Docusign Envelope ID: CBD94661-09AB-8347-81D2-6DF3B2D7A329

THE WHEELER LAW FIRM, APC
Scott Ernest Wheeler (SBN 187998)
Justin A. Wheeler (SBN 342226)
250 West First Street, Suite 216
Claremont, California 91711
Telephone: (909) 621-4988
Facsimile: (909) 621-4622
Email: sew@scottwheelerlawoffice.com
jaw@scottwheelerlawoffice.com

Attorneys for Plaintiff and all others similarly situated

Christian J. Keeney (SBN 269533)
Alis Moon (SBN 293697)
Kelli M. Dreger (SBN 267404)
JACKSON LEWIS P.C.
200 Spectrum Center Drive, Suite 500
Irvine, CA 92618
Phone: (949) 885-1360
Christian.Keeney@jacksonlewis.com
Kelli.dreger@jacksonlewis.com

Attorneys for Defendant Silverado Senior Living Management, Inc.

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF ORANGE – CIVIL COMPLEX CENTER

MARLENE DEL CARMEN LEONOR DIAZ, individually, and on behalf of all other aggrieved employees,

Plaintiff,

v.

SILVERADO SENIOR LIVING MANAGEMENT, INC., a Delaware corporation; and DOES 1 through 10, inclusive,

Defendants.

Case No.: 30-2023-01333990-CU-OE-CXC

[Assigned for all Purposes to Hon. David A. Hoffer, Judge Presiding, CXC 103]

AMENDMENT TO CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND RELEASE

Action Filed: June 29, 2023
Trial Date: None Set

Docusign Envelope ID: CBD94661-09AB-8347-81D2-6DF3B2D7A329

This Amendment to the Class Action and PAGA Representative Action Settlement Agreement and Release ("Amendment") is entered into by and between Marlene Del Carmen Leonor Diaz ("Plaintiff") on behalf of herself and all others similarly situated, on the one hand, and Defendant, Silverado Senior Living Management, Inc. ("Defendant"), on the other hand (collectively "Parties"). Subject to approval of the Court, this Action is being settled pursuant to the terms and conditions set forth in this Amendment and the Class Action and PAGA Representative Action Settlement Agreement and Release ("Settlement Agreement") (ROA 115).

RECITALS

1. On July 20, 2026, the Honorable David A. Hoffer issued a tentative ruling continuing Plaintiff's Motion for Preliminary Approval of Class Action and PAGA Settlement, which identified concerns with the parties Settlement Agreement and related Class Notice.

2. The Parties have met and conferred and determined that certain provisions of the Settlement Agreement require modification to address the Court's concerns related to: (1) the amount of the settlement payment allocated to wages (Paragraph 55(c)(1) of the Settlement Agreement); and (2) the language of the Class Release (Paragraph 31 of the Settlement Agreement).

3. Paragraph 67 of the Settlement Agreement states that it "may be amended or modified only by a written instrument signed by counsel for all Parties and approved by the Court."

4. The Parties agree to amend the Settlement Agreement only as expressly set forth in this Amendment. This Amendment is fully incorporated into and made a part of the Settlement Agreement, a true and correct copy of which is attached hereto as **Exhibit B**. Except as expressly modified by this Amendment, the Settlement Agreement will remain unchanged and in full force and effect.

5. All definitions set forth in the Settlement Agreement shall apply to this Amendment unless otherwise specifically provided herein. In the event of any inconsistency between this Amendment and the Settlement Agreement, the terms of this Amendment will control solely with respect to the subject matter addressed herein. All provisions, terms, conditions, and exhibits of the Settlement Agreement that are not expressly amended, modified, or superseded by this Amendment remain unchanged and in full force and effect.

Docusign Envelope ID: CBD94661-09AB-8347-81D2-6DF3B2D7A329

AMENDMENT TO CLASS ACTION AND PAGA REPRESENTATIVE ACTION SETTLEMENT AGREEMENT AND RELEASE

Amendment No. 1:

Pursuant to this Amendment, Paragraph 55(c)(1) – (3) of the Settlement Agreement is deleted in its entirety and replaced with the following:

"c. Individual Settlement Payments due to each Settlement Class Member shall be designated as follows:

1. Thirty-three and 1/3 percent (33.333%) of the Individual Settlement Payment shall represent payment for alleged unpaid wages. This payment shall be subject to the withholding of all applicable local, state, and federal taxes. Applicable payroll taxes and/or contributions will be deducted from the amount paid to Settlement Class Members. The Settlement Administrator will issue a W-2 Form to each Settlement Class Member in relation to this payment.

2. Fifty-six and 2/3 percent (56.666%) of the Individual Settlement Payment shall represent payment of all penalties. These payments will not be subject to withholding of local, state, and federal taxes. The Settlement Administrator will issue an IRS Form 1099 to each Settlement Class Member in relation to these payments.

3. Ten percent (10%) of the Individual Settlement Payment shall represent payment of all interest. These payments will not be subject to withholding of local, state, and federal taxes. The Settlement Administrator will issue an IRS Form 1099 to each Settlement Class Member in relation to these payments."

Amendment No. 2:

Pursuant to this Amendment, Paragraph 31 of the Settlement Agreement is amended by deleting the following sentence in its entirety:

"This release shall apply to any and all claims arising at any point during the Class Period."

Amendment No. 3:

Pursuant to this Amendment, **Exhibit 2** to the Settlement Agreement, entitled "Notice of Class and PAGA Settlement, is deleted in it is entirety and replaced with the revised Notice of Class and PAGA Settlement attached to this Amendment as **Exhibit A**.

Docusign Envelope ID: CBD94661-09AB-8347-81D2-6DF3B2D7A329

Except as expressly amended by this Amendment, all terms, provisions, conditions, and exhibits of the Settlement Agreement remain unchanged and in full force and effect.

IT IS SO AGREED.

Dated: 10/7/2026

By: DocuSigned by:
C71D598B0CE2400...
Marlene Del Carmen Leoner Diaz

Dated: 10/06/2026

By: Kristina Hulsey (Oct 6, 2026 21:07:13 GMT+2)
Silverado Senior Living Management, Inc.

Kristina Hulsey
Vice President, Legal

APPROVED AS TO FORM:

Dated: 10/9/26

THE WHEELER LAW FIRM, APC

By:
Scott Ernest Wheeler
Justin A. Wheeler

Attorneys for Plaintiff and the Putative Class

Dated: October 6, 2026

JACKSON LEWIS P.C.

By:
Christian J. Keeney
Alis Moon
Kelli M. Dreger

Attorneys for Defendant

EXHIBIT A

CLASS AND PAGA NOTICE

Marlene Del Carmen Leonor Diaz v. Silverado Senior Living Management, Inc., Superior Court of the State of California for the County of Orange, Case Number: 30-2023-013333990-CU-OE-CXC

A court authorized this Notice. This is not a solicitation by a lawyer. You are not being sued.

Your legal rights are affected whether you act or not. Read this Notice carefully. You will be deemed to have carefully read and understood it.

Why should you read this Notice?

A proposed settlement (the "Settlement") has been reached in the class action lawsuit entitled *Marlene Del Carmen Leonor Diaz v. Silverado Senior Living Management, Inc.*, Superior Court of the State of California for the County of Orange, Case Number: 30-2023-013333990-CU-OE-CXC (the "Action"). The Settlement has two components, the settlement of class action claims (the "Class Released Claims") and the settlement of California Private Attorneys General Act ("PAGA") claims (the "PAGA Claims").

The Court has determined that there is sufficient evidence to suggest that the Settlement might be fair, adequate, and reasonable, and that any final determination of those issues will be made at the final approval hearing.

The Settlement covers all hourly, non-exempt employees who were employed by Silverado Senior Living Management, Inc. ("Defendant") at any time in the state of California during the period of June 29, 2019, through October 22, 2025 (the "Class Period"). You are receiving this notice because Defendant's records show that you worked as an hourly, non-exempt employee for Defendant during the Class Period. The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights with respect to the Class Released Claims.

If you also worked as an hourly, non-exempt employee who was employed by Defendant in the State of California during the period of April 11, 2022, through October 22, 2025 (the "PAGA Period") (collectively, the "Aggrieved Employees"), you may also qualify for a settlement payment as a result of the settlement of the PAGA Claims. If eligible as an Aggrieved Employee, you will still receive your portion of the PAGA settlement regardless of how you respond to this Notice, and the PAGA Claims will still be released by the Settlement.

Your options are further explained in this Notice. To exclude yourself from the class action portion of the Settlement, or object to the Settlement, you must take action by certain deadlines. If you want to participate in the Settlement as proposed, you don't need to do anything to obtain your share of the settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
DO NOTHING	If you do nothing, you will be considered part of the Settlement Class and will receive settlement benefits. You will also give up your rights to pursue a separate legal action against Defendant for the claims released under the Settlement.
EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS	If you do not wish to participate in the class action portion of the Settlement, you may exclude yourself by submitting a written request to be excluded. However, if you do so, you will not receive any payment under the Settlement for the class claims. If you exclude yourself from the Settlement, you will still receive your settlement payment for the release of the PAGA Claims if you are eligible; you cannot exclude yourself from that portion of the settlement. A Request for Exclusion form is attached to this notice for your convenience.

OBJECT	To object to the Settlement, you may object orally at the Final Approval Hearing, or you may write to the Settlement Administrator about why you don't like the Settlement. This option is available only if you do not exclude yourself from the Settlement. A Objection Form is attached to this notice for your convenience.
DISPUTE WORK WEEKS	If you believe your workweek count is incorrect**,** you have the right to submit a dispute with the Settlement Administrator. A Work Week Dispute Form is attached to this notice for your convenience.

Who is affected by this proposed Settlement?

The Court has certified, for settlement purposes only, the following Class: all hourly, non-exempt employees who were employed by Defendant at any time in the state of California during the Class Period. According to Defendant's records, you are a member of the Class (a "Class Member"). Also, according to Defendant's records, you were employed during the PAGA Period and are therefore a PAGA Aggrieved Employee.

What is this case about?

In the Action, Marlene Del Carmen Leonor Management, Inc. ("Plaintiff") alleges on behalf of herself and the Class (and with respect to the PAGA Claim, on behalf of the State of California) the following claims against Defendant: (1) failure to provide meal periods; (2) failure to provide rest periods; (3) failure to pay overtime wages; (4) failure to pay minimum wages; (5) failure to pay timely wages; (6) failure to pay all wages owed and due at termination of employment; (7) failure to provide accurate itemized wage statements i; (8) failure to maintain records; (9) failure to indemnify for necessary expenditures incurred in discharge of duties; (10) unfair and unlawful business practices; and (11) and violation of PAGA.

Defendant denies any and all wrongdoing and maintains that it has complied with all laws alleged to have been violated in the Second Amended Class Action and PAGA Complaint ("Operative Complaint") filed by Plaintiff as part of this Settlement. Defendant notes that this Settlement was established specifically to avoid the costs of proceeding with litigation and does not constitute an admission of liability by Defendant. The Court has not ruled on the merits of Plaintiff's claims or Defendant's defenses.

This Settlement is a compromise reached after good faith, arm's-length negotiations between Plaintiff and Defendant (the "Parties"), through their attorneys and a mediator. Both sides agree that in light of the risks and expenses associated with continued litigation, this Settlement is fair, adequate and reasonable. Plaintiff and Class Counsel believe this Settlement is in the best interests of the Class. The Court has granted preliminary approval of this Settlement.

Who are the attorneys in this Lawsuit?

Class Counsel

THE WHEELER LAW FIRM, APC
Scott Ernest Wheeler
Justin A. Wheeler
250 West First Street, Suite 216
Claremont, California 91711
Telephone: (909) 621-4988
Facsimile: (909) 621-4622
Email: sew@scottwheelerlawoffice.com
jaw@scottwheelerlawoffice.com

Defendant's Counsel

JACKSON LEWIS P.C.
Christian J. Keeney
Christian.Keeney@jacksonlewis.com
Kelli M. Kreger
Kelli.dreger@jacksonlewis.com
Alis M. Moon
Alis.Moon@jacksonlewis.com
200 Spectrum Center Drive, Suite 500
Irvine, California 92618

Telephone: (949) 885-1360

What will I receive under the Settlement?

Subject to final Court approval, Defendant will pay the total sum of $2,250,000 (the "Gross Settlement Amount"). It is estimated that, subject to Court approval, after deducting the attorney's fees and costs, service award to Plaintiff, payment to the California Labor and Workforce Development Agency ("LWDA") and Aggrieved Employees for the PAGA settlement, and settlement administration costs from Gross Settlement Amount, there will be a Net Settlement Amount of at least $_____.

From this Net Settlement Amount, Individual Settlement Payments will be paid to each Class Member who does not opt out of the Settlement Class ("Settlement Class Member"). The Net Settlement Amount shall be divided among all Settlement Class Members based on the ratio of the number of compensable work weeks worked by each Settlement Class Member to the total number of work weeks worked by all Settlement Class Members, calculated based on Defendant's records.

According to Defendant's records, during the period of June 29, 2019, through October 22, 2025, you worked ___ compensable work weeks in California, as an hourly, non-exempt employee, and therefore, your settlement payment as a Class Member is estimated to be $_____.

According to Defendant's records, during the period of April 11, 2022, through October 22, 2025, you worked ___ PAGA pay periods in California, as an hourly, non-exempt employee, and therefore, your portion of the settlement of the PAGA claim is estimated to be $_____.

Your settlement payments are only estimates, and the recovery will vary. Your actual settlement payment may be higher or lower than estimated. The estimated range of settlement payments to Class Members from the class action portion of the Settlement varies from _____ to _____. Your estimated recovery is _____. The range of settlement payments to Aggrieved Employes from the PAGA portion of the Settlement will range from _____ to _____.

If you wish to dispute the number of compensable work weeks credited to you, you must submit a written dispute to the Settlement Administrator at _____ by mail, postmarked no later than [Response Deadline], or by fax to _____ or e-mail by _____. The dispute must: (1) contain your full name, current address, telephone number, the last four digits of your Social Security number or full employee ID number; (2) contain the case name and case number; (3) contain a clear statement explaining that you wish to dispute the number of compensable work weeks and the basis for your dispute, including evidence sufficient to prove that Defendant's workweek calculation is incorrect, if any; and (4) and be signed by you. You may also dispute your PAGA pay periods by following the same process you can dispute your compensable work weeks set forth above. You should attach any documentation in support of your dispute. A Work Week Dispute Form is attached to this notice for your convenience.

When and how will I receive payment?

If the Court grants final approval of the Settlement, and only after the Effective Date of the Settlement defined below, the Settlement Administrator will send you a settlement check (unless you exclude yourself from the Settlement as discussed in this letter). The settlement approval process takes time so please be patient.

Class Members are responsible for paying taxes on any amount received. This Notice is not tax advice and you should consult your tax advisor. Checks will be valid and negotiable for one-hundred and eighty (180) days; after that checks will become void and a stop payment will be placed on the uncashed checks. Settlement checks that are not cashed within one-hundred and eighty (180) days of mailing, or are returned to the Settlement Administrator, will be cancelled and the Settlement Administrator shall send the funds associated with uncashed checks to Legal Aid at Work's Wage Protection Clinic. All funds attributable to

PAGA penalties that are not timely negotiated by an Aggrieved Employee will also be paid to Legal Aid at Work's Wage Protection Clinic. The class action settlement payment issued to you will be allocated as follows: thirty-three and 1/3 percent (33.33%) as wages, fifty-six and 2/3 percent (56.66%) as penalties; and ten (10%) as interest. The wage portion of the Individual Settlement Payment shall be subject to withholding of applicable local, state, and federal taxes, and the Settlement Administrator shall deduct applicable payroll taxes from the wage portion of the Individual Settlement Payment. None of the Parties or attorneys make any representations concerning the tax implications of this payment. Settlement Class Members may wish to consult with their own tax advisors concerning the tax consequences of the Settlement. The penalties and interest portion will not be subject to withholdings and a 1099 will be provided to you for these payments. The PAGA Payment is allocated as 100% to penalties. The PAGA Payment will not be subject to withholdings and a 1099 will be provided for this payment.

How will the lawyers be paid and how will other funds under the Settlement be distributed?

Class Counsel will ask the Court to award attorneys' fees not to exceed Seven Hundred and Forty-Nine Thousand and Two Hundred and Fifty Dollars ($749,250) or thirty-three and one-third (33.33) percent of the Gross Settlement Amount, and reimbursement of reasonable litigation costs not to exceed $60,000. In addition, Class Counsel will ask the Court to authorize Class Representative Service Award payment to Plaintiff of up to $6,000 for her efforts in representing the Class. The cost of administering the Settlement will not exceed $60,000. A payment in the amount of $150,000 will also be made to the LWDA for its share of PAGA penalties, while $50,000 will be paid to PAGA Aggrieved Employees. Any of these amounts not awarded by the Court will be included in the estimated net settlement of $_____ and will be distributed to Settlement Class Members.

What claims are being released by the proposed Settlement?

On the Effective Date, and in exchange for the consideration provided under this Settlement, Settlement Class Members shall fully and finally release and discharge Defendant and each of the Released Parties, from the "Class Released Claims," defined as: any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, or causes of action contingent or accrued for, that are pleaded, or that could have been pleaded, based on the facts and claims alleged in the Operative Complaint, PAGA Notices, and/or the Action including any claims for: (a) failure to provide required meal periods and pay premium payments, California Labor Code §§ 226.7, 510 and 512; (b) failure to provide required rest periods and pay premium payments, California Labor Code §§ 226.7 and 512; (c) failure to pay overtime wages, California Labor Code §§ 510, 1194 and 1198; (d) failure to pay minimum and straight time wages, California Labor Code §§ 223, 1182.12, 1194, 1194.2, 1197, and 1197.1; (e) failure to pay all wages to discharged and quitting employees, California Labor Code §§ 201, 202 and 203; (f) failure to timely pay wages §§ 204 and 210; (g) failure to maintain and/or produce required records, California Labor Code §§ 226, 248.6, 1174, 1174.5, 1198.5; (h) failure to furnish accurate, itemized wage statements, California Labor Code §§ 226, 248.6, and 226.3; (i) failure to indemnify for reasonable and necessary business expenses, California Labor Code §§ 2800, 2802; (j) failure to properly pay the regular rate of pay for overtime, meal and rest period premiums, and sick pay; and (k) unlawful business practices under California, Business and Professions Code §17200, et seq.; predicated on any of the violations of the California Labor Code and any applicable IWC Wage Order as alleged in the Operative Complaint including but not limited to, claims for restitution and other equitable relief, liquidated damages, or penalties; and any other benefit, wages, penalties, or other amounts claimed on account of the allegations asserted or which could have been asserted in the Operative Complaint and PAGA Notice dated April 11, 2023 and amended PAGA Notice dated October 4, 2024. Upon entry of the Final Approval Order and funding of the total Gross Settlement Amount, all Participating Class Members will forever completely release and discharge the Released Parties from the Released Claims for the Release Period. Plaintiff and Defendant intends that the Settlement described in this Settlement Agreement will release and preclude any further claim, whether by lawsuit, administrative claim or action, arbitration, demand, or other action of any kind, by each and all of the Participating Class Members to obtain a recovery to any and all of the Released Claims. This release excludes the release of claims not otherwise permitted by law, i.e. Worker's Compensation and unemployment insurance benefits.

In addition, as of the Effective Date, Plaintiff on behalf of herself, and the State of California and PAGA Members, release of any and all claims for penalties under PAGA that were or could have been asserted in the PAGA Notices, the Operative Complaint, and/or the Action, for the duration of the PAGA Period. The claims released shall include, without limitation, known and unknown claims for PAGA penalties relating to any alleged: a) failure to provide required meal periods, in violation of Labor Code Sections 226.7, 512, 558 and Industrial Welfare Commission ("IWC") Wage Orders 1-2001, 4-2001, and 5-2001, Section 11; b) failure to provide required rest periods, in violation of Labor Code Sections 226.7, IWC Orders 1-2001, 4-2001, and 5-2001, Section 12; c) failure to pay overtime wages, in violation of Labor Code Sections 510, 1194, 1198, IWC Wage Orders 1-2001, 4-2001, and 5-2001, Section 3; d) failure to pay minimum and straight time wages, in violation of Labor Code Sections 1194, 1194.2, 1197, 1197.1, 226.7, 512 and Industrial Welfare Commission ("IWC") 1-2001, 4-2001, and 5-2001, Section 4; e) failure to timely pay wages when due, in violation of Labor Code Sections 204, and 210; f) failure to pay all wages due upon discharge or termination, including vacation pay, in violation or Labor Code Sections 201, 202, 203, 221, 227, and 227.3; g) failure to maintain required records, in violation of Labor Code Sections 226, 226.2, 1174, 1174.5, and IWC Wage Orders 1-2001, 4-2001, and 5-2001, Section 7; h) failure to provide accurate and itemized wage statements, in violation of Labor Code Sections 226, 226.3, and IWC Wage Order 1-2001, 4-2001, 5-2001, Section 5; i) failure to provide suitable seating, in violation of IWC Wage Orders 1-2001, 4-2001, and 5-2001, Section 14; j) failure to indemnify for necessary business expenses, in violation of Labor Code Section 2802; k) failure to provide and pay sick leave and COVID-19 supplemental sick leave, in violation of Labor Code Sections 245.5, 246, and 248.6; l) failure to provide employment records, in violation of Labor Code Section 1198.5 and IWC Wage Order 1-2001, 4-2001, 5-2001, Section 7; and m) the misclassification of aggrieved employees as independent contractors, in violation of Labor Code Section 226.8.

"Released Parties" collectively means Defendant and each of their past, present, and future respective subsidiaries, dba's, related and affiliated entities, joint ventures, parents, divisions, ownership entities, insurers and reinsurers, and company-sponsored employee benefit plans of any nature, successors, predecessors in interest, and each of their past and present officers, directors, shareholders, employees, agents, assigns, members, managing entities, joint employers, integrated enterprises, principals, heirs, representatives, accountants, auditors, consultants, attorneys, administrators, fiduciaries, trustees, agents, anyone acting for any of them.

"Effective Date" means October 1, 2026, or the date on which the Superior Court's Final Approval Order and Judgment become final, whichever is later. The Superior Court's Final Approval Order and Judgment "becomes final" upon the latter of: (a) if there is no Objection to the Settlement, or if there is an Objection but it is withdrawn, then, the date that the Final Approval Order and Judgment is entered by the Court; (b) if there is an Objection to the Settlement that is not withdrawn, but no appeal is commenced thereafter, then, sixty-five (65) calendar days following the date that the Final Approval Order and Judgment is filed by the Court; or (c) if there is an Objection to the Settlement, that is not withdrawn, and any appeal, writ, or other appellate proceeding opposing the Settlement has been filed within sixty-five (65) calendar days following the date that the Final Approval Order and Judgment is filed by the Court, then, when any such appeal, writ, or other appellate proceeding opposing the validity of the Settlement has been resolved finally and conclusively with no right to pursue further remedies or relief.

