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Attorneys for Plaintiff and the Aggrieved Employees

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN MATEO

ANGEL PADILLA, on behalf of himself and all others similarly situated, Plaintiff, v. DISCOVERY PRACTICE MANAGEMENT, INC., a California Corporation; and DOES 1-50, inclusive. Defendant.	CASE NO.: 23-CIV-00637 *Assigned to the Hon. Nancy L. Fineman* **DECLARATION OF MEHRDAD BOKHOUR IN SUPPORT OF MOTION TO APPROVE PAGA SETTLEMENT** **<u>Hearing Information:</u>** Date: December 16, 2025 Time: 2:00 p.m. Dept.: 4

DECLARATION OF MEHRDAD BOKHOUR

I, Mehrdad Bokhour, declare as follows:

1. I am an attorney licensed to practice before all courts of the State of California. I have personal knowledge of the facts set forth herein and, if called as a witness, could and would competently testify thereto. I am the principal of Bokhour Law Group, P.C., counsel of record for named Plaintiff Angel Padilla ("Plaintiff"). Along with co-counsel Falakassa Law, P.C., my firm represents Plaintiff in his individual capacity, on behalf of the State of California as a private attorney general, and on behalf of other similarly situated aggrieved employees in this action against Discovery Practice Management ("Defendant") (together with Plaintiff, the "Parties").

2. I submit this declaration in support of Plaintiff's Motion for Approval of PAGA Settlement pursuant to the Private Attorneys General Act of 2004 ("Plaintiff's Motion").

EXPERIENCE OF COUNSEL

3. I graduated from the University of California, Berkeley in 2007 with a Bachelor of Arts in Political Science. I received my Juris Doctor from Loyola Law School, Los Angeles in 2012 and was admitted to the California State Bar in December of that year.

4. I began my legal career focusing on plaintiff-side employment litigation, with an emphasis on disability discrimination and harassment claims under the California Fair Employment and Housing Act ("FEHA"). In 2014, after several years of practice, I founded my own law firm dedicated to representing employees in unpaid wages, discrimination, harassment, and retaliation matters.

5. I am an active member of the California Employment Lawyers Association ("CELA") and have participated in numerous Continuing Legal Education courses focused on advocacy for employees.

6. I have been recognized as a "Super Lawyer Rising Star" in Employment Litigation from 2017 through 2022 and as a "Super Lawyer" in 2023, 2024, and 2025—an honor awarded to no more than 2.5% of attorneys in the field. I have also been recognized by *TopVerdicts.com* for achieving several of the top wage-and-hour class and PAGA action settlements in California.

7. I am admitted to practice before all courts of the State of California as well as the

United States District Courts for the Central, Northern, Eastern, and Southern Districts of California. I have litigated numerous class and representative actions under the Private Attorneys General Act ("PAGA") in courts throughout the state.

8. In addition to the present case, I have served as counsel in numerous wage-and-hour class and PAGA representative actions. I have substantial experience litigating complex employment matters and have devoted the majority of my practice to California wage-and-hour class and PAGA actions on behalf of employees. My firm possesses the experience, resources, and commitment necessary to provide effective and adequate representation as Plaintiff's Counsel. Currently, my firm serves as counsel in more than twenty-five wage-and-hour class and/or PAGA actions and as co-counsel in at least twenty additional such matters. I am well-versed in evaluating PAGA claims and assessing the viability of potential defenses.

9. Here, Plaintiff's operative claims are brought on behalf of all non-exempt employees who worked for Defendant in California between April 19, 2022, and the date of approval of this Settlement (the "Aggrieved Employees").

10. First, Defendant failed to properly calculate and pay overtime and sick time wages to Plaintiff and the Aggrieved Employees due to alternative workweek schedules, and/or violations of the regular rate of pay requirements. Plaintiff and the Aggrieved Employees were denied compliant meal and rest periods, as a result of Defendant's policies, practices, and operational requirements.

11. Finally, Plaintiff alleged that Defendant also allegedly failed to reimburse necessary business expenses, failed to timely pay wages, failed to pay timely wages at separation, and issued inaccurate itemized wage statements or otherwise failed to maintain records, thereby incurring civil penalties under PAGA.

12. Following informal discovery and a robust exchange of data and documents, the Parties participated in private mediation before Abe Melamed, Esq., an experienced wage and hour mediator. Through the mediator's and the parties' efforts at and following mediation, the Parties were able to reach a settlement of the action.

13. Defendant operates various treatment centers within the State of California and provides mental health, eating disorder, and addiction services in a continuum of care, including

outpatient, intensive outpatient, partial hospitalization/day treatment, residential treatment, and inpatient detox.

14. Plaintiff Angel Padilla, along with the other Aggrieved Employees, was employed in a non-exempt position at Defendant's facilities in California during the relevant PAGA period. These employees were responsible for providing various aspects of direct patient care and clinical support.

15. After retaining counsel, on February 9, 2023, Plaintiff commenced this Action against Defendant, alleging causes of action based on purported Labor Code violations.

16. Plaintiff's complaint alleges that Defendant failed to pay all overtime wages and sick time wages; failed to provide compliant meal and rest periods; failed to reimburse business expenses; failed to issue accurate itemized wage statements and/or maintain records; and failed to timely pay wages during and upon separation of employment.

17. Attached hereto as **Exhibit "A"** is a true and correct copy of Plaintiff's letter to the LWDA.

18. Defendant subsequently presented an arbitration agreement purportedly binding the parties and moved to compel arbitration in accordance therewith. Defendant's motion was granted, whereby the court ordered Plaintiff to arbitrate his claims against Defendant on an individual basis, including his individual PAGA claims, and stayed Plaintiff's non-individual PAGA claims. Plaintiff thereafter submitted his individual claims to arbitration.

