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Attorneys for Plaintiffs

SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN DIEGO

CIVIL UNLIMITED DIVISION

RUTH JOY SEGOVIA; FARANAK KIANFAR; DIEMVY PHAM; LISA MATHEWS FITZGIBBONS; CYNTHIA GUERRERO; and RENE AMEL PERALTA; as individuals, on behalf of others similarly situated, and on behalf other aggrieved employees pursuant to the California Private Attorneys General Act, Plaintiffs, vs. ARTEMIS HEADLANDS, LLC, a Delaware corporation; MAURO ORMEDILLA, an individual; and DOES 1 through 25, inclusive, Defendants.	CASE NO. 24CU020914C **DECLARATION OF BROOKE B. NEVELS IN SUPPORT OF MOTION AND MOTION FOR PRELIMINARY APPROVAL OF CLASS AND PAGA SETTLEMENT** *Assigned for All Purposes to Dept. C-75* *Hon. James Mangione* Date: January 23, 2026 Time: 9:00 a.m. Dept: C-75

I BROOKE B. NEVELS, hereby state and declare as follows:

1. I am the Managing Partner of Nevels Nichols, LLP and counsel for Plaintiffs Ruth Joy Segovia, Faranak Kianfar, Diemvy Pham, Lisa Mathews Fitzgibbons, Cynthia Guerrero, and Rene Amel Peralta ("Plaintiffs") in this matter. I am fully familiar with the facts, pleadings and history of this matter. The following facts are within my own personal knowledge, and if called as a witness, I could testify competently to the matters stated herein.

2. I have personal knowledge of all the facts stated herein. I could and would competently testify under oath to these facts in court if requested to do so. All of the facts contained within this declaration are within my personal knowledge, and, if called as a witness, I could and would competently testify thereto.

3. Attached hereto as **Exhibit 1** and incorporated herein by reference is the fully executed Class Action and PAGA Settlement Agreement and Class Notice (the "Agreement") along with exhibits thereto. This Declaration incorporates by reference the definitions in the Agreement, and all terms defined therein shall have the same meaning as set forth in the Agreement. The Agreement also contains one (1) exhibits, which will be marked as A.

FAIRNESS OF SETTLEMENT

4. As consideration for the Settlement, the Gross Settlement Amount will be $485,000.00. The Gross Settlement Amount will settle all issues pending in the Actions between the Parties and will be made in full and final settlement of the Released Class Claims and Released PAGA Claims. The Gross Settlement Amount includes all payments to the Individual Class Payment, the Individual PAGA Payment, LWDA PAGA Payment, Administration Expenses Payment, Class Counsel Fees Payment, and the Representative Service Payments (which includes the individual payment of $20,000 to Plaintiff RUTH JOY SEGOVIA ("Segovia") for her individual Retaliation claim). The Settlement is all-in with no reversion to Defendant.

5. The relief provided in the Settlement will benefit all members of the Class. The Settlement does not grant preferential treatment to Plaintiffs or segments of the Class in any way. Payments to the Class Members are all determined under a neutral methodology. Each Participating Class Member will receive the same opportunity to participate in and receive payment through a neutral formula that is based upon the weeks worked by that individual and whether they are a CRU Class Member or Non-CRU Class Member.

6. CRU Class Members receive 75% of the Net Settlement Amount (approximately $148,762.13) as they exclusively experience the unpaid overtime rates, which is a substantial

portion of the damages. Non-CRU Class Members receive 25% of the Net Settlement Amount (approximately $49,587.37) as they did not experience any unpaid overtime rates.

7. In May 2025, Plaintiffs and Defendant attended a mediation with Honorable Lisa Cole, whom is a well-respected mediator. Ultimately the Parties were unable to resolve the matter and returned to litigation. On August 14, 2025, the Parties attended their second all day mediation with Kelly A. Knight which led to this Agreement to settle the Actions.

PROCEDURAL HISTORY OF THE CASE

8. On October 31, 2024, Plaintiffs commenced this Action by filing a Class Action Complaint alleging causes of action against Defendants ARTEMIS HEADLANDS, LLC, and MAURO ORMEDILLA ("Artemis Headlands" or "Defendant") for (1) Unfair Competition, (2) Failure to Pay Minimum and Overtime Compensation, (3) Failure to Provide Accurate Itemized Statements, (4) Failure to Provide Wages When Due, (5) Failure to Provide Meal and Rest Breaks, (6) Failure to Reimburse Employees, and (7) Retaliation. On October 9, 2025, Plaintiffs served the Defendant and the LWDA to provide notice of Defendant's alleged labor code violations pursuant to Labor Code section 2699.3, subd. (a). Following that, on December 10, 2025, Plaintiffs filed a Stipulation for Leave to File First Amended Class Action Complaint, which contains an added eighth Cause of Action for Violation of Private Attorney General Act ("Operative Complaint"). Artemis Headlands denied the allegations in the Class Action Complaint, denies any failure to comply with the laws identified in the Class Action Complaint, and denies any and all liability for the causes of action alleged.

9. On May 20, 2025, the Parties participated in their first all-day mediation presided over by the mediator Honorable Lisa Cole. Ultimately the parties were unable to resolve the matter and returned to litigation. On August 14, 2025, the Parties attended their second all-day mediation with Kelly A. Knight which led to this Agreement to settle the Actions.

10. Prior to mediation, Plaintiff obtained, through both formal and informal discovery, voluminous company records and documents, including payroll data, key data points, as well as data regarding the number of Pay Periods and Work Weeks at issue in this action. Plaintiffs' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk*

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

11. Plaintiff has not filed a Motion for Class Certification, and the Court has not granted class certification.

12. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

SETTLEMENT TERMS AND PLAN OF ALLOCATION

13. The Gross Settlement Amount is $485,000.00 (Agreement ¶ 1.24). Under the terms of the Settlement, the Gross Settlement Amount consists of the following:

a. **Individual Class Payments – Net Settlement Amount (*currently estimated to be $198,349.50*) (Agreement ¶ 1.24)**
b. **Individual PAGA Payments - $19,500 (Agreement ¶ 1.24)**
c. **LWDA PAGA Payment - $10,500 (Agreement ¶ 1.24)**
d. **Class Counsel Fees - $161,650.50 (Agreement ¶ 1.24)**
e. **Class Counsel Expenses – Not to exceed $30,000[1] (Agreement ¶ 1.24)**
f. **Class Representative Service Payment - $30,000 (*$5,000 per Class Representative*) (Agreement ¶ 1.24)**
g. **Individual Payment to Plaintiff Segovia - $20,000 (Agreement ¶ 3.2.1)**
h. **Administrator's Expenses – Not to exceed $15,000 (Agreement ¶ 1.24)**

14. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 10 court days after the Effective Date, provided the Settlement Administrator has provided the wire transfer information at least 5 court days in advance. (Agreement ¶ 4.3). The Effective Date means the later of (a) the last date to appeal final approval and judgment by the Court and no appeal is filed, or (b) if an appeal, review, or writ is sought

[1] Plaintiffs anticipate that absent significant additional costs being incurred related to approval, this amount will have an excess residual value that is returned to the class members to be distributed as part of their individual payments. Plaintiff have left room for the filing fees associated with this motion and the subsequent motion for final approval and when seeking fees and costs will provide the exact amount of hard costs incurred.

from the Judgment, the day after the Judgment is affirmed or the appeal, review or writ is dismissed or denied, and the Judgment is no longer subject to further judicial review. (Agreement at ¶ 1.20).

15. Within 10 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks or initiate wire transfers for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments. (Agreement at ¶ 4.4).

16. The Net Settlement Amount means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. (Agreement at ¶ 1.30). The remainder is to be paid to Participating Class Members as Individual Class Payments. (Agreement at ¶ 1.30). Participating Class Members is a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement. (Agreement at ¶ 1.38).

17. The Individual Class Payments will be calculated by determining whether you are a CRU Class Member or Non-CRU Class Member. If you are a CRU Class Member you (a) multiply the Net Settlement Amount by .75, (b) divide that product by the total number of Workweeks worked by all CRU Class Members during the Class Period, and (c) multiplying the result by each individual Participating CRU Class Member's Workweeks. (Agreement at ¶ 3.2.4.1). If you are a Non-CRU Class Member you (a) multiply the Net Settlement Amount by .25, (b) divide that product by the total number of Workweeks worked by all Non-CRU Class Members during the Class Period, and (c) multiplying the result by each individual Participating Non-CRU Class Member's Workweeks. (Agreement at ¶ 3.2.4.2). PAGA Penalties in the amount

of thirty thousand ($30,000) are to be paid from the Gross Settlement Amount, with 65% ($19,500) allocated to the LWDA PAGA Payment and 35% ($10,500) allocated to the Individual PAGA Payments. (Agreement at ¶1.37) The Administrator will calculate each Individual PAGA Payment by (a) dividing the Individual Paga Allocation ($10,500) by the total number of PAGA Period Pay Periods worked by all PAGA Members during the PAGA Period, and (b) multiplying the result by each PAGA Member's PAGA Period Pay Periods to determine each Individual PAGA Payment allocation. (Agreement at ¶ 3.2.6.1). Workweeks will be based on Defendant's records, however, each Class Member shall have 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. (Agreement at ¶ 7.4.4).

18. Class Members who wish to exclude themselves from (opt-out of) the Class Settlement must send the Administrator, by fax, email, or U.S. mail, a signed written Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter or completed Exclusion form from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline. (Agreement at ¶ 7.5.1). If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge. (Agreement at ¶ 7.5.2).