The Final Approval Order and Judgment whether favorable or not will be entered by the Court. All Class Members who do not request exclusion from the Settlement will be bound by the Court's Final Judgment pursuant to California Rules of Court, Rule 3.766(d)(4).

What are my options?

You have several options with respect to the class action portion of this Settlement. You may: (A) remain in the Class and receive payment under the Settlement; or (B) exclude yourself from the Settlement. If you choose option (A), you may also object to the Settlement.

OPTION A. Remain in the Class. If you remain in the Class, you will receive payment and be represented by Class Counsel. If you wish to remain in the Class and be eligible to receive a payment

under the Settlement, you do *not* need to take any action. By remaining in the Class and receiving settlement monies, you consent to the release of the Released Claims as described above.

OPTION B. <u>If You Do Not Want To Be Bound By The Settlement</u>. If you do not want to be part of the class action portion of the Settlement, you must mail a Request for Exclusion to the Settlement Administrator at 2832 Walnut Avenue, Suite C, Tustin, California 92780or fax at ( ) or e-mail a Request for Exclusion to ILYM Group, Inc. by the [Response Deadline]. Your Request for Exclusion must: (1) contain your full name, address, and telephone number, the last four digits of your social security number; (2), contain the case name and case number; and (3) a clear statement you are electing to be excluded from the Settlement; and (4) be signed by you. In order to be timely, your Request for Exclusion must be postmarked, faxed or e-mailed, on or before _____. If you do not submit a valid and timely Request for Exclusion, your Request for Exclusion will be rejected, you will be deemed a member of the Settlement Class, and you will be bound by the release of Released Claims as described above. If you submit a valid and timely Request for Exclusion, you will *not* be entitled to any payment as a Class Member from the Net Settlement Amount and you will not release the Class Released Claims. If you are a PAGA Aggrieved Employee, you will still receive a PAGA payment and be subject to the PAGA release outlined above even if you submit a Request for Exclusion. The Request for Exclusion form is attached to this notice for your convenience.

<u>Objecting to the Settlement</u>: If you believe the proposed Settlement is not fair, reasonable or adequate in any way, you may object to it. To object, you can appear at the Final Approval Hearing and make an oral objection or make a written objection. To object in writing, you should mail a written statement of objection to ILYM Group, Inc. at 2832 Walnut Avenue, Suite C, Tustin, California 92780, or e-mail the written objection to (INSERT)@ILYMGROUP.com), or fax to ( ). The written objection should contain the following: (1) your full name, current address, and signature; (2) a clear reference to the Action; and (3) a statement of the specific reasons why the objector believes the Settlement Agreement is unfair or objects to the Settlement Agreement. In order to be timely, the written objection must be postmarked, faxed or e-mailed, on or before _____. Class Counsel will provide the Court with your written objection prior to the Final Approval Hearing. You can also hire an attorney at your own expense to represent you in your objection. The Objection Form is attached to this notice for your convenience. Even if you do not object in writing you may still appear and be heard at the Final Approval Hearing.

You cannot object to the Settlement if you request exclusion from the Settlement.

What is the next step in the approval of the Settlement?

The Court will hold a final approval hearing regarding the fairness, reasonableness and adequacy of the proposed Settlement and the plan of distribution of the payments described herein, on _____ 2027, in Department CX103 of the Orange County Superior Court, Civil Complex Center, located at 751 West Santa Ana Boulevard, Santa Ana, California 92701. The final approval hearing may be continued without further notice to Class Members unless they have filed an objection to the Settlement. You are not required to attend the Final Approval Hearing in order to receive payment under the Settlement.

How can I get additional information?

This Notice summarizes the Action and the basic terms of the Settlement. For more complete information, the pleadings and other records in this litigation may be examined during regular court hours at the Orange County Superior Court, Civil Complex Center, located at 751 West Santa Ana Boulevard, Santa Ana, California 92701. A copy of the Settlement Agreement was filed on June 15, 2026, and is attached to the Declaration of Scott Ernest Wheeler In Support of Plaintiff's Motion for Preliminary Approval. A copy of the Amendment to the Settlement Agreement was filed on October ___, 2026 and is attached to the Supplemental Declaration of Scott Ernest Wheeler In Support of Plaintiff's Motion for Preliminary Approval. You can also visit the Court's website at: https://www.occourts.org/online-services for more information, including obtaining a copy of the Settlement Agreement online.

The Settlement Administrator also has a website at: _____ with links to this Notice and key case documents, including the Settlement Agreement and Amendment to the Settlement Agreement.

PLEASE DO NOT CALL OR WRITE TO THE COURT ABOUT THIS NOTICE

EXHIBIT B

THE WHEELER LAW FIRM, APC
Scott Ernest Wheeler (SBN 187998)
Justin A. Wheeler (SBN 342226)
250 West First Street, Suite 216
Claremont, California 91711
Telephone: (909) 621-4988
Facsimile: (909) 621-4622
Email: sew@scottwheelerlawoffice.com
jaw@scottwheelerlawoffice.com

Attorneys for Plaintiff and all others similarly situated

Christian J. Keeney (SBN 269533)
Alis Moon (SBN 293697)
Kelli M. Dreger (SBN 267404)
JACKSON LEWIS P.C.
200 Spectrum Center Drive, Suite 500
Irvine, CA 92618
Phone: (949) 885-1360
Christian.Keeney@jacksonlewis.com
Kelli.dreger@jacksonlewis.com

Attorneys for Defendant Silverado Senior Living Management, Inc.

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF ORANGE – CIVIL COMPLEX CENTER

MARLENE DEL CARMEN LEONOR DIAZ, individually, and on behalf of all other aggrieved employees,

Plaintiff,

v.

SILVERADO SENIOR LIVING MANAGEMENT, INC., a Delaware corporation; and DOES 1 through 10, inclusive,

Defendants.

Case No.: 30-2023-01333990-CU-OE-CXC

[Assigned for all Purposes to Hon. David A. Hoffer, Judge Presiding, CXC 103]

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND RELEASE

Action Filed: June 29, 2023
Trial Date: None Set

This Class Action and PAGA Settlement and Release ("Settlement Agreement") is entered into by and between Plaintiff Marlene Del Carmen Leoner Diaz ("Plaintiff"), on behalf of herself and the Class, on the one hand, and Defendant Silverado Senior Living Management, Inc. ("Defendant"), and the Released Parties, on the other hand. Plaintiff and Defendant are collectively referred to herein as "Parties" and individually referred to herein as "Party."

PREAMBLE

1. On June 18, 2024, the Parties participated in a mediation with mediator, Kelly Knight, Esq., and reached a settlement of Plaintiff's claims under the California Private Attorneys General Act ("PAGA"), including the claims at issue in Plaintiff's Complaint, filed on June 29, 2023, and her respective April 11, 2023, and October 4, 2024, notices to the Labor and Workforce Development Agency ("LWDA"), which was memorialized in the Parties' Stipulation for Representative Action Settlement Pursuant to the Private Attorneys' General Act, fully executed on or around October 12, 2024 ("PAGA Settlement Agreement").

2. Following the execution of the PAGA Settlement Agreement, the Parties attended a second mediation with mediator Steve Pearl, Esq., and subsequently reached a settlement of Plaintiff's putative class claims, which are alleged in Plaintiff's Second Amended Complaint, which was filed on February 26, 2026, and is attached to this Settlement Agreement as **Exhibit 1**.

3. In light of the settlement of Plaintiff's putative class claims, the Parties have entered into this Settlement Agreement, which memorializes the terms of the Parties' settlement of Plaintiff's putative class claims and PAGA claims, and consolidates the terms of the PAGA Settlement Agreement into this Settlement Agreement.

4. As a result of the above, this Settlement Agreement replaces and supersedes the PAGA Settlement Agreement, and upon full execution of this Settlement Agreement, the PAGA Settlement Agreement will become null and void, and cannot be enforced.

5. In consideration of the mutual covenants, promises, and agreements set forth herein, the Parties agree that, pursuant to the terms and conditions set forth herein, which are subject to approval of the Court, this Action and the Released Claims shall be settled and compromised as between Plaintiff and the Class on the one hand and Defendant on the other hand.

DEFINITIONS

1. "Action" means *Marlene Del Carmen Leoner Diaz v. Silverado Senior Living Management, Inc.*, Superior Court of the State of California for the County of Orange, Case Number: 30-2023-01333990-CU-OE-CXC

2. "Class" means: All hourly, non-exempt employees who were employed by Defendant, in the State of California, at any time from June 29, 2019, through October 22, 2025.

3. "Class Counsel" means The Wheeler Law Firm, APC.

4. "Class Counsel Award" means attorneys' fees for Class Counsel's litigation and resolution of this Action and Class Counsel's expenses and costs incurred in connection with this Action.

5. "Class Information" means information regarding Class Members that Defendant will in good faith compile from their records and provide to the Settlement Administrator. It shall be formatted as a Microsoft Excel spreadsheet or Microsoft Word Document and shall include: each Class Member's full name; social security number; last known address; last known telephone number; and dates of employment and/or number of Compensable Workweeks and Compensable PAGA Pay Periods.

6. "Class Member" or "Class Members" means each person who is a member of the Class defined above and who is eligible to participate in this Settlement.

7. "Class Period" means the time period from June 29, 2019, through October 22, 2025.

8. "Class Representative Service Award" means the amount that the Court authorizes to be paid individually to Plaintiff in recognition of, *inter alia*, Plaintiff's efforts and risks in assisting with the prosecution of the Action and in return for executing a general release with Defendant.

9. "Compensable Workweek" or "Compensable Workweeks" means a reasonable estimate of weeks worked by each Class Member individually and collectively by all Class Members during the Class Period based on Defendant's records and used as a value to calculate Individual Settlement Payments. The number of Compensable Workweeks for each Class Member will be determined by adding all the calendar days within the inclusive dates of employment for the employee

and dividing that number by seven. Any partial workweek will be expressed as a percentage of a full workweek.

10. "Compensable PAGA Pay Period" or "Compensable PAGA Pay Periods" means a reasonable estimate of pay periods worked by each PAGA Member during the period from June 29, 2019, through October 22, 2025, based on Defendant's records and used as a value to calculate PAGA Payments. The number of Compensable PAGA Pay Periods for each PAGA Member will be determined by adding all the calendar days within the inclusive dates of employment for the employee and dividing that number by fourteen. Any partial pay period will be expressed as a percentage of a full pay period.

11. "Court" means the Superior Court for the State of California, County of Orange.

12. "Defendant" means Silverado Senior Living Management, Inc.

13. "Defendant's Counsel" means Jackson Lewis, P.C.

13. "Effective Date" means October 1, 2026, or the date on which the Superior Court's Final Approval Order and Judgment becomes final, whichever is later. The Superior Court's Final Approval Order and Judgment "becomes final" upon the latter of: (a) if there is no Objection to the Settlement, or if there is an Objection but it is withdrawn, then, the date that the Final Approval Order and Judgment is entered by the Court; (b) if there is an Objection to the Settlement that is not withdrawn, but no appeal is commenced thereafter, then, sixty-five (65) calendar days following the date that the Final Approval Order and Judgment is filed by the Court; or (c) if there is an Objection to the Settlement, that is not withdrawn, and any appeal, writ, or other appellate proceeding opposing the Settlement has been filed within sixty-five (65) calendar days following the date that the Final Approval Order and Judgment is filed by the Court, then, when any such appeal, writ, or other appellate proceeding opposing the validity of the Settlement has been resolved finally and conclusively with no right to pursue further remedies or relief.

14. "Final Approval Order and Judgment" means an order and judgment that the Court will enter which finally approves this Settlement and enters a judgment in favor of Plaintiff.

15. "Gross Settlement Amount" means the maximum amount which Defendant is obligated to pay under this Settlement Agreement, which is Two Million and Two Hundred and Fifty

Thousand Dollars and Zero Cents ($2,250,000), subject to increase under the circumstances as set forth in paragraph 58. This is an "all in" non-reversionary Settlement in which Defendant are required to pay the entire Gross Settlement Amount. No portion of the Gross Settlement Amount will revert to Defendant under any circumstances. Payments of any appropriate and lawfully-required employer's share of the payroll taxes on the taxable portion of the settlement payments shall be paid separately from the Gross Settlement Amount by Defendant at the time the Gross Settlement Amount is funded.

16. "Individual PAGA Payment" or "Individual PAGA Payments" means the PAGA Member's pro rata share of 25% of the PAGA Penalties.

17. "Individual Settlement Payment" or "Individual Settlement Payments" means the amount payable from the Net Settlement Amount to each Settlement Class Member.

18. "LWDA" means the California Labor and Workforce Development Agency.

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

20. "Net Settlement Amount" means the Gross Settlement Amount, less the Class Counsel Award, Class Representative Service Award, PAGA Payment, and Settlement Administration Costs.

19. "Notice of Class and PAGA Settlement" means the notice, substantially in the form attached hereto as **Exhibit 2**, which the Settlement Administrator will mail to each Class and PAGA Member, and which explains, *inter alia*, the terms of this Settlement Agreement, the settlement process, and each Class Member's estimated Individual Settlement Payment. Notice of Class and PAGA Settlement will be provided to the Class in English and Spanish.

20. "Objection" means a letter or other written communication submitted by a Class Member to the Settlement Administrator that contains a clear statement by the Class Member that he or she is objecting to any of the terms of the Settlement.

21. "Operative Complaint" means the Second Amended Class and PAGA Action Complaint was filed on February 27, 2026 to effectuate the terms of the Settlement.

22. "PAGA Member" or "PAGA Members" means any hourly, non-exempt employee who was employed or has been employed by Defendant in the State of California at any time during the time period of April 11, 2022, through October 22, 2025.

23. "Parties" means Plaintiff and Defendant, collectively, and "Party" means either Plaintiff or Defendant, individually.

24. "PAGA Notice" means Plaintiff's letters to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd. (a), dated April 11, 2023, and October 4, 2024.

25. "PAGA Payment" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the PAGA Members and 75% to the LWDA.

25. "Payment Ratio" means the respective Compensable Workweeks for Class Member divided by the total Compensable Workweeks for all Class Members.

26. "PAGA Payment Ratio" means the respective Compensable PAGA Pay Periods for each PAGA Member divided by the total Compensable PAGA Pay Periods for all PAGA Members.

27. "PAGA Period" means the time period from April 11, 2022, through October 22, 2025.

28. "Plaintiff" refers to Marlene Del Carmen Leoner Diaz.

29. "Preliminary Approval Date" means the date upon which the Court enters an order substantially in the form attached hereto as **Exhibit 3**, and which grants preliminary approval of the Settlement.

30. "Request for Exclusion" means a letter or other written communication submitted by a Class Member to the Settlement Administrator that contains a clear statement by the Class Member that he or she is electing to be excluded from the Settlement.

31. "Released Claims by Plaintiff" is set forth in paragraph 47 below.

32. "Released Claims by Settlement Class Members" means: As of the Effective Date, Settlement Class Members shall fully and finally release and discharge Defendant and the Released Parties, from June 29, 2019, through October 22, 2025, from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, or causes of action contingent or accrued for, that are pleaded, or that could have been pleaded, based on the facts and claims alleged in the Operative Complaint, PAGA Notices, and/or the Action including any claims for: (a) failure to provide required meal periods and pay premium payments, California Labor Code §§ 226.7, 510 and 512; (b) failure to provide required rest periods and pay premium payments, California Labor Code §§ 226.7 and 512; (c) failure to pay overtime wages, California Labor Code

§§ 510, 1194 and 1198; (d) failure to pay minimum and straight time wages, California Labor Code §§ 223, 1182.12, 1194, 1194.2, 1197, and 1197.1; (e) failure to pay all wages to discharged and quitting employees, California Labor Code §§ 201, 202 and 203; (f) failure to timely pay wages §§ 204 and 210; (g) failure to maintain and/or produce required records, California Labor Code §§ 226, 248.6, 1174, 1174.5, 1198.5; (h) failure to furnish accurate, itemized wage statements, California Labor Code §§ 226, 248.6, and 226.3; (i) failure to indemnify for reasonable and necessary business expenses, California Labor Code §§ 2800, 2802; (j) failure to properly pay the regular rate of pay for overtime, meal and rest period premiums, and sick pay; and (k) unlawful business practices under California, Business and Professions Code §17200, et seq.; predicated on any of the violations of the California Labor Code and any applicable IWC Wage Order as alleged in the Operative Complaint including but not limited to, claims for restitution and other equitable relief, liquidated damages, or penalties; and any other benefit, wages, penalties, or other amounts claimed on account of the allegations asserted or which could have been asserted in the Operative Complaint and PAGA Notice dated April 11, 2023 and amended PAGA Notice dated October 4, 2024. This release shall apply to any and all claims arising at any point during the Class Period. Upon entry of the Final Approval Order and funding of the total Gross Settlement Amount, all Participating Class Members will forever completely release and discharge the Released Parties from the Released Claims for the Release Period. Plaintiff and Defendant intends that the Settlement described in this Settlement Agreement will release and preclude any further claim, whether by lawsuit, administrative claim or action, arbitration, demand, or other action of any kind, by each and all of the Participating Class Members to obtain a recovery to any and all of the Released Claims. This release excludes the release of claims not otherwise permitted by law, i.e. Worker's Compensation and unemployment insurance benefits.

32. "Released Parties" collectively means Defendant and each of their past, present, and future respective subsidiaries, dba's, related and affiliated entities, joint ventures, parents, divisions, ownership entities, insurers and reinsurers, and company-sponsored employee benefit plans of any nature, successors, predecessors in interest, and each of their past and present officers, directors, shareholders, employees, agents, assigns, members, managing entities, joint employers, integrated enterprises, principals, heirs, representatives, accountants, auditors, consultants, attorneys,

administrators, fiduciaries, trustees, agents, anyone acting for any of them.

33. "Response Deadline" means forty-five (45) days after the postmark date of the Notice of Class and PAGA Settlement that the Settlement Administrator shall mail to Class Members, and the last date on which Class Members may: (a) submit a Request for Exclusion; (b) submit an Objection to the Settlement; or (c) submit a pay period dispute.

34. "PAGA Release" means as of the Effective Date, Plaintiff, on behalf of herself, and the State of California and PAGA Members, release of any and all claims for penalties under PAGA that were or could have been asserted in the PAGA Notices, the Operative Complaint, and/or the Action, for the duration of the PAGA Period. The claims released shall include, without limitation, known and unknown claims for PAGA penalties relating to any alleged: a) failure to provide required meal periods, in violation of Labor Code Sections 226.7, 512, 558 and Industrial Welfare Commission ("IWC") Wage Orders 1-2001, 4-2001, and 5-2001, Section 11; b) failure to provide required rest periods, in violation of Labor Code Sections 226.7, IWC Orders 1-2001, 4-2001, and 5-2001, Section 12; c) failure to pay overtime wages, in violation of Labor Code Sections 510, 1194, 1198, IWC Wage Orders 1-2001, 4-2001, and 5-2001, Section 3; d) failure to pay minimum and straight time wages, in violation of Labor Code Sections 1194, 1194.2, 1197, 1197.1, 226.7, 512 and Industrial Welfare Commission ("IWC") 1-2001, 4-2001, and 5-2001, Section 4; e) failure to timely pay wages when due, in violation of Labor Code Sections 204, and 210; f) failure to pay all wages due upon discharge or termination, including vacation pay, in violation or Labor Code Sections 201, 202, 203, 221, 227, and 227.3; g) failure to maintain required records, in violation of Labor Code Sections 226, 226.2, 1174, 1174.5, and IWC Wage Orders 1-2001, 4-2001, and 5-2001, Section 7; h) failure to provide accurate and itemized wage statements, in violation of Labor Code Sections 226, 226.3, and IWC Wage Order 1-2001, 4-2001, 5-2001, Section 5; i) failure to provide suitable seating, in violation of IWC Wage Orders 1-2001, 4-2001, and 5-2001, Section 14; j) failure to indemnify for necessary business expenses, in violation of Labor Code Section 2802; k) failure to provide and pay sick leave and COVID-19 supplemental sick leave, in violation of Labor Code Sections 245.5, 246, and 248.6; l) failure to provide employment records, in violation of Labor Code Section 1198.5 and IWC Wage

Order 1-2001, 4-2001, 5-2001, Section 7; m) the misclassification of aggrieved employees as independent contractors, in violation of Labor Code Section 226.8. ("Released PAGA Claims").

35. "Settlement" means the disposition of the Action pursuant to this Settlement Agreement.

36. "Settlement Administration Costs" means the amount to be paid to the Settlement Administrator from the Gross Settlement Amount for administration of this Settlement.

37. "Settlement Administrator" means ILYM Group, Inc. ("ILYM Group"), the Settlement Administrator shall be responsible for, *inter alia*: (a) performing Spanish translations of the Notice of Class Settlement; printing and mailing the Notice of Class and PAGA Settlement to the Class in English and Spanish; (b) receiving and reporting the Requests for Exclusion and Objections submitted by Class Members; (c) providing declaration(s) as necessary in support of preliminary and/or final approval of this Settlement; (d) processing and mailing payments to Plaintiff's, Class Counsel, the LWDA, PAGA Members, and Settlement Class Members; and (e) any other tasks as the Parties mutually agree or the Court orders the Settlement Administrator to perform. The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities. The Parties agree that they have no financial interest or other relationship with ILYM Group that could create a conflict of interest. Should a conflict of interest or other issue lead to the disqualification of the selected Settlement Administrator, the Parties will meet and confer as to a suitable replacement.

38. "Settlement Class" or "Settlement Class Members" means all Class Members who have not opted out of the Class by submitting a valid and timely Requests for Exclusion.

RECITALS

39. Procedural History. On June 29, 2023, Plaintiff filed a PAGA only complaint against Defendant in Superior Court of the State of California, County of Orange, Case Number: 30-2023-01333990-CU-OE-CXC. The Parties stipulated to the filing of the Operative Complaint in order to effectuate the terms of the Settlement which will be submitted to the Court prior to the time Plaintiff files her Motion for Preliminary Approval. Defendant's answer to Plaintiff's Operative Complaint will be held in abeyance pending Court approved of this Settlement.

40. Investigation and Discovery. The Parties have conducted significant investigation of the facts and law during the prosecution of this Action and before this Settlement was reached. Such discovery and investigation included, *inter alia*, the exchange of information and extensive documents pertaining to Plaintiff and the Class, and numerous meetings and informal conferences wherein the Parties exchanged information, class data, and theories of the case. Plaintiff has also investigated the law as applied to the facts of Plaintiff's claims and Defendant's potential defenses thereto.

41. Mediation. The Parties initially participated in a mediation session with the highly experienced mediator, Kelly Knight, Esq., on June 18, 2024. After a full day of mediation, the Parties were able to reach a proposed settlement regarding the material terms for a proposed PAGA settlement that would fully resolve the Action. The Parties continued in their settlement discussions regarding Plaintiff's putative class claims. On September 4, 2025, the Parties participated in a second mediation session with the highly experienced mediator Steve Pearl, Esq., and subsequently resolved Plaintiff's putative class claims. The Settlement Agreement is intended to consolidate and memorialize the terms of the settlements that were reached during both mediations (*i.e.,* on June 18, 2024, and September 4, 2025), and supersedes the PAGA Settlement Agreement previously executed by the Parties.