19. The parties selected Daniel A. Platt, Esq. as arbitrator and proceeded to engage in arbitration proceedings. Over the course of several months, the parties attended multiple arbitration status conferences, participated in arbitration discovery, including the exchange of documents and employee data, and were prepared to proceed to an arbitration hearing on the merits. It was only after this significant litigation and discovery had occurred that the parties agreed to explore resolution through private mediation.

20. In advance of mediation, the Parties engaged in an informal exchange of relevant information and documents. Defendant produced policy documents and a sampling of time and payroll records, which enabled Plaintiff's counsel to conduct a thorough analysis of liability

exposure, identify representative violations, and formulate a damages and penalties model. As part of this informal discovery, Plaintiff's counsel analyzed issues including but not limited to rounding practices, meal and rest period violations, regular rate miscalculations, expense reimbursements, wage statement violations, and late payment penalties. Plaintiff also reviewed applicable policies, practices, and pay data to evaluate the risks and potential recovery at trial.

21. Following these efforts, the Parties participated in a full-day mediation on August 21, 2025, before Abe Melamed, Esq., a respected and experienced mediator of complex wage and hour class and PAGA actions. With Mr. Melamed's assistance, the Parties reached a negotiated resolution of the claims asserted in this action.

22. Attached hereto as **Exhibit B** is a true and correct copy of the fully executed PAGA Settlement Agreement.

23. Based upon my experience and after factoring in the risks explained below, I believe that the proposed settlement is fair and reasonable. As such and for the reasons set forth below, I believe that the PAGA Settlement Agreement (the "Settlement Agreement" and/or the "Settlement") should be approved.

24. This experience helps assess the reasonableness of settlements such as the one at issue here. Based on my years of experience representing plaintiffs in wage and hour cases, including PAGA representative and class actions, the Settlement herein is fair, adequate, and reasonable under the facts and law applicable to this case.

SETTLEMENT CONSIDERATIONS

25. I have performed substantial work and diligently investigated and prosecuted this case to a successful conclusion. I believe this Settlement to be fair, reasonable, and adequate.

26. In evaluating the fairness and reasonableness of this proposed Settlement, my co-counsel and I had to consider both the potential maximum and Defendant's various defenses. This is significant because in a PAGA action, the Court has the same discretion "to assess a civil penalty" that the Labor Commissioner would have, as well as complete discretion to "award a lesser amount than the maximum civil penalty amount specified by PAGA if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust,

arbitrary and oppressive, or confiscatory." Lab. Code § 2699(e)(2). Such considerations include Defendant' defenses to the alleged claims.

27. In the end, Defendant urged that the trial court would exercise its discretion to substantially reduce any PAGA penalties if it were to find Defendant liable for any of Plaintiff's claims. As a result, Plaintiff's Counsel made appropriate discounts for the associated risks.

28. The following chart reflects the estimated payments from the Settlement Agreement:

	Amount
Gross Settlement Amount	$1,102,500
PAGA Counsel Fees Payment PAGA Counsel Litigation Expenses Payment Administration Expenses Payment Plaintiff's Service Award	$367,500 $18,239.16 $12,500.00 10,000.00
PAGA Fund	**$694,260.84**
75% to the LWDA 25% to Aggrieved Employees	$520,695.63 $173,565.21

29. As such, the LWDA will receive approximately $520,695.63 (75 percent of the PAGA Fund) and the Aggrieved Employees will collectively receive approximately $173,565.21 (25 percent of the PAGA Fund), which will be paid on a pro-rata basis according to the number of pay periods worked during the PAGA Period. The average payment to the Aggrieved Employees is approximately $77.31.

30. Plaintiff estimates that Defendant's maximum potential penalty exposure was approximately $6,300,000, based on approximately 63,000 PAGA Pay Periods and the statutory $100 per-pay-period penalty for a first violation.

THE ATTORNEYS' FEES AND LITIGATION COSTS REQUESTED

31. Moreover, as part of the Settlement, the Parties have agreed that Plaintiff will request a PAGA Counsel Fees Payment in an amount not to exceed one-third of the Gross settlement amount. Here, Plaintiff's Counsel is seeking one-third (33.33%) of the Gross Settlement Amount, thus $367,500, subject to court approval, plus actual litigation costs for $21,331.38.

32. This request is fair, reasonable, and adequate to compensate Plaintiff's Counsel for

the substantial work they have put into this case and the risk they assumed by taking it in the first place. Additionally, it is consistent with the contingency-fee agreement entered into by the named Plaintiff. The attorneys' fees award is intended to reimburse Plaintiff's Counsel for all uncompensated work that they have already done and for all the work they will continue to do in carrying out and overseeing the administration of the Settlement, communicating with Aggrieved Employees regarding their Individual PAGA Payment checks, and communicating with the Settlement Administrator regarding the administration of the Settlement, if it is approved.

33. My firm took this case on a contingent-fee basis against a business represented by a reputable defense firm. When we take contingent cases, we must pay careful attention to the economics involved, or one bad case can destroy years of work. Accordingly, when we take contingent cases, we anticipate that we shall, if successful, receive a fee that exceeds our normal hourly rate; otherwise, the risk is often too great to bear. Even when we work long hours, the number of hours a day is limited. Because of this, when we take on one particular matter, we are unable to take on other matters. When my firm became involved in this case, we realized the time commitment it would entail and were forced to turn down matters we otherwise should have been able to handle.

34. The requested attorneys' fees are reasonable for the services provided to the LWDA and the Aggrieved Employees and for the benefits they are to receive.

35. Moreover, the case involved significant risks of non-payment of attorneys' fees and non-recovery of litigation costs if the Settlement was not granted approval, or if Plaintiff did not prevail. California courts consider the risks counsel takes in litigating a case where they may not prevail on the merits in granting attorneys' fees awards. *See Graham v. Daimler Chrysler Corp.* (2004) 34 Cal.4th 553, 583.

