual PAGA Share, the PAGA Payment will be divided by the sum of all PAGA Group Members' Pay Periods, resulting in the "Pay Period Value." Each PAGA Group Member's Individual PAGA Share will be calculated by multiplying each individual PAGA Group Member's total number of pay periods by the Pay Period Value.

Your Compensable Pay Periods are: <<PayPeriods>>

Your Estimated Individual PAGA Payment is: \$<<Est.PAGAPaymentAmt>>

All settlement payments are subject to taxation. Each Individual PAGA Payment will be allocated as follows: 100% as penalties that will not be subject to deductions and withholdings. Each PAGA Group Member will receive an IRS Form-1099 for his or her Individual PAGA Payment, unless said payment is less than or equal to \$600.00.

The Parties and their attorneys cannot provide and will not provide any advice regarding tax obligations. Class Members should consult with their tax advisors concerning the tax consequences of the payments they receive under the Settlement.

6. What if I disagree with the number of workweeks and/or pay periods credited to me in this Notice?

The information concerning the number of workweeks and/or pay periods you worked as an hourly, non-exempt employee during the Class Period and/or PAGA Period is based on Defendant's records. To dispute the number of workweeks and/or pay periods credited to you, you must send written notice to the Settlement Administrator. To be valid, your written dispute of weeks and/or pay periods worked must include: (i) your full name, (ii) your address, (iii) the Action name and case number (i.e., of *Pender v. Congregational Homes, Inc.*, Los Angeles, Case No. 21STCV29229), (iv) a statement of the number of Workweeks and/or Pay Periods that you contend were worked, and (v) include any documentation you have to support their contention (e.g., copies of your pay stubs). To be timely, your written dispute of workweeks and/or pay periods worked must be mailed by first-class U.S. Mail, or the equivalent, to the Settlement Administrator *at the address provided below*, and be postmarked on or before [REDACTED], 2023.

The Parties and the Settlement Administrator will promptly evaluate the evidence submitted and discuss in good faith how many workweeks and/or pay periods should be credited to the Class Member and/or PAGA Group

Member. The Settlement Administrator will make the final decision as to how many workweeks and/or pay periods should be credited to the Class Member and/or PAGA Group Member and report the outcome to the Class Member and/or PAGA Group Member.

7. How and when will I get a payment? How do I update my address?

How do I receive money from the Settlement? You do not need to do anything to receive your Individual Settlement Share and/or Individual PAGA Share. Just watch your mail for a check and cash, deposit, or otherwise negotiate it when you get it. If you do not exclude yourself from the Settlement, you will automatically receive money from the Settlement. You do not need to make a claim or take any other action to receive your share of the Settlement.

When will I receive my Settlement payment? Class Members who do not opt out of the Settlement will receive their payments only after the Court grants final approval to the Settlement and after any appeals are resolved. PAGA Group Members will receive their payments only after the Court grants final approval to the Settlement and after any appeals are resolved. If there are appeals, resolving them can take time. Please be patient.

Settlement payment checks must be cashed soon after receipt. The Settlement checks will be able to be cashed, deposited, or otherwise negotiated for 180 days after they are issued. After 180 days, the Settlement checks will no longer be able to be cashed, deposited, or otherwise negotiated. Any funds represented by Settlement checks remaining uncashed, undeposited, or otherwise unnegotiated for more than 180 days after issuance shall be transmitted to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Code of Civil Procedure Section 1500, *et seq.* in the names of those Participating Class Members and/or PAGA Group Members who did not cash, deposit, or otherwise negotiate their checks until such time they claim their property.

Change of address. It is your responsibility to keep a current address on file with the Settlement Administrator to ensure that you receive your Settlement payment. If you change your address, or if this notice was not mailed to your correct address, you should immediately provide your current address to the Settlement Administrator. The Settlement Administrator can be reached at (800) ###-####, or at the address provided below.

8. What claims are being released by the Settlement?

If the Settlement is approved by the Court, a Judgment will be entered by the Court. Upon the Effective Date of the Judgment, all Participating Class Members shall release the Released Parties from the Released Claims for the Class Period, which is defined as the period of time between August 9, 2017, and October 31, 2022.