42. Benefits of Settlement to Class Members. Plaintiff and Class Counsel recognize the expense and length of continued proceedings necessary to litigate Plaintiff's claims through trial and any possible appeals. Plaintiff has also taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in such litigation. Plaintiff and Class Counsel are also aware of the burdens of proof necessary to establish liability for the claims asserted in the operative Complaint, both generally and in response to Defendant's defenses thereto, and the difficulties in establishing damages for the Class. Plaintiff and Class Counsel have also taken into account Defendant's agreement to enter into a settlement that confers substantial relief upon the members of the Class. Based on the foregoing, Plaintiff and Class Counsel have determined that the Settlement set forth in this Settlement Agreement is a fair, adequate, and a reasonable settlement, and is in the best interests of the Class.

43. Defendant's Reasons for Settlement. Defendant has concluded that any further defense of this litigation would be protracted and expensive for all Parties. Substantial amounts of Defendant's

time, energy, and resources have been and, unless this Settlement is completed, will continue to be devoted to the defense of the claims asserted by Plaintiff. Defendant has also taken into account the risks of further litigation in reaching its decision to enter into this Settlement. Even though Defendant continues to contend that it is not liable for any of the claims alleged by Plaintiff in the Operative Complaint, Defendant has agreed, nonetheless, to settle in the manner and upon the terms set forth in this Settlement Agreement to put to rest the claims asserted in the Operative Complaint.

STIPULATION AND AGREEMENT

44. NOW THEREFORE, in consideration of the mutual covenants, promises, and agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

45. It is agreed by and among Plaintiff and Defendant that this Settlement shall bind the Plaintiff, Settlement Class Members, and Defendant, subject to the terms and conditions hereof.

46. Circular 230 Disclaimer. Each Party to this Agreement (for purposes of this section, the "acknowledging party" and each Party to this Agreement other than the acknowledging party, an "other party") acknowledges and agrees that (1) no provision of this Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his, her, or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any other party or any attorney or advisor to any other party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty that may be imposed on the acknowledging party; and (3) no attorney or adviser to any other party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement.

47. Released Claims by Plaintiff. As the Effective Date, Plaintiff agrees to the Release of

Claims by Settlement Class Members. In addition to Release of Claims by Settlement Class Members and as a material inducement to Defendant to enter into this Settlement Agreement, Plaintiff does hereby, for herself and for her spouse, heirs, successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, personal representatives, and assign, forever and completely release and discharge the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, and expenses (including back wages, statutory penalties, civil penalties, liquidated damages, exemplary damages, interest, attorneys' fees, and costs) of any nature whatsoever, from the beginning of time through the execution of this Settlement Agreement, whether known or unknown, suspected or unsuspected, including but not limited to all claims arising out of, based upon, or relating to Plaintiff's employment with or work for Defendant or the remuneration for or termination of such employment.

Without limiting the generality of the foregoing, Plaintiff expressly releases all claims arising under the California Labor Code (including, but not limited to, sections 200, 201, 201.3, 202, 203, 204, 210, 216, 218.5, 218.6, 221, 225, 225.5, 226, 226.3, 226.7, 227.3, 246, 248.1, 248.2, 248.6, 351, 432, 450, 510, 511, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1197.2, 1198, 1198.5, 1199, 1400, 1775, 2698 et seq., 2699, 2802; the Wage Orders of the California Industrial Welfare Commission, including IWC Wage Orders 5-2001, and 15-2001; the California Private Attorneys General Act of 2004 ("PAGA"); California Business and Professions Code section 17200 et seq.; the California Civil Code, to include, but not limited to, section 3336 and 3294; the California common law of contract; the Fair Labor Standards Act, 29 U.S.C. § 201 et seq.; federal common law; and the Employee Retirement Income Security Act, 29 U.S.C. § 1001, et seq. Plaintiff's Released Claims also include all claims for lost wages and benefits, emotional distress, retaliation, punitive damages, and attorneys' fees and costs arising under federal, state, or local laws for discrimination, harassment, and wrongful termination such as by way of example only, (as amended) 42 U.S.C. section 1981, Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, the Age Discrimination in Employment Act, and the California Fair Employment and Housing Act; and the law of contact and tort. This release excludes the release of claims not permitted by law. As to the Plaintiff's Released

Claims only, Plaintiff expressly waives all rights and benefits under the terms of section 1542 of the California Civil Code. Section 1542 reads as follows:

> **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 releasing party.**

Notwithstanding the provisions of Section 1542, and for the purpose of implementing a full and complete release and discharge of all parties, Plaintiff and Class Counsel expressly acknowledge that this Settlement Agreement is intended to include in its effect, without limitation, all claims that Plaintiff knew of, as well as all claims that Plaintiff did not know or suspect to exist in Plaintiff's favor against the Released Parties, or any of them, for the time period from the beginning of time to the execution of this Settlement Agreement, and that this Settlement Agreement contemplates the extinguishment of any such claims. Plaintiff and Plaintiff's Counsel do not currently intend to pursue any claims against Defendant, including, but not limited to, any and all claims relating to or arising from Plaintiff's employment with Defendant, and that Plaintiff's Counsel is not currently aware of any facts or legal theories upon which any claims or causes of action could be brought against Defendant, excepting those facts or legal theories alleged in the Operative Complaint in this Action. This release does not include claims which cannot be released by California law such as unemployment or Worker's Compensation benefits.

48. Class Certification. For settlement purposes only, Defendant will stipulate that the Settlement Class Members described herein who do not request exclusion from the Class may be conditionally certified as a settlement class. This stipulation to certification is in no way an admission that class action certification is proper and shall not be admissible in this or in any other action except for the sole purposes of enforcing this Agreement. Should the Court fail to issue Final Approval for any reason, the Parties' stipulation to class certification as part of the Settlement Agreement shall become null and void *ab initio* and shall have no bearing on but remains protected by California Evidence Code Section 1152 and shall not be admissible in connection with, the issue of whether or not certification would be appropriate in a non-settlement context. Defendant expressly reserve its rights and declare that Defendant's will continue to oppose class certification and contest the

substantive merits of the case should the Court fail to issue Final Approval. Plaintiff expressly reserves her rights and declares that she will continue to pursue class certification and a trial should the Court fail to grant Final Approval.

49. Approval of Settlement. Plaintiff will move the Court to grant preliminary and final approval of this class action Settlement. The Parties agree to work diligently and cooperatively to have this matter presented to the Court for preliminary and final approval.

50. Release of Claims by Class Members. Settlement Class Members release the "Released Claims by Settlement Class Members," as defined, as of the Effective Date.

51. Release of Settled PAGA Claims. Plaintiff, on behalf of the State of California and LWDA, release the "Settled PAGA Claims," as defined, as of the Effective Date.

52. Settlement Administration. Within fourteen (14) calendar days after the Preliminary Approval Date, Defendant shall provide the Settlement Administrator with the Class Information.

53. Notice to the Class. Upon receipt of the Class Information, the Settlement Administrator will perform a search based on the National Change of Address Database to update and correct any known or identifiable address changes. Within ten (10) calendar days after receiving the Class Information, the Settlement Administrator shall mail copies of the Notice of Class Settlement to all Class Members via regular First Class U.S. Mail. The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Class Member. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Class Member.

a. Undeliverable Notices. Any Notice of Class and PAGA Settlement returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto within ten (10) calendar days. For any undeliverable Notice of Class and PAGA Settlement returned for which no forwarding address is affixed, the Settlement Administrator will conduct its investigation for an updated address of the Class Member and re-mail the Notice of Class and PAGA Action Settlement. If an updated address is found, the Settlement Administrator shall have seven (7) days to re-mail the Notice of Class and PAGA Settlement from receipt of the undelivered envelope. The Settlement Administrator will provide a cover letter notifying

the Class Member of the extended Response Deadline. Any Class Member who receives a re-mailed Notice of Class Settlement shall have forty-five (45) days after the postmark date of the re-mailed Notice of Class and PAGA Settlement to: (a) submit a Request for Exclusion; (b) submit an Objection to the Settlement; or (c) dispute Compensable Workweeks and/or Compensable PAGA Pay Periods.

(1) Verification of Class Member Employment Status. If Notice of Class and PAGA Settlement sent to a Class Member is determined to be undeliverable, the Settlement Administrator shall verify the employment status of the Class Member with Defendant within five (5) days of receipt of the undeliverable Notice of Class and PAGA Settlement. If the Class Member is a current employee of Defendant, Defendant shall take all reasonable efforts to obtain the current address from the Class Member and shall provide the same with seven (7) days of notice from the Settlement Administrator.

b. Disputes Regarding Individual Settlement Payments. Class Members will have the opportunity, should they disagree with Defendant's records regarding the number of Compensable Workweeks attributed to them in the Notice of Class and PAGA Settlement, to provide documentation and/or an explanation to show contrary information by the Response Deadline. The dispute form must: (a) contain the full name, address, and telephone number of the Class Member, and the last four digits of the Class Member's social security number or full employee ID number; (b) contain the case name and case number; (c) contain a clear statement by the Class Member that he or she is disputing the number of Compensable Workweeks and the basis for the dispute; (d) be signed by the Class Member; and (e) be postmarked, faxed or e-mailed by the Response Deadline. The date of the postmark on the return mailing envelope on the dispute form, or the date the e-mail or fax is sent, shall be the exclusive means used to determine whether it has been timely submitted. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall then determine the eligibility for, and the amounts of, any Individual Settlement Payments and Individual PAGA Payments under the terms of this Agreement. The Court has final say regarding the validity and final decision regarding any Pay Period disputes.

c. Request for Exclusion. Class Members who want to exclude themselves from the Settlement must mail, fax or email to the Settlement Administrator a Request for Exclusion by the Response Deadline. The Request for Exclusion must: (a) contain the full name, address, and telephone number of the Class Member, and the last four digits of the Class Member's social security number; (b) contain the case name and case number; (c) contain a clear statement by the Class Member that he or she is electing to be excluded from the Settlement; (d) be signed by the Class Member; and (e) be postmarked, faxed or e-mailed by the Response Deadline. The date of the postmark on the return mailing envelope on the Request for Exclusion, or the date the e-mail or fax is sent, shall be the exclusive means used to determine whether it has been timely submitted. Any Class Member who requests to be excluded from the Class shall not be entitled to any Individual Settlement Payment, shall not release any of the Released Claims by Settlement Class Members, and shall not have any right to object, appeal or comment thereon. Class Members who fail to submit a valid and timely Request for Exclusion on or before the Response Deadline shall be bound by all terms of the Settlement and any Final Approval Order and Judgment entered in this Action, including the Released Claims by Settlement Class Members in Paragraph 32. Any Class Member who submits a valid and timely Request for Exclusion cannot opt-out of PAGA portion of this Settlement and will still receive their PAGA Payment and be bound by the PAGA Release. The Court has final say regarding the validity and authenticity of any Requests for Exclusion.

d. Objections. Settlement Class Members who want to object to the Settlement can either mail, fax or email to the Settlement Administrator a written Objection by the Response Deadline. The Objection should: (a) contain the full name, address, and telephone number of the Class Member, and the last four digits of the Class Member's social security number; (b) contain the case name and case number; (c) the dates of employment of the Class Member; (d) be signed by the Class Member; (e) state the basis for the Objection, including any legal briefs, papers or memoranda in support of the Objection; and (f) be postmarked by the Response Deadline. The date of the postmark on the return mailing envelope on the Objection, or the date the email or fax was sent, shall be the exclusive means used to determine whether the Objection has been timely submitted. Class Members, including those who submit a timely Objection, will have a right to appear at the final approval hearing

to have their Objection heard by the Court. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit Objections to the Settlement or appeal from the Final Approval Order and Judgment. Class Counsel shall not represent any Settlement Class Members with respect to any such Objections. The Settlement Administrator will provide the Parties with any Objection within five (5) calendar days of receipt of the Objection. Plaintiff will file any and all Objections with the Court in advance of the Final Approval Hearing. Oral or written Objections may also be made at the Final Approval hearing without a written Objection or notice of intent to appear being submitted. Only Settlement Class Members have a right to assert an Objection to the Settlement, and Class Members who submit a valid Request for Exclusion do not have standing to object to the Settlement. If the Court rejects the Objection, the individual will be bound by the terms of the Settlement.

e. If greater than five (5) percent of the Class Members opt out or object to this Settlement Agreement or a number of Class Members whose share of the Net Settlement Amount is 5% or more, Defendant will have the right to rescind and terminate the Settlement without prejudice to its pre-settlement positions and defenses in the litigation. In such a case, the Parties and any funds to be awarded shall be returned to their respective statuses as of the date and time immediately prior to the execution of this Settlement Agreement.

f. Except for those Class Members who exclude themselves in compliance with the Request for Exclusion procedures set forth above, all Class Members will: (i) be deemed to be Settlement Class Members for all purposes under this Settlement Agreement; (ii) will be bound by the terms and conditions of this Settlement Agreement, the Final Approval Order and Judgment, and the releases set forth herein; and (iii) except as otherwise provided herein, will be deemed to have waived all Objections and oppositions to the fairness, reasonableness, and adequacy of the Settlement.

54. Funding Gross Settlement Amount. Within 30 days after the Effective Date, Defendant agrees to pay a sum equal to $2,250,000 (the "Gross Settlement Amount") to fund the Settlement of this Action. The Settlement is "all-in", non-reversionary and no funds will return to Defendant. Payments of any appropriate and lawfully-required employer share of the payroll taxes on

the taxable portion of the settlement payments shall be paid by Defendant separately from and in addition to the Gross Settlement Amount.

55. Allocation of Settlement. Individual Settlement Payments will be paid from the Net Settlement Amount, and Individual PAGA Payments will be paid from the PAGA Payment, and shall be paid pursuant to the settlement formula set forth herein. Individual Settlement Payments and Individual PAGA Payments shall be mailed by regular First Class U.S. Mail to Settlement Class Members' and/or PAGA Members' last known mailing address.

a. The Settlement Administrator shall calculate the total Compensable Workweeks for all Settlement Class Members and Compensable PAGA Pay Periods for all PAGA Members based on the Class Information provided by Defendant. The respective Compensable Workweeks for each Settlement Class Member will be divided by the total Compensable Workweeks for all Settlement Class Members, resulting in the Payment Ratio for each Settlement Class Member. A similar calculation will apply to determining the PAGA Payment Ratio for Compensable PAGA Pay Periods for each PAGA Member. Each Settlement Class Member's Payment Ratio will then be multiplied by the Net Settlement Amount to determine his or her Individual Settlement Payment, and each PAGA Members' PAGA Payment Ratio will then be multiplied by the PAGA Payment to determine his or her PAGA Payment.

b. Individual PAGA Payments are counted as penalties rather than wages for tax purposes and will be reported on IRS Form 1099 to each PAGA Member.

c. Individual Settlement Payments due to each Settlement Class Member shall be designated as follows:

1. Twenty percent (20%) of the Individual Settlement Payment shall represent payment for alleged unpaid wages. This payment shall be subject to the withholding of all applicable local, state, and federal taxes. Applicable payroll taxes and/or contributions will be deducted from the amount paid to Settlement Class Members. The Settlement Administrator will issue a W-2 Form to each Settlement Class Member in relation to this payment.

2. Seventy percent (70%) of the Individual Settlement Payment shall represent payment of all penalties. These payments will not be subject to withholding of local, state,

and federal taxes. The Settlement Administrator will issue an IRS Form 1099 to each Settlement Class Member in relation to these payments.

3. Ten percent (10%) of the Individual Settlement Payment shall represent payment of all interest. These payments will not be subject to withholding of local, state, and federal taxes. The Settlement Administrator will issue an IRS Form 1099 to each Settlement Class Member in relation to these payments.

(a). Class Members With Missing/Unverifiable Social Security Numbers and Withholdings of Taxes and Applicable Penalties. In the event that an Individual Settlement Payment or Individual PAGA Payment exceeds the threshold amount that must be reported to the Internal Revenue Service by means of a Form 1099, Class Counsel, and the Settlement Administrator, will take all necessary and reasonable steps to obtain W-9's from Class Members and/or PAGA Members and to comply with applicable IRS regulations on issuing 1099's without a social security number or tax entity identification number, and shall take all reasonable and necessary steps to avoid imposition of IRS penalties against the Gross Settlement Amount, including, but not limited to limiting payments below the reportable threshold and/or withholding of taxes and any applicable penalties. The Settlement Administrator will contact Class Members or PAGA Members who are entitled to payments that exceed the taxable income threshold twice, with at least 30 days between the two contacts.

c. Uncashed Settlement Checks (Class and PAGA). Individual Settlement Payment and Individual PAGA Payment checks shall remain negotiable for one hundred and eighty (180) calendar days from the postmark date of issuance. If the Individual Settlement Payment check is not cashed, deposited, or otherwise negotiated by the Settlement Class Member within the 180-day deadline, the Settlement Administrator will transmit the funds to Legal Aid at Work thereby leaving no "unpaid residue" subject to the requirements of Code of Civil Procedure section 384, subd. (b). Neither Defendant, Defendant's Counsel, Class Counsel nor Plaintiff will have any liability for lost or stolen settlement checks, forged signatures on settlement checks, unauthorized negotiation of settlement checks or failure to timely cash a settlement check within the 180-day period. The Settlement Administrator shall send a reminder postcard to any Settlement Class Member and/or

PAGA Member whose settlement distribution check has not been negotiated within sixty (60) days after the date of mailing.

d. Certification By Settlement Administrator. The Parties have the right to monitor and review administration of the Settlement. Any disputes not resolved by the Settlement Administrator concerning the administration of the Settlement will be resolved by the Court, under the laws of the State of California. Prior to any such involvement of the Court, counsel for the Parties will confer in good faith to resolve the disputes without the necessity of involving the Court. Upon completion of administration of the Settlement, the Settlement Administrator shall provide written certification of such completion to counsel for the Parties, and which shall be filed with the Court as necessary.

e. Settlement Awards Do Not Trigger Additional Benefits. All monies received by Settlement Class Members shall be deemed to be income to such Settlement Class Members and PAGA Members solely in the year in which such awards actually are received by the Settlement Class Members and PAGA Members. It is expressly understood and agreed that the receipt of such Individual Settlement Payment or Individual PAGA Payment will not entitle any Settlement Class Member or PAGA Members to additional compensation or benefits under any company compensation or benefit plan or agreement in place during the period covered by the Settlement, nor will it entitle any Settlement Class Member to any increased pension and/or retirement, or other deferred compensation benefits. It is the intent of this Settlement that any Individual Settlement Payments or Individual PAGA Payments provided for in this Agreement are the sole payments to be made by Defendant to the Settlement Class Members and/or PAGA Members in connection with this Settlement, and that the Settlement Class Members are not entitled to any new or additional compensation or benefits as a result of having received the Individual Settlement Payments and Individual PAGA Payments (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the period covered by this Settlement).

f. Class Representative Service Award. Defendant agrees not to oppose or object to a Class Representative Service Award to Plaintiff of up to Six Thousand Dollars and Zero Cents

($6,000.00), subject to Court approval. The Settlement Administrator shall issue an IRS Form 1099 – MISC to Plaintiff in connection with the Class Representative Service Award payment. Plaintiff shall be solely and legally responsible to pay any and all applicable taxes on her Class Representative Service Award and shall hold harmless Defendant and Class Counsel from any claim or liability for taxes, penalties, or interest arising as a result of the Class Representative Service Award payment. The Class Representative Service Award shall be in addition to Plaintiff's Individual Settlement Payment. This Settlement is not contingent upon the Court awarding Plaintiff a Class Representative Service Award in any amount, and any amount requested by Plaintiff for the Class Representative Service Award that is not granted by the Court shall return to the Net Settlement Amount and be distributed to Settlement Class Members as provided in this Settlement Agreement.

g. Class Counsel Award. Defendant agrees not to oppose or object to any application or motion by Class Counsel for attorneys' fees not to exceed one-third from the Gross Settlement Amount, or Seven-Hundred and Forty-Nine Thousand, Two Hundred and Fifty Dollars and Zero cents ($749,250). Defendant further agrees not to oppose any application or motion by Class Counsel for the reimbursement of any costs or expenses associated with Class Counsel's prosecution of this matter from the Gross Settlement Amount not to exceed Sixty Thousand Dollars ($60,000). Class Counsel shall be solely and legally responsible to pay all applicable taxes on the payment made pursuant to this paragraph. The Settlement Administrator shall issue an IRS Form 1099 – MISC to Class Counsel for the payments made pursuant to this paragraph. This Settlement is not contingent upon the Court awarding Class Counsel any particular amount in attorneys' fees and costs. Any amount requested by Class Counsel for the Class Counsel Award and costs that are not granted by the Court shall return to the Net Settlement Amount and be distributed to Settlement Class Members as provided in this Agreement.

h. Settlement Administration Costs. The Settlement Administrator shall be paid for the costs of administration of the Settlement from the Gross Settlement Amount. The costs of notice and administration for the disbursement of the Gross Settlement Amount shall not exceed Sixty Thousand Dollars ($60,000.00). Prior to the filing of a motion for final approval of this Settlement, the Settlement Administrator shall provide the Parties with a statement detailing the costs of

administration. Any amount requested by the Settlement Administrator for administration costs that is not granted by the Court shall return to the Net Settlement Amount and be distributed to Settlement Class members as provided in this Settlement Agreement.

i. PAGA Payment. Two Hundred Thousand dollars ($200,000) from the Gross Settlement Amount will be allocated to penalties under PAGA as the PAGA Payment. Seventy-five percent (75%) of that amount, or $150,000, will be paid to the LWDA as the LWDA Payment and twenty-five (25%) of that amount, or $50,000, will be paid to the PAGA Members based upon Compensable PAGA Pay Periods as determined by the PAGA Payment Ratio as set forth in Paragraph 25. This PAGA Payment is made pursuant to California Labor Code § 2699(i).

56. Tax Liability: Class Counsel and Defendant make no representation as to the tax treatment or legal effect of payments called for hereunder, and Plaintiff and the Settlement Class Members are not relying on any statement or representation by Class Counsel or Defendant in this regard. Plaintiff and Settlement Class Members understand and agree that they will be solely responsible for the payment of any taxes and penalties assessed on their respective payments described herein. The amount of federal income tax withholding will be based upon a flat withholding rate for supplemental wage payments in accordance with Treas. Reg. §31.3402(g)-1(a)(2) as amended or supplemented. Income tax withholding will also be made pursuant to applicable state and/or local withholding codes or regulations. Forms W-2 and/or Forms 1099 will be distributed at times and in the manner required by the Internal Revenue Code of 1986 (the "Code") and consistent with this Settlement Agreement. If the Code, the regulations promulgated thereunder, or other applicable tax law, is changed after the date of this Settlement Agreement, the processes set forth in this Section may be modified in a manner to bring Defendant into compliance with any such changes.