36. The actual aggregated lodestar between the attorneys who worked on this case is $277,862.50. This results in a modest 1.32 multiplier, demonstrating that the requested fee is justified, reasonable, and appropriate. The total lodestar is summarized in the following table:

Lodestar Summary

Attorney	Experience	Hourly Rate	Total Hours	Lodestar
Mehrdad Bokhour	13 years	$750	225[1]	$168,750
Joshua Falakassa	12 years	$725	150.5	$109,112.50
		TOTAL		$277,862.50

37. Below is Counsel's task-based summary with hours spent on each task:

Task	Mehrdad Bokhour	Joshua Falakassa
Pre-filing Investigation	10	5
PAGA Notice	3	2
Complaint	12	6
Case Management	15	5
Motion to Compel Arbitration	30	30
Arbitration Proceedings	45	37.5
Informal Discovery for Mediation	40	30
Mediation/Settlement	35	20
PAGA Approval Motion	15	5
Estimated Future Work	20	10
Total Hours	**225**	**150.5**

38. In compliance with California Rules of Professional Conduct section 1.5.1, Plaintiff signed a fee split agreement that provides fees will be allocated between Class Counsel as follows: fifty percent (50%) to the Bokhour Law Group, P.C. and fifty percent (50%) to Falakassa Law, P.C.

39. The actual litigation costs incurred in this case by Plaintiff's Counsel to date amount to $18,239.16 expended by Bokhour Law Group, P.C. The following table sets forth the specific costs incurred by my firm to date:

BOKHOUR LAW GROUP, P.C.		
Type	**Description**	**Charge**
		$84.4
Process	Service of Process Fee	$10,750
Mediation	Mediation Fees	$4,485
Expert Data	Analysis of Time Records	$2,844.76
Filing Fees	Complaint & Other Filings	$75
LWDA Notice	PAGA Filing Fee	
	TOTAL	$18,239.16

40. Based on my years of experience representing plaintiffs in wage and hour matters—including both PAGA representative actions and class actions—I believe the Parties' proposed

[1] Includes an estimated 25 hours of additional work in preparation for and attending the hearing, as well as work that is anticipated to be performed after the hearing with counsel, administrator, employees, and the court.

settlement is fair, adequate, and reasonable in light of the applicable facts and law.

41. Pursuant to Labor Code § 2699(l)(2), the proposed settlement has been submitted to the Labor and Workforce Development Agency. A true and correct copy of the confirmation of this submission is attached hereto as **Exhibit "C"**.

I declare under the penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 20th day of October 2025, at Los Angeles, California.

Mehrdad Bokhour, Esq.

EXHIBIT “A”

TRUE AND CORRECT COPY OF

LWDA LETTER

[SEE ATTACHED]

BOKHOUR
LAW GROUP

MEHRDAD BOKHOUR
Attorney at Law

1901 Avenue of the Stars | Suite 450
Los Angeles | California 90067

tel 310 975 1493
fax 310 675 0861

February 8, 2023

SUBMITTED VIA LWDA'S PAGA CLAIM NOTICE ONLINE PORTAL

DISCOVERY PRACTICE MANAGEMENT, INC.
4281 KATELLA AVENUE, SUITE 111
LOS ALAMITOS, CA 90720

c/o: AMANDA GARCIA
330 N BRAND BLVD, SUITE 700
GLENDALE, CA 91203

Re: *Angel Padilla v. Discovery Practice Management, Inc.*
Notice of Intent to File Suit for California Labor Code § 2698 et seq. Penalties

To Whom It May Concern:

This office, along with Falakassa Law, P.C., represent Angel Padilla (hereinafter "Mr. Padilla") and a proposed group of current and former non-exempt employees working for Discovery Practice Management, Inc. ("Discovery Behavioral Health") in the State of California for violations of the Labor Code Sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 246, 510, 512, 516, 1182.12, 1194, 1194.2, 1198, 1199 and 1199.5, 2802-2804, amongst others, and all applicable Industrial Welfare Commission Wage Orders ("Wage Orders").

This letter shall serve as notification under Labor Code § 2699.3 (hereinafter "PAGA Notice"). The $75 filing fee made payable to the California Labor and Workforce Development Agency for the Private Attorneys General Act Notice ("PAGA Notice") and a copy of this PAGA Notice was submitted electronically to the Department of Industrial Relations.

Mr. Padilla wishes to bring a representative action on behalf of the State of California on behalf of the following group of "Aggrieved Employees":

> All non-exempt hourly employees who work or worked for Discovery Behavioral Health in California during the one year immediately preceding the filing of this PAGA Notice and continuing into the present and ongoing. ("aggrieved employees")

Discovery Behavioral Health operates treatment centers within the State of California and provides mental health, eating disorder, and addiction services in a continuum of care including outpatient, intensive outpatient, partial hospitalization/day treatment, residential treatment, and inpatient detox.

Mr. Padilla was employed by Discovery Behavioral Health as a non-exempt employee with the title of "Residential Counselor" out of its Menlo Park, California location. Mr. Padilla and other aggrieved non-exempt employees for Discovery Behavioral Health across the State of California. Mr. Padilla and other aggrieved employees (including, but not limited to, therapists, eating disorder technicians, residential counselors, dietician, LVNs and all other non-exempt positions) were responsible for all aspects of Discovery Behavioral Health's services across the State of California.

At all relevant times, Mr. Padilla and the other aggrieved employees were subjected to the same policies, procedures, and practices, working conditions, and corresponding wage and hour violations.

First, at all relevant times, Mr. Padilla and other aggrieved employees were not paid for all hours worked, including for all hours they were subjected to the control of the employer or permitted and suffered to work. Specifically, as a result of Discovery Behavioral Health's uniform pay practices, Mr. Padilla and other aggrieved employees were often not paid for attendance at weekly staff meetings and training sessions, amongst other off-the-clock work. As a result of Discovery Behavioral Health's uniform pay policies/practices, Mr. Padilla and other aggrieved employees were not fully compensated for all hours worked, and thus, subject to the control of Discovery Behavioral Health. As such, Discovery Behavioral Health systematically failed to pay Mr. Padilla and other aggrieved employees for all hours worked and minimum and overtime wages due.