The Class Released Claims are defined as all causes of action and claims that were alleged in the Action or reasonably could have been alleged based on the facts and legal theories contained in the Action, including all of the following claims for relief: (i) failure to pay all regular wages, minimum wages and overtime wages due (Cal. Lab. Code §§ 510, 558, 1194, 1194.2, 1197, 1197.1, & 1198); (ii) failure to provide compliant meal periods and associated meal period premiums (Cal. Lab. Code §§ 226.7 & 512); (iii) failure to provide compliant rest breaks and associated rest break premiums (Cal. Lab. Code § 226.7); (iv) failure to timely pay wages during employment (Lab. Code §§ 204 & 210); (v) failure to provide complete, accurate wage statements (Cal. Lab. Code § 226); (vi) failure to pay wages timely at time of termination or resignation (Cal. Lab. Code §§ 201-203); (vii) failure to indemnify all necessary business expenses (Cal. Lab. Code § 2800, *et seq.*); (viii) unfair business practices that could have been premised on the claims, causes of action or legal theories of relief described above or any of the claims, causes of action or legal theories of relief pleaded in the operative complaint (Cal. Bus. & Prof. Code §

17200, *et seq.*); (ix) any claim for costs and attorneys' fees and expenses; and (x) any claim arising from the claims described above under applicable federal, state, local or territorial law as well as applicable regulations and Wage Orders (collectively, the "Class Released Claims"). Participating Class Members who cash, deposit, or otherwise negotiate their checks are deemed to have waived all Class Released Claims inclusive of claims under the Fair Labor Standards Act. Participating Class Members who do not cash, deposit, or otherwise negotiate their checks shall be deemed to waive all Class Released Claims except for a claim under the Fair Labor Standards Act.

Any Class Member who does not request exclusion by the applicable deadline will be considered to have accepted the release and to have waived any and all of the Class Released Claims against the Released Parties.

If the Settlement is approved by the Court, a Judgment will be entered by the Court. Upon the Effective Date of the Judgment, all PAGA Group Members shall release the Released Parties from the PAGA Released Claims for the PAGA Period, which is defined as the period of time between August 9, 2017, and October 31, 2022.

The PAGA Released Claims are defined as all claims for civil penalties pursuant under the California Labor Code Private Attorneys General Act of 2004 based upon all facts and legal theories alleged in the Action and LWDA Exhaustion Letter that were alleged in the Action or reasonably could have been alleged based on the facts and legal theories contained in the Action and the LWDA Exhaustion Letter including all of the following claims for relief: (i) failure to pay all regular wages, minimum wages and overtime wages due (Cal. Lab. Code §§ 510, 558, 1194, 1194.2, 1197, 1197.1, & 1198); (ii) failure to provide compliant meal periods and associated meal period premiums (Cal. Lab. Code §§ 226.7 & 512); (iii) failure to provide compliant rest breaks and associated rest break premiums (Cal. Lab. Code § 226.7); (iv) failure to timely pay wages during employment (Cal. Lab. Code §§ 204 & 210); (v) failure to provide complete, accurate wage statements (Cal. Lab. Code §§ 226 & 226.3); (vi) failure to maintain accurate employment and payroll records (Cal. Lab. Code §§ 1174 & 1174.5); (vii) failure to pay wages timely at time of termination or resignation (Cal. Lab. Code §§ 201-203); (viii) failure to indemnify all necessary business expenses (Cal. Lab. Code § 2800, *et seq.*) (collectively, the "PAGA Released Claims").

Released Parties includes Defendant and its past, present and/or future, direct and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys, including but not limited to O'Hagan Meyer, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers ("Released Parties").

9. What are my options?

a. **Participate in the Settlement and Receive a Settlement Payment.** If you want to participate in the Settlement, you do not have to do anything. You will receive your Individual Settlement Payment automatically if the Settlement is finally approved by the Court. If applicable, you will receive your Individual PAGA Payment automatically if the Settlement is finally approved by the Court.

b. **Exclude yourself from the Settlement.** If you do not want to be part of the Settlement, you can request to be excluded from the Settlement by mailing a written Request for Exclusion to the Settlement Administrator. If you exclude yourself, you will not receive your Individual Settlement Payment, you will not be subject to the terms of the Settlement, and you will retain whatever rights you may currently have. To be valid, your Request for Exclusion must include: (i) your full name, (ii) your address, (iii) the Action name and case number (i.e., of *Pender v. Congregational Homes, Inc.*, Los Angeles, Case No. 21STCV29229), and (iii) the following statement or a similar statement: "I wish to exclude myself from the class settlement reached in the matter of *Pender v. Congregational Homes, Inc.* I understand that by excluding myself, I will not receive any money from the class settlement reached in this matter." ; and (iv) your signature. To be timely, a Request for Exclusion must be mailed

by first-class U.S. Mail, or the equivalent, to the Settlement Administrator at the address provided below and be postmarked on or before [REDACTED], 2023.