57. Distribution of Settlement Payments. Individual Settlement Payments to Settlement Class Members, Individual PAGA Payments to PAGA Members, the Class Representative Service Award, the Class Counsel Award, Settlement Administration Costs, Defendant's share of employer payroll taxes and PAGA Payment, shall all be distributed by the Settlement Administrator within (10) calendar days of receipt of the full Gross Settlement Amount from Defendant. Prior to distribution of Individual Settlement Payments to the Settlement Class Members and Individual PAGA Payments to

the PAGA Members, the Settlement Administrator shall update the Class and PAGA Members addresses using the National Change of Address Database.

58. Additional Compensable Pay Periods. It is currently estimated that Class Members worked 388,947 Compensable Workweeks as confirmed by Defendant. If the number of Compensable Workweeks identified during the Class Period exceeds 10% or more of 388,947 Compensable Workweeks (i.e., 427,842 Compensable Workweeks), then Defendant will pay the pro rata percentage increase in excess of the Gross Settlement Amount to include the additional Compensable Workweeks (*e.g.,* an 11% increase in Compensable Workweeks would result in a 1% increase in the Gross Settlement Amount.

59. Final Settlement Approval Hearing and Entry of Final Judgment. Upon expiration of the Response Deadline, a final approval hearing shall be conducted to determine, *inter alia*, final approval of the Settlement and amounts properly payable for: (a) Individual Settlement Payments; (b) the Class Counsel Awards; (c) the Class Representative Service Award; (d) PAGA Payment; and (e) the Settlement Administration Costs.

60. Nullification of Settlement Agreement. In the event: (a) the Court does not enter the order for preliminary approval of the Settlement; (b) the Court does not finally approve the Settlement; (c) the Court does not enter a Final Approval Order and Judgment as provided herein; (d) the Settlement does not become final for any other reason; or (e) the Court fails or refuses to approve any material condition of this Settlement Agreement which effects a fundamental change of the Settlement Agreement, this entire Settlement Agreement shall be null and void and unenforceable as to all Parties herein at the option of any Party but remains protected by California Evidence Code Section 1152, and any order or judgment entered by the Court in furtherance of this Settlement shall be treated as void from the beginning. In such cases, the Parties and any funds to be awarded under this Settlement shall be returned to their respective statuses as of the date and time immediately prior to the execution of this Settlement Agreement, and the Parties shall proceed in all respects as if this Settlement Agreement had not been executed. Further, if the Settlement Agreement is voided or fails for any reason, Plaintiff and Defendant will have no further obligations under the Settlement Agreement, including any obligation by Defendant to pay the Settlement Amount, or any amounts that otherwise

would have been owed under this Settlement Agreement. In the event an appeal is filed from the Court's Final Approval Order and Judgment, or any other appellate review is sought, administration of the Settlement shall be stayed pending final resolution of the appeal or other appellate review, and any fees incurred by the Settlement Administrator prior to it being notified of the filing of an appeal from the Court's Final Approval Order and Judgment, or any other appellate review, shall be paid to the Settlement Administrator by the party or person that filed the appeal, within thirty (30) calendar days of said notification.

61. No Admission by Defendant. Defendant denies any and all claims alleged in this Action and/or the Operative Complaint and denies all wrongdoing whatsoever. This Settlement Agreement is not a concession or admission and shall not be used against Defendant as an admission or indication with respect to any claim of any fault, concession, or omission by Defendant. Nonetheless, Defendant's desire to settle and compromise the matters at issue in the Action to avoid further substantial expense and the inconvenience and distraction of protracted and burdensome litigation. Defendant also has taken into account the uncertainty and risks inherent in litigation, and without conceding any infirmity in the defenses that it has asserted or could assert against Plaintiff and/or any Class Member, has determined that it is desirable and beneficial that the claims of Plaintiff and the Class be settled in the manner and upon the terms and conditions set forth in this Settlement Agreement.

62. No Publicity. Plaintiff and Class Counsel agree not to issue any press releases, initiate contact with the press, or respond to any press inquiries regarding the Settlement. Additionally, Plaintiff and Class Counsel agreed not to disclose or publicize the settlement, including the previously executed PAGA Settlement Agreement, which is superseded by this Settlement Agreement, the fact of the Settlement, its terms or contents, and the negotiations underlying the Settlement, in any manner or form, directly or indirectly, to any person or entity, except potential class members and as shall be contractually required to effectuate the terms of the Settlement as set forth herein. For the avoidance of doubt, this section means Plaintiff and Class Counsel will not issue press releases, communicate with, or respond to any media or publication entities, publish information in manner or form, whether printed or electronic, on any

medium or otherwise communicate, whether by print, video, recording or any other medium, with any person or entity concerning the Settlement, including the fact of the Settlement, its terms or contents and the negotiations underlying the Settlement, except as shall be contractually required to effectuate the terms of the Settlement as set forth herein. However, for the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other actions, Class Counsel may disclose the name of the Parties in this action and the venue/case number of this action (but not any other settlement details) for such purposes.

63. Exhibits and Headings. The terms of this Settlement Agreement include the terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein. Any Exhibits to this Settlement Agreement are an integral part of the Settlement. The descriptive headings of any paragraphs or sections of this Settlement Agreement are inserted for convenience of reference only and do not constitute a part of this Settlement Agreement.

64. Interim Stay of Proceedings. The Parties agree to stay all proceedings in the Action, except such proceedings necessary to implement and complete the Settlement, holding the Action in abeyance pending the final approval hearing to be conducted by the Court.

65. Dispute Resolution. Except as otherwise set forth herein, all disputes concerning the interpretation, calculation or payment of Settlement claims, or other disputes regarding compliance with this Agreement shall be resolved as follows:

a. If Plaintiff or Class Counsel, on behalf of Plaintiff or any Settlement Class Member, or Defendant's Counsel, on behalf of Defendant, at any time believe that the other Party has breached or acted contrary to the Agreement, that Party shall notify the other Party in writing of the alleged violation.

b. Upon receiving notice of the alleged violation or dispute, the responding Party shall have ten (10) calendar days to correct the alleged violation and/or respond to the initiating Party with the reasons why the Party disputes all or part of the allegation.

c. If the response does not address the alleged violation to the initiating Party's satisfaction, the Parties shall negotiate in good faith for up to ten (10) calendar days to resolve their differences.

d. If Class Counsel and Defendant's Counsel are unable to resolve their differences after twenty (20) calendar days, either Party shall first contact the mediator (Steve Pearl, Esq.) to try to resolve the dispute. If that proves unsuccessful, the party may file an appropriate motion for enforcement with the Court. The briefing of such motion should be in letter brief form and shall not exceed five (5) single-spaced pages (excluding exhibits).

e. Reasonable attorneys' fees and costs for work done in resolving a dispute under this Section may be recovered by any Party that prevails under the standards set forth within the meaning of applicable law.

66. Notice. Unless otherwise specifically provided herein, all notices, demands or other communications given hereunder shall be in writing and shall be deemed to have been duly given as of the third business day after (i) emailing and (ii) mailing by United States registered or certified mail, return receipt requested, addressed:

To the Settlement Class:

THE WHEELER LAW FIRM, APC
Scott Ernest Wheeler
Justin A. Wheeler
250 West First Street, Suite 216
Claremont, California 91711
Telephone: (909) 621-4988
Facsimile: (909) 621-4622
Email: sew@scottwheelerlawoffice.com
jaw@scottwheelerlawoffice.com

To Defendant:

Christian J. Keeney
Alis Moon
Kelli M. Dreger
JACKSON LEWIS P.C.
200 Spectrum Center Drive, Suite 500
Irvine, CA 92618
Phone: (949) 885-1360
Christian.Keeney@jacksonlewis.com
Kelli.dreger@jacksonlewis.com

67. Amendment or Modification. This Settlement Agreement may be amended or modified only by a written instrument signed by counsel for all Parties and approved by the Court.

68. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute

the entire Agreement among these Parties, and no oral or written representations, warranties, or inducements have been made to any Party concerning this Settlement Agreement or its Exhibits other than the representations, warranties, and covenants contained and memorialized in the Settlement Agreement and its Exhibits.

69. Authorization to Enter Into Settlement Agreement. Class Counsel and Defendant's Counsel warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate actions required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to affect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court or the mediator to resolve such disagreement. The persons signing this Settlement Agreement on behalf of Defendant represents and warrants that they are authorized to sign this Agreement on behalf of Defendant. Plaintiff represents and warrants that she is authorized to sign this Settlement Agreement and that she has not assigned any claim, or part of a claim, covered by this Settlement to a third-party.

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

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

72. Inadmissibility of Agreement. Whether or not the Court issues the Final Approval Order and Judgment, nothing contained herein, nor the consummation of this Settlement Agreement, is to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant or any of the other Released Parties. Each of the Parties hereto has entered into this

Settlement Agreement with the intention of avoiding further disputes and litigation with the attendant inconvenience and expenses. This Settlement Agreement is a settlement document, and it, along with all related documents such as the notices, and motions for preliminary and final approval, shall, pursuant to California Evidence Code section 1152 and/or Federal Rule of Evidence 408, be inadmissible as evidence in any proceeding, except an action or proceeding to approve the Settlement, and/or interpret or enforce this Settlement Agreement. The stipulation for class certification as part of this Settlement Agreement is for settlement purposes only and if for any reason the Settlement is not approved, the stipulation will be of no force or effect.

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

74. This Settlement is Fair, Adequate and Reasonable. The Parties believe this Settlement is a fair, adequate, and reasonable settlement of this Action and have arrived at this Settlement after extensive arms-length negotiations, taking into account all relevant factors, present and potential.

75. Jurisdiction of the Court. Pursuant to California Code of Civil Procedure section 664.6 and California Rules of Court. Rule 3.769(h), the Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Settlement Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the settlement embodied in this Settlement Agreement and all orders and judgments entered in connection therewith. All terms of this Settlement Agreement are subject to approval by the Court.

76. Construction. The Parties hereto agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive arms'-length negotiations among the Parties and that this Settlement Agreement shall not be construed in favor of or against any Party based on the extent to which any Party or their counsel participated in the drafting of this Settlement Agreement. Plaintiff and Defendant expressly waive the common-law and statutory rule of construction that ambiguities should be construed against the drafter of an agreement and further agree, covenant, and represent that the language in all parts of this Settlement Agreement shall be in all cases construed as a whole, according to its fair meaning.

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

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

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

80. Voluntary Agreement. The Parties acknowledge that they have entered into this Settlement Agreement voluntarily, on the basis of their own judgment and without coercion, duress, or undue influence of any Party, and not in reliance on any promises, representations, or statements made by the other Parties other than those contained in this Settlement Agreement. Each of the Parties hereto expressly waives any right they might ever have to claim that this Settlement Agreement was in any way induced by fraud.

81. Opportunity to Consult with Counsel. Prior to execution of this Settlement Agreement, each Party has read this entire Settlement Agreement and has been given the opportunity to consult with independent counsel of their choosing and to have such independent counsel advise as to the meaning of this Settlement Agreement and its legal effect.

82. Counterparts. This Settlement Agreement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one fully-signed Settlement Agreement, which shall be binding upon and effective as to all Parties. Electronic signatures shall have the same force and effect as an original. To facilitate execution and delivery of

Docusign Envelope ID: 9FB5DE4E-6C49-8F4A-834F-C98AE2F08CF8

this Agreement, the Parties may execute and exchange by facsimile or electronic image (i.e., as a ".pdf" file) counterparts of the signature pages and/or sign by electronical means (i.e., with DocuSign).

83. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Agreement valid and enforceable.

Dated: 6/1/2026

By: DocuSigned by: C71D898B9CE2400...
Marlene Del Carmen Leoner Diaz

Dated: _____

By: _____
Silverado Senior Living Management, Inc.

_____
Title:

APPROVED AS TO FORM:

Dated: June 1, 2026

THE WHEELER LAW FIRM, APC

By: _____
Scott Ernest Wheeler
Justin A. Wheeler

Attorneys for Plaintiff and the Putative Class

Dated:

JACKSON LEWIS P.C.

By: _____
Christian J. Keeney
Kelli M. Dreger

Attorneys for Defendant

this Agreement, the Parties may execute and exchange by facsimile or electronic image (i.e., as a ".pdf" file) counterparts of the signature pages and/or sign by electronical means (i.e., with DocuSign).

83. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Agreement valid and enforceable.

Dated: _____

By: _____
Marlene Del Carmen Leoner Diaz

Dated: 06/02/2026

By: Kristina Hulsey (Jun 2, 2026 15:57:02 PDT)
Silverado Senior Living Management, Inc.

Vice President, Legal
Title:

APPROVED AS TO FORM:

Dated:

THE WHEELER LAW FIRM, APC

By: _____
Scott Ernest Wheeler
Justin A. Wheeler

Attorneys for Plaintiff and the Putative Class

Dated:

JACKSON LEWIS P.C.

By: _____
Christian J. Keeney
Kelli M. Dreger

Attorneys for Defendant

EXHIBIT 1

THE WHEELER LAW FIRM, APC
Scott Ernest Wheeler (SBN 187998)
Justin A. Wheeler (SBN 342226)
250 West First Street, Suite 216
Claremont, California 91711
Telephone: (909) 621-4988
Facsimile: (909) 621-4622
Email: sew@scottwheelerlawoffice.com
jaw@scottwheelerlawoffice.com

Attorneys for Plaintiff and the Putative Class

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF ORANGE - CIVIL COMPLEX CENTER

MARLENE DEL CARMEN LEONOR DIAZ, individually, and on behalf of all other aggrieved employees,

Plaintiff,

v.

SILVERADO SENIOR LIVING MANAGEMENT, INC., a Delaware corporation; and DOES 1 through 10, inclusive,

Defendants.

Case No.: 30-2023-01333990-CU-OE-CXC

[Assigned for all Purposes to Hon. David A. Hoffer, Judge Presiding, CXC 103]

SECOND AMENDED CLASS ACTION COMPLAINT

1. Failure to Provide Required Meal Periods
2. Failure to Provide Required Rest Breaks
3. Failure to Pay Overtime Wages
4. Failure to Pay Minimum Wages
5. Failure to Pay Timely Wages
6. Failure to Pay All Wages Due to Discharged and Quitting Employees
7. Failure to Furnish Accurate Itemized Wage Statements
8. Failure to Maintain and Produce Required Records
9. Failure to Indemnify Employees for Necessary Business Expenditures
10. Unfair Business Practices; and

REPRESENTATIVE ACTION

11. Penalties Under the Labor Code Private Attorneys General Act ("PAGA")

DEMAND FOR JURY TRIAL

INTRODUCTION

This is a class action brought by Marlene Del Carmen Leonor Diaz ("Plaintiff"), on behalf of herself and all other similarly situated individuals, against Silverado Senior Living Management, Inc. ("Silverado Senior Living Management" or "Defendant") in order to hold Defendant accountable for their wage theft and other violations of California wage and hour laws. Plaintiff makes the following allegations on information and belief, except as to allegations pertaining to Plaintiff individually, which are based on her respective personal knowledge.

1. Defendant is an operator of senior living communities specializing in memory care for those with Alzheimer's and other forms of dementia with a focus on assisted living, hospice care, and palliative care, with services including memory-impaired care, skilled nursing, and in-home companion care.

2. As a private, for-profit business, Defendant implemented common policies and practices that have resulted in systemic violations of California's wage and hour laws. Defendant failed to implement adequate practices to protect the rights of its employees, particularly in light the nature of its business, which is to maximize profits.

3. Defendant maximizes profits at the expense of its employees by cutting labor costs through understaffing its facilities and in-home care assignments, denying wages owed to employees for all hours worked at the proper rate of pay, denying meal and rest breaks, cheating non-exempt employees out of wages and premiums, and related violations of California wage and hour laws.

4. Defendant implemented unlawful written policies with respect to meal and rest breaks. Defendant also requires its non-exempt employees, who are informed that the needs of the businesses take top priority, to work through meal and rest breaks, or take untimely meal periods. As a result, Plaintiff and other Class members have been denied the ability to take the meal and rest breaks that they were and are legally entitled to take. Moreover, Defendant has failed to pay any premium payments for missed, late or interrupted meal and/or rest periods.

5. Moreover, Defendant has uniformly failed to pay Plaintiff and other Class members proper overtime wages due the fact that it does not pay for all hours worked and/or at the correct rate of pay, improperly calculates the regular rate of pay, and willfully turns a blind eye to off-the-clock

work that Plaintiff and other non-exempt employees perform as a direct consequence of Defendant's understaffing and imposition of an unreasonable workload, and requiring employees to work more minutes per shift that Defendant credit them with having worked.

6. Defendant also failed to provide Plaintiff and the other Class members with accurate wage statements by failing to list any of the hours worked by Plaintiff and the other Class employees, and failed to pay all wages due upon separation of employment.

JURISDICTION AND VENUE

7. The Superior Court of the State of California has jurisdiction in this matter because Plaintiff is a citizen and resident of the State of California, and Defendant regularly conducts business in the State of California. No federal question is at issue because Plaintiff's claims are based solely on California law.

8. Venue is proper in this judicial district and Orange County because Plaintiff and other Class members performed work for Defendant in Orange County and many of Defendant's unlawful actions and omissions, as set alleged herein, occurred in Orange County.

9. Defendant employed Plaintiff and other Class Members within the State of California and the unlawful acts alleged herein have a direct effect on Plaintiff and other Class members.

THE PARTIES

10. Plaintiff is a resident and citizen of the State of California and a former employee of Defendant. Plaintiff was employed by Defendant as a Cook and her duties and responsibilities included preparing and serving patients at Defendant's hospice facilities. Plaintiff was employed as an hourly, non-exempt employee, who was employed by Defendant from approximately November 17, 2022, until February 3, 2023.

11. Plaintiff, on behalf of herself and all other Class members, brings this representative action to recover wages and penalties for among other things, Defendant's failure to provide legally compliant meal periods and rest breaks and failure to provide proper compensation at the regular rate of pay for missed and otherwise unlawful meal periods and rest breaks, failure to pay all wages due at the proper minimum and overtime rate of pay and illegal calculation of regular minimum and overtime compensation, failure to pay overtime, meal and rest period premiums, and sick pay at the regular rate

of pay, Defendant's failure to pay all wages due to discharged or quitting non-exempt employees, Defendant's failure to maintain and produce required records, failure to provide accurate itemized wage statements, and other violations of California wage and hour laws as alleged herein.

12. Defendant operates assisted living communities and offers hospice and home care throughout the State of California, and was and is at all times relevant herein was, a California corporation authorized to conduct business in the state of California.

13. Plaintiff, on behalf of herself and all other similarly situated individuals, brings this class action to recover, among other things, wages and penalties from unpaid wages earned and due, including but not limited to, Defendant's failure to provide legally compliant meal and rest breaks and failure to provide proper compensation for missed and otherwise unlawful meal and rest breaks, improperly rounded hours worked by Plaintiff and the other Class members, illegally calculated regular and overtime compensation, failure to properly pay the regular rate of pay for overtime, meal and rest period premiums, and sick pay, failure to pay all wages due to discharged or quitting non-exempt employees, failure to maintain required records, failure to provide accurate itemized wage statements, and failure to reimburse for necessary business expenditures.

14. Plaintiff is informed and believes, and thereon alleges, that Defendant is, and at all times relevant hereto was, a corporation organized and existing under the laws of the State of California and license to do business in the State of California.

15. During the statute of limitations period, Defendant has conducted business in the State of California.

16. Plaintiff is informed and believes, and based thereon alleges, that each Defendant acted in all respects pertinent to this action as the agent of the other Defendant, carried out a joint scheme, business plan or policy in all respects pertinent hereto, and the acts of each Defendant are legally attributable to the other Defendants. Furthermore, Defendants in all respects acted as the employer and/or joint employer of Plaintiff and the other Class members.

17. Plaintiff is informed and believes, and based thereon alleges, that each Defendant acted in all respects as the agent, servant, partner, joint venture, alter-ego, employee, proxy. Managing agent, and/or principal of the co-Defendants, and in performing the acts mentioned below was acting, at least

in part, within the course and scope of that authority as such agent, proxy, servant, partner, joint venture, employee, alter-ego, managing agent, and/or principal with the permission and consent of the co-Defendants. Plaintiff also alleges that the acts of each Defendant are legally attributable to the other Defendants.

18. Plaintiff is informed and believes, and based thereon alleges, that each of the Defendants sued herein were, at all relevant times, the employer, owner, shareholder, principal, joint venture, alter-ego, employee, proxy, managing agent, and/or principal of the remaining Defendants, and was acting, at least in part, within the course and scope of such employment and agency, with the express and implied permission, consent and knowledge, approval and/or ratification of the other Defendants. The above co-Defendant, managing agents, and supervisors, aided, abetted, condoned, permitted, approved, authorized, and/or ratified the unlawful acts described herein.

19. The true names and capacities of DOES 1 through 50, inclusive, are unknown to Plaintiff at this time, and Plaintiff therefore sues such defendants under fictitious names. Plaintiff is informed and believes, and thereon alleges, that each defendant designated as a DOE is in some manner highly responsible for the occurrences alleged herein, and that Plaintiff and other Class members' injuries and damages, as alleged herein, were proximately caused by the conduct of such DOE defendants. Plaintiff will seek leave of the Court to amend this Complaint to allege the true names and capacities of such DOE defendants when ascertained.

CLASS ACTION ALLEGATIONS

20. Plaintiff brings this action on behalf of herself, and the following similarly situated Class of individuals ("Class members"):

> All current and former hourly, nonexempt employees who were employed by Defendant at any time in the state of California during the relevant statute of limitations period.

21. Plaintiff reserves the right to name additional Class representatives as may be necessary and appropriate. Plaintiff also reserves the right to modify or amend the definition of the proposed Class and/or add subclasses before the Court determines whether certification is appropriate.

22. This action is appropriately suited for a class action because:

A. The proposed Class is a significant number. Plaintiff is informed and believes that the proposed Class consists of at least 1,000 current and former Class members. Joinder of all current and former non-exempt employees individually would be impractical and this action is the most efficient way to prosecute the claims.

B. This action involves common questions of law and fact to the proposed Class because the action focuses on the Defendant's systematic course of illegal payroll practices and policies, which was applied to all non-exempt employees in uniform violation of the California Labor Code, IWC Wage Orders, and the California Business and Professions Code, which prohibits unfair business practices arising from such violations. Here are a few common questions of law and fact that can be answered on a classwide basis:

- Whether Defendant failed to provide hourly, non-exempt employees with legally compliant meal periods and rest breaks and/or failed to pay premium wages;
- Whether Defendant failed to pay all and proper overtime compensation to hourly, non-exempt employees in compliance with California law;
- Whether Defendant failed to pay all minimum wages to hourly, non-exempt

  employees in compliance with California law;

  Whether Defendant properly paid overtime, meal and rest period premiums, and sick pay at the regular rate of pay;
- Whether Defendant failed to timely pay wages to hourly, non-exempt employees during employment and upon separation of employment in compliance with California law;
- Whether Defendant failed to maintain and produce required records and accurate wage statements for hourly, non-exempt employees;
- Whether Defendant failed to reimburse for reasonable and necessary business expenditures; and

- Whether Defendant engaged in unfair and/or unlawful business practices.