As a result, Mr. Padilla and other aggrieved employees were not properly paid for all hours worked in violation of Cal. Labor Code §§ 204, 210, 510, 1194, 1197.1, 1199, and applicable Wage Orders. Additionally, Mr. Padilla and other aggrieved employees were also not properly paid at the correct overtime rate for hours worked in excess of eight hours per shift in violation of Labor Code § 510.

Labor Code § 1197.1 authorizes employees who are paid less than the minimum fixed by an applicable state or local law, or by an order of the commission a civil penalty, restitution of wages, and liquidate damages as follows: (1) for any initial violation that is intentionally committed, one hundred dollars ($100) for each underpaid employee for each pay period for which the employee is underpaid....[and] (2) [f]or each subsequent violation for the same specific offense, two hundred fifty dollars ($250) for each underpaid employee for each pay period for which the employee is underpaid regardless of whether the initial violation is intentionally committed.

Labor Code § 510 requires an employer to compensate an employee who works more than eight (8) hours in one workday, forty (40) hours in a workweek, and for the first eight (8) hours worked on the seventh consecutive day, no less than one and one-half times (11/2) the regular rate of pay. In addition, Labor Code § 510 obligates employers to compensate employees at no less than twice the regular rate of pay when an employee works more than twelve (12) hours in a workday or more than eight (8) hours on the seventh consecutive day of work. Pursuant to Section 3 of the applicable Wage Orders, non-exempt employees shall not be employed more than eight (8) hours in any workday or more than 40 hours in any workweek unless the employee receives one and one-half (11/2) times such employee's regular rate of pay for all hours worked over 40 hours in the workweek.

Accordingly, through PAGA and to the extent permitted by law, Mr. Padilla and other aggrieved employees are entitled to recover penalties for violations of Labor Code §§ 204, 210, 510, 1194, 1197.1, 1199 1197.1 under Labor Code § 2699.

Furthermore, at all relevant times, Mr. Padilla and other aggrieved employees were not properly paid at the correct overtime rate for all hours worked in excess of eight (8.0) hours per workday or forty (40.0) hours per workweek. When Mr. Padilla and the other aggrieved employees worked overtime hours, Discovery Behavioral Health failed to include all compensation, including but not limited to, non-discretionary bonuses, commissions, shift differentials, and other forms of renumeration, when calculating the "regular rate of pay" used in overtime calculations.

Under the California Labor Code (as well as the FLSA), courts have consistently held that regularly paid non-discretionary bonuses (and other forms of pay) must be included in determining an employee's "regular rate of pay" for purposes of calculating overtime. (See *Haber v. The Americana Corp.* 378 F. 2d 854, 855-856 (9th Cir. 1967) [holding that regularly paid efficiency bonuses must be included in calculating the "regular rate"]; *Wang v. Chinese Daily News*, Inc. 435 F. Supp. 2d 1042, 1055-1057 (C.D. Cal. 2006) [granting summary judgement to Plaintiff under California and federal law on the grounds, that Defendant improperly calculated overtime by excluding annual bonuses paid to employees from the "regular rate of compensation"].)

Pursuant to Section 3 of the applicable Wage Orders, employees shall not be employed more than eight (8) hours in any workday or more than 40 hours in any workweek unless the employee receives one and one-half (11/2) times such employee's regular rate of pay for all hours worked over 40 hours in the workweek. By their policy of requiring Mr. Padilla and the other non-exempt employees to work in excess of eight (8) hours in a workday and/or forty (40) hours in a workweek without compensating them at the rate of one-half (1 1/2) their regular rate of pay, Goodman willfully violated the provisions of Labor Code § 510 and applicable Wage Orders.

As a result of Discovery Behavioral Health's failure to include all forms of compensation in calculating the "regular rate," as set forth above, Discovery Behavioral Health failed to compensate Mr. Padilla and other aggrieved employees for all overtime wages at their legal rates.

Accordingly, Mr. Padilla and other aggrieved employees are entitled to recover liquidated damages for violations of Labor Code § 1197.1. Mr. Padilla and other aggrieved employees would be entitled to recover penalties under Labor Code § 2698 *et seq*.

Similarly, at all relevant times, Discovery Behavioral Health also failed in its obligation to provide Mr. Padilla and other aggrieved employees the legally required paid sick days at the legal rate pursuant to Labor Code §§ 246(a),(b), which requires that "[a]n employee who, on or after July 1, 2015, works in California for the same employer for 30 or more days within a year from the commencement of employment is entitled to paid sick days. . . at the rate of not less than one hour per every 30 hours worked, beginning at the commencement of employment." Labor Code § 246(l)(1) provides that paid sick time for non-exempt employees must be "calculated in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek."

Additionally, Labor Code § 246(l)(2) states that the paid sick time must be "calculated by dividing the employee's total wages, not including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days of employment." Finally, Labor Code §246(i) requires employers to "provide an employee with written notice that sets forth the amount of paid sick leave available, or paid time off leave an employer provides in lieu of sick leave, for use on either the employee's itemized wage statement described in Section 226 or in a separate writing provided on the designated pay date with the employee's payment of wages."

Here, at all relevant times, Discovery Behavioral Health failed in its obligation to provide Mr. Padilla and other aggrieved employees the legally required paid sick days at the legal rate, including all forms of compensation, pursuant to Labor Code §§ 246(a),(b). As such, Discovery Behavioral Health paid sick time below his base rate of pay, rather than the "regular rate of pay" as required by Labor Code §§ 246(l)(1-2). Based on the foregoing Labor Code violations, Mr. Padilla seeks all civil and statutory penalties available and applicable under Labor Code § 2699(f)(2), and for attorneys' fees and costs pursuant to Labor Code § 2699(g)(1).