19. The Administrator will calculate each Individual PAGA Payment by (a) dividing the Individual PAGA Allocation ($10,500) by the total number of PAGA Period Pay periods worked by all PAGA Members during the PAGA Period and (b) multiplying the result by each PAGA Member's PAGA Period Pay Periods to determine each Individual PAGA Payment allocation. PAGA Members assume full responsibility and liability for any taxes on their

Individual PAGA Payment. (Agreement ¶ 3.2.6.1). Workweeks will be based on Defendant's records, however, each Class Member shall have 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. (Agreement at ¶ 7.4.4).

20. Class Members who wish to exclude themselves from (opt-out of) the Class Settlement must send the Administrator, by fax, email, or U.S. mail, a signed written Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter or completed Exclusion form from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline. (Agreement at ¶ 7.5.1). If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge. (Agreement at ¶ 7.5.2).

21. Every Class Member who does not submit a timely and valid Request for Exclusion accepted by the Administrator is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraph 5.2 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement. (Agreement at ¶ 7.5.3).

22. Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Class Members who are also Aggrieved Employees shall receive an Individual PAGA Payment regardless of whether they submit a Request or Exclusion from the Class Settlement. (Agreement at ¶ 7.5.4).

23. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in paragraph 5.3 of the Agreement and are eligible for an Individual PAGA Payment. (*Id.*). Finally, the Class Notice will advise the Participating Class Members of their right to object to class action components of the Settlement and/or the Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment. (Agreement at ¶ 7.7.1)

24. The Administrator will issue checks for the Individual Class Payments and the Individual PAGA Payments and send them to all Settlement Class Members via First Class U.S. Mail, postage prepaid. (Agreement at ¶ 4.4.1). 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. (*Id.*). The Administrator will cancel all checks not cashed by the void date. (*Id*.). The Administrator will send checks for Individual Class Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). (*Id*.). The Administrator will send checks for Individual PAGA Payments to all PAGA Members including Non-Participating Class Members who qualify as PAGA Members (including those for whom Class Notice was returned undelivered). (*Id*.). Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database. *(Id*.). For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b). (Agreement at ¶ 4.3.3).

25. The Parties have jointly selected ILYM Group, Inc., to serve as the Administrator. From the Gross Settlement Amount, the Administrator shall be paid the Administrator Expenses Payment not to exceed $15,000 except for a showing of good cause and as approved by the Court. (Agreement at ¶ 3.2.3). To the extent the Administration Expenses are less, or the Court approves

payment less than $15,000, the Administrator will put the remainder in the Net Settlement Amount. (*Id*.).

26. Subject to Court Approval, the Agreement provides for Class Counsel to be awarded a sum not to exceed 33.33% of the Gross Settlement Amount, as the Class Counsel Fees Payment. (Agreement at ¶ 3.2.2). Class Counsel will also be allowed to apply separately for an award of Class Counsel Litigation Expenses Payment in an amount not to exceed $30,000. (*Id.*) Subject to Court approval, the Agreement provides for Class Representative Service Payment in the amount no more than $30,000 to Plaintiffs (which is $5,000 for each individual Plaintiff). (Agreement at ¶ 3.2.1). Subject to Court approval, the Agreement provides for Payment to Plaintiff Segovia of $20,000 for her individual claim of Retaliation in Violation of Cal. Lab. Code § 1102.5. (*Id.*). Plaintiffs and Class Counsel agree that the individual payment to Plaintiff Segovia in the amount of twenty thousand ($20,000.00) for Plaintiff Segovia's individual Retaliation claim is both fair and reasonable.

27. As CRU Class Members are members of the Class who exclusively experienced the unpaid overtime issues, they are entitled to 75% of the Net Settlement Amount, where the Non-CRU Class Members are entitled to 25% of the Net Settlement Amount as they did not experience the unpaid overtime issues, which was the predominate issue in this Action.

CLASS CERTIFICATION ISSUES

28. Plaintiffs contend that the proposed settlement meet all of the requirements for class certification under California Code of Civil Procedure § 382 as demonstrated below, and therefore, the Court may appropriately approve the Class as defined in the Agreement. This Court should conditionally certify the Class for settlement purposes only, defined as follows:

> *"all individuals who are or were employed by Artemis Headlands as non-exempt hourly employees in California during the Class Period."* (Agreement at ¶ 1.6)

The "Class Period" means the period from February 5, 2021, through the earlier of preliminary approval or 60 days after of the date this Agreement is signed by all Parties. (Agreement at ¶ 1.13).

a. **Numerosity** – Here, Plaintiffs assert that the estimated 189 current and former employees that comprise the Class can be identified based on Defendant's records and are sufficiently numerous for class certification. The number of estimated Class Members has been verified by the Defendant's counsel.

b. **Common Issues Predominate** – Here, Plaintiffs contend that common questions of law and fact are present, and specifically the common questions of whether Defendant's employees were paid for all time worked, paid the proper rate, whether Defendant provided meal and rest periods, whether the Defendant provided expenses reimbursements, whether the Defendant provided accurate wage statements, whether the Defendant provided all wages when due, and whether the Class Members are entitled to damages and penalties as a result of these practices.

c. **Typicality** – In the instant case, Plaintiffs content that there can be little doubt that the typicality requirement is satisfied. The Plaintiffs, like every other member of the Class, worked for Defendant as non-exempt employees during the Class Period. Plaintiffs contend that, like every other member of the Class, they were subject to the same practices and policies of Defendant and are subject to the same defenses. Thus, Plaintiffs assert that the claims of the Plaintiffs and the Class Members arise from the same course of conduct by the Defendant, involve the same employment policies and practices of Defendant, and are based on the same legal theories.

d. **Adequacy** – Plaintiffs contend that the Class Members are adequately represented here because Plaintiffs and representing counsel (a) do not have any conflicts of interest with other class members, and (b) will prosecute the case vigorously on behalf of the class. This requirement is met here. First, Plaintiffs are well aware of their duties as the representatives and have actively participated in the prosecution of this case to date. Plaintiffs have effectively communicated with counsel, provided documents to counsel and participated in the investigation and negotiations in the Action. The Declaration of Plaintiffs submitted herewith establishes their adequacy and lack of conflicts. Second, Plaintiffs retained competent counsel who are experienced in employment class actions and who have no conflicts. Third, there is no antagonism between the interests of the Plaintiffs and those of the Class. Both the Plaintiffs and the Class Members seek monetary relief under the same set of facts and legal theories.

29. Given the facts, this settlement is therefore certainly entitled to preliminary approval. While Plaintiffs believe that this case is proper for class treatment, these standards are high and were this case to go to trial, the Plaintiffs and the other class members would need to prove, among other things, that wages were owed on a class-wide basis. This was and is a substantial risk.

30. The stage of the proceedings at which this Settlement was reached also militates in favor of preliminary approval and ultimately, final approval of the Settlement. Class Counsel has conducted a thorough investigation into the facts of the class action. Class Counsel began investigating the Class Members' claims before the Action was filed. Class Counsel engaged in informal and formal discovery and conducted a review and analysis of the relevant documents and data, including reaching out to the class members to gather evidence related to the claims.

31. Class Counsel is also experienced with the claims at issue here, as Class Counsel previously litigated and settled similar claims in other actions. Accordingly, the agreement to settle did not occur until Class Counsel possessed sufficient information to make an informed judgment regarding the likelihood of success on the merits and the results that could be obtained through further litigation. Based on the foregoing data and own independent investigation and evaluation, Class Counsel is of the opinion that the Settlement with Defendant for the consideration and on the terms set forth in the Agreement is fair, reasonable, and adequate and is in the best interest of the Class in light of all known facts and circumstances, including the risk of significant delay, defenses asserted by Defendant, and numerous potential appellate issues. There can be no doubt that Counsel for both parties possessed sufficient information to make an informed judgment regarding the likelihood of success on the merits and the results that could be obtained through further litigation.

<u>CLASS COUNSEL'S ADEQUACY OF REPRESENTATION AND ABSENCE OF CONFLICT</u>

32. Both myself and our firm's other principal, Christopher E. Nichols, have extensive experience in employment litigation related to the Labor Code including class action and PAGA matters. Throughout the course of our careers, we have represented hundreds of employees in wage and hour actions. We have also obtained numerous PAGA settlements which have been approved by various courts throughout the state.

33. We have been appointed class counsel in numerous matters, including the following: *Brown v. ESA Management*, San Joaquin Superior Court Case No. STK-CV-UOE-2019 7162; *Lawrenz v. BlackTalon*, Sacramento County Case No. 34-2019-00267748, *Malinoff v. Ron Du Pratt Ford, Inc.*, Solano County Case No. FCS053263 and our firm is currently prosecuting numerous other class action matters where we are pursuing certification and obtaining settlements on behalf of Class Members.

34. In addition to our experience representing employees as class counsel, we have also defended over numerous employers in wage and hour class actions and PAGA matters giving us a thorough understanding of the dynamics of class action litigation in the employment context on both sides. We believe that our experience working on these cases both on behalf of Plaintiffs and Defendants provides us with insight into case valuation and potential risks that helped us to do the best that we possibly could for the Class in this matter.

35. Our firm has no ties to the Defendant in this matter and we have no conflicts that would preclude us being appointed as Class Counsel. This settlement was reached as the result of an arm's length negotiation. Our only interest in this matter is obtaining as much relief as possible for the Class Members. Given our absence of conflict and qualifications, we believe it is appropriate that we be appointed Class Counsel.