C. Plaintiff's claims are typical of the proposed Class because Defendant subjected all of its non-exempt employees to the similar and overlapping violations of the California Labor Code, the applicable IWC wage order, and the California Business and Professions Code.

D. Plaintiff is able to fairly and adequately protect the interests of all members of the proposed Class because it is in her best interests to prosecute the claims alleged herein to obtain full compensation due to the proposed Class for all services rendered and hours worked. Plaintiff has also retained counsel that is experienced in wage and hour class action litigation.

FIRST CAUSE OF ACTION
Failure to Provide Required Meal Periods
[Cal. Lab. Code §§ 226.7, 510, 512, 1194, 1197; and All Applicable IWC Wage Orders]
(On Behalf of Plaintiff and the Class Against all Defendants)

23. Plaintiff incorporates herein by specific reference, as though fully set forth, the allegations in paragraphs 1 through 22 (A) – (D).

24. During the statute of limitations period, as part of Defendant's unlawful policies and practices to deprive their non-exempt employees of all wages earned and due, Defendant required, permitted or otherwise suffered Plaintiff and Class members to perform work during their meal periods, to completely skip their meal periods, to take late and short meal periods, and Defendant has otherwise failed to provide the required meal periods to Plaintiff and Class members as required under California Labor Code §§ 226.7, 512, and § 11 of IWC Order 1-2001 and IWC Order 5.

25. Defendant has implemented several common policies and practices that have caused Plaintiff and Class members to systematically miss and otherwise take non-compliant meal periods.

26. Defendant grossly understaffs its facilities and in-home care assignments such that Class members are given so much work to complete that they regularly miss or take non-compliant meal periods. As a direct consequence of this understaffing, Plaintiff and Class members have so much work to complete within their scheduled shifts that they are forced to skip their meal periods altogether, to take them after working longer than five (5) hours, to perform work during their meal periods, or return to work after taking less than a thirty (30) minute meal period. Further, Plaintiff

and the other Class members were unable to take meal periods free of control of Defendant as they were not permitted to leave their work areas in order to take timely and compliant meal periods.

27. Moreover, Defendant failed to implement adequate policies or procedures to provide meal periods to its non-exempt employees. Among other things, Defendant overworked Plaintiff and Class members and did not adequately advise them of their rights to take meal periods, and systematically denied them the opportunity to take meal periods, including second meal periods during shifts of ten (10) hours or longer.

28. Defendant also violated California Labor Code §§ 226.7, all applicable wage orders and applicable sections, and the California Unfair Competition Law, Cal. Bus. & Prof. Code §§ 17200 *et. seq.*, by failing to compensate Plaintiff and Class members who were not authorized and permitted to take a complete, timely, uninterrupted meal period, in accordance with the applicable wage order, one additional hour of compensation at the proper regular rate of pay based upon incentive payments and/or nondiscretionary bonus payments for each workday that such a meal period was not authorized or permitted.

29. Defendant further violated California Labor Code sections 226.7, 510, 1194, 1194.2, 1197, and all applicable IWC Wage Orders, including Wage Order 5, and by failing to compensate Plaintiff and Class members for all hours worked during their meal periods.

30. As a proximate result of the aforementioned violations, Plaintiff and Class members have been damaged in an amount according to proof at trial, and seek all wages earned and due, interest, penalties, expenses, and costs of suit.

SECOND CAUSE OF ACTION
Failure to Provide Required Rest Breaks
[Cal. Lab. Code §§ 226.7, 512; and All Applicable IWC Wage Orders]
(On Behalf of Plaintiff and the Class Against all Defendants)

31. Plaintiff incorporates herein by specific reference, as though fully set forth, the allegations in paragraphs 1 through 30.

32. At all times relevant herein, as part of Defendant's illegal policies and practices to deprive its non-exempt employees of all wages earned and due, Defendant failed to permit Plaintiff and Class members to take rest breaks as required under California Labor Code §§ 226.7 and 512,

and § 12 of all applicable IWC Wage Orders, including Wage Order 5. This included failing to authorize an uninterrupted duty-free rest period of a net ten (10) minutes for shifts exceeding four (4) hours; failing to authorize and permit a second uninterrupted duty-free rest period of a net ten (10) minutes for shifts exceeding six (6) hours; and failing to authorize an uninterrupted duty-free rest period of a net ten (10) minutes for shifts exceeding ten (10) hours.

33. As with meal periods, Defendant's policies and practices caused Plaintiff and Class members to miss or otherwise take non-compliant rest periods by, among other things, giving them unreasonable amounts of work that had to be completed within their shift such that rest periods simply could not be taken. Further, as set forth above, Defendant implemented skeletal staffing policies, which resulted in the inability of Plaintiff and Class members to take compliant rest periods. In addition, Defendant did not adequately notify Plaintiff and Class members of their rights to take rest periods. Further, Plaintiff and the other Class members were unable to take rest periods free of control of Defendant as they were not permitted to leave their work areas in order to take timely and compliant rest periods.

34. Defendant further violated California Labor Code § 226.7, § 12 of all applicable IWC Wage Orders, and the California Unfair Competition Law, Cal. Bus. & Prof. Code §§ 17200 *et. seq.*, by failing to pay Plaintiff and Class members who were not provided with a rest break, in accordance with the applicable Wage Order, one additional hour of compensation at the proper regular rate of pay based upon incentive payments and nondiscretionary bonus payments, for each workday that a rest break was not provided.

35. As a proximate result of the aforementioned violations, Plaintiff and Class members have been damaged in an amount according to proof at trial, and seek all wages earned and due, interest, penalties, expenses, and costs of suit.

THIRD CAUSE OF ACTION
Failure to Pay Overtime Wages
[Cal. Lab. Code §§ 510, 1194, 1198; and All Applicable IWC Wage Orders]
(On Behalf of Plaintiff and the Class against all Defendants)

36. Plaintiff incorporates herein by specific reference, as though fully set forth, the allegations in paragraphs 1 through 35.

37. Pursuant to California Labor Code §§ 510, 1194, 1198, and all applicable Wage Orders and applicable sections, including Wage Order 5, Defendant is required to compensate Plaintiff and Class members for all overtime, which is calculated at one and one-half (1 ½) times the regular rate of pay for all hours worked in excess of eight (8) hours per day and/or forty (40) hours per week, and for the first eight (8) hours on the seventh consecutive workday, with double time for all hours worked in excess of twelve (12) hours in any workday and for all hours worked in excess of eight (8) hours on the seventh consecutive day of work in any workweek.

38. Plaintiff and Class members are current and former non-exempt employees entitled to the protections of California Labor Code §§ 510, 1194, and IWC Wage Order 1-2001. During the statute of limitations period, Defendant failed to compensate Plaintiff and Class members for all overtime hours worked as required under the foregoing provisions of the California Labor Code and IWC Wage Order by, among other methods: failing to pay any overtime compensation; failing to properly calculate the regular rate of pay for the purposes of calculating overtime pay owed and due; requiring, permitting or suffering Plaintiff and Class members to work off the clock; illegally rounding time so as to deprive Plaintiff and the Class members of wages; requiring, suffering, or permitting Plaintiff and Class members to work through meal and rest periods but not compensating them for this time, failing to include this time in all hours worked; and other methods to be discovered.

39. Defendant has also failed to pay required overtime wages based on its implementation of an unlawful rounding practice wherein it rounds the time worked by non-exempt employees up or down to the nearest quarter hour. Defendant also failed to pay the regular rate of pay based upon shift differentials and nondiscretionary bonus payments. These practices are unlawful and resulted in the systematic underpayment of overtime wages to Plaintiff and Class members.

40. In violation of California law, Defendant has knowingly and willfully refused to perform their obligations to compensate Plaintiff and Class members for all wages earned and all hours worked at the legally required rates of pay. As a proximate result, Plaintiff and Class members have suffered, and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages, and expenses and attorneys' fees in seeking to compel Defendant to fully perform their obligations under state law, all to their respective damages in amounts according to proof

at time of trial, and within the jurisdiction of this Court.

41. Defendant's conduct described herein violates California Labor Code §§ 510, 1194, 1198 and IWC Wage Order 1-2001, and IWC Wage Order 5. Therefore, pursuant to California Labor Code §§ 200, 203, 226, 558, 1194, 1197.1, and all applicable IWC Wage Orders, Plaintiff and Class members are entitled to recover the unpaid balance of wages owed to them by Defendant, plus interest, penalties, attorneys' fees, expenses, and costs of suit.

FOURTH CAUSE OF ACTION
Failure to Pay Minimum Wages
[Cal. Lab. Code §§ 1194, 1194.2, 1197; 1197.1 and All Applicable IWC Wage Orders]
(On Behalf of Plaintiff and the Class against all Defendants)

42. Plaintiff incorporates herein by specific reference, as though fully set forth, the allegations in paragraphs 1 through 41.

43. Pursuant to Cal. Lab. Code §§ 1194, 1194.2, 1197, 1197.1, and all applicable IWC Wage Orders, including Wage Order 5, the payment to an employee of less than the applicable minimum wage for all hours worked in a payroll period is unlawful.

44. During the statute of limitations period, the hourly rates for Plaintiff and Class members were precisely at minimum wage. Based on this common practice, Defendant failed to actually pay Plaintiff and Class members minimum wages for all hours worked by requiring, permitting or suffering them to work off-the-clock, such as requiring them to work through meal, rest breaks, but not compensating them for this time, and failing to include this time in all hours worked, engaging in illegal and unlawful rounding practice, and other methods to be discovered.

45. Defendant's conduct described herein violates Cal. Lab. Code §§ 1194, 1197, and all applicable IWC Wage Orders, including Wage Order 5. As a proximate result of the aforementioned violations, Plaintiff and other Class members have been damaged in an amount according to proof at trial. Therefore, pursuant to California Labor Code §§ 200, 203, 226, 558, 1194, 1194.2, 1197, 1197.1, and any other applicable law, Plaintiff and other Class members are entitled to recover the unpaid balance of wages owed to them by Defendant, plus interest, penalties, attorneys' fees, expenses, and costs of suit.

FIFTH CAUSE OF ACTION
Failure to Pay Timely Wages
[Cal. Lab. Code §§ 204, 210]
(On Behalf of Plaintiff and the Class against all Defendants)

46. Plaintiff incorporates herein by specific reference, as though fully set forth, the allegations in paragraphs 1 through 45.

47. Cal. Lab. Code § 204 provides that all wages earned by any person in any employment between the 1st and 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and 26th day of the month during which the labor was performed. Cal. Lab. Code § 204 further provides that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. Cal. Lab. Code § 204 further provides that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period.

48. At all times relevant herein, Defendant, among other things, willfully failed to pay Plaintiff and Class members all wages earned and due to them, including, *inter alia*, meal period and rest break premium payments, regular and overtime wages, failure to pay the regular rate of pay based upon non-discretionary bonus payments, and payment for work performed off-the-clock, within any time period permissible under Cal. Lab. Code § 204.

49. As a proximate result of Defendant's unlawful actions and omissions, Plaintiff and Class members are entitled to all available statutory penalties, including civil penalties pursuant to Cal. Lab. Code §§ 200, 204, 210, 558, 1194, 1197.1, and other applicable provisions under the California Labor Code and all applicable IWC Wage Orders, including Wage Order 5, and an award of costs, expenses, and reasonable attorneys' fees.

///

///

///

///

SIXTH CAUSE OF ACTION
Failure to Pay All Wages Due to Discharged and Quitting Employees
[Cal. Lab. Code §§ 200, 201, 202, 203]
(On Behalf of Plaintiff and the Class against all Defendants)

50. Plaintiff incorporates herein by specific reference, as though fully set forth, the allegations in paragraphs 1 through 49.

51. Pursuant to California Labor Code §§ 200, 201, 202, and 203, Defendant is required to pay all earned and unpaid wages to an employee who is discharged. California Labor Code § 200 provides that an employee shall be paid for all wages for the performance of any labor. California Labor Code § 201 mandates that if an employer discharges an employee, the employee's wages accrued and unpaid at the time of discharge are due and payable immediately.

52. Furthermore, pursuant to California Labor Code § 202, Defendant is required to pay all accrued wages due to an employee no later than seventy-two (72) hours after the employee quits his or her employment, unless the employee provided seventy-two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

53. California Labor Code § 203 provides that if an employer willfully fails to pay, in accordance with California Labor Code §§ 201 and 202, any wages of an employee who is discharged or who quits, the employer is liable for waiting time penalties in the form of continued compensation to the employee at the same rate for up to thirty (30) workdays.

54. During the statute of limitations period, Defendant willfully failed to pay accrued wages and other compensation to Plaintiff and Class members in accordance with California Labor Code §§ 201 and 202. Defendant does not have a sufficient policy to provide Plaintiff and Class members with their final paychecks within the timeframes required under California law. In addition, because Defendant has failed and continue to fail to properly compensate Plaintiff and Class members for all hours worked when due, overtime wages, and compensation for non-compliant meal and rest breaks, Defendant also willfully failed and continues to fail to pay accrued wages and other compensation to Plaintiff and Class members in accordance with California Labor Code §§ 201 and 202.

55. As a result, Plaintiff and Class members are entitled to all available statutory penalties, including the waiting time penalties provided in California Labor Code § 203, together with interest thereon, as well as other available remedies.

56. As a proximate result of Defendant's unlawful actions and omissions, Plaintiff and Class members have been deprived of compensation in an amount according to proof at the time of trial, but in excess of the jurisdiction of this Court, and are entitled to recovery of such amounts, plus interest thereon, and attorneys' fees and costs, pursuant to California Labor Code § 1194.

SEVENTH CAUSE OF ACTION
Failure to Furnish Accurate Itemized Wage Statements
[Cal. Lab. Code §§ 226; 226.3, 226.7, 558 and All Applicable IWC Wage Orders]
(On Behalf of Plaintiff and the Class against all Defendants)

57. Plaintiff incorporates herein by specific reference, as though fully set forth, the allegations in paragraphs 1 through 56.

58. During the statute of limitations period, Defendant routinely failed to provide Plaintiff and Class members with timely, accurate, and itemized wage statements in writing showing each employee's gross wages earned, total hours worked, all deductions made, net wages earned, and all applicable hourly rates in effect during each pay period and the corresponding number of hours worked at each hourly rate, in violation of California Labor Code § 226 and IWC Wage Order 1-2001.

59. Defendant's pay stubs violate Labor Code § 226 on their face by, failing to list the applicable rates of pay for regular and overtime hours worked by Plaintiff and Class members. Further, Defendant was and is not providing Plaintiff and other Class members with proper meal periods and rest breaks but intentionally fails to include in their wage statements one (1) additional hour of compensation for each non-compliant meal period or rest break, failing to pay the regular rate of pay, failing to pay all wages due based upon Defendant's illegal and unlawful rounding policy which favored Defendant, and other methods yet to be discovered.

60. Defendant knowingly and intentionally failed to provide Plaintiff and Class members with timely, accurate, and itemized wage statements in accordance with California Labor Code § 226(a) so as to prevent Plaintiff and Class members from being able to determine whether they were being paid for, among other things, all of the hours they worked and at the proper rates of pay.

61. As a proximate result of Defendant's unlawful actions and omissions, Plaintiff and Class members have been damaged in an amount according to proof at trial, and seek all wages earned and due, plus interest thereon. Additionally, Plaintiff and Class members are entitled to all available penalties, including but not limited to penalties pursuant to California Labor Code §§ 226(e), 226.3, 226.7, 558 and 1174.5, and an award of costs, expenses, and reasonable attorneys' fees, including but not limited to those provided in California Labor Code § 226(e), as well as other available remedies.

EIGHTH CAUSE OF ACTION
Failure to Maintain and Produce Required Records
[Cal. Lab. Code §§ 226, 1174, 1174.5, 1198.5; and All Applicable IWC Wage Orders]
(On Behalf of Plaintiff and the Class against all Defendants)

62. Plaintiff incorporates herein by specific reference, as though fully set forth, the allegations in paragraphs 1 through 61.

63. During the statute of limitations period, as part of Defendant's illegal payroll policies and practices to deprive Plaintiff and Class members of all wages earned and due, Defendant knowingly and intentionally failed to maintain and produce records as required under California Labor Code §§ 226, 1174, 1198.5, and all applicable IWC Wage Orders and applicable sections, including but not limited to, the following records: total daily hours worked by each non-exempt employee; applicable rates of pay; all deductions; meal periods; and accurate itemized wage statements.

64. As a proximate result of Defendant's unlawful actions and omissions, Plaintiff and Class members have been damaged in an amount according to proof at trial, and are entitled to all wages earned and due, plus interest thereon. Additionally, Plaintiff and Class members are entitled to all available statutory penalties, including but not limited to civil penalties pursuant to California Labor Code §§ 226(e), 226.3, 1174, 1174.5, 1198.5, and an award of costs, expenses, and reasonable attorneys' fees, including but not limited to those provided in California Labor Code § 226(e), as well as other available remedies.

///

///

///

///

NINTH CAUSE OF ACTION
Failure to Indemnify for Necessary Expenditures Incurred in Discharge of Duties
[Cal. Lab. Code § 2802]
(On Behalf of Plaintiff and the Class against Defendants)

65. Plaintiff incorporates herein by specific reference, as though fully set forth, the allegations in paragraphs 1 through 64.

66. California Labor Code § 2802(a) requires an employer to indemnify an employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer.

67. During the Class period, Defendant knowingly and willfully failed to indemnify Plaintiff and Class members for all business expenses and/or losses incurred in direct consequence of the discharge of their duties while working under the direction of Defendant, including but not limited to, personal protective equipment, mileage reimbursement and cellular telephone costs used for business purposes, in violation of California Labor Code § 2802.

68. As a proximate result of Defendant's unlawful actions and omissions, Plaintiff and Class members have been damaged in an amount according to proof at trial, and seek reimbursement of all necessary expenditures, plus interest thereon pursuant to California Labor Code § 2802(b). Additionally, Plaintiff and Class members are entitled to all available statutory penalties and an award of costs, expenses, and reasonable attorneys' fees, including those provided in California Labor Code § 2802(c), as well as other available remedies.

TENTH CAUSE OF ACTION
Unfair and Unlawful Business Practices
[Cal. Bus. & Prof. Code § 17200 *et. seq.*]
(On Behalf of Plaintiff and the Class against all Defendants)

69. Plaintiff incorporates herein by specific reference, as though fully set forth, the allegations in paragraphs 1 through 68.

70. Each and every one of Defendant's acts and omissions in violation of the California Labor Code and/or the applicable IWC Wage Orders as alleged herein, including but not limited to, Defendant's failure to provide required meal and rest breaks, failure to pay proper overtime compensation, unlawful rounding and requiring off-the-clock work, failure to pay all wages due to

discharged or quitting employees or to pay timely wages, and failure to furnish accurate itemized wage statements or to maintain required records, failure to reimburse for reasonable and necessary business expenses, all constitute an unfair and unlawful business practice under California Business and Professions Code § 17200 *et seq*.

71. Defendant's violations of California wage and hour laws constitute a business practice because the aforementioned acts and omissions were done repeatedly over a significant period of time, and in a systematic manner, to the detriment of Plaintiff and Class members.

72. Among other practices, Defendant has avoided payment of wages, overtime wages, the provision of meal and rest breaks, failing to provide premium payments for noncompliant meal and rest periods and other benefits as required by the California Labor Code, the California Code of Regulations, and the applicable IWC Wage Orders.

73. As a result of these unfair and unlawful business practices, Defendant has reaped unfair and illegal profits during the Class period at the expense of Plaintiff and Class members, and members of the public. Defendant should be made to disgorge its ill-gotten gains and to restore them to Plaintiff and Class members.

74. Defendant's unfair and unlawful business practices entitle Plaintiff and Class members to seek preliminary and permanent injunctive relief, including but not limited to orders that Defendant's account for, disgorge, and restore to Plaintiff and Class members the wages and other compensation unlawfully withheld from them. Plaintiff and Class members are entitled to restitution of all monies to be disgorged from Defendant in an amount according to proof at the time of trial.

ELEVENTH CAUSE OF ACTION
Representative Action for Civil Penalties
[Cal. Lab. Code §§ 2698- 2699.5]
(On Behalf of Plaintiff and all Other Aggrieved Employees against all Defendants)

75. Plaintiff incorporates herein by specific reference as though fully set forth the allegations in paragraphs 1 through 74, with exception of the allegations in Paragraphs 20 through 22 (A)-(D).

76. Plaintiff is an "aggrieved employee" within the meaning of California Labor Code § 2699(c), and is a proper representative to bring a civil action on behalf of herself and other current and

former non-exempt employees of Defendant pursuant to the procedures specified in California Labor Code § 2699.3, because Plaintiff was employed by Defendant and the alleged violations of the California Labor Code were committed against Plaintiff.

77. Pursuant to the California Private Attorneys General Act of 2004 ("PAGA"), Labor Code §§ 2698-2699.5, Plaintiff seeks to recover civil penalties, including but not limited to penalties under California Labor Code §§ 2699, 210, 218, 226.3, 1174.5, 1197.1, 1199 and IWC Wage Orders No. 1-2001, 4-2001, 5-2001, § 20, from Defendant in a representative action for the violations set forth above, including but not limited to violations of California Labor Code §§ 201, 202, 203, 204, 221, 223, 226, 226.2, 226.7, 226.8, 227, 227.3, 245.5, 246, 248.5, 248.6, 510, 512, 558, 1182.12, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2800, 2802, 2810.5, 6409.6, 6432, California Code of Regulations, Title 8, Section 3395, failure to provide recovery periods, failure to provide suitable seating, in violation of IWC Wage Order Nos. 1-2001, 4-2001, 5-2001, 7-2001. Plaintiff is also entitled to an award of reasonable attorneys' fees and costs pursuant to California Labor Code § 2699(g)(1).