Moreover, at all relevant times, Mr. Padilla and other aggrieved employees were denied 30-minute off-duty meal periods prior to the fifth hour of work as mandated by California law. As a result of Discovery Behavioral Health's meal period policies/practices and work demands, Mr. Padilla and other aggrieved employees were often unable to take all their legally compliant and timely meal periods. Further, for shifts longer than 10.0 hours, Mr. Padilla and other aggrieved employees were often unable to take compliant and timely second meal periods before the tenth hour of work. Moreover, meal breaks were often interrupted by operational requirements and work demands mandated by Discovery Behavioral Health. Additionally, at all relevant times, Mr. Padilla and other aggrieved employees were not adequately provided with meal period premiums at the "regular rate of pay" for their missed or non-compliant meal periods as required by Labor Code § 226.7 and *Ferra v. Loews Hollywood Hotel, LLC* (2021) No. S259172.

Consequently, Discovery Behavioral Health has violated Labor Code §§ 226.7, 512 and applicable Wage Orders. Discovery Behavioral Health is thus liable for civil penalties pursuant to Labor Code § 2698.

Furthermore, at all relevant times, Mr. Padilla and other aggrieved employees were also not provided with 10 minutes of net rest period time for every 4 hours worked, or major fraction thereof as mandated by California law. Specifically, due to Discovery Behavioral Health's rest period policies/practices and work demands at Discovery Behavioral Health, Mr. Padilla and other aggrieved employees were often unable to take compliant uninterrupted rest periods of 10 net minutes time for every 4 hours worked, or major fraction thereof. On occasions when Mr. Padilla and other aggrieved employees worked more than 10.0 hours in a shift, Discovery Behavioral Health failed to authorize and/or permit a third mandated 10-minute rest period. Making matters worse, Discovery Behavioral Health required Mr. Padilla and other aggrieved employees to remain "on site" and available depending on work needs during rest periods.

By not relieving all aggrieved employees of all duties during rest periods, Discovery Behavioral Health failed to provide legally compliant rest periods. See *Augustus v. ABM Security Services, Inc*. (2016) 2 Cal. 5th 257, 269 [concluding that "during rest periods employers must relieve employees of all duties and relinquish control over how employees spend their time."]. In *Augustus*, the California Supreme Court expressly rejected the employers' assertion that it could provide an on-duty rest period to employees who worked as security guards and further explained "that employers [must] relinquish any control over how employees spend their break time and relieve their employees of all duties." *Id*. at 273.

Each time the aggrieved employees were unable to take a compliant rest period, Discovery Behavioral Health failed and continues to fail to adequately pay rest period premium payments at the "regular rate of pay" as required by Labor Code § 226.7.

Accordingly, due to Discovery Behavioral Health's uniform rest period policies/practices, Mr. Padilla and other aggrieved employees were regularly denied legally compliant rest periods in violation of Labor Code 226.7, 512, and applicable Wage Orders.

As a result of Discovery Behavioral Health's unlawful rest period policies and practices, Mr. Padilla seeks to recover on behalf of himself and all aggrieved employees rest period premiums and penalties. Consequently, Discovery Behavioral Health has violated Labor Code §§ 226.7, 512 and applicable Wage Orders. Discovery Behavioral Health would also be liable for civil penalties pursuant to Labor Code § 2698 *et seq*.

As a result of Discovery Behavioral Health's failure to pay Mr. Padilla and other aggrieved employees for all hours worked, and for all overtime and sick pay wages at the proper "regular rate of pay," and failure to pay for meal and rest period premiums at the "regular rate of pay" for missed/non-compliant meal/rest periods, Discovery Behavioral Health issued wage statements which failed to accurately identify the gross wages earned, the total hours worked, the net wages earned, and the correct corresponding number of hours worked at each hourly rate, in violation of Labor Code §226(a)(1, 2, 5, and 9).

Labor Code § 226.3 provides that "[a]ny employer who violates subdivision (a) of Section 226 shall be subject to a civil penalty in the amount of two hundred fifty dollars ($250) per employee per violation in an initial violation and one thousand dollars ($1,000) per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage deduction statement or fails to keep the required in subdivision (a) of Section 226."

Thus, for the violations of Labor Code section 226 described above, Mr. Padilla and other aggrieved employees may also recover Labor Code § 226.3 penalties for Discovery Behavioral Health's violations of Labor Code § 226(a). As such, the wage statements Discovery Behavioral Health issued to Mr. Padilla and other aggrieved employees are in violation of Labor Code § 226 (a)(9). Thus, Mr. Padilla is an aggrieved employee within the meaning of PAGA and Discovery Behavioral Health has violated Labor Code §226(a) with respect to Mr. Padilla and other aggrieved employees. Consequently, because Discovery Behavioral Health failed to comply with Labor Code § 226(a) and applicable Wage Orders, Mr. Padilla and other aggrieved employees would be entitled to recover penalties under Labor Code § 2698 *et seq*.

Furthermore, at all relevant times, Discovery Behavioral Health required Mr. Padilla and other aggrieved employees to incur necessary business expenses including, but not limited to, the costs associated with using their personal cell phones for work purposes. However, at all relevant times, Discovery Behavioral Health failed to reimburse aggrieved employees adequately for these necessary expenditures in violation of Labor Code §§ 2802-2804. (*See Cochran v. Schwan's Home Service, Inc.*, (2014) 228 Cal.App.4th 1137, 1144 ["[i]f an employee is required to make work-related calls on a personal cell phone, then he or she is incurring an expense for the purposes of section 2802...To show liability under section 2802, an employee need only show that he or she was required to use a personal cell phone to make work-related calls, and he or she was not reimbursed"].)

Accordingly, due to Discovery Behavioral Health's uniform failure to adequately reimburse for necessary business expenditures in violation of Labor Code §§ 2802-2804 and applicable Wage Orders, Mr. Padilla and other aggrieved employees would be entitled to civil penalties pursuant to Labor Code § 2698 *et seq*.