THE CLASS REPRESENTATIVE SERVICE PAYMENT IS REASONABLE

36. Plaintiffs will apply to the Court for a Representative Service Payment in consideration for their services and for the risks undertaken in this lawsuit. Plaintiffs have performed their duties admirably by working with Class Counsel and providing witness contact information and documents that aided Class Counsel in obtaining this Settlement. At this stage, the requested collective service payment of $30,000, or $5,000 per individual Representative is

well within the accepted range of awards for purposes of preliminary approval. See e.g. *Mathein v. Pier 1 Imps*. (U.S.), Inc., 2018 U.S. Dist. LEXIS 71386 (E.D. Cal. 2018) (awarding $12,500 where average class member payment was $351); *Holman v. Experian Info. Solutions, Inc*., 2014 U.S. Dist. LEXIS 173698 (N.D. Cal. 2014) (approving $10,000 service award where class member recovery was $375); *Louie v. Kaiser Foundation Health Plan, Inc*., 2008 WL 4473183, *7 (S.D.Cal. 2008) (awarding $25,000 service award to each of six plaintiffs in overtime class action); *Glass v. UBS Fin. Servs*., 2007 WL 221862, *16-17 (N.D.Cal. 2007) (awarding $25,000 service award in overtime class action and a pool of $100,000 in enhancements). As explained in *Glass*, service awards are routinely awarded to class representatives to compensate the employees for the time and effort expended on the case, for the risk of litigation, for the fear of suing an employer and retaliation there from, and to serve as an incentive to vindicate the statutory rights of all employees. 2007 WL 221862 at *16-17. Moreover, "it is established that named plaintiffs are eligible for reasonable incentive payments to compensate them for the expense or risk they have incurred in conferring a benefit on other members of the class." *Munoz v. BCI Coca-Cola Bottling Co. of Los Angeles,* 186 Cal. App. 4th 399, 412, 112 Cal. Rptr. 3d 324, 335 (2010).

37. In the present matter, Plaintiffs participated in discovery, provided valuable information to us that assisted in obtaining this settlement, and was available to assist at mediation if questions arose. It is my opinion that all Plaintiffs are certainty entitled to the proposed service award.

DAMAGES CALCULATIONS

38. By the time of the August 2025 mediation that ultimately resolved the matter, Defendant had provided Plaintiffs' counsel with a substantial amount of informal and formal discovery, including payroll data and data concerning the composition of the Settlement Class. Informal information was also provided to Plaintiffs by Defendant ahead of the mediation in order to ensure that the Plaintiffs and Class Counsel were informed enough to make a decision regarding settlement.

39. Plaintiffs' counsel analyzed the data and prepared and submitted a mediation brief and damages valuation to the Mediator Kelly A. Knight, which resulted in the settlement of the Actions.

40. Plaintiffs' counsel also had previously obtained a summary of damages from Eric Lietzow of Desmond, Marcello & Amster, a data analysis firm that specializes in damage modeling. Mr. Lietzow analysis and these figures were utilized to assess the value of the claims.

41. One of the primary allegations in this Action is that Defendant failed to pay CRU Class Members for all overtime worked, which resulted in the CRU Class Members being underpaid. The time records in this matter show 14,897 total Class Pay Periods, which Plaintiff estimates 75% of them were where CRU Class Members had unpaid overtime premiums, making the total Pay Periods where CRU Class Members had unpaid overtime premiums be 11,173. The average unpaid overtime premium per Pay Period to be $48.98. This resulted in the total unpaid overtime premiums for the CRU Class Members being $671,545.76, which includes an added 10% interest.

42. Beyond the unpaid overtime issue, Defendant also failed to pay meal and rest break premiums to the Class. With the total Work Weeks being 29,726, and an average unpaid meal break violation per week being .0187, the total estimated unpaid meal break violations were 556. Considering the average hourly rate for the Class was $23.32, the meal break premiums owed to the Class is estimated to be $15,037.30 in unpaid meal break premiums, which includes an added 7% interest. With 29,726 Work Weeks and an average of 3 rest break violations per week, the total number of rest break violations is 89,178. With the average hourly rate of the Class being $23.32, the total rest break premiums owed to the Class is estimated to be $2,410,259.01, which includes an added 7% interest.

43. Additionally, with 76 former full-time employees—with an average hourly rate of $23.32—who are entitled to the maximum waiting time penalties, the estimated total penalty is $425,356.80. Defendant also had numerous wage statement violations, where there are an estimated 156 first time violations and 4,641 subsequent violations. This makes the total wage statement violations penalty $471,900.00.

44. Based on the foregoing analysis, these amounts total a soaking wet number of $3,994,098.87 in potential damages on the class claims, not accounting for attorney's fees or the PAGA claims. However, the actual settlement value of the case was much less as this assumed a complete victory on all alleged claims.

45. For the Class this estimated damages represents the claims, assuming that we (1) certified the class, (2) proved that the CRU Class Members worked more than eight hours and were not paid overtime wage for all hours worked, (3) prove that breaks were not properly taken, (4) substantiated our damages figures without reduction based on anticipated alternative findings and positions by Defendant, (5) prevailed at trial on the underlying wage claims, and (6) survived any challenges or appeals. In short, this was a soaking wet number which faced considerable legal and factual hurdles.

RISKS OF CONTINUED LITIGATION

46. Plaintiffs and Class Counsel recognize the expense and length of continuing to litigate and trying this Action against Defendant through possible appeals which could take several years. Class Counsel has also accounted for the uncertain outcome of class certification and risk of litigation. Class Counsel is also mindful and recognizes the inherent problems of proof under, and alleged defenses to, the claims asserted in the Action. Based on the evaluation, Plaintiffs and Class Counsel have determined that Settlement set forth in the Agreement is in the best interest of the Class Members.

47. Defendant made many arguments here that would have increased the difficulty of achieving success in this action. For example, Defendant bought its predecessor, who at the time had an elected Alternative Workweek schedule in place which allowed for CRU employees to work 12 hours in a day without receiving overtime pay. Defendant alleges that since it bought its predecessor, it also received the elected Alternative Workweek Schedule, thus is not obligated to pay any CRU employees at an overtime rate in excess of 8 hours worked in a day. While Class Counsel does not believe this to be a valid defense, Class Counsel is mindful and must take into account the uncertainty of the validity of this defense.

48. Defendant also asserted that the Class Members signed a "second meal period waiver," and any first missed meal periods and any and all missed rest breaks was the Class Members own wrongdoing. Additionally, Defendant asserted that Class Members had approved cell phone allowance. Defendant also argues that there is no uniformity in Class Member experiences, thus requiring the need for individualized inquiry. Moreover, if Defendant is successful if defending the meal and rest break issues, Non-CRU Class Members derivative claims for in inaccurate wage statements would likely fail. Similarly, if Defendant is successful in defending the unpaid overtime issues and the meal and rest break issues, CRU Class Members derivative claims for inaccurate wage statements would likely fail. While Plaintiffs believe these defenses could be overcome, Defendant maintains these defenses have merit and therefore present a serious risk to recovery by the Class.

49. Defendant would argue that Plaintiff could not stack PAGA penalties with the penalties from the other claims, thereby drastically limiting the amount that could be claimed. Additionally, it is well known that civil penalties do not need to be awarded at the maximum value. In *Carrington v. Starbucks Corp*., 30 Cal. App. 5th 504 (2018), the court affirmed a judgment which only provided for a PAGA penalty of $5 per violation. Therefore, at trial, any PAGA penalties awarded could be significantly less than the maximum amount allowed even where Plaintiffs prevailed on the PAGA claim.

50. The risks in this case were quite high from both the merits standpoint and certification standpoint. Certification was a concern here, because of the substantial amount of case law favoring a denial of class certification as a result of finding individualized issues in similar situations. This was the primary reason that a substantial reduction was warranted, because we as class counsel had to ensure that all absent class members were going to receive benefits from a resolution of their claims and take that risk into account. Ultimately, I feel confident we came to a fair result and recovered compensation for what I and my clients believed were substantive violations of the Labor Code which cost employees money out of pocket. We negotiated as much as we possibly could on this front and used best efforts and judgment to weigh the risks against the potential of recovery.

51. As mentioned herein, there is also a significant risk that if the Action did not settle, Plaintiffs would not be able to obtain class certification and thereby not recover on behalf of any employees other than themselves. Defendant argued that the individual experience of each putative class member varied with respect to the claims. Defendant could also contest class certification by arguing injury and good faith were case by case determinations that precluded class certification. Plaintiff is aware of cases where class certification of similar claims was denied. See e.g. *Cacho v. Eurostar, Inc*., 43 Cal. App. 5th 885 (2019) (denying certification of rest break claims for failure to provide substantial evidence of a uniform policy). Finally, even if class certification was successful, as demonstrated by the California Supreme Court decision in *Duran v. U.S. Bank National Assn*., 59 Cal. 4th 1 (2014), there are significant hurdles to overcome for a class wide recovery even where the class has been certified. While other cases have approved class certification in wage and hour claims, class certification in this action would have been hotly disputed and was by no means a foregone conclusion.

52. Ultimately, based on the data received, Defendant estimates there were 189 Class Members who collectively worked a total of 11,783 Workweeks during the Class Period. (Agreement at ¶ 8).

53. Using the Gross Settlement Amount the $485,000.00 settlement figure equates to a value of $41.16 per Workweek. Considering the estimated Net Settlement Amount, each CRU Class Member would receive approximately $35.01 per Workweek, and each Non-CRU Class Member would receive approximately $6.58 per Workweek. Since there are 11,783 Workweeks (4249 CRU Class Member Workweeks and 7534 Non-CRU Class Member Workweeks) at issue during the Class Period, on average, a CRU Class Member would receive $2,361.23 and Non-CRU Class Member would receive $393.44, which is a substantial amount given some of the challenges posed in this case.

54. Based upon their evaluation, Plaintiffs and Class Counsel have determined that the Settlement set forth in the Agreement is in the best interest of the Settlement Class Members.

SETTLEMENT ADMINISTRATOR

55. Nevels Nichols LLP obtained a bid from ILYM Group, Inc., for $5,450.00 We selected them to administer the settlement, and their credentials are detailed in the declaration of by ILYM which is being submitted concurrently.