78. Pursuant to California Labor Code §§ 2699.3, on April 11, 2023 and October 4, 2024, Plaintiff gave written notices by certified mail to the California Labor and Workforce Development Agency ("LWDA") and Defendant of the specific provisions of the California Labor Code and IWC Wage Orders alleged to have been violated, including the facts and theories to support the alleged violations. Within sixty-five (65) calendar of the postmark date of Plaintiff's notice letter, the LWDA did not provide notice to Plaintiff that it intends to investigate the alleged violations. Therefore, Plaintiff has complied with all of the requirements set forth in California Labor Code § 2699.3 to commence a representative action under PAGA.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, individually and on behalf of all other persons similarly situated, respectfully prays for relief against Defendant and DOES 1 through 50, inclusive, and each of them, as follows:

1. For compensatory damages in an amount to be ascertained at trial, including unpaid minimum wage and overtime;

2. For restitution of all monies due to Plaintiff and Class members, as well as disgorged

profits from the unfair and unlawful business practices of Defendant;

3. For meal and rest break compensation pursuant to California Labor Code § 226.7 and all applicable IWC Wage Orders;

4. For liquidated damages pursuant to California Labor Code § 1194.2;

5. For preliminary and permanent injunctive relief enjoining Defendant from violating the relevant provisions of the California Labor Code and all other applicable IWC Wage Orders, and from engaging in the unlawful business practices complained of herein;

6. For waiting time penalties pursuant to California Labor Code § 203;

7. For statutory and civil penalties according to proof, including but not limited to all penalties authorized by the California Labor Code §§ 210, 226(e), 226.3, 558, 1174.5, 1197.1, and 2699;

8. For interest on the unpaid wages at 10 percent per annum pursuant to California Labor Code §§ , 1194, California Civil Code §§ 3287, 3288, and/or any other applicable provision providing for pre-judgment interest;

9. For reasonable attorneys' fees and costs pursuant to California Labor Code §§, 226, 1194, and 2699, and California Civil Code § 1021.5, and/or any other applicable provisions providing for attorneys' fees and costs;

10. For declaratory relief;

11. For an order requiring and certifying the First through Tenth Causes of Action as a class action;

12. For an order appointing Plaintiff as Class representative and Plaintiff's counsel as Class counsel; and

13. For such further relief that the Court may deem just and proper.

DATED: February ___, 2026 THE WHEELER LAW FIRM, APC

By: _____
Scott Ernest Wheeler
Justin A. Wheeler

Attorney for Plaintiff and the Putative Class

DEMAND FOR JURY TRIAL

Plaintiff, on behalf of herself and all others similarly situated, hereby demands a jury trial with respect to all issues triable of right by jury.

DATED: February ___, 2026

THE WHEELER LAW FIRM, APC

By: _____
Scott Ernest Wheeler
Justin A. Wheeler

Attorney for Plaintiff and the Putative Class

EXHIBIT 2

CLASS AND PAGA NOTICE

Marlene Del Carmen Leonor Diaz v. Silverado Senior Living Management, Inc., Superior Court of the State of California for the County of Orange, Case Number: 30-2023-013333990-CU-OE-CXC

A court authorized this Notice. This is not a solicitation by a lawyer. You are not being sued.

Your legal rights are affected whether you act or not. Read this Notice carefully. You will be deemed to have carefully read and understood it.

Why should you read this Notice?

A proposed settlement (the "Settlement") has been reached in the class action lawsuit entitled *Marlene Del Carmen Leonor Diaz v. Silverado Senior Living Management, Inc.*, Superior Court of the State of California for the County of Orange, Case Number: 30-2023-013333990-CU-OE-CXC (the "Action"). The Settlement has two components, the settlement of class action claims (the "Class Released Claims") and the settlement of California Private Attorneys General Act ("PAGA") claims (the "PAGA Claims").

The Court has determined that there is sufficient evidence to suggest that the Settlement might be fair, adequate, and reasonable, and that any final determination of those issues will be made at the final approval hearing.

The Settlement covers all hourly, non-exempt employees who were employed by Silverado Senior Living Management, Inc. ("Defendant") at any time in the state of California during the period of June 29, 2019, through October 22, 2025 (the "Class Period"). You are receiving this notice because Defendant's records show that you worked as an hourly, non-exempt employee for Defendant during the Class Period. The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights with respect to the Class Released Claims.

If you also worked as an hourly, non-exempt employee who was employed by Defendant in the State of California during the period of April 11, 2022, through October 22, 2025 (the "PAGA Period") (collectively, the "Aggrieved Employees"), you may also qualify for a settlement payment as a result of the settlement of the PAGA Claims. If eligible as an Aggrieved Employee, you will still receive your portion of the PAGA settlement regardless of how you respond to this Notice, and the PAGA Claims will still be released by the Settlement.

Your options are further explained in this Notice. To exclude yourself from the class action portion of the Settlement, or object to the Settlement, you must take action by certain deadlines. If you want to participate in the Settlement as proposed, you don't need to do anything to obtain your share of the settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
DO NOTHING	If you do nothing, you will be considered part of the Settlement Class and will receive settlement benefits. You will also give up your rights to pursue a separate legal action against Defendant for the claims released under the Settlement.
EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS	If you do not wish to participate in the class action portion of the Settlement, you may exclude yourself by submitting a written request to be excluded. However, if you do so, you will not receive any payment under the Settlement for the class claims. If you exclude yourself from the Settlement, you will still receive your settlement payment for the release of the PAGA Claims if you are eligible; you cannot exclude yourself from that portion of the settlement.

OBJECT	To object to the Settlement, you may object orally at the Final Approval Hearing, or you may write to the Settlement Administrator about why you don't like the Settlement. This option is available only if you do not exclude yourself from the Settlement.
DISPUTE WORK WEEKS	If you believe your workweek count is incorrect**,** you have the right to submit a dispute with the Settlement Administrator.

Who is affected by this proposed Settlement?

The Court has certified, for settlement purposes only, the following Class: all hourly, non-exempt employees who were employed by Defendant at any time in the state of California during the Class Period. According to Defendant's records, you are a member of the Class (a "Class Member"). Also, according to Defendant's records, you were employed during the PAGA Period and are therefore a PAGA Aggrieved Employee.

What is this case about?

In the Action, Marlene Del Carmen Leonor Management, Inc. ("Plaintiff") alleges on behalf of herself and the Class (and with respect to the PAGA Claim, on behalf of the State of California) the following claims against Defendant: (1) failure to provide meal periods; (2) failure to provide rest periods; (3) failure to pay overtime wages; (4) failure to pay minimum wages; (5) failure to pay timely wages; (6) failure to pay all wages owed and due at termination of employment; (7) failure to provide accurate itemized wage statements i; (8) failure to maintain records; (9) failure to indemnify for necessary expenditures incurred in discharge of duties; (10) unfair and unlawful business practices; and (11) and violation of PAGA.

Defendant denies any and all wrongdoing and maintains that it has complied with all laws alleged to have been violated in the Second Amended Class Action and PAGA Complaint ("Operative Complaint") filed by Plaintiff as part of this Settlement. Defendant notes that this Settlement was established specifically to avoid the costs of proceeding with litigation and does not constitute an admission of liability by Defendant. The Court has not ruled on the merits of Plaintiff's claims or Defendant's defenses.

This Settlement is a compromise reached after good faith, arm's-length negotiations between Plaintiff and Defendant (the "Parties"), through their attorneys and a mediator. Both sides agree that in light of the risks and expenses associated with continued litigation, this Settlement is fair, adequate and reasonable. Plaintiff and Class Counsel believe this Settlement is in the best interests of the Class. The Court has granted preliminary approval of this Settlement.

Who are the attorneys in this Lawsuit?

Class Counsel

THE WHEELER LAW FIRM, APC
Scott Ernest Wheeler
Justin A. Wheeler
250 West First Street, Suite 216
Claremont, California 91711
Telephone: (909) 621-4988
Facsimile: (909) 621-4622
Email: sew@scottwheelerlawoffice.com
jaw@scottwheelerlawoffice.com

Defendant's Counsel

JACKSON LEWIS P.C.
Christian J. Keeney
Christian.Keeney@jacksonlewis.com
Kelli M. Kreger
Kelli.dreger@jacksonlewis.com
Alis M. Moon
Alis.Moon@jacksonlewis.com
200 Spectrum Center Drive, Suite 500
Irvine, California 92618
Telephone: (949) 885-1360

What will I receive under the Settlement?

Subject to final Court approval, Defendant will pay the total sum of $2,250,000 (the "Gross Settlement Amount"). It is estimated that, subject to Court approval, after deducting the attorney's fees and costs, service award to Plaintiff, payment to the California Labor and Workforce Development Agency ("LWDA") and Aggrieved Employees for the PAGA settlement, and settlement administration costs from Gross Settlement Amount, there will be a Net Settlement Amount of at least $_____.

From this Net Settlement Amount, Individual Settlement Payments will be paid to each Class Member who does not opt out of the Settlement Class ("Settlement Class Member"). The Net Settlement Amount shall be divided among all Settlement Class Members based on the ratio of the number of compensable work weeks worked by each Settlement Class Member to the total number of work weeks worked by all Settlement Class Members, calculated based on Defendant's records.

According to Defendant's records, during the period of June 29, 2019, through October 22, 2025, you worked ___ compensable work weeks in California, as an hourly, non-exempt employee, and therefore, your settlement payment as a Class Member is estimated to be $_____.

According to Defendant's records, during the period of April 11, 2022, through October 22, 2025, you worked ___ PAGA pay periods in California, as an hourly, non-exempt employee, and therefore, your portion of the settlement of the PAGA claim is estimated to be $_____.

Your settlement payments are only estimates, and the recovery will vary. Your actual settlement payment may be higher or lower than estimated. The estimated range of settlement payments to Class Members from the class action portion of the Settlement varies from _____ to _____. Your estimated recovery is _____. The range of settlement payments to Aggrieved Employes from the PAGA portion of the Settlement will range from _____ to _____.

If you wish to dispute the number of compensable work weeks credited to you, you must submit a written dispute to the Settlement Administrator at _____ by mail, postmarked no later than [Response Deadline], or by fax to _____ or e-mail by _____. The dispute must: (1) contain your full name, current address, telephone number, the last four digits of your Social Security number or full employee ID number; (2) contain the case name and case number; (3) contain a clear statement explaining that you wish to dispute the number of compensable work weeks and the basis for your dispute, including evidence sufficient to prove that Defendant's workweek calculation is incorrect, if any; and (4) and be signed by you. You may also dispute your PAGA pay periods by following the same process you can dispute your compensable work weeks set forth above. You should attach any documentation in support of your dispute. A Work Week Dispute Form is attached to this notice for your convenience.

When and how will I receive payment?

If the Court grants final approval of the Settlement, and only after the Effective Date of the Settlement defined below, the Settlement Administrator will send you a settlement check (unless you exclude yourself from the Settlement as discussed in this letter). The settlement approval process takes time so please be patient.

Class Members are responsible for paying taxes on any amount received. This Notice is not tax advice and you should consult your tax advisor. Checks will be valid and negotiable for one-hundred and eighty (180) days; after that checks will become void and a stop payment will be placed on the uncashed checks. Settlement checks that are not cashed within one-hundred and eighty (180) days of mailing, or are returned to the Settlement Administrator, will be cancelled and the Settlement Administrator shall send the funds associated with uncashed checks to Legal Aid at Work's Wage Protection Clinic. All funds attributable to PAGA penalties that are not timely negotiated by an Aggrieved Employee will also be paid to Legal Aid at Work's Wage Protection Clinic. The class action settlement payment issued to you will be allocated as follows: twenty percent (20%) as wages, seventy percent (70%) as penalties; and ten percent (10%) as interest. The wage portion of the Individual Settlement Payment shall be subject to withholding of

applicable local, state, and federal taxes, and the Settlement Administrator shall deduct applicable payroll taxes from the wage portion of the Individual Settlement Payment. None of the Parties or attorneys make any representations concerning the tax implications of this payment. Settlement Class Members may wish to consult with their own tax advisors concerning the tax consequences of the Settlement. The penalties and interest portion will not be subject to withholdings and a 1099 will be provided to you for these payments. The PAGA Payment is allocated as 100% to penalties. The PAGA Payment will not be subject to withholdings and a 1099 will be provided for this payment.

How will the lawyers be paid and how will other funds under the Settlement be distributed?

Class Counsel will ask the Court to award attorneys' fees not to exceed Seven Hundred and Forty-Nine Thousand and Two Hundred and Fifty Dollars ($749,250) or thirty-three and one-third (33.33) percent of the Gross Settlement Amount, and reimbursement of reasonable litigation costs not to exceed $60,000. In addition, Class Counsel will ask the Court to authorize Class Representative Service Award payment to Plaintiff of up to $6,000 for her efforts in representing the Class. The cost of administering the Settlement will not exceed $60,000. A payment in the amount of $150,000 will also be made to the LWDA for its share of PAGA penalties, while $50,000 will be paid to PAGA Aggrieved Employees. Any of these amounts not awarded by the Court will be included in the estimated net settlement of $_____ and will be distributed to Settlement Class Members.

What claims are being released by the proposed Settlement?

On the Effective Date, and in exchange for the consideration provided under this Settlement, Settlement Class Members shall fully and finally release and discharge Defendant and each of the Released Parties, from the "Class Released Claims," defined as: any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, or causes of action contingent or accrued for, that are pleaded, or that could have been pleaded, based on the facts and claims alleged in the Operative Complaint, PAGA Notices, and/or the Action including any claims for: (a) failure to provide required meal periods and pay premium payments, California Labor Code §§ 226.7, 510 and 512; (b) failure to provide required rest periods and pay premium payments, California Labor Code §§ 226.7 and 512; (c) failure to pay overtime wages, California Labor Code §§ 510, 1194 and 1198; (d) failure to pay minimum and straight time wages, California Labor Code §§ 223, 1182.12, 1194, 1194.2, 1197, and 1197.1; (e) failure to pay all wages to discharged and quitting employees, California Labor Code §§ 201, 202 and 203; (f) failure to timely pay wages §§ 204 and 210; (g) failure to maintain and/or produce required records, California Labor Code §§ 226, 248.6, 1174, 1174.5, 1198.5; (h) failure to furnish accurate, itemized wage statements, California Labor Code §§ 226, 248.6, and 226.3; (i) failure to indemnify for reasonable and necessary business expenses, California Labor Code §§ 2800, 2802; (j) failure to properly pay the regular rate of pay for overtime, meal and rest period premiums, and sick pay; and (k) unlawful business practices under California, Business and Professions Code §17200, et seq.; predicated on any of the violations of the California Labor Code and any applicable IWC Wage Order as alleged in the Operative Complaint including but not limited to, claims for restitution and other equitable relief, liquidated damages, or penalties; and any other benefit, wages, penalties, or other amounts claimed on account of the allegations asserted or which could have been asserted in the Operative Complaint and PAGA Notice dated April 11, 2023 and amended PAGA Notice dated October 4, 2024. This release shall apply to any and all claims arising at any point during the Class Period. Upon entry of the Final Approval Order and funding of the total Gross Settlement Amount, all Participating Class Members will forever completely release and discharge the Released Parties from the Released Claims for the Release Period. Plaintiff and Defendant intends that the Settlement described in this Settlement Agreement will release and preclude any further claim, whether by lawsuit, administrative claim or action, arbitration, demand, or other action of any kind, by each and all of the Participating Class Members to obtain a recovery to any and all of the Released Claims. This release excludes the release of claims not otherwise permitted by law, i.e. Worker's Compensation and unemployment insurance benefits.

In addition, as of the Effective Date, Plaintiff on behalf of herself, and the State of California and PAGA Members, release of any and all claims for penalties under PAGA that were or could have been asserted in the PAGA Notices, the Operative Complaint, and/or the Action, for the duration of the PAGA Period. The claims released shall include, without limitation, known and unknown claims for PAGA penalties

relating to any alleged: a) failure to provide required meal periods, in violation of Labor Code Sections 226.7, 512, 558 and Industrial Welfare Commission ("IWC") Wage Orders 1-2001, 4-2001, and 5-2001, Section 11; b) failure to provide required rest periods, in violation of Labor Code Sections 226.7, IWC Orders 1-2001, 4-2001, and 5-2001, Section 12; c) failure to pay overtime wages, in violation of Labor Code Sections 510, 1194, 1198, IWC Wage Orders 1-2001, 4-2001, and 5-2001, Section 3; d) failure to pay minimum and straight time wages, in violation of Labor Code Sections 1194, 1194.2, 1197, 1197.1, 226.7, 512 and Industrial Welfare Commission ("IWC") 1-2001, 4-2001, and 5-2001, Section 4; e) failure to timely pay wages when due, in violation of Labor Code Sections 204, and 210; f) failure to pay all wages due upon discharge or termination, including vacation pay, in violation or Labor Code Sections 201, 202, 203, 221, 227, and 227.3; g) failure to maintain required records, in violation of Labor Code Sections 226, 226.2, 1174, 1174.5, and IWC Wage Orders 1-2001, 4-2001, and 5-2001, Section 7; h) failure to provide accurate and itemized wage statements, in violation of Labor Code Sections 226, 226.3, and IWC Wage Order 1-2001, 4-2001, 5-2001, Section 5; i) failure to provide suitable seating, in violation of IWC Wage Orders 1-2001, 4-2001, and 5-2001, Section 14; j) failure to indemnify for necessary business expenses, in violation of Labor Code Section 2802; k) failure to provide and pay sick leave and COVID-19 supplemental sick leave, in violation of Labor Code Sections 245.5, 246, and 248.6; l) failure to provide employment records, in violation of Labor Code Section 1198.5 and IWC Wage Order 1-2001, 4-2001, 5-2001, Section 7; and m) the misclassification of aggrieved employees as independent contractors, in violation of Labor Code Section 226.8.

"Released Parties" collectively means Defendant and each of their past, present, and future respective subsidiaries, dba's, related and affiliated entities, joint ventures, parents, divisions, ownership entities, insurers and reinsurers, and company-sponsored employee benefit plans of any nature, successors, predecessors in interest, and each of their past and present officers, directors, shareholders, employees, agents, assigns, members, managing entities, joint employers, integrated enterprises, principals, heirs, representatives, accountants, auditors, consultants, attorneys, administrators, fiduciaries, trustees, agents, anyone acting for any of them.

"Effective Date" means October 1, 2026, or the date on which the Superior Court's Final Approval Order and Judgment become final, whichever is later. The Superior Court's Final Approval Order and Judgment "becomes final" upon the latter of: (a) if there is no Objection to the Settlement, or if there is an Objection but it is withdrawn, then, the date that the Final Approval Order and Judgment is entered by the Court; (b) if there is an Objection to the Settlement that is not withdrawn, but no appeal is commenced thereafter, then, sixty-five (65) calendar days following the date that the Final Approval Order and Judgment is filed by the Court; or (c) if there is an Objection to the Settlement, that is not withdrawn, and any appeal, writ, or other appellate proceeding opposing the Settlement has been filed within sixty-five (65) calendar days following the date that the Final Approval Order and Judgment is filed by the Court, then, when any such appeal, writ, or other appellate proceeding opposing the validity of the Settlement has been resolved finally and conclusively with no right to pursue further remedies or relief.

The Final Approval Order and Judgment whether favorable or not will be entered by the Court. All Class Members who do not request exclusion from the Settlement will be bound by the Court's Final Judgment pursuant to California Rules of Court, Rule 3.766(d)(4).

What are my options?

You have several options with respect to the class action portion of this Settlement. You may: (A) remain in the Class and receive payment under the Settlement; or (B) exclude yourself from the Settlement. If you choose option (A), you may also object to the Settlement.

OPTION A. Remain in the Class. If you remain in the Class, you will receive payment and be represented by Class Counsel. If you wish to remain in the Class and be eligible to receive a payment under the Settlement, you do *not* need to take any action. By remaining in the Class and receiving settlement monies, you consent to the release of the Released Claims as described above.

OPTION B. If You Do Not Want To Be Bound By The Settlement. If you do not want to be part of the class action portion of the Settlement, you must mail a Request for Exclusion to the Settlement

Administrator at 2832 Walnut Avenue, Suite C, Tustin, California 92780or fax at ( ) or e-mail a Request for Exclusion to ILYM Group, Inc. by the [Response Deadline]. Your Request for Exclusion must: (1) contain your full name, address, and telephone number, the last four digits of your social security number; (2), contain the case name and case number; and (3) a clear statement you are electing to be excluded from the Settlement; and (4) be signed by you. In order to be timely, your Request for Exclusion must be postmarked, faxed or e-mailed, on or before . If you do not submit a valid and timely Request for Exclusion, your Request for Exclusion will be rejected, you will be deemed a member of the Settlement Class, and you will be bound by the release of Released Claims as described above. If you submit a valid and timely Request for Exclusion, you will *not* be entitled to any payment as a Class Member from the Net Settlement Amount and you will not release the Class Released Claims. If you are a PAGA Aggrieved Employee, you will still receive a PAGA payment and be subject to the PAGA release outlined above even if you submit a Request for Exclusion. The Request for Exclusion form is attached to this notice for your convenience

Objecting to the Settlement: If you believe the proposed Settlement is not fair, reasonable or adequate in any way, you may object to it. To object, you can appear at the Final Approval Hearing and make an oral objection or make a written objection. To object in writing, you should mail a written statement of objection to ILYM Group, Inc. at 2832 Walnut Avenue, Suite C, Tustin, California 92780, or e-mail the written objection to (INSERT)@ILYMGROUP.com), or fax to ( ). The written objection should contain the following: (1) your full name, current address, and signature; (2) a clear reference to the Action; and (3) a statement of the specific reasons why the objector believes the Settlement Agreement is unfair or objects to the Settlement Agreement. In order to be timely, the written objection must be postmarked, faxed or e-mailed, on or before . Class Counsel will provide the Court with your written objection prior to the Final Approval Hearing. You can also hire an attorney at your own expense to represent you in your objection. The Objection Form is attached to this notice for your convenience. Even if you do not object in writing you may still appear and be heard at the Final Approval Hearing.

You cannot object to the Settlement if you request exclusion from the Settlement.

What is the next step in the approval of the Settlement?

The Court will hold a final approval hearing regarding the fairness, reasonableness and adequacy of the proposed Settlement and the plan of distribution of the payments described herein, on 2026, in Department CX103 of the Orange County Superior Court, Civil Complex Center, located at 751 West Santa Ana Boulevard, Santa Ana, California 92701. The final approval hearing may be continued without further notice to Class Members unless they have filed an objection to the Settlement. You are not required to attend the Final Approval Hearing in order to receive payment under the Settlement.

How can I get additional information?

This Notice summarizes the Action and the basic terms of the Settlement. For more complete information, the pleadings and other records in this litigation may be examined during regular court hours at the Orange County Superior Court, Civil Complex Center, located at 751 West Santa Ana Boulevard, Santa Ana, California 92701. A copy of the Settlement Agreement was filed on June , 2026 and is attached to the Declaration of Scott Ernest Wheeler In Support of Plaintiff's Motion for Preliminary Approval. You can also visit the Court's website at: https://www.occourts.org/online-services for more information, including obtaining a copy of the Settlement Agreement online.

The Settlement Administrator also has a website at:_____ with links to this Notice and key case documents, including the Settlement Agreement.

PLEASE DO NOT CALL OR WRITE TO THE COURT ABOUT THIS NOTICE

EXHIBIT 3

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF ORANGE - CIVIL COMPLEX CENTER

MARLENE DEL CARMEN LEONOR DIAZ, individually, and on behalf of all other aggrieved employees,

Plaintiff,

v.

SILVERADO SENIOR LIVING MANAGEMENT, INC., a Delaware corporation; and DOES 1 through 10, inclusive,

Defendants.