Finally, because of, Discovery Behavioral Health's failure to pay all minimum, overtime and sick pay wages, and meal and rest period premiums at the "regular rate of pay," Discovery Behavioral Health also failed and continues to fail to pay other aggrieved employees all wages owed at their time of separation from employment in violation of Labor Code §§ 201-203 and applicable Wage Orders. Thus, aggrieved employees would be entitled to recover penalties under Labor Code § 2698 *et seq*.

Pursuant to Labor Code § 2699.3(a)(2)(A), please advise within sixty-five (65) calendar days of the date of this notice whether your office intends to investigate the violations alleged herein above. We understand that if we do not receive a response from your office within sixty-five (65) calendar days of this PAGA Notice, Mr. Padilla may thereafter pursue her interests and the interests of similarly aggrieved employees with a civil complaint against Discovery Behavioral Health for its violations of the California Labor Code and applicable Wage Orders.

While it is our intent to pursue a Class and/or PAGA representative lawsuit against Discovery Behavioral Health for civil penalties under Labor Code § 2699, it is our firms' policy to attempt to negotiate an early resolution of all matters where possible and beneficial to all aggrieved employees. If Discovery Behavioral Health is interested in attempting to resolve this matter, please contact me or have your lawyer contact our office so that we can discuss an informal discovery plan and the possibility of early mediation on or before **March 31, 2023**.

Very truly yours,

FALAKASSA LAW, P.C.
BOKHOUR LAW GROUP, P.C.

Mehrdad Bokhour, Esq.
Joshua Falakassa, Esq.

EXHIBIT "B"

TRUE AND CORRECT COPY OF

PAGA SETTLEMENT AGREEMENT

[SEE ATTACHED]

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement ("Agreement") is made by and between Plaintiff Angel Padilla ("Plaintiff") and Defendant Discovery Practice Management, Inc. ("Defendant"). The Agreement refers to Plaintiff and Defendant collectively as "Parties" or individually as "Party."

1. DEFINITIONS.

1.1. "Action" means the Plaintiff's representative PAGA lawsuit alleging wage and hour violations against Defendant captioned *Padilla v. Discovery Practice Management, Inc.,* initiated on or about February 9, 2023, Case No. 23-CIV-00637, and pending in the Superior Court of the State of California, County of San Mateo.

1.2. "Administrator" means Phoenix Class Action Administration Solutions, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with approval of this Settlement.

1.4. "Aggrieved Employee" means all non-exempt employees who worked for Defendant in California during the PAGA Period.

1.5. "Aggrieved Employee Data" means Aggrieved Employee identifying information in Defendant's possession, including the Aggrieved Employee's name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.

1.6. "Aggrieved Employee Address Search" means the Administrator's investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods, and means, including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.

1.7. "Court" means the Superior Court of California, County of San Mateo.

1.8. "Defense Counsel" means Nancy Rader Whitehead, Esq. of Scott & Whitehead.

1.9. "Effective Date" means the date by which the Court enters a Judgment on its Order Approving the PAGA Settlement.

1.10. "Gross Settlement Amount" means One Million One Hundred Two Thousand Five Hundred Dollars ($1,102,500.00), which is the maximum total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8, below. The Gross Settlement Amount will be paid by Defendant in satisfaction of all claims arising in the Action, including, but not limited to, amounts used to pay Plaintiff's Service Award, the Individual PAGA Payments, the LWDA PAGA Payment, the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, and the Administrator's Expenses Payment.

1.11. "Individual PAGA Payment" means an Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.

1.12. "Judgment" means the judgment entered by the Court based upon the Approval Order.

1.13. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled to 75% of the PAGA Penalties recovered by Aggrieved Employees under Labor Code section 2699, subd. (i).

1.14. "LWDA PAGA Payment" means 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.15. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Plaintiff's Service Award, the LWDA PAGA Payment, the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments.

1.16. "PAGA Counsel" means Mehrdad Bokhour, Esq. of Bokhour Law Group, P.C. and Joshua Falakassa, Esq. of Falakassa Law, PC, the attorneys representing the Plaintiff in the Action.

1.17. "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses Payment" mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.

1.18. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

1.19. "PAGA Period" means the period from April 19, 2022, through the date of approval of this Settlement.

1.20. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698 *et seq*.).

1.21. "PAGA Notices" means Plaintiff's February 8, 2023, letters to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd. (a).

1.22. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees and 75% to LWDA in settlement of PAGA claims.

1.23. "Pay Period" means any pay period during which an Aggrieved Employee worked at least one day of the pay period and was not on vacation or a leave of absence for the entire workweek.

1.24. "Plaintiff" means Angel Padilla, the named Plaintiff in the Action.

1.25. "Plaintiff's Service Award" means the service award paid to Plaintiff for serving as the named Plaintiff in this matter, subject to the approval of the Court.

1.26. "Approval Order" means the proposed Court Order Granting Approval of PAGA Settlement.

1.27. "Released PAGA Claims" means the claims being released by the Plaintiff and Aggrieved Employees as described in Paragraph 5, below.

1.28. "Released Parties" means Defendant and any of its past, present, and future parents, subsidiaries, affiliates, officers, directors, employees, partners, members, shareholders, and agents, attorneys, and any other successors, assigns, or legal representatives.

1.29. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

1.30. "Defendant" means Discovery Practice Management, Inc., the named defendant in the Action.

2. RECITALS.

2.1. On February 9, 2023, Plaintiff Angel Padilla commenced this Action by filing a Class Action Complaint against Defendant Discovery Practice Management, Inc., alleging wage and hour violations under the California Labor Code and Business and Professions Code (the "Operative Complaint"). Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified therein, and denies any and all liability for the causes of action alleged.

2.2. On February 8, 2023, pursuant to California Labor Code section 2699.3, subdivision (a), Plaintiff gave timely written notice to Defendant and the Labor and Workforce Development Agency ("LWDA") by submitting the required Private Attorneys General Act ("PAGA") Notice.