PAGA CLAIMS AND SERVICE ON THE LWDA

56. **Approval of PAGA Settlements**. The decision in *O'Connor v. Uber*, 201 F.Supp.3d 1110, 1133 (N.D. Cal. 2016), and the LWDA's response therein is illustrative. The LWDA first states that "when viewing the monetary relief allocated to PAGA claims under a settlement, the LWDA recognizes that the PAGA sum need not necessarily be viewed through the same lens as the relief obtained by absent class members on other claims (i.e., the percentage of recovery-to-exposure on the PAGA claims need not necessarily equal the percentage of recovery on the other claims)." (LWDA Response at p.3). The LWDA also indicated that the payment of money to the aggrieved employees furthers the purposes of PAGA and that the Court considers that primary consideration. "The LWDA recognizes that this Court does not review the PAGA allocation in isolation, but rather reviews the settlement as a whole, to determine whether it is fundamentally fair, reasonable and adequate, with primary consideration for the interests of absent class members." (LWDA Response at p.4).

57. **Similar PAGA Settlements**. In reaching the settlement of the PAGA claim, Class Counsel was also aware of what allocations other Courts have approved for similar PAGA settlements as compared to the total settlement amount. A class settlement that allocates approximately 6% of the total settlement value to resolve the PAGA claims, as this one does, is also supported by what has been approved in other wage-and-hour class settlements. Indeed, Courts often approve PAGA settlement amounts in the range of between .27 to 1.7 percent of the total settlement. See *Davis v. Brown Shoe Co*., 2015 U.S. Dist. LEXIS 149010 (E.D. Cal. 2015)(PAGA Payment of $5,000 in a $1.5 million class settlement); *Zamora v. Ryder Integrated Logistics, Inc*., 2014 U.S. Dist. LEXIS 184096 (S.D. Cal. 2014) ($7,500 payment to LWDA for PAGA on a $1.5 million class settlement); *Lusby v. Gamestop Inc*., 2015 U.S. Dist. LEXIS 42637 (N.D. Cal. 2015) (PAGA Payment of $5,000 in a $500,000 class settlement); *Cruz v. Sky Chefs, Inc.*, 2014 U.S. Dist Lexis 17693 (N.D. Cal. 2014) (approving payment of $10,000 to the LWDA

for PAGA out of $1,750,000 class settlement); *Chu v. Wells Fargo Investments*, LLC, 2011 WL 672645, *1 (N.D. Cal. 2011) (approving PAGA payment of $7,500 to the LWDA out of $6.9 million common-fund settlement); *Franco v. Ruiz Food Products, Inc*., 2012 WL 5941801, *13 (E.D. Cal. 2012) (approving PAGA payment of $7,500 to the LWDA out of $2.5 million common-fund settlement); *Hopson v. Hanesbrands Inc*., 2009 WL 928133, *9 (N.D. Cal. 2009) (approving PAGA allocation that was .49% of $408,420.32 gross settlement); *Garcia v. Gordon Trucking, Inc*., 10-cv-00324-AWI-SKO, Dkt. 149-3, 165 (E.D. Cal.) (approving a class settlement of $3,700,000, with $10,000 allocated to the PAGA claim); *McKenzie v. Federal Express Corp*., CV 10-02420 GAF (PLAx), Dkt. 139 & 141 (C.D. Cal.) (court approved a settlement in an amount of $8.25 million, with $82,500 allotted to the PAGA claim); *DeStefan v Frito-Lay*, 8:10-cv-00112-DOC (C.D. Cal.) (court approved a class settlement of $2 million, with $10,000 allocated to PAGA); *Martino v. Ecolab Inc*., No. 3:14CV04358 (N.D. Cal. 2017) ($100,000 allotted as PAGA penalties or 0.48% of $21,000,000 settlement amount); *East v. Comprehensive Educational Services Inc*., Fresno Superior Court Case No. 11-CECG-04226 (2015) ($10,000 allotted as PAGA penalties or 0.13% of $7,595,846 settlement amount); *Bararsani v. Coldwell Banker Residential Brokerage Company*, Los Angeles Superior Court Case No. BC495767 (2016)($10,000 allotted as PAGA penalties or 0.22% of $4,500,000 settlement amount); *Moppin v. Los Robles Medical Center, No*. 5:15CV01551 (C.D. Cal. 2017) ($15,000 allotted as PAGA penalties or 0.40% of $3,775,000 settlement amount); *Scott-George v. PVH Corporation*. No., 2:13CV00441 (E.D. Cal. 2017) ($15,000 allotted as PAGA penalties or 0.46% of $3,250,000 settlement amount); *Nehrlich v. RPM Mortgage Inc.*, Orange County Superior Court Case No. 30-2013-00666783-CU-OE-CXC (2017) ($10,000 allotted as PAGA penalties or 0.40% of $2,500,000 settlement amount); *Rubio v. KTI Incorporated*, San Bernardino Superior Court Case No. CIVDS-14-06132 (2015) ($1,000 allotted as PAGA penalties or 0.18% of $550,000 settlement amount); *Gray v. Mountain View Child Care Inc*., San Bernardino Superior Court Case No. CIVDS-14-02285 (2016) ($2,500 allotted as PAGA penalties or 0.37% of $675,000 settlement amount); *Perez v. West Coast Liquidators Inc. d/b/a Big Lots*, San Bernardino Superior Court Case No. CIVDS-14-17863 (2016) ($3,000 allotted as

PAGA penalties or 0.33% of $900,000 settlement amount); *Penaloza vs. PPG Industries Inc*., Los Angeles Superior Court No. BC471369 (2013)($5,000 allotted as PAGA penalties or 0.38% of $1,300,000 settlement amount); *Mejia v. DHL Express* (USA) Inc., No. 2:15CV00890 (C.D. Cal. 2017) ($5,000 allotted as PAGA penalties or 0.34% of $1,450,000 settlement amount). As a result, the $30,000 allocation here to PAGA penalties is in line with what other Courts have approved in the past.

58. At the same time as the filing and service of this motion and declaration, I will also serve the LWDA with the entire motion for preliminary approval which includes the Agreement, as verified in the accompanying proof of service.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on December 30, 2025, at San Diego, California.

Brooke B. Nevels

BROOKE B. NEVELS

EXHIBIT 1

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement ("Agreement") is made by and between Plaintiffs Ruth Joy Segovia, Faranak Kianfar, Diemvy Pham, Lisa Mathews Fitzgibbons, Cynthia Guerrero, and Rene Amel Peralta (collectively "Plaintiffs"), and Artemis Headlands, LLC ("Artemis Headlands"). The Agreement refers to Plaintiffs and Artemis Headlands collectively as "Parties" or individually as "Party."

1. **DEFINITIONS**.

1.1 "Action" means Plaintiffs' lawsuit alleging wage and hour violations against defendants captioned *Ruth Joy Segovia, Faranak Kianfar, Diemvy Pham, Lisa Mathews Fitzgibbons, Cynthia Guerrero, and Rene Amel Peralta; as individuals, and on behalf of others similarly situated v. Artemis Headlands, LLC; Mauro Ormedilla; and DOES 1 through 25*, San Diego County Superior Court Case No. 24CU020914C, and will be amended to include PAGA allegations in accordance with the Parties' agreement relating to the same, including as reflected in this Agreement. The "Complaint" refers to the final amended pleading in the Action. The Action will be deemed certified for settlement purposes only.

1.2 "Administrator" means ILYM Group, Inc., 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 Preliminary Approval of the Settlement.

1.4 "Amended Complaint" refers to the agreed-to amended complaint Plaintiff will file in the Action that will reflect and include the Supplemental Allegations.

1.5 "LWDA Letter" refers to the LWDA letter Plaintiffs filed with the California Labor Workforce & Development Agency which reflected and included the Supplemental Allegations.

1.6 "Class" means all individuals who are or were employed by Artemis Headlands as non-exempt hourly employees in California during the Class Period.

1.7 "Class Counsel" means Brooke B. Nevels and Christopher E. Nichols of Nevels Nichols, LLP.

1.8 "Class Counsel Fees Payment" and "Class Counsel Litigation Expenses Payment" means the amounts allocated to Class Counsel for reimbursement of reasonable attorneys' fees, costs, and expenses, respectively, incurred to prosecute the Action.

1.9 "Class Data" means the class members' identifiable information in Artemis Headlands' possession, including each class member's name, last-known mailing address, social security number, and number of class period workweeks and PAGA pay periods.

1.10 "Class Member" or "Settlement Class Member" means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as a PAGA Member).

1.11 "Class Member Address Search" means the Administrator's investigation and search for current Class Member 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 Class Members.

1.12 "Class Notice" means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.13 "Class Period" means the period from February 5, 2021, through the earlier of preliminary approval or 60 days after of the date this Agreement is signed by all Parties.

1.14 "Class Representative" means the named Plaintiffs in the operative complaint in the Action seeking Court approval to serve as a Class Representative.

1.15 "Class Representative Service Payment" means the payment to the Class Representatives for initiating the Action and providing services in support of the Action.

1.16 "Court" means the Superior Court of California, County of San Diego.

1.17 "CRU Class Member" means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as a PAGA Member), who was assigned to and worked primarily or exclusively in the CRU department with Defendat Artemis Headlands, LLC. If there is any conflict about whether a Participating Class Member or Non-Participating Class Member is also a CRU Class Member, that conflict shall be resolved exclusively by Defendant's records. A Non-CRU Class Member is a Participating Class Member or Non-Participating Class Member who is not a CRU Class Member.

1.18 "Defendants" means Artemis Headlands, LLC and Mauro Ormedilla.

1.19 "Defense Counsel" means James C. Fessenden of Fisher & Phillips LLP.