If applicable, you may not exclude yourself from the PAGA Group and will be bound by the PAGA Released Claims.

b. **Object to the Settlement.** If you're a Class Member, you can object to the Settlement if you don't like any part of it. You can give reasons why you think the Court should not approve the Settlement. The Court will consider your views. If the Court rejects your objection and finally approves the Settlement, you will still be bound by the terms of the Settlement, but you will also receive a monetary award.

To object, you may submit a written objection stating why you object to the Settlement, or you may simply appear at the Final Approval Hearing set for [REDACTED], 2023 at [REDACTED] a.m. in the Los Angeles County Superior Court and discuss your objection with the Court and the Parties at your own expense. Written objections must include: (i) your full name, (ii) your address, (iii) the Action name and case number (i.e., of *Pender v. Congregational Homes, Inc.*, Los Angeles, Case No. 21STCV29229), (iv) the dates of your employment with Defendant, (v) the basis for each objection in clear and concise terms, (vi) the full name, address, and telephone number of your legal representative, if applicable, (vii) any documents upon which the objection is based, (viii) whether you or your legal representative, if applicable, intends to appear at the Final Approval Hearing, and (ix) your signature. To be timely, a written objection must be mailed by first-class U.S. Mail to the Settlement Administrator at the address provided below and be postmarked on or before [REDACTED], 2023.

Please note that you cannot both exclude yourself and object to the Settlement. In order for you to object to this Settlement, or any term of it, you may not submit a Request for Exclusion.

10. Who are the attorneys representing the Plaintiff and the Settlement Class and the PAGA Group?

The Court has appointed the following lawyers as "Class Counsel" to represent all Class Members and PAGA Group Members:

Edwin Aiwarzian
Arby Aiwarzian
Joanna Ghosh
Brian St. John
LAWYERS for JUSTICE, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203
You will not be charged for these lawyers.

11. How will the attorneys for the Settlement Class and the PAGA Group be paid?

All payments for Class Counsel's attorneys' fees and litigation expenses will be made from the Maximum Settlement Amount. Class Counsel intends to request an award of attorneys' fees up to Thirty-Five percent (35%) of the Maximum Settlement Amount (currently estimated to be Six Hundred and Fourteen Thousand, One Hundred and Eighty Dollars and Zero Cents (\$614,180.00)), plus reimbursement of reasonable, actual out-of-pocket costs incurred in the litigation, up to Twenty-Five Thousand Dollars (\$25,000.00). Class Counsel has been prosecuting

this Action on behalf of Plaintiff, the Settlement Class, and PAGA Group on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs. The Court will decide the amount of fees and expenses to award at the Final Approval Hearing.

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

The Court has preliminarily approved the settlement and will hold a hearing, called a Final Approval Hearing, to decide whether to give final approval to the Settlement. The Court will hold the Final Approval Hearing on _____, 2023, at _____ a.m., in Department 10 of the Los Angeles County Superior Court located at 312 North Spring Street, Los Angeles, CA 90012, before the Honorable William F. Highberger. At the Final Approval Hearing, the Court will rule on Class Counsel's request for attorneys' fees and litigation expenses, the Class Representative Enhancement Payment, and the Settlement Administration Costs.

You are not required to attend the Final Approval Hearing, although any Class Member is welcome to attend the hearing. If you did not submit a Request for Exclusion, you or your legal representative may appear at the hearing at your own expense and request to be heard. The Final Approval Hearing may be postponed without further notice.

13. Will I be subject to discipline if I participate in the Settlement?

No. Defendant approve the Settlement and will not retaliate in any way against any Class Member for participating in the Settlement. Your decision to participate, not participate, or object to this Settlement will not affect your employment with Defendant or Defendant's treatment of you as a former employee.

14. What is the Settlement Administrator's address?

Any Request for Exclusion, Notice of Objection, address change request, and all other correspondence intended for the Settlement Administrator must be mailed to the Settlement Administrator at the following address:

Pender v. Congregational Homes, Inc.

c/o _____

Telephone: _____

15. How Can I Get Additional Information?

If you have questions, you can call the Settlement Administrator at _____.

PLEASE DO NOT TELEPHONE THE COURT OR DEFENDANT'S MANAGERS, SUPERVISORS,
OR ATTORNEYS ABOUT THIS SETTLEMENT
They will not be able to assist you.