2.3. On November 8, 2023, the Superior Court of California, County of San Mateo, granted in part and denied in part Defendant's Motion to Compel Arbitration. The Court ordered Plaintiff's individual and class claims to arbitration, and stayed Plaintiff's representative claims under the Private Attorneys General Act pending further proceedings.

2.4. On August 21, 2025, the Parties participated in an all-day mediation presided over by Abe Melamed, Esq., a well-respected and experienced wage and hour mediator, which led to this Agreement to settle the Action.

2.5. Before mediation, Plaintiff obtained, through informal discovery, a randomized sampling of time and payroll records, data, and policies, among other documents and information, to aid in the preparation of Plaintiff's evaluation of the claims and formulation of a damages model.

3. MONETARY TERMS.

3.1. <u>Gross Settlement Amount</u>. Except as otherwise provided by Paragraph 8, below, Defendant promises to pay One Million One Hundred Two Thousand Five Hundred Dollars ($1,102,500.00) and no more as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount before the deadline stated in Paragraph 4 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

3.2. <u>Payments from the Gross Settlement Amount</u>. The Administrator will make and deduct the following payments from the Gross Settlement Amount in the amounts specified by the Court in the Approval Order:

3.2.1. <u>To PAGA Counsel</u>: A PAGA Counsel Fees Payment of not more than one third of the Gross Settlement Amount, which is currently estimated to be $367,500, and a PAGA Counsel Litigation Expenses Payment of not more than $25,000.00. Defendant will not oppose requests for Court approval of these payments, provided they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application or motion for PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion of any PAGA Counsel Fees Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment using one or more IRS 1099 Forms.

3.2.2. <u>To Plaintiff</u>: From the Gross Settlement amount Plaintiff will receive a Service Award in the amount of $10,000 for serving as the Plaintiff in this matter, subject to the approval of the Court.

3.2.3. <u>To the Administrator</u>: An Administration Expenses Payment not to exceed $12,500.00, except for a showing of good cause and as approved by the Court. To the extent the expenses incurred by the Administrator in connection with this Settlement are less, or the Court approves an Administration Expenses Payment of less than $12,500.00, the Administrator will allocate the remainder in the Net Settlement Amount.

3.2.4. <u>To the LWDA and Aggrieved Employees</u>: PAGA Penalties to be paid from the remaining Gross Settlement Amount, with 75% of the remaining Gross Settlement Amount (~$515,625) allocated to the LWDA PAGA Payment and 25% (~$171,875) allocated to the Individual PAGA Payments.

3.2.4.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA

Penalties by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.4.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendant estimates the Aggrieved Employees worked a total of 63,000 PAGA Pay Periods.

4.2. Aggrieved Employee Data. Within ten business days of the Effective Date of this Agreement, Defendant will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employees' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if they discover that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.3. Funding of Gross Settlement Amount. Defendant shall fund the total Gross Settlement Amount of One Million One Hundred Two Thousand Five Hundred Dollars and Zero Cents ($1,102,500.00) in twelve (12) equal monthly installments of Ninety-One Thousand Eight Hundred Seventy-Five Dollars ($91,875.00). The first installment shall be due thirty (30) calendar days after final Court approval of the settlement and the Effective Date, with each of the remaining eleven (11) installments due on the same day of each successive month thereafter, until the Gross Settlement Amount has been paid in full.

4.4. Default and Acceleration. If Defendant fails to timely make any installment payment, Defendant shall have a cure period of thirty (30) calendar days after written notice from Class Counsel and/or the Settlement Administrator. If Defendant fails to cure within that period, the entire unpaid balance of the Gross Settlement Amount shall become immediately due and payable. In addition, any unpaid amounts shall accrue interest at the legal rate under California law from the date of default until paid in full. Plaintiff and Class Counsel shall be entitled to seek entry of judgment for the remaining balance plus accrued interest, attorneys' fees, and costs incurred in enforcing the judgment.

4.5. Payments from the Gross Settlement Amount. Within 7 days after Defendant fully funds the Gross Settlement Amount, the Administrator will mail checks for Plaintiff's Service Award, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Fees Payment, and the PAGA Counsel Litigation Expenses Payment. Disbursement of the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.

4.5.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.5.2. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding addresses. Within seven days of receiving a returned check the Administrator must re-mail the check to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, if requested by the Aggrieved Employee prior to the void date.

4.5.3. For any Aggrieved Employee whose Individual PAGA Payment check remains uncashed and is cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Unclaimed Property Fund in the name of the Aggrieved Employee.

4.5.4. The payment of Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. **RELEASES OF CLAIMS**. Effective on the date when Defendant fully funds the entire Gross Settlement Amount, Plaintiff and Aggrieved Employees will release claims against all Released Parties as follows:

5.1 Release by the LWDA, State of California, and Aggrieved Employees: The LWDA, State of California, and all Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA Penalties that were alleged or reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notice.

6. **MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT.** The Parties agree that Plaintiff's counsel will subsequently draft and file an application or motion for approval of this Settlement, including the notice to be provided to the Aggrieved Employees. The Parties will jointly seek to immediately vacate or stay all dates in the Action, pending approval by the Court of the Settlement, and will seek a date for the hearing on the motion for approval of this Settlement as soon as possible.

6.1 Plaintiff's Responsibilities. Plaintiff will prepare all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2) including (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (iii) a signed declaration from PAGA Counsel attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (iv) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator.

6.2 Responsibilities of Counsel. PAGA Counsel are responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement no later than 60 days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. **SETTLEMENT ADMINISTRATION.**

7.1 Selection of Administrator. The Parties have jointly selected ILYM Group, Inc. ("ILYM") to serve as the Administrator and verified that, as a condition of appointment, ILYM agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of

Administration Expenses Payment. The Parties, PAGA Counsel, and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number to provide reports to state and federal tax authorities.