1.20 "Effective Date" means the later of (a) the last date to appeal final approval and judgment by the Court and no appeal is filed; or (b) if an appeal, review or writ is sought from the Judgment, the day after the Judgment is affirmed or the appeal, review or writ is dismissed or denied, and the Judgment is no longer subject to further judicial review.

1.21 "Final Approval" means the Court's order granting final approval of the Settlement.

1.22 "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval of the Settlement.

1.23 "Final Judgment" means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.

1.24 "Gross Settlement Amount" means \$485,000, which is the total settlement amount to be paid under the Settlement except as provided in Paragraph 8 below, and subject to Final Approval. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment, and the Administrator's Expenses. Employer-side payroll taxes shall be separately paid and are not included in the Gross Settlement Amount. The Settlement is non-reversionary.

1.25 "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

1.26 "Individual PAGA Payment" means the PAGA Member's pro rata share of 35% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.

1.27 "Judgment" means the judgment entered by the Court based upon the Final Approval.

1.28 "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.29 "LWDA PAGA Payment" means the 65% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.30 "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The Net Settlement Amount is to be divided among and paid to Participating Class Members as Individual Class Payments.

1.31 "Non-Participating Class Member" means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

1.32 "PAGA Member" means all individuals who are or were employed by Artemis Headlands as non-exempt hourly employees in California during the PAGA Period.

1.33 "PAGA Pay Period" means any Pay Period during which a PAGA Member worked for Artemis Headlands for at least one day during the PAGA Period.

1.34 "PAGA Period" means the period from October 31, 2023, through either the date of preliminary approval or 60 days after the effective date of this Agreement.

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

1.36 "PAGA Notice" means Plaintiffs' letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.37 "PAGA Penalties" means the total amount of PAGA civil penalties of $30,000, which is to be paid from the Gross Settlement Amount, allocated 35% to the PAGA Members ($10,500) to fund all Individual PAGA Payments (the "Individual PAGA Allocation") and 65% to the LWDA ($19,500) to fund the LWDA PAGA Settlement (the "LWDA PAGA Payment") in settlement of the PAGA claims.

1.38 "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.39 "Plaintiffs" mean Ruth Joy Segovia, Faranak Kianfar, Diemvy Pham, Lisa Mathews Fitzgibbons, Cynthia Guerrero, and Rene Amel Peralta, the named Plaintiffs in the Action.

1.40 "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.

1.41 "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval and Approval of the PAGA Settlement.

1.42 "Released Class Claims" means the claims being released as described in Paragraph 5.2 below.

1.43 "Released PAGA Claims" means the claims being released as described in Paragraph 5.3 below.

1.44 "Released Parties" means (a) Defendant Artemis Headlands, LLC, (b) Defendant Artemis Headlands' heirs, former, present, and future parents, owners, subsidiaries, and affiliated companies, and (c) each of their officers, directors, employees and shareholders, specifically including Mauro Ormedilla.

1.45 "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class Settlement signed by the Class Member.

1.46 "Response Deadline" means 45 days after the Administrator mails Notice to Class Members and PAGA Members and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.

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

1.48 "Supplemental Allegations" are allegations and claims for all penalties available under the California Private Attorney's General Act of 2004 based on facts and claims currently in the Action. Specifically, the Supplemental Allegations include claims and causes of action for PAGA penalties based on the following theories: (1) Failure to Pay Minimum and Overtime Compensation in violation of Cal. Lab. Code §§ 510, 1194, 1997, 1197.1, and 1198; (2) Failure to Provide Accurate Itemized Wage Statements in Violation of Cal. Lab. Code § 226; (3) Failure to Provide Wages When Due in Violation of Cal. Lab. Code §§ 201-203; (4) Failure to Provide Meal and Rest Breaks in Violation of Cal. Lab. Code §§ 226.7, 512; and (5) Failure to Reimburse Employees for Required Expenses in Violation of Cal. Lab. Code § 2802.

1.49 "Workweek" means the total number of weeks during which a Class Member actually worked for Artemis Headlands during the Class Period.

2. <u>RECITALS</u>.

2.1 On October 31, 2024, Plaintiffs filed suit in San Diego Superior Court, asserting claims against Defendants alleging: (1) unfair competition in violation of Cal. Bus. & Prof. Code §§ 17200 *et seq*.; (2) failure to pay overtime wages; (3) failure to pay sick time wages; (4) failure to provide meal periods; (5) failure to provide rest breaks; (6) failure to provide accurate itemized wage statements; (7) failure to pay all wages due upon separation of employment; (8) failure to reimburse for necessary business expenses, and (9) retaliation in violation of Cal. Lab. Code § 1102.5.

2.2 The Parties then agreed to mediation, and stayed the matter pending mediation;

2.3 On May 20, 2025, the Parties participated in a mediation presided by the Honorable Lisa Cole, which was unsuccessful.

2.4 On August 14, 2025 the Parties participated in an mediation presided over by Kelly Knight Esq., which led to this Agreement to settle the Action.

2.5 On October 9, 2025, Plaintiff filed the LWDA Letter which outlined the Supplemental Allegations.

2.6 Prior to mediation, Artemis Headlands produced Plaintiffs through informal discovery the time and corresponding pay records for all the putative Class Members, relevant policies, and the total number of Class Periods Employees and Workweeks worked during the Class Period.

2.7 The Court has not granted class certification.

3. MONETARY TERMS.

3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Artemis Headlands will pay $485,000, and no more as the Gross Settlement Amount. Employer-side payroll taxes owed on the Wage Portions of the Individual Class Payments will be separately paid by Artemis Headlands outside of the Gross Settlement Amount. There is no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or PAGA Members to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.

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

3.2.1 To Plaintiffs: Class Representative Service Payment to the Class Representatives of $30,000 or not more than $5,000 per Plaintiff (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendants will not oppose Plaintiffs' request for a Class Representative Service Payment that does not exceed this amount. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiffs assumes full responsibility and liability for all employee taxes owed on the Class Representative Service Payment.

3.2.2 To Plaintiff Segovia: For Plaintiff Segovia's claim of Retaliation in Violation of Cal. Lab. Code § 1102.5, a payment of $20,000. Defendants will not oppose Plaintiff Segovia's request for a payment of $20,000 for her claim for Retaliation. If the Court approves a payment for the Retaliation claim less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the payment for the Retaliation claim using IRS Form 1099. Plaintiff Segovia assumes full responsibility and liability for all employee taxes owed on the payment for the Retaliation claim.

3.2.3 To Class Counsel: A Class Counsel Fees Payment of not more than $161,650.50 (representing 33.33% of the Gross Settlement Amount), and a Class Counsel Litigation Expenses Payment of not more than $30,000. Defendants will not oppose requests for these payments provided that they do not exceed these amounts. If the Court approves a Class Counsel Fees Payment and/or a Class 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 Class Counsel or any other Plaintiffs' Counsel arising from any claim to any portion any Class Counsel

Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.4 To the Administrator: An Administrator Expenses Payment not to exceed $15,000 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less, or the Court approves payment of less than $15,000, the Administrator will retain the remainder in the Net Settlement Amount for distribution to Participating Class Members.

3.2.5 To Each Participating Class Member: An Individual Class Payment is calculated as follows:

3.2.5.1 For CRU Class Members: (a) multiply the Net Settlement Amount by .75; (b) divide that product by the total number of Workweeks worked by all CRU Class Members during the Class Period; and (c) multiplying the result by each individual Participating CRU Class Member's Workweeks.

3.2.5.2 For Non-CRU Class Members: (a) multiply the Net Settlement Amount by .25; (b) divide that product by the total number of Workweeks worked by all Non-CRU Class Members during the Class Period; and (c) multiplying the result by each individual Participating Non-CRU Class Member's Workweeks.

3.2.5.3 Tax Allocation of Individual Class Payments. 20% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. 80% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for all interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.2.6 Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis according to their respective Workweeks.

3.2.7 To the LWDA and Covered Employees: PAGA Penalties in the amount of $30,000 will be paid from the Gross Settlement Amount, with 65% allocated to the LWDA PAGA Payment and 35% allocated to the Individual PAGA Payments.

3.2.7.1 The Administrator will calculate each Individual PAGA Payment by dividing the Individual PAGA Allocation ($10,500) by the total number of PAGA Period Pay Periods worked by all PAGA Members during the PAGA Period and (b) multiplying the result by each PAGA Member's PAGA Period Pay Periods to determine each Individual PAGA Payment allocation. PAGA Members assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.7.2 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 Class Workweeks and PAGA Member Pay Periods. Based on a review of its records as of August 13, 2025, which was the day before mediation, Artemis Headlands estimates that Class Members collectively worked a total of 11,783 Workweeks.

4.2 Class Data. No later than fourteen (14) days after the Court grants Preliminary Approval of the Settlement, Artemis Headlands will deliver the Class Data to the Administrator in a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. The Class Data is not to be provided to Plaintiffs or Class Counsel. Artemis Headlands will notify the Administrator if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. In the event of an error, 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 Class Data.

4.3 Funding of Gross Settlement Amount. The Settlement Administrator will provide wire transfer information no more than three (3) days after the Effective Date. The Gross Settlement Amount shall be fully funded by transmitting the funds to the Administrator no later than ten (10) court days after the Effective Date, provided the Settlement Administrator has provided the wire transfer information at least five court days in advance.

4.4 Payments from the Gross Settlement Amount. Within ten days after the Gross Settlement Amount is funded, the Administrator will mail checks or initiate wire transfers for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.4.1 The Administrator will issue checks for the Individual Class Payments and send them to Participating Class Members. The Administrator will issue checks for the Individual PAGA Payments and send them to all Settlement Class Members. All checks are to be sent 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. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all PAGA Members including Non-Participating Class Members who qualify as PAGA Members (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

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

4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

4.4.4 Nothing in this Agreement, including but not limited to payment of Individual Class Payments and Individual PAGA Payments, shall obligate Artemis Headlands or any other party released under this Agreement to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) other than what is specified in this Agreement.