Case No.: 30-2023-01333990-CU-OE-CXC

[Assigned for all Purposes to Hon. David A. Hoffer, Judge Presiding, CXC 103]

[PROPOSED] ORDER GRANTING PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA REPRESENTATIVE ACTION SETTLEMENT

[PROPOSED] ORDER GRANTING PRELIMINARY APPROVAL

The Motion for Preliminary Approval of Class Action Settlement came before this Court, the Honorable David A. Hoffer, judge presiding, on July 20, 2026, at 1:30 p.m. The Court has considered the Class Action and PAGA Settlement Agreement and Release ("Settlement Agreement"), attached hereto as Exhibit A to the Declaration of Scott Ernest Wheeler In Support of Motion for Preliminary Approval of Class Action Settlement Filed on Behalf of Plaintiff, Marlene Del Carmen Leonor Diaz, **ORDERS THE FOLLOWING**:

1. The definitions set out in the Settlement Agreement are incorporated by reference into this Order; all terms defined therein shall have the same meaning in this Order.

2. The Court finds on a preliminary basis that the settlement memorialized in the Settlement Agreement appear to be fair, adequate, and reasonable as to all potential Class Members and Aggrieved Employees when balanced against the probable outcome of further litigation relating to liability and damages issues, and falls within the range of reasonableness of settlement that could ultimately be given final approval by the Court, and therefore meets the requirements for preliminary approval. The Court hereby preliminarily approves the terms and conditions provided for in the Settlement Agreement.

3. The Court conditionally and provisionally certifies for settlement purposes only the following class (the "Class" or "Settlement Class"):

> All hourly, non-exempt employees who were employed by Defendant, in the State of California, at any time from June 29, 2019, through October 22, 2025 (the "Class Period").

The Class Period is June 29, 2019, through October 22, 2025. (See, Exh. A, ¶7).

4. The court conditionally and provisionally approves for settlement purposes only the following definition of "Aggrieved Employees":

> All hourly, non-exempt employee who was employed or has been employed by Defendant in the State of California at any time during the time period of April 11, 2022, through October 22, 2025 (the "PAGA Period").

The PAGA Period means the time from April 11, 2022, through October 22, 2025. (See, Exh. A, ¶27).

5. The Court conditionally and provisionally finds, for settlement purposes only, that the proposed Class meets the requirements for certification under California Code of Civil Procedure § 382 in that: (1) the proposed Class is so numerous that joinder is impractical; (2) there are questions of law and fact that are common, or of general interest, to the proposed Class, which predominate over any individual issues; (3) Plaintiff's claims are typical of the claims of the proposed Class; (4) Plaintiff and Plaintiff's counsel will fairly and adequately protect the interests of the proposed Class; and (5) a class action settlement as reflected by the Settlement Agreement is superior to other available methods for the fair and efficient resolution of the controversy.

6. The Court preliminarily appoints, for settlement purposes only, Plaintiff Marlene Del Carmen Leonor Diaz as Representative for the Class.

7. The Court preliminarily appoints, for settlement purposes only, Scott Ernest Wheeler and Justin A. Wheeler of The Wheeler Law Firm, APC as Class Counsel.

8. The Parties are ordered to carry out the Settlement according to the terms of the Settlement Agreement.

9. The Court appoints ILYM Group, Inc. as the Settlement Administrator (the "Settlement Administrator"), and the Settlement Administrator is ordered to carry out the administration of the settlement according to the terms of the Settlement Agreement. The Administrator is ordered to carry out the settlement according to the terms of the Settlement Agreement and in conformity with this Order, including disseminating Class Notice (Exh. B) following the notice plan described in the Settlement Agreement. Class Notice will be mailed to the Class Members in English and Spanish.

10. The Class Notice (Exh. B) shall be accompanied by the Exclusion Form (Exh. C) and shall instruct Class Members to submit Exh. C to the Settlement Administrator, and not this Court. The Settlement Administrator shall direct copies of any Exclusion Forms to counsel for the Parties. If any Exclusion Forms are received from Class Members, the Settlement Administrator is ordered to file a declaration concurrently with the filing of Plaintiff's Motion for Final Approval, authenticating a copy of every exclusion form received.

11. The Class Notice (Exh. B) shall be accompanied by the Objection Form (Exh. D) and shall instruct Class Members to submit Exh. D. to the Settlement Administrator, ILYM Group, Inc., and not this Court. The Settlement Administrator shall direct copies of any Objection Forms to counsel for the Parties. If any Objection Forms are received from Class Members, the Settlement

Administrator is ordered to file a declaration concurrently with the filing of Plaintiff's Motion for Final Approval, authenticating a copy of every Objection Form received.

12. If any Class Member objects to the Settlement Agreement, the objecting party is not required, either personally or through counsel: 1) to appear at the hearing on the motion for final approval for that party's objection to be considered; or 2) to file or serve, or to state in the objection, a notice of intention to appear at the hearing on the motion for final approval.

13. The Class Notice (Exh. B) shall be accompanied by the Dispute Form (Exh. E) and shall instruct Class Members to submit Exh. E to the Settlement Administrator, ILYM Group, Inc., and not this Court. The Settlement Administrator shall direct copies of any Dispute Form to counsel for the Parties. Any Dispute Forms that are received from Class Members, the Settlement Administrator is ordered to file a declaration concurrently with the filing of Plaintiff's Motion for Final Approval, authenticating a copy of every Dispute Form received.

14. The proposed Gross Settlement Amount of $2,250,000 is conditionally approved.

15. The proposed payment of the Class Counsel Fees Payment to Class Counsel not to exceed Seven-Hundred and Forty-Nine Thousand, Two Hundred and Fifty Dollars and Zero cents ($749,250) (33 and 1/3 percent of the Gross Settlement Amount) and Class Counsel Litigation Expenses Payment to Class Counsel for actual litigation costs incurred not to exceed $60,000 are conditionally approved.

16. The proposed Class Representative Service Award not to exceed $6,000 to Plaintiff for her services as the class representative is conditionally approved.

17. The proposed payment of the Administration Expenses Payment not to exceed $60,000 to the Administrator for its services is conditionally approved.

18. The Court conditionally approves the Private Attorneys General Act of 2004 ("PAGA") Penalties not to exceed $200,000 the Parties have allocated for the settlement of the claims for PAGA penalties stemming from the alleged Labor Code violations. Seventy-five percent (75%) of the PAGA Penalties ($150,000) will be paid to the California Labor and Workforce Development Agency, and the remaining twenty-five percent (25%) of the PAGA Penalties ($50,000) will be paid to the Aggrieved Employees, on a pro rata basis.

19. The Parties are ordered to carry out the Settlement according to the following implementation schedule:

Event	Date
Last day for Defendant to provide the Settlement Administrator with the Class Information	Within fourteen (14) calendar days of the Court granting preliminary approval.
Last day for Settlement Administrator to mail Class Notice	Within ten (10) calendar days of the after receipt of the Class Information.
Last day for Class Members to submit a dispute regarding Workweeks, Request for Exclusion, or written Objection	Forty-five (45) calendar days after the postmark date of the Class Notice
Last Day for Plaintiff to file Motion for Final Approval and Attorneys' Fees and Costs and Class Representative Service Award	Per Code
Final Approval Hearing	December ___, 2026 at 2:00 p.m. in Dept. CX103

20. At the Final Approval Hearing, the Court will consider whether the Settlement should be finally approved as fair, reasonable and adequate, whether a final judgment should be entered, and whether the payments provided for under the Settlement, including attorneys' fees and costs and class representative service awards, should be finally approved and granted.

21. The Settlement Administrator shall provide notice to any objecting party of any continuance of the hearing of Plaintiff's Motion for Final Approval.

22. This Court shall retain continuing jurisdiction pursuant to Code of Civil Procedure §664.6 and California Rules of Court, Rule 3.769(h).

23. Pending the Final Approval Hearing, all proceedings in this Action, other than proceedings necessary to implement the Settlement and this Order, are stayed.

IT IS SO ORDERED.

Dated: _____, 2026

_____
HONORABLE DAVID A. HOFFER
JUDGE OF THE SUPERIOR COURT

EXHIBIT A

THE WHEELER LAW FIRM, APC
Scott Ernest Wheeler (SBN 187998)
Justin A. Wheeler (SBN 342226)
250 West First Street, Suite 216
Claremont, California 91711
Telephone: (909) 621-4988
Facsimile: (909) 621-4622
Email: sew@scottwheelerlawoffice.com
jaw@scottwheelerlawoffice.com

Attorneys for Plaintiff and all others similarly situated

Christian J. Keeney (SBN 269533)
Alis Moon (SBN 293697)
Kelli M. Dreger (SBN 267404)
JACKSON LEWIS P.C.
200 Spectrum Center Drive, Suite 500
Irvine, CA 92618
Phone: (949) 885-1360
Christian.Keeney@jacksonlewis.com
Kelli.dreger@jacksonlewis.com

Attorneys for Defendant Silverado Senior Living Management, Inc.

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF ORANGE – CIVIL COMPLEX CENTER

MARLENE DEL CARMEN LEONOR DIAZ, individually, and on behalf of all other aggrieved employees,

Plaintiff,

v.

SILVERADO SENIOR LIVING MANAGEMENT, INC., a Delaware corporation; and DOES 1 through 10, inclusive,

Defendants.

Case No.: 30-2023-01333990-CU-OE-CXC

[Assigned for all Purposes to Hon. David A. Hoffer, Judge Presiding, CXC 103]

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND RELEASE

Action Filed: June 29, 2023
Trial Date: None Set

This Class Action and PAGA Settlement and Release ("Settlement Agreement") is entered into by and between Plaintiff Marlene Del Carmen Leoner Diaz ("Plaintiff"), on behalf of herself and the Class, on the one hand, and Defendant Silverado Senior Living Management, Inc. ("Defendant"), and the Released Parties, on the other hand. Plaintiff and Defendant are collectively referred to herein as "Parties" and individually referred to herein as "Party."

PREAMBLE

1. On June 18, 2024, the Parties participated in a mediation with mediator, Kelly Knight, Esq., and reached a settlement of Plaintiff's claims under the California Private Attorneys General Act ("PAGA"), including the claims at issue in Plaintiff's Complaint, filed on June 29, 2023, and her respective April 11, 2023, and October 4, 2024, notices to the Labor and Workforce Development Agency ("LWDA"), which was memorialized in the Parties' Stipulation for Representative Action Settlement Pursuant to the Private Attorneys' General Act, fully executed on or around October 12, 2024 ("PAGA Settlement Agreement").

2. Following the execution of the PAGA Settlement Agreement, the Parties attended a second mediation with mediator Steve Pearl, Esq., and subsequently reached a settlement of Plaintiff's putative class claims, which are alleged in Plaintiff's Second Amended Complaint, which was filed on February 26, 2026, and is attached to this Settlement Agreement as **Exhibit 1**.

3. In light of the settlement of Plaintiff's putative class claims, the Parties have entered into this Settlement Agreement, which memorializes the terms of the Parties' settlement of Plaintiff's putative class claims and PAGA claims, and consolidates the terms of the PAGA Settlement Agreement into this Settlement Agreement.

4. As a result of the above, this Settlement Agreement replaces and supersedes the PAGA Settlement Agreement, and upon full execution of this Settlement Agreement, the PAGA Settlement Agreement will become null and void, and cannot be enforced.

5. In consideration of the mutual covenants, promises, and agreements set forth herein, the Parties agree that, pursuant to the terms and conditions set forth herein, which are subject to approval of the Court, this Action and the Released Claims shall be settled and compromised as between Plaintiff and the Class on the one hand and Defendant on the other hand.

DEFINITIONS

1. "Action" means *Marlene Del Carmen Leoner Diaz v. Silverado Senior Living Management, Inc.*, Superior Court of the State of California for the County of Orange, Case Number: 30-2023-01333990-CU-OE-CXC

2. "Class" means: All hourly, non-exempt employees who were employed by Defendant, in the State of California, at any time from June 29, 2019, through October 22, 2025.

3. "Class Counsel" means The Wheeler Law Firm, APC.

4. "Class Counsel Award" means attorneys' fees for Class Counsel's litigation and resolution of this Action and Class Counsel's expenses and costs incurred in connection with this Action.

5. "Class Information" means information regarding Class Members that Defendant will in good faith compile from their records and provide to the Settlement Administrator. It shall be formatted as a Microsoft Excel spreadsheet or Microsoft Word Document and shall include: each Class Member's full name; social security number; last known address; last known telephone number; and dates of employment and/or number of Compensable Workweeks and Compensable PAGA Pay Periods.

6. "Class Member" or "Class Members" means each person who is a member of the Class defined above and who is eligible to participate in this Settlement.

7. "Class Period" means the time period from June 29, 2019, through October 22, 2025.

8. "Class Representative Service Award" means the amount that the Court authorizes to be paid individually to Plaintiff in recognition of, *inter alia*, Plaintiff's efforts and risks in assisting with the prosecution of the Action and in return for executing a general release with Defendant.

9. "Compensable Workweek" or "Compensable Workweeks" means a reasonable estimate of weeks worked by each Class Member individually and collectively by all Class Members during the Class Period based on Defendant's records and used as a value to calculate Individual Settlement Payments. The number of Compensable Workweeks for each Class Member will be determined by adding all the calendar days within the inclusive dates of employment for the employee

and dividing that number by seven. Any partial workweek will be expressed as a percentage of a full workweek.

10. "Compensable PAGA Pay Period" or "Compensable PAGA Pay Periods" means a reasonable estimate of pay periods worked by each PAGA Member during the period from June 29, 2019, through October 22, 2025, based on Defendant's records and used as a value to calculate PAGA Payments. The number of Compensable PAGA Pay Periods for each PAGA Member will be determined by adding all the calendar days within the inclusive dates of employment for the employee and dividing that number by fourteen. Any partial pay period will be expressed as a percentage of a full pay period.

11. "Court" means the Superior Court for the State of California, County of Orange.

12. "Defendant" means Silverado Senior Living Management, Inc.

13. "Defendant's Counsel" means Jackson Lewis, P.C.

13. "Effective Date" means October 1, 2026, or the date on which the Superior Court's Final Approval Order and Judgment becomes final, whichever is later. The Superior Court's Final Approval Order and Judgment "becomes final" upon the latter of: (a) if there is no Objection to the Settlement, or if there is an Objection but it is withdrawn, then, the date that the Final Approval Order and Judgment is entered by the Court; (b) if there is an Objection to the Settlement that is not withdrawn, but no appeal is commenced thereafter, then, sixty-five (65) calendar days following the date that the Final Approval Order and Judgment is filed by the Court; or (c) if there is an Objection to the Settlement, that is not withdrawn, and any appeal, writ, or other appellate proceeding opposing the Settlement has been filed within sixty-five (65) calendar days following the date that the Final Approval Order and Judgment is filed by the Court, then, when any such appeal, writ, or other appellate proceeding opposing the validity of the Settlement has been resolved finally and conclusively with no right to pursue further remedies or relief.

14. "Final Approval Order and Judgment" means an order and judgment that the Court will enter which finally approves this Settlement and enters a judgment in favor of Plaintiff.

15. "Gross Settlement Amount" means the maximum amount which Defendant is obligated to pay under this Settlement Agreement, which is Two Million and Two Hundred and Fifty

Thousand Dollars and Zero Cents ($2,250,000), subject to increase under the circumstances as set forth in paragraph 58. This is an "all in" non-reversionary Settlement in which Defendant are required to pay the entire Gross Settlement Amount. No portion of the Gross Settlement Amount will revert to Defendant under any circumstances. Payments of any appropriate and lawfully-required employer's share of the payroll taxes on the taxable portion of the settlement payments shall be paid separately from the Gross Settlement Amount by Defendant at the time the Gross Settlement Amount is funded.

16. "Individual PAGA Payment" or "Individual PAGA Payments" means the PAGA Member's pro rata share of 25% of the PAGA Penalties.

17. "Individual Settlement Payment" or "Individual Settlement Payments" means the amount payable from the Net Settlement Amount to each Settlement Class Member.

18. "LWDA" means the California Labor and Workforce Development Agency.

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

20. "Net Settlement Amount" means the Gross Settlement Amount, less the Class Counsel Award, Class Representative Service Award, PAGA Payment, and Settlement Administration Costs.

19. "Notice of Class and PAGA Settlement" means the notice, substantially in the form attached hereto as **Exhibit 2**, which the Settlement Administrator will mail to each Class and PAGA Member, and which explains, *inter alia*, the terms of this Settlement Agreement, the settlement process, and each Class Member's estimated Individual Settlement Payment. Notice of Class and PAGA Settlement will be provided to the Class in English and Spanish.

20. "Objection" means a letter or other written communication submitted by a Class Member to the Settlement Administrator that contains a clear statement by the Class Member that he or she is objecting to any of the terms of the Settlement.

21. "Operative Complaint" means the Second Amended Class and PAGA Action Complaint was filed on February 27, 2026 to effectuate the terms of the Settlement.

22. "PAGA Member" or "PAGA Members" means any hourly, non-exempt employee who was employed or has been employed by Defendant in the State of California at any time during the time period of April 11, 2022, through October 22, 2025.

23. "Parties" means Plaintiff and Defendant, collectively, and "Party" means either Plaintiff or Defendant, individually.

24. "PAGA Notice" means Plaintiff's letters to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd. (a), dated April 11, 2023, and October 4, 2024.

25. "PAGA Payment" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the PAGA Members and 75% to the LWDA.

25. "Payment Ratio" means the respective Compensable Workweeks for Class Member divided by the total Compensable Workweeks for all Class Members.

26. "PAGA Payment Ratio" means the respective Compensable PAGA Pay Periods for each PAGA Member divided by the total Compensable PAGA Pay Periods for all PAGA Members.

27. "PAGA Period" means the time period from April 11, 2022, through October 22, 2025.

28. "Plaintiff" refers to Marlene Del Carmen Leoner Diaz.

29. "Preliminary Approval Date" means the date upon which the Court enters an order substantially in the form attached hereto as **Exhibit 3**, and which grants preliminary approval of the Settlement.

30. "Request for Exclusion" means a letter or other written communication submitted by a Class Member to the Settlement Administrator that contains a clear statement by the Class Member that he or she is electing to be excluded from the Settlement.

31. "Released Claims by Plaintiff" is set forth in paragraph 47 below.

32. "Released Claims by Settlement Class Members" means: As of the Effective Date, Settlement Class Members shall fully and finally release and discharge Defendant and the Released Parties, from June 29, 2019, through October 22, 2025, from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, or causes of action contingent or accrued for, that are pleaded, or that could have been pleaded, based on the facts and claims alleged in the Operative Complaint, PAGA Notices, and/or the Action including any claims for: (a) failure to provide required meal periods and pay premium payments, California Labor Code §§ 226.7, 510 and 512; (b) failure to provide required rest periods and pay premium payments, California Labor Code §§ 226.7 and 512; (c) failure to pay overtime wages, California Labor Code

§§ 510, 1194 and 1198; (d) failure to pay minimum and straight time wages, California Labor Code §§ 223, 1182.12, 1194, 1194.2, 1197, and 1197.1; (e) failure to pay all wages to discharged and quitting employees, California Labor Code §§ 201, 202 and 203; (f) failure to timely pay wages §§ 204 and 210; (g) failure to maintain and/or produce required records, California Labor Code §§ 226, 248.6, 1174, 1174.5, 1198.5; (h) failure to furnish accurate, itemized wage statements, California Labor Code §§ 226, 248.6, and 226.3; (i) failure to indemnify for reasonable and necessary business expenses, California Labor Code §§ 2800, 2802; (j) failure to properly pay the regular rate of pay for overtime, meal and rest period premiums, and sick pay; and (k) unlawful business practices under California, Business and Professions Code §17200, et seq.; predicated on any of the violations of the California Labor Code and any applicable IWC Wage Order as alleged in the Operative Complaint including but not limited to, claims for restitution and other equitable relief, liquidated damages, or penalties; and any other benefit, wages, penalties, or other amounts claimed on account of the allegations asserted or which could have been asserted in the Operative Complaint and PAGA Notice dated April 11, 2023 and amended PAGA Notice dated October 4, 2024. This release shall apply to any and all claims arising at any point during the Class Period. Upon entry of the Final Approval Order and funding of the total Gross Settlement Amount, all Participating Class Members will forever completely release and discharge the Released Parties from the Released Claims for the Release Period. Plaintiff and Defendant intends that the Settlement described in this Settlement Agreement will release and preclude any further claim, whether by lawsuit, administrative claim or action, arbitration, demand, or other action of any kind, by each and all of the Participating Class Members to obtain a recovery to any and all of the Released Claims. This release excludes the release of claims not otherwise permitted by law, i.e. Worker's Compensation and unemployment insurance benefits.

32. "Released Parties" collectively means Defendant and each of their past, present, and future respective subsidiaries, dba's, related and affiliated entities, joint ventures, parents, divisions, ownership entities, insurers and reinsurers, and company-sponsored employee benefit plans of any nature, successors, predecessors in interest, and each of their past and present officers, directors, shareholders, employees, agents, assigns, members, managing entities, joint employers, integrated enterprises, principals, heirs, representatives, accountants, auditors, consultants, attorneys,

administrators, fiduciaries, trustees, agents, anyone acting for any of them.

33. "Response Deadline" means forty-five (45) days after the postmark date of the Notice of Class and PAGA Settlement that the Settlement Administrator shall mail to Class Members, and the last date on which Class Members may: (a) submit a Request for Exclusion; (b) submit an Objection to the Settlement; or (c) submit a pay period dispute.

34. "PAGA Release" means as of the Effective Date, Plaintiff, on behalf of herself, and the State of California and PAGA Members, release of any and all claims for penalties under PAGA that were or could have been asserted in the PAGA Notices, the Operative Complaint, and/or the Action, for the duration of the PAGA Period. The claims released shall include, without limitation, known and unknown claims for PAGA penalties relating to any alleged: a) failure to provide required meal periods, in violation of Labor Code Sections 226.7, 512, 558 and Industrial Welfare Commission ("IWC") Wage Orders 1-2001, 4-2001, and 5-2001, Section 11; b) failure to provide required rest periods, in violation of Labor Code Sections 226.7, IWC Orders 1-2001, 4-2001, and 5-2001, Section 12; c) failure to pay overtime wages, in violation of Labor Code Sections 510, 1194, 1198, IWC Wage Orders 1-2001, 4-2001, and 5-2001, Section 3; d) failure to pay minimum and straight time wages, in violation of Labor Code Sections 1194, 1194.2, 1197, 1197.1, 226.7, 512 and Industrial Welfare Commission ("IWC") 1-2001, 4-2001, and 5-2001, Section 4; e) failure to timely pay wages when due, in violation of Labor Code Sections 204, and 210; f) failure to pay all wages due upon discharge or termination, including vacation pay, in violation or Labor Code Sections 201, 202, 203, 221, 227, and 227.3; g) failure to maintain required records, in violation of Labor Code Sections 226, 226.2, 1174, 1174.5, and IWC Wage Orders 1-2001, 4-2001, and 5-2001, Section 7; h) failure to provide accurate and itemized wage statements, in violation of Labor Code Sections 226, 226.3, and IWC Wage Order 1-2001, 4-2001, 5-2001, Section 5; i) failure to provide suitable seating, in violation of IWC Wage Orders 1-2001, 4-2001, and 5-2001, Section 14; j) failure to indemnify for necessary business expenses, in violation of Labor Code Section 2802; k) failure to provide and pay sick leave and COVID-19 supplemental sick leave, in violation of Labor Code Sections 245.5, 246, and 248.6; l) failure to provide employment records, in violation of Labor Code Section 1198.5 and IWC Wage

Order 1-2001, 4-2001, 5-2001, Section 7; m) the misclassification of aggrieved employees as independent contractors, in violation of Labor Code Section 226.8. ("Released PAGA Claims").