7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

7.4 Administrator's Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

8. AGGRIEVED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUSE. This settlement is based on Plaintiff's understanding (based on information supplied by Defendant) that members of the PAGA Group worked approximately 63,000 pay periods during the PAGA Period. If it is determined that the number of pay periods during the PAGA Period exceeds 70,875 pay periods (63,000, plus 12.5% of 63,000), then Defendant may elect to either: end the PAGA Period on the date on which the number of pay periods reached 70,875, with no further liability for pay periods thereafter; or increase the Gross Settlement Amount for all pay periods beyond 70,875 at the fixed rate of Seventeen Dollars and Fifty Cents ($17.50) per pay period, in addition to the Gross Settlement Amount set forth in this Agreement.

9. CONTINUING JURISDICTION OF THE COURT. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement pursuant to CCP section 664.6 solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing Settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

10. ADDITIONAL PROVISIONS.

10.1 No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason, the Court does not approve this Settlement, Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendant's defenses. The Settlement, this Agreement, and the Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

10.2 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement, together with its attached exhibits, shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

10.3 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

10.4 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying this Agreement, submitting supplemental evidence, and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution. In the event that the Court refuses to approve any economic term or term related to the scope of the claims release, Defendant, at its option, may void the Settlement. A reduction in the amount of PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment is not a basis to void the Settlement. In the event that the Court refuses to approve any term related to the scope of the release, the Parties agree to return to mediation in order to attempt to address the concerns of the Court, and, upon reaching an agreement, submit a revised agreement to the Court.

10.5 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

10.6 No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendant, nor Defense Counsel is providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

10.7 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

10.8 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

10.9 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

10.10 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

10.11 Confidentiality. To the extent permitted by law, all agreements made, and orders entered, during the Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

10.12 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

10.13 Calendar Days. Unless otherwise noted, all references to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

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

To Plaintiff:

Mehrdad Bokhour *mehrdad@bokhouralw.com* Bokhour Law Group, P.C. 1901 Avenue of the Stars, Suite 920 Los Angeles, California 90067 310-975-1493	Joshua Falakassa *josh@falakassalaw.com* Falakassa Law, PC 1901 Avenue of the Stars, Suite 920 Los Angeles, California 90067 818-456-6168

To Defendant:

Nancy Rader. Whitehead *nwhitehead@empoyerlaw.com* Scott & Whitehead 2601 Main Street, Suite 510 Irvine, California 92614

10.15 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., DocuSign), or email, which for purposes of this Agreement shall be accepted as an original. All executed counterparts, and each of them, will be deemed to be one and the same instrument if counsel for the Parties exchange signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

10.16 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement.

10.17 No Public Comment. The Parties and their counsel agree not to issue any press releases, initiate any contact with the press, respond to any press inquiry, or make any public communication about the fact, amount, or terms of the settlement, except however that this does not prohibit disclosures required by law and/or between Plaintiff and Plaintiff' counsel and their expert, or between Defendant and Defendant's counsel and their expert, and those within Defendant's organization or financial advisors/accountants with a need to know in order to approve or execute the terms of this Settlement Agreement. In response to any inquiries Plaintiff and Plaintiff's counsel will state that "the case was resolved with Court approval." Plaintiff's Counsel shall not report the settlement or its content in any medium or in any publication, shall not post or report anything regarding the claims of Plaintiff or the Settlement Class on their website, and shall not contact any reporters or media regarding the settlement, the Action, or their content. However, Plaintiff's Counsel is authorized and required by law to make disclosure to the Court and the LWDA for the purposes of obtaining the approval of the settlement, concluding any superior court or appellate court proceedings in the Action, and complying with any California Rules of Court or ethical requirements. This disclosure is limited to court filings, electronic submission of settlement documents to the LWDA, and verbal statements made at hearings or conferences with a judicial officer. Plaintiff and Plaintiff's counsel, or their representatives, are not permitted to disseminate or publish, distribute, or discuss the information provided to the Court in those filings outside the filings themselves and any hearing held on those filings, unless ordered otherwise by the Court. Nothing in this provision is intended to prohibit: (i) Plaintiff from discussing this settlement with their spouses, attorneys, tax advisors, or taxing authorities; (ii) Plaintiff's Counsel from citing the settlement in this case as evidence supporting their competence as counsel in wage/hour and/or class action matters in public court filings; or (iii) Plaintiff's counsel from communicating with the settlement administrator, Plaintiff in this case, the LWDA, or with the court in which this action is pending; (iv) Plaintiff's counsel to report on the settlement in other courts as may be required by the California Rules of Court or when responding to any inquiry from another court; (v) Plaintiff's counsel from discussing the settlement with the Aggrieved Employees if contacted with questions about the settlement or the distribution of settlement proceeds.

Dated: 9/23/2025, 2025

DocuSigned by:
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Plaintiff Angel Padilla

Defendant Discovery Practice Management, Inc.

Dated: 9/18/2025, 2025

Signed by:
John Peloquin
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By John Peloquin, CEO

AGREED AS TO FORM

FALAKASSA LAW, P.C.

DocuSigned by:
Joshua Falakassa
15A628B2C5A149C...

Dated: 9/23/2025, 2025

Joshua S. Falakassa, Esq.
Counsel for Plaintiff and the PAGA Members

BOKHOUR LAW GROUP, P.C.

Signed by:
MEHRDAD BOKHOUR
D8D3643F271940F...

Dated: 9/23/2025, 2025

Mehrdad Bokhour, Esq.
Counsel for Plaintiff and the PAGA Members

SCOTT & WHITEHEAD

Nancy Rader Whitehead

Dated: 9/24/2025, 2025

Nancy Rader Whitehead
Counsel for Defendant
Discovery Practice Management, Inc.

EXHIBIT “C”

TRUE AND CORRECT COPY OF

SUBMISSION CONFIRMATION

TO LWDA

RE: PROPOSED SETTLEMENT

[SEE ATTACHED]