5. **<u>RELEASES OF CLAIMS</u>**. Effective on the date when the entire Gross Settlement Amount and all employer payroll taxes owed on the Wage Portion of the Individual Class Payments are fully funded, Plaintiffs, Class Members, and Class Counsel will release claims against all Released Parties as follows:

5.1 <u>Release by Plaintiffs</u>. In consideration of Plaintiffs' awarded Class Representative Service Payment, Plaintiffs' Individual Class Payment, and the other terms and conditions of the Settlement, as of the date the Settlement becomes Final and is fully funded, Plaintiffs, agree to a general release of all claims against all Released Parties. More specifically, Plaintiffs, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from any and all claims, rights, demands, liabilities, and causes of action, whether known or unknown. Without limiting the generality of the foregoing, Plaintiffs' general release includes a release of all claims arising from the same set of operative facts as those alleged in the Action, the operative complaints, the consolidated complaint, or the applicable LWDA letters, including those claims which could have been asserted based on the facts alleged in the Action, the operative complaints, the consolidated complaint, or LWDA letters. Plaintiffs' general release also includes a release of all claims related to their employment with Artemis Headlands and/or any other party released by this Agreement, and the cessation thereof. Expressly excluded from Plaintiffs' release are any claims for workers' compensation benefits, unemployment insurance benefits, and any other claims that cannot be released by law.

5.2 <u>Release by Participating Class Members.</u> In consideration for the consideration provided herein, including but not limited to the promise to pay the Individual PAGA Payment and/or the Individual Class Payment as of the date the Settlement becomes Final, all Class Members (other than those Class Members who timely and validly elected not to participate in the Settlement) release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from any and all claims, rights, demands, liabilities, penalties, and causes of action, whether known or unknown, whether alleged or not, arising from the same set of operative facts as those alleged in pleadings filed in the Action, including but not limited to the Complaint as will be amended to include class-action claims pursuant to the parties' agreement, or the applicable LWDA letters, including those claims which could have been asserted based on the facts alleged in the pleadings filed in the Action, including but not limited to the Complaint as will be amended to include class-action claims pursuant to the parties' agreement, as well as the LWDA letters including amended LWDA letters related to the Action through the Release Period. Moreover, this release includes a court-approved release of all claims under the Private Attorney General Act of 2004 ("PAGA") for all PAGA penalties that were sought in the Action, and/or could be recovered based on any allegation or cause of action alleged in the Action. Further, all Settlement Class Members shall release all claims under Labor Code sections 201, 202, 203, 204, 204.1, 210, 218.6, 221, 226 subd. (a), 226.3, 226.7, 256, 510, 511, 512, 516, 551, 552, 558, 1174, 1174.4, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2802, 2803, 2804, and Business & Professions Code section 17200 and any applicable Wage Order based on the factual allegations alleged in the Action.

5.3 Release by Class Members Who Are PAGA Members, Including Non-Participating Class Members. As of the date the Settlement becomes Final, all Settlement Class Members, including but not limited to all Non-Participating Class Members who are PAGA Members, will release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns any and all claims for civil penalties under PAGA against the Released Parties that arise out of or reasonably relate to the claims and/or causes of action alleged in the Action or that could have been alleged based on the factual allegations in the Action or any later-filed Complaint filed in the Action (the "Released PAGA Claims"). All PAGA Members who worked for Defendants during the PAGA Period will release the PAGA claims described herein and will receive a portion of the amount set aside as PAGA penalties, regardless of whether they opt out of the release of the Class Claims. All PAGA Members also release all claims for all PAGA penalties based on alleged violations of Labor Code sections 201, 202, 203, 204, 204.1, 210, 218.6, 221, 226 subd. (a), 226.3, 226.7, 256, 510, 511, 512, 516, 551, 552, 558, 1174, 1174.4, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2802, 2803, 2804.

5.4 With respect to the Plaintiffs' Released Claims only, the Parties stipulate and agree that the Plaintiffs shall have, by operation of the judgment and approval order entered by the Court, waived and relinquished, to the fullest extent permitted by law, the provisions, rights, and benefits of section 1542 of the California Civil Code, which provides:

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

The Plaintiffs shall be deemed to have acknowledged that this Settlement Agreement is intended to waive and release all released claims that they do not know or suspect to exist in their favor at the time of the approval of this Settlement Agreement.

6. MOTION FOR PRELIMINARY APPROVAL. Within a reasonable time, Plaintiffs will move for an order giving preliminary approval of the Settlement ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals.

6.1 Amended Complaint. Before filing a motion for preliminary approval, Plaintiffs will file an Amended Complaint that contains and recites, in addition to all allegations currently alleged in the Action, all of the Supplemental Allegations as against Defendants. Plaintiffs and Class Counsel will provide to counsel for Defendants a redlined version of a proposed amended complaint that contains the Supplemental

Allegations and Supplemental Class Definition. Once acceptable to both parties, Plaintiffs and Defendants will agree to a stipulation for filing the Amended Complaint. Plaintiffs will provide a draft proposed Amended Complaint no later than three business days after signing this Agreement.

6.2 Plaintiffs' Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel a draft proposed Order Granting Preliminary Approval of the class and PAGA Settlement.

6.3 Responsibilities of Counsel. Class Counsel is responsible for expeditiously finalizing and filing the Motion for Preliminary Approval;; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval order to the Administrator.

6.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class 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 Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class 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. to serve as the Administrator and verified that, as a condition of appointment, ILYM Group, Inc. 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. The Parties and their 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 for purposes of calculating payroll tax withholdings and providing 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 under U.S. Treasury Regulation section 468B-1.

7.4 Notice to Class Members.

7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.

7.4.2 Using best efforts to perform as soon as possible, and in no event later than 15 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

7.4.3 Not later than 5 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.4.4 The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 45 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5 If the Administrator, Defendants or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

7.5 Requests for Exclusion (Opt-Outs)

7.5.1 Class Members who wish to exclude themselves from (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

7.5.2 If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion accepted by the Administrator is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Release under Paragraph 5.2 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice, cashes any settlement check, or objects to the Settlement.

7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are PAGA Members are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.5.5 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review Requests for Exclusion on a rolling basis to ascertain their validity. Not later than 10 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; and (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

7.6 Challenges to Calculation of Workweeks. Each Class Member shall have 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator will encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge by anyone including Settlement Class Members. The Administrator shall promptly provide copies of all challenges to calculation of

Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.

7.7 Objections to Settlement.

7.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 45 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

7.7.3 Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

7.8 Administrator 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.

7.8.1 Email Address and Toll-Free Number. The Administrator will maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

7.8.2 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

7.8.3 Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

7.8.4 Administrator's Declaration. Not later than 14 days before the date by which Plaintiffs is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

7.8.5 Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. ESCALATOR CLAUSE. It has been estimated that the actual weeks worked by the Settlement Class through the mediation date is approximately 11,783 workweeks. In the event the qualifying workweeks worked by Class Members during the Class Period increase by more than 10%, Defendant shall have the option to either: (i) increase the GSA on a pro- rata basis equal to the percentage increase in the number of workweeks worked by the Class Members above 10% (for example, if the number of workweeks increases by 11%, the GSA will increase by 1%) and receive a release consistent with the terms set forth herein, or (ii) shorten the release period to an earlier date at which only the represented number of workweeks plus 10% are covered by the Class Period;

9. DEFENDANTS'S RIGHT TO WITHDRAW. If 10% or more of the Class Members, validly elect not to participate in the Settlement, Defendants will have the right to rescind the Settlement at its discretion, and the Settlement and all actions taken in its furtherance will be null and void. Defendants must exercise this right within 15 days after the Settlement Administrator notifies the parties that the number of opt-outs has met or exceeded 10%, which the Settlement Administrator will do within 10 days after the deadline for submission of opt-outs. If Defendants exercises the right to rescind, it will be responsible for the costs of administration of the Settlement incurred through that time.

10. MOTION FOR FINAL APPROVAL. Not later than 16 court days before the scheduled Final Approval Hearing, Plaintiffs will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval").

10.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court. Class Counsel will oppose any objection and defend the settlement in good faith.

10.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to attempt to address the Court's concerns. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

10.3 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 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.

10.4 Waiver of Right to Appeal. The parties waive all appeals from the final approval of the Settlement unless the Court materially modifies the Settlement, except that Plaintiffs and Class Counsel may appeal from an order by the Court that materially reduces the amounts sought for the Class Representative Payment or the Class Counsel Fees or Expenses Payment. Such an order or affirmance of such an order will not entitle Plaintiffs or the Class to void the Settlement, and any appeal will be limited to the court's award. Defendants' payment obligation under the Settlement will be suspended pending an appeal of the Judgment, except that at its discretion Defendants may agree that the settlement will proceed in full as it relates to distributing to the Individual Class Payment and the Individual PAGA Payment to Participating Class Members.

10.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing appellate Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void provided no Individual Class Payment and no Individual PAGA Payment have been distributed to Participating Class Members. The Parties shall nevertheless expeditiously work together in good faith to attempt to address the appellate court's concerns, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur that would not have been incurred but for the appellate review. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

11. AMENDED JUDGMENT. If an amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit a proposed amended judgment.

12. ADDITIONAL PROVISIONS.

12.1 No Admission of Liability, Class Certification 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 Defendants that any of the allegations in the Operative Complaint have merit or that Defendants has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Defendants' defenses in the Action have merit. The Parties agree that this Action may be deemed certified for settlement purposes only as provided herein, and that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval or enter Judgment, Defendants reserves the right to contest certification of any class for any reasons, and Defendants reserves all available defenses to the claims in the Action, and Plaintiffs reserves the right to move for class certification on any grounds available and to contest Defendants' 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).

12.2 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit or encourage any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

12.3 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.

12.4 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs 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.

12.5 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 the Settlement Agreement as agreed by the Parties, 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.

12.6 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.

12.7 No Tax Advice. Neither Plaintiffs, Class Counsel, Defendant nor Defense Counsel are 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.

12.8 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.

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

12.10 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.

12.11 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.

12.12 Confidentiality. Plaintiffs and their attorneys agree not to issue any press or other media releases or talk to the press or media regarding the Settlement, and Plaintiffs' attorneys agree not to publicize the Settlement on their website, their social media, or otherwise. In addition, prior to filing of the Motion for Preliminary Approval, Plaintiffs and their attorneys will not have any communication with anyone other than family members, clients, Class Members, financial advisors, retained experts, and vendors related to settlement administration, regarding the Settlement. If, before the filing of the Motion for Preliminary Approval, Plaintiffs or their attorneys disclose to any unauthorized party (a) that a settlement has been reached or (b) any of the terms of the Settlement except as required by law or to effect the Settlement, Defendants may rescind the Settlement, rendering it null and void at its discretion.

12.13 Use and Return of Class Data. Information provided to Class Counsel pursuant to Federal Rule of Evidence, Rule 408, and/or Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, the Administrator shall destroy all paper and electronic versions of Class Data received from Defendants unless, prior to the Court's discharge of the Administrator's obligation, Defendants makes a written request to Class Counsel for the return, rather than the destruction of, Class Data. To the extent Plaintiffs and/or Class Counsel received any forms or versions of Class Data, Plaintiffs and Class Counsel will destroy all such Class Data by the Effective Date.

12.14 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.

12.15 Calendar Days. Unless otherwise noted, all reference 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:

12.16 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 Plaintiffs and the Settlement Class:

Brooke B. Nevels
Christopher E. Nichols
BNevels@NevelsNichols.com
CNichols@NevelsNichols.com
NEVELS NICHOLS, LLP
10650 Treena St.
Suite 212
San Diego, CA 92131

To Defendants:

James C. Fessenden
Lauren M. Guggisberg
jfessenden@fisherphillips.com
lguggisberg@fisherphillips.com
Fisher & Phillips LLP
4747 Executive Drive, Suite 1000
San Diego, California 92121

12.17 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 will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

12.18 Stay of Litigation. The Parties agree that upon the execution of this Agreement and the remand of the Action to state court, the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement, pursuant to California Civil Procedure Code section 583.330, to extend the date to bring a case to trial under California Civil Procedure Code section 583.310 for the entire period of this settlement process.

Dated: December 8, 2025

Ruth Joy Segovia, Plaintiff

Dated: December 8, 2025

Faranak kianfar
box SIGN 4Q9QVP88-4Z928QK8
Faranak Kianfar, Plaintiff

Dated: December 8, 2025

Diemvy Pham
box SIGN 422JRQK7-4Z928QK8
Diemvy Pham, Plaintiff

Dated: December 8 2025

Lisa Mathews Fitzgibbons
box SIGN 1XP65ZV3-4Z928QK8
Lisa Matthews Fitzgibbons, Plaintiff

Dated: December 8, 2025

Cynthia Guerrero
box SIGN 4Z2P5378-4Z928QK8
Cynthia Guerrero, Plaintiff

Dated: December 88, 2025

Rene Amel Peralta
box SIGN 18KPJ26K-4Z928QK8
Rene Amel Peralta, Plaintiff

Dated: December 8, 2025

Signed by:
Kyle Burtnett
E5D440021087468...
On behalf of Defendant Artemis Headlands, LLC.

Agreed to Form on December 8 _, 2025

Brooke B. Nevels

Brooke B. Nevels
Christopher E. Nichols
Nevels Nichols LLP
Attorneys for Plaintiffs

Agreed to Form on December 22, 2025

James C. Fessenden
Lauren M. Guggisberg
Fisher & Phillips LLP
Counsel for Defendant Defendants Artemis Headlands, LLC; and Mauro Ormedilla

EXHIBIT A

EXHIBIT A

[CLASS NOTICE]

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN DIEGO

COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

(*Ruth Joy Segovia, Faranak Kianfar, Diemvy Pham, Lisa Mathews Fitzgibbons, Cynthia Guerrero, and Rene Amel Peralta; as individuals, and on behalf of others similarly situated v. Artemis Headlands, LLC; Mauro Ormedilla; and DOES 1 through 25*, San Diego County Superior Court Case No. 24CU020914C)

The Superior Court for the State of California authorized this Notice. Read this Notice carefully. You will be deemed to have carefully read and understood it.
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

You may be eligible to receive money from an employee class action lawsuit ("Action") against Defendant Artemis Headlands, LLC and Defendant Mauro Ormedilla (collectively, "Defendants") for alleged wage and hour violations. The Action was filed by a former Defendants employees, Ruth Joy Segovia, Faranak Kianfar, Diemvy Pham, Lisa Mathews Fitzgibbons, Cynthia Guerrero, and Rene Amel Peralta (collectively "Plaintiffs") and seeks payment of (1) back wages, statutory penalties, and interest for a class of individuals who are or were employed by Defendants as non-exempt hourly employees in California during the Class Period (February 5, 2021, to [DATE]); and (2) penalties under the California Private Attorney General Act ("PAGA") for all individuals who are or were employed by Defendants as non-exempt hourly employees in California during the PAGA Period (October 31, 2023, to [DATE]).

The proposed Settlement has two main parts: (1) a Class Settlement for Individual Class Payments, and (2) a PAGA Settlement for Individual PAGA Payments, including a payment to the California Labor and Workforce Development Agency ("LWDA").

Based on Defendants' records, and the Parties' current assumptions, **your Individual Class Payment is estimated to be $____(less withholding) and your Individual PAGA Payment is estimated to be $______**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Defendants' records you are not eligible for an Individual PAGA Payment under the Settlement because you didn't work during the PAGA Period.)

The above estimates are based on Defendants' records showing that **you worked _ workweeks** during the Class Period and **you worked_______workweeks** during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or do not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiffs and Plaintiffs' attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires Defendants to make payments under the Settlement and requires Class Members and

PAGA Members to give up their rights to assert certain claims against Defendants.

If you worked for Defendants during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

(1) **Do Nothing**. You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Defendants.

(2) **Opt-Out of the Class Settlement**. You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against Defendants. You cannot opt-out of the PAGA portion of the proposed Settlement, and thus, if you are a PAGA member, remain eligible for an Individual PAGA Payment regardless of whether you opt out of the Class Settlement.

Defendants will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendants that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement **The Opt-out Deadline is ______________**	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section **7** of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. Defendants must pay Individual PAGA Payments to all PAGA Members and the PAGA Members must give up their rights to pursue PAGA Released Claims (defined below, and section 3, question 10).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement **Written Objections Must be Submitted by**	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiffs who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiffs, but every dollar paid to Class Counsel and Plaintiffs reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiffs if you think they are unreasonable. See Section **7** of this

You Can Participate in the________________ Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on ______________. You do **not** have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section **8** of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods **Written Challenges Must be Submitted by** ______________	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number of Class Period Workweeks and number of PAGA Period Pay Periods you worked according to Defendants' records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by_______________. See Section **4** of this Notice.

A. WHAT IS THE ACTION ABOUT?

Plaintiffs are former employees of Defendant Artemis Headlands, LLC. The Action accuses Artemis Headlands, LLC of violating California labor laws based on Defendant's alleged: (1) failure to pay wages and overtime wages; (2) failure to provide meal and rest periods; (3) failure to pay all sick time; (4) failure to provide accurate itemized wage statements; (5) failure to pay all wages due upon separation of employment; and (7) failure to reimburse business expenses. Plaintiffs also asserted a violation of California's Unfair Competition Law ("UCL"). Based on the same claims, Plaintiffs has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA"). The lawsuit also names Mauro Ormedilla as a defendant to the lawsuit. Plaintiffs is represented by attorneys in the Action: Brooke B. Nevels and Christopher E. Nichols of Nevels Nichols, LLP ("Class Counsel.")

Defendants strongly deny violating any laws or failing to pay any wages and contends it complied with all applicable laws.

B. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Defendant or Plaintiffs are correct on the merits. In the meantime, Plaintiffs and Defendant hired experienced, neutral mediators in an effort to resolve the Action by negotiating an agreement to settle the case rather than continuing the expensive and time-consuming process of litigation. After two separate mediations, the negotiations were successful. By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiffs and Defendant have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims.

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

C. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. <u>Defendant will Pay $485,000 as the Gross Settlement Amount (Gross Settlement)</u>. Defendants has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement not more than 15 court days after the Judgment entered by the Court becomes final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

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

   A. Up to $161,650.50 (33.33% of the Gross Settlement) to Class Counsel for attorneys' fees and up to $30,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.

   B. Up to $5,000 as a Class Representative Award for each Plaintiff for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiffs will receive other than Plaintiffs' Individual Class Payment and any Individual PAGA Payment.

   C. Up to $20,000 for Plaintiff Segovia's claim of Retaliation in Violation of Cal. Lab. Code § 1102.5. If the Court approves a payment for the Retaliation claim less than the amount requested, the Administrator will retain the remainder in the

Net Settlement Amount.

D. Up to $15,000 to the Administrator for services administering the Settlement.

E. Up to $30,000 for PAGA Penalties, allocated 65% to the LWDA PAGA Payment and 35% in Individual PAGA Payments to the PAGA Members based on their PAGA Period Pay Periods.

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

3. Net Settlement Distributed to Class Members. After making the above deductions from the Gross Settlement Amount in amounts approved by the Court, the Administrator will distribute the remainder (the "Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.

4. Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

5. Taxes Owed on Payments to Class Members. Plaintiffs and Defendant are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages ("Wage Portion") and 80% to interest and penalties ("Non-Wage Portion.). The Wage Portion is subject to withholding and will be reported on IRS W-2 Forms. Defendant will separately pay employer payroll taxes it owes on the Wage Although Plaintiffs and Defendant have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor, at your own expense, if you have any questions about the tax consequences of the proposed Settlement.

6. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name.

   If the monies represented by your check is sent to the Controller's Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.

7. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than______________, that you wish to opt-out. The easiest way to notify the Administrator if you wish to opt out is to send a written and signed Request for Exclusion by the___________________Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member's name, present address, telephone number, and a simple

statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments but you will receive an Individual PAGA Payment, and will preserve rights to personally pursue wage and hour claims against Defendants other than claims related to penalties under PAGA.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Defendants based on the PAGA Period facts alleged in the Action.

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

9. <u>Administrator.</u> The Court has appointed a neutral company,_____ (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.

10. <u>Participating Class Members' Release.</u> After the Judgment is final and Defendant has fully funded the Gross Settlement, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant or any entity or person that is released by the Parties' Agreement based on theories and/or facts alleged in the Action and resolved by this Settlement. The Participating Class Members will be bound by the following release:

> All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release any and all claims against Defendants and any present and former parents, subsidiaries, and affiliated companies or entities, and their respective officers, directors, employees, partners, shareholders and agents, and any other successors, assigns and legal representatives and its related persons and entities ("Released Parties") that arise out of or reasonably relate to the claims alleged in the Action or that could have been alleged based on the allegations in the Action. Further, all Settlement Class Members shall release all claims under Labor Code sections 201, 202, 203, 204, 204.1, 210, 218.6, 221, 226 subd. (a), 226.3, 226.7, 245 *et* seq. (Healthy Workplaces, Healthy Families Act of 2014), 246, 256, 510, 511, 512, 516, 551, 552, 558, 1174, 1174.4, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2802, 2803, 2804, 2698, and Business & Professions Code section 17200 and any applicable Wage Order based on the factual allegations alleged in the Action.

11. PAGA Members' PAGA Release. After the Court's judgment is final, and Defendant has paid the Gross Settlement, all PAGA Members will be barred from asserting PAGA claims against Defendant, whether or not they exclude themselves from the Settlement. This means that all PAGA Members, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Defendant, against any defendant released by this Agreement, or by related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement. The PAGA Members' Releases for Participating and Non-Participating Class Members are as follows:

    All Participating and Non-Participating Class Members who are PAGA Members are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, any and all claims for civil penalties under PAGA against Defendants and the Released Parties that arise out of or reasonably relate to the claims alleged in the Action or that could have been alleged based on the factual allegations in the Action. All PAGA Members also release all claims for all PAGA penalties based on alleged violations of Labor Code sections 201, 202, 203, 204, 204.1, 210, 218.6, 221, 226 subd. (a), 226.3, 226.7, 245 *et* seq. (Healthy Workplaces, Healthy Families Act of 2014), 246, 256, 510, 511, 512, 516, 551, 552, 558, 1174, 1174.4, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2802, 2803, 2804, 2698, and Business & Professions Code section 17200 and any applicable Wage Order based on the factual allegations alleged in the Action.

D. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

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

2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing $______________by the total number of PAGA Pay Periods worked by all PAGA Members and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual PAGA Member.

3. Workweek/Pay Period Challenges. The number of Class Workweeks you actually worked during the Class Period and the number of PAGA Pay Periods you actually worked during the PAGA Period, as recorded in Defendants' records, are stated in the first page of this Notice. Please note that this is not merely the number of weeks you were "employed." You have until___________to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information. You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendant's calculation of Workweeks and/or Pay Periods based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from

Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

E. HOW WILL I GET PAID?

1. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as PAGA Members. The single check will combine the Individual Class Payment and the Individual PAGA Payment.

2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every PAGA Member who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

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

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

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Ruth Joy Segovia, Faranak Kianfar, Diemvy Pham, Lisa Mathews Fitzgibbons, Cynthia Guerrero, and Rene Amel Peralta; as individuals, and on behalf of others similarly situated v. Artemis Headlands, LLC; Mauro Ormedilla; and DOES 1 through 25, San Diego County Superior Court Case No. 24CU020914C*, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by____, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

G. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiffs and Defendants are asking the Court to approve. At least 16 days before the__________________Final Approval Hearing, Class Counsel and/or Plaintiffs will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiffs is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Court's website (**confirm website**) and entering the Case Number for the Action, Case No. 24CU020914C.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiffs are too high or too low. **The deadline for sending written objections to the Administrator is______________**. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action *Ruth Joy Segovia, Faranak Kianfar, Diemvy Pham, Lisa Mathews Fitzgibbons, Cynthia Guerrero, and Rene Amel Peralta; as individuals, and on behalf of others similarly situated v. Artemis Headlands, LLC; Mauro Ormedilla; and DOES 1 through 25, San Diego County Superior Court Case No. 24CU020914C*, and include your name, current address, telephone number, and approximate dates of employment for Defendants and sign the objection. Section 9 of this Notice has the Administrator's contact information.

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

H. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on______________at (time) in Department C-75 of the Superior Court of California, County of San Diego, located at 330 West Broadway, San Diego, California 92101. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiffs, and the Administrator. The Court will invite comments from objectors, Class Counsel, and Defense Counsel before making a decision. You can attend (or hire a lawyer, at your own expense, to attend) either personally or virtually via Teams. Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Court's website (https://www.sdcourt.ca.gov/sdcourt/civil2/civilicvirtualhearings), and selecting the link for department C-75 beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

I. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendants and Plaintiffs have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to the court's website at (https://www.sdcourt.ca.gov/sdcourt/civil2/civilicvirtualhearings), and selecting the link for department C-75. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Class Counsel:

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Defense Counsel:

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Fisher & Phillips LLP
4747 Executive Drive, Suite 1000
San Diego, CA 92121

Settlement Administrator:

ILYM GROUP, Inc.
Lisa Mullins
Lisa@ilymgroup.com
714-878-8836

J. WHAT IF I LOSE MY SETTLEMENT CHECK?

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

K. WHAT IF I CHANGE MY ADDRESS?

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

PROOF OF SERVICE

I, the undersigned, declare that I am over the age of eighteen years and not a party to the case. My business address is 10650 Treena Street, Suite 212, San Diego, California 92131. On Tuesday, December 30, 2025, I served a copy of the following documents:

- **NOTICE OF MOTION AND MOTION FOR PRELIMINARY APPROVAL OF CLASS AND PAGA SETTLEMENT**
- **MEMORANDUM OF POINTS AND AUTHORITIES FOR PRELIMINARY APPROVAL OF CLASS AND PAGA SETTLEMENT**
- **DECLARATION OF BROOKE B. NEVELS IN SUPPORT OF MOTION AND MOTION FOR PRELIMINARY APPROVAL OF CLASS AND PAGA SETTLEMENT**
- **[PROPOSED] ORDER GRANTING PRELIMINARY APPROVAL OF CLASS AND PAGA SETTLEMENT**
- **DECLARATION OF RUTH JOY SEGOVIA IN SUPPORT OF MOTION AND MOTION FOR PRELIMINARY APPROVAL OF CLASS AND PAGA SETTLEMENT**
- **DECLARATION OF RENE AMEL PERALTA IN SUPPORT OF MOTION AND MOTION FOR PRELIMINARY APPROVAL OF CLASS AND PAGA SETTLEMENT**
- **DECLARATION OF CYNTHIA GUERRERO IN SUPPORT OF MOTION AND MOTION FOR PRELIMINARY APPROVAL OF CLASS AND PAGA SETTLEMENT**
- **DECLARATION OF LISA FITZGIBBONS IN SUPPORT OF MOTION AND MOTION FOR PRELIMINARY APPROVAL OF CLASS AND PAGA SETTLEMENT**
- **DECLARATION OF FARANAK KIANFAR IN SUPPORT OF MOTION AND MOTION FOR PRELIMINARY APPROVAL OF CLASS AND PAGA SETTLEMENT**
- **DECLARATION OF DIEMVY PHAM IN SUPPORT OF MOTION AND MOTION FOR PRELIMINARY APPROVAL OF CLASS AND PAGA SETTLEMENT**
- **DECLARATION OF LISA MULLINS IN SUPPORT OF MOTION AND MOTION FOR PRELIMINARY APPROVAL OF CLASS AND PAGA SETTLEMENT**

[X] **By Electronic Service**: Based on a court order, Code of Civil Procedure Section 1010.6 and California Rules of Court Rule 2.251, or an agreement of the parties to accept electronic service. I caused the above documents to be sent to the person(s) at the e-mail address(es) set forth below.

[ ] **By Mail**: I placed the envelope for collection and mailing at the address(es) below, following our ordinary business practices. I am readily familiar with this firm's business practice for collecting and processing correspondence for mailing, on the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service, in a sealed envelope with postage fully prepaid. I am a resident or

NEVELS NICHOLS, LLP
10650 Treena St., Suite 212
San Diego, CA 92131

employed in the county where the mailing occurred. The envelope or package was placed in the mail at San Diego, California.

James C. Fessenden
Lauren M. Guggisberg
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jfessenden@fisherphillips.com
lguggisberg@fisherphillips.com
Attorneys for Defendants

I declare under penalty of perjury under the laws of the State of California that the above is true and correct. Executed on Tuesday, December 30, 2025, at San Diego, California.

RAHA RAZAVI