35. "Settlement" means the disposition of the Action pursuant to this Settlement Agreement.

36. "Settlement Administration Costs" means the amount to be paid to the Settlement Administrator from the Gross Settlement Amount for administration of this Settlement.

37. "Settlement Administrator" means ILYM Group, Inc. ("ILYM Group"), the Settlement Administrator shall be responsible for, *inter alia*: (a) performing Spanish translations of the Notice of Class Settlement; printing and mailing the Notice of Class and PAGA Settlement to the Class in English and Spanish; (b) receiving and reporting the Requests for Exclusion and Objections submitted by Class Members; (c) providing declaration(s) as necessary in support of preliminary and/or final approval of this Settlement; (d) processing and mailing payments to Plaintiff's, Class Counsel, the LWDA, PAGA Members, and Settlement Class Members; and (e) any other tasks as the Parties mutually agree or the Court orders the Settlement Administrator to perform. The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities. The Parties agree that they have no financial interest or other relationship with ILYM Group that could create a conflict of interest. Should a conflict of interest or other issue lead to the disqualification of the selected Settlement Administrator, the Parties will meet and confer as to a suitable replacement.

38. "Settlement Class" or "Settlement Class Members" means all Class Members who have not opted out of the Class by submitting a valid and timely Requests for Exclusion.

RECITALS

39. Procedural History. On June 29, 2023, Plaintiff filed a PAGA only complaint against Defendant in Superior Court of the State of California, County of Orange, Case Number: 30-2023-01333990-CU-OE-CXC. The Parties stipulated to the filing of the Operative Complaint in order to effectuate the terms of the Settlement which will be submitted to the Court prior to the time Plaintiff files her Motion for Preliminary Approval. Defendant's answer to Plaintiff's Operative Complaint will be held in abeyance pending Court approved of this Settlement.

40. Investigation and Discovery. The Parties have conducted significant investigation of the facts and law during the prosecution of this Action and before this Settlement was reached. Such discovery and investigation included, *inter alia*, the exchange of information and extensive documents pertaining to Plaintiff and the Class, and numerous meetings and informal conferences wherein the Parties exchanged information, class data, and theories of the case. Plaintiff has also investigated the law as applied to the facts of Plaintiff's claims and Defendant's potential defenses thereto.

41. Mediation. The Parties initially participated in a mediation session with the highly experienced mediator, Kelly Knight, Esq., on June 18, 2024. After a full day of mediation, the Parties were able to reach a proposed settlement regarding the material terms for a proposed PAGA settlement that would fully resolve the Action. The Parties continued in their settlement discussions regarding Plaintiff's putative class claims. On September 4, 2025, the Parties participated in a second mediation session with the highly experienced mediator Steve Pearl, Esq., and subsequently resolved Plaintiff's putative class claims. The Settlement Agreement is intended to consolidate and memorialize the terms of the settlements that were reached during both mediations (*i.e.,* on June 18, 2024, and September 4, 2025), and supersedes the PAGA Settlement Agreement previously executed by the Parties.

42. Benefits of Settlement to Class Members. Plaintiff and Class Counsel recognize the expense and length of continued proceedings necessary to litigate Plaintiff's claims through trial and any possible appeals. Plaintiff has also taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in such litigation. Plaintiff and Class Counsel are also aware of the burdens of proof necessary to establish liability for the claims asserted in the operative Complaint, both generally and in response to Defendant's defenses thereto, and the difficulties in establishing damages for the Class. Plaintiff and Class Counsel have also taken into account Defendant's agreement to enter into a settlement that confers substantial relief upon the members of the Class. Based on the foregoing, Plaintiff and Class Counsel have determined that the Settlement set forth in this Settlement Agreement is a fair, adequate, and a reasonable settlement, and is in the best interests of the Class.

43. Defendant's Reasons for Settlement. Defendant has concluded that any further defense of this litigation would be protracted and expensive for all Parties. Substantial amounts of Defendant's

time, energy, and resources have been and, unless this Settlement is completed, will continue to be devoted to the defense of the claims asserted by Plaintiff. Defendant has also taken into account the risks of further litigation in reaching its decision to enter into this Settlement. Even though Defendant continues to contend that it is not liable for any of the claims alleged by Plaintiff in the Operative Complaint, Defendant has agreed, nonetheless, to settle in the manner and upon the terms set forth in this Settlement Agreement to put to rest the claims asserted in the Operative Complaint.

STIPULATION AND AGREEMENT

44. NOW THEREFORE, in consideration of the mutual covenants, promises, and agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

45. It is agreed by and among Plaintiff and Defendant that this Settlement shall bind the Plaintiff, Settlement Class Members, and Defendant, subject to the terms and conditions hereof.

46. Circular 230 Disclaimer. Each Party to this Agreement (for purposes of this section, the "acknowledging party" and each Party to this Agreement other than the acknowledging party, an "other party") acknowledges and agrees that (1) no provision of this Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his, her, or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any other party or any attorney or advisor to any other party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty that may be imposed on the acknowledging party; and (3) no attorney or adviser to any other party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement.

47. Released Claims by Plaintiff. As the Effective Date, Plaintiff agrees to the Release of

Claims by Settlement Class Members. In addition to Release of Claims by Settlement Class Members and as a material inducement to Defendant to enter into this Settlement Agreement, Plaintiff does hereby, for herself and for her spouse, heirs, successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, personal representatives, and assign, forever and completely release and discharge the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, and expenses (including back wages, statutory penalties, civil penalties, liquidated damages, exemplary damages, interest, attorneys' fees, and costs) of any nature whatsoever, from the beginning of time through the execution of this Settlement Agreement, whether known or unknown, suspected or unsuspected, including but not limited to all claims arising out of, based upon, or relating to Plaintiff's employment with or work for Defendant or the remuneration for or termination of such employment.

Without limiting the generality of the foregoing, Plaintiff expressly releases all claims arising under the California Labor Code (including, but not limited to, sections 200, 201, 201.3, 202, 203, 204, 210, 216, 218.5, 218.6, 221, 225, 225.5, 226, 226.3, 226.7, 227.3, 246, 248.1, 248.2, 248.6, 351, 432, 450, 510, 511, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1197.2, 1198, 1198.5, 1199, 1400, 1775, 2698 et seq., 2699, 2802; the Wage Orders of the California Industrial Welfare Commission, including IWC Wage Orders 5-2001, and 15-2001; the California Private Attorneys General Act of 2004 ("PAGA"); California Business and Professions Code section 17200 et seq.; the California Civil Code, to include, but not limited to, section 3336 and 3294; the California common law of contract; the Fair Labor Standards Act, 29 U.S.C. § 201 et seq.; federal common law; and the Employee Retirement Income Security Act, 29 U.S.C. § 1001, et seq. Plaintiff's Released Claims also include all claims for lost wages and benefits, emotional distress, retaliation, punitive damages, and attorneys' fees and costs arising under federal, state, or local laws for discrimination, harassment, and wrongful termination such as by way of example only, (as amended) 42 U.S.C. section 1981, Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, the Age Discrimination in Employment Act, and the California Fair Employment and Housing Act; and the law of contact and tort. This release excludes the release of claims not permitted by law. As to the Plaintiff's Released

Claims only, Plaintiff expressly waives all rights and benefits under the terms of section 1542 of the California Civil Code. Section 1542 reads as follows:

> **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 releasing party.**

Notwithstanding the provisions of Section 1542, and for the purpose of implementing a full and complete release and discharge of all parties, Plaintiff and Class Counsel expressly acknowledge that this Settlement Agreement is intended to include in its effect, without limitation, all claims that Plaintiff knew of, as well as all claims that Plaintiff did not know or suspect to exist in Plaintiff's favor against the Released Parties, or any of them, for the time period from the beginning of time to the execution of this Settlement Agreement, and that this Settlement Agreement contemplates the extinguishment of any such claims. Plaintiff and Plaintiff's Counsel do not currently intend to pursue any claims against Defendant, including, but not limited to, any and all claims relating to or arising from Plaintiff's employment with Defendant, and that Plaintiff's Counsel is not currently aware of any facts or legal theories upon which any claims or causes of action could be brought against Defendant, excepting those facts or legal theories alleged in the Operative Complaint in this Action. This release does not include claims which cannot be released by California law such as unemployment or Worker's Compensation benefits.

48. Class Certification. For settlement purposes only, Defendant will stipulate that the Settlement Class Members described herein who do not request exclusion from the Class may be conditionally certified as a settlement class. This stipulation to certification is in no way an admission that class action certification is proper and shall not be admissible in this or in any other action except for the sole purposes of enforcing this Agreement. Should the Court fail to issue Final Approval for any reason, the Parties' stipulation to class certification as part of the Settlement Agreement shall become null and void *ab initio* and shall have no bearing on but remains protected by California Evidence Code Section 1152 and shall not be admissible in connection with, the issue of whether or not certification would be appropriate in a non-settlement context. Defendant expressly reserve its rights and declare that Defendant's will continue to oppose class certification and contest the

substantive merits of the case should the Court fail to issue Final Approval. Plaintiff expressly reserves her rights and declares that she will continue to pursue class certification and a trial should the Court fail to grant Final Approval.

49. Approval of Settlement. Plaintiff will move the Court to grant preliminary and final approval of this class action Settlement. The Parties agree to work diligently and cooperatively to have this matter presented to the Court for preliminary and final approval.

50. Release of Claims by Class Members. Settlement Class Members release the "Released Claims by Settlement Class Members," as defined, as of the Effective Date.

51. Release of Settled PAGA Claims. Plaintiff, on behalf of the State of California and LWDA, release the "Settled PAGA Claims," as defined, as of the Effective Date.

52. Settlement Administration. Within fourteen (14) calendar days after the Preliminary Approval Date, Defendant shall provide the Settlement Administrator with the Class Information.

53. Notice to the Class. Upon receipt of the Class Information, the Settlement Administrator will perform a search based on the National Change of Address Database to update and correct any known or identifiable address changes. Within ten (10) calendar days after receiving the Class Information, the Settlement Administrator shall mail copies of the Notice of Class Settlement to all Class Members via regular First Class U.S. Mail. The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Class Member. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Class Member.

a. Undeliverable Notices. Any Notice of Class and PAGA Settlement returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto within ten (10) calendar days. For any undeliverable Notice of Class and PAGA Settlement returned for which no forwarding address is affixed, the Settlement Administrator will conduct its investigation for an updated address of the Class Member and re-mail the Notice of Class and PAGA Action Settlement. If an updated address is found, the Settlement Administrator shall have seven (7) days to re-mail the Notice of Class and PAGA Settlement from receipt of the undelivered envelope. The Settlement Administrator will provide a cover letter notifying

the Class Member of the extended Response Deadline. Any Class Member who receives a re-mailed Notice of Class Settlement shall have forty-five (45) days after the postmark date of the re-mailed Notice of Class and PAGA Settlement to: (a) submit a Request for Exclusion; (b) submit an Objection to the Settlement; or (c) dispute Compensable Workweeks and/or Compensable PAGA Pay Periods.

(1) Verification of Class Member Employment Status. If Notice of Class and PAGA Settlement sent to a Class Member is determined to be undeliverable, the Settlement Administrator shall verify the employment status of the Class Member with Defendant within five (5) days of receipt of the undeliverable Notice of Class and PAGA Settlement. If the Class Member is a current employee of Defendant, Defendant shall take all reasonable efforts to obtain the current address from the Class Member and shall provide the same with seven (7) days of notice from the Settlement Administrator.

b. Disputes Regarding Individual Settlement Payments. Class Members will have the opportunity, should they disagree with Defendant's records regarding the number of Compensable Workweeks attributed to them in the Notice of Class and PAGA Settlement, to provide documentation and/or an explanation to show contrary information by the Response Deadline. The dispute form must: (a) contain the full name, address, and telephone number of the Class Member, and the last four digits of the Class Member's social security number or full employee ID number; (b) contain the case name and case number; (c) contain a clear statement by the Class Member that he or she is disputing the number of Compensable Workweeks and the basis for the dispute; (d) be signed by the Class Member; and (e) be postmarked, faxed or e-mailed by the Response Deadline. The date of the postmark on the return mailing envelope on the dispute form, or the date the e-mail or fax is sent, shall be the exclusive means used to determine whether it has been timely submitted. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall then determine the eligibility for, and the amounts of, any Individual Settlement Payments and Individual PAGA Payments under the terms of this Agreement. The Court has final say regarding the validity and final decision regarding any Pay Period disputes.

c. Request for Exclusion. Class Members who want to exclude themselves from the Settlement must mail, fax or email to the Settlement Administrator a Request for Exclusion by the Response Deadline. The Request for Exclusion must: (a) contain the full name, address, and telephone number of the Class Member, and the last four digits of the Class Member's social security number; (b) contain the case name and case number; (c) contain a clear statement by the Class Member that he or she is electing to be excluded from the Settlement; (d) be signed by the Class Member; and (e) be postmarked, faxed or e-mailed by the Response Deadline. The date of the postmark on the return mailing envelope on the Request for Exclusion, or the date the e-mail or fax is sent, shall be the exclusive means used to determine whether it has been timely submitted. Any Class Member who requests to be excluded from the Class shall not be entitled to any Individual Settlement Payment, shall not release any of the Released Claims by Settlement Class Members, and shall not have any right to object, appeal or comment thereon. Class Members who fail to submit a valid and timely Request for Exclusion on or before the Response Deadline shall be bound by all terms of the Settlement and any Final Approval Order and Judgment entered in this Action, including the Released Claims by Settlement Class Members in Paragraph 32. Any Class Member who submits a valid and timely Request for Exclusion cannot opt-out of PAGA portion of this Settlement and will still receive their PAGA Payment and be bound by the PAGA Release. The Court has final say regarding the validity and authenticity of any Requests for Exclusion.

d. Objections. Settlement Class Members who want to object to the Settlement can either mail, fax or email to the Settlement Administrator a written Objection by the Response Deadline. The Objection should: (a) contain the full name, address, and telephone number of the Class Member, and the last four digits of the Class Member's social security number; (b) contain the case name and case number; (c) the dates of employment of the Class Member; (d) be signed by the Class Member; (e) state the basis for the Objection, including any legal briefs, papers or memoranda in support of the Objection; and (f) be postmarked by the Response Deadline. The date of the postmark on the return mailing envelope on the Objection, or the date the email or fax was sent, shall be the exclusive means used to determine whether the Objection has been timely submitted. Class Members, including those who submit a timely Objection, will have a right to appear at the final approval hearing

to have their Objection heard by the Court. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit Objections to the Settlement or appeal from the Final Approval Order and Judgment. Class Counsel shall not represent any Settlement Class Members with respect to any such Objections. The Settlement Administrator will provide the Parties with any Objection within five (5) calendar days of receipt of the Objection. Plaintiff will file any and all Objections with the Court in advance of the Final Approval Hearing. Oral or written Objections may also be made at the Final Approval hearing without a written Objection or notice of intent to appear being submitted. Only Settlement Class Members have a right to assert an Objection to the Settlement, and Class Members who submit a valid Request for Exclusion do not have standing to object to the Settlement. If the Court rejects the Objection, the individual will be bound by the terms of the Settlement.

e. If greater than five (5) percent of the Class Members opt out or object to this Settlement Agreement or a number of Class Members whose share of the Net Settlement Amount is 5% or more, Defendant will have the right to rescind and terminate the Settlement without prejudice to its pre-settlement positions and defenses in the litigation. In such a case, the Parties and any funds to be awarded shall be returned to their respective statuses as of the date and time immediately prior to the execution of this Settlement Agreement.

f. Except for those Class Members who exclude themselves in compliance with the Request for Exclusion procedures set forth above, all Class Members will: (i) be deemed to be Settlement Class Members for all purposes under this Settlement Agreement; (ii) will be bound by the terms and conditions of this Settlement Agreement, the Final Approval Order and Judgment, and the releases set forth herein; and (iii) except as otherwise provided herein, will be deemed to have waived all Objections and oppositions to the fairness, reasonableness, and adequacy of the Settlement.

54. Funding Gross Settlement Amount. Within 30 days after the Effective Date, Defendant agrees to pay a sum equal to $2,250,000 (the "Gross Settlement Amount") to fund the Settlement of this Action. The Settlement is "all-in", non-reversionary and no funds will return to Defendant. Payments of any appropriate and lawfully-required employer share of the payroll taxes on

the taxable portion of the settlement payments shall be paid by Defendant separately from and in addition to the Gross Settlement Amount.

55. Allocation of Settlement. Individual Settlement Payments will be paid from the Net Settlement Amount, and Individual PAGA Payments will be paid from the PAGA Payment, and shall be paid pursuant to the settlement formula set forth herein. Individual Settlement Payments and Individual PAGA Payments shall be mailed by regular First Class U.S. Mail to Settlement Class Members' and/or PAGA Members' last known mailing address.

a. The Settlement Administrator shall calculate the total Compensable Workweeks for all Settlement Class Members and Compensable PAGA Pay Periods for all PAGA Members based on the Class Information provided by Defendant. The respective Compensable Workweeks for each Settlement Class Member will be divided by the total Compensable Workweeks for all Settlement Class Members, resulting in the Payment Ratio for each Settlement Class Member. A similar calculation will apply to determining the PAGA Payment Ratio for Compensable PAGA Pay Periods for each PAGA Member. Each Settlement Class Member's Payment Ratio will then be multiplied by the Net Settlement Amount to determine his or her Individual Settlement Payment, and each PAGA Members' PAGA Payment Ratio will then be multiplied by the PAGA Payment to determine his or her PAGA Payment.

b. Individual PAGA Payments are counted as penalties rather than wages for tax purposes and will be reported on IRS Form 1099 to each PAGA Member.

c. Individual Settlement Payments due to each Settlement Class Member shall be designated as follows:

1. Twenty percent (20%) of the Individual Settlement Payment shall represent payment for alleged unpaid wages. This payment shall be subject to the withholding of all applicable local, state, and federal taxes. Applicable payroll taxes and/or contributions will be deducted from the amount paid to Settlement Class Members. The Settlement Administrator will issue a W-2 Form to each Settlement Class Member in relation to this payment.

2. Seventy percent (70%) of the Individual Settlement Payment shall represent payment of all penalties. These payments will not be subject to withholding of local, state,

and federal taxes. The Settlement Administrator will issue an IRS Form 1099 to each Settlement Class Member in relation to these payments.

3. Ten percent (10%) of the Individual Settlement Payment shall represent payment of all interest. These payments will not be subject to withholding of local, state, and federal taxes. The Settlement Administrator will issue an IRS Form 1099 to each Settlement Class Member in relation to these payments.

(a). Class Members With Missing/Unverifiable Social Security Numbers and Withholdings of Taxes and Applicable Penalties. In the event that an Individual Settlement Payment or Individual PAGA Payment exceeds the threshold amount that must be reported to the Internal Revenue Service by means of a Form 1099, Class Counsel, and the Settlement Administrator, will take all necessary and reasonable steps to obtain W-9's from Class Members and/or PAGA Members and to comply with applicable IRS regulations on issuing 1099's without a social security number or tax entity identification number, and shall take all reasonable and necessary steps to avoid imposition of IRS penalties against the Gross Settlement Amount, including, but not limited to limiting payments below the reportable threshold and/or withholding of taxes and any applicable penalties. The Settlement Administrator will contact Class Members or PAGA Members who are entitled to payments that exceed the taxable income threshold twice, with at least 30 days between the two contacts.

c. Uncashed Settlement Checks (Class and PAGA). Individual Settlement Payment and Individual PAGA Payment checks shall remain negotiable for one hundred and eighty (180) calendar days from the postmark date of issuance. If the Individual Settlement Payment check is not cashed, deposited, or otherwise negotiated by the Settlement Class Member within the 180-day deadline, the Settlement Administrator will transmit the funds to Legal Aid at Work thereby leaving no "unpaid residue" subject to the requirements of Code of Civil Procedure section 384, subd. (b). Neither Defendant, Defendant's Counsel, Class Counsel nor Plaintiff will have any liability for lost or stolen settlement checks, forged signatures on settlement checks, unauthorized negotiation of settlement checks or failure to timely cash a settlement check within the 180-day period. The Settlement Administrator shall send a reminder postcard to any Settlement Class Member and/or

PAGA Member whose settlement distribution check has not been negotiated within sixty (60) days after the date of mailing.

d. Certification By Settlement Administrator. The Parties have the right to monitor and review administration of the Settlement. Any disputes not resolved by the Settlement Administrator concerning the administration of the Settlement will be resolved by the Court, under the laws of the State of California. Prior to any such involvement of the Court, counsel for the Parties will confer in good faith to resolve the disputes without the necessity of involving the Court. Upon completion of administration of the Settlement, the Settlement Administrator shall provide written certification of such completion to counsel for the Parties, and which shall be filed with the Court as necessary.

e. Settlement Awards Do Not Trigger Additional Benefits. All monies received by Settlement Class Members shall be deemed to be income to such Settlement Class Members and PAGA Members solely in the year in which such awards actually are received by the Settlement Class Members and PAGA Members. It is expressly understood and agreed that the receipt of such Individual Settlement Payment or Individual PAGA Payment will not entitle any Settlement Class Member or PAGA Members to additional compensation or benefits under any company compensation or benefit plan or agreement in place during the period covered by the Settlement, nor will it entitle any Settlement Class Member to any increased pension and/or retirement, or other deferred compensation benefits. It is the intent of this Settlement that any Individual Settlement Payments or Individual PAGA Payments provided for in this Agreement are the sole payments to be made by Defendant to the Settlement Class Members and/or PAGA Members in connection with this Settlement, and that the Settlement Class Members are not entitled to any new or additional compensation or benefits as a result of having received the Individual Settlement Payments and Individual PAGA Payments (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the period covered by this Settlement).

f. Class Representative Service Award. Defendant agrees not to oppose or object to a Class Representative Service Award to Plaintiff of up to Six Thousand Dollars and Zero Cents

($6,000.00), subject to Court approval. The Settlement Administrator shall issue an IRS Form 1099 – MISC to Plaintiff in connection with the Class Representative Service Award payment. Plaintiff shall be solely and legally responsible to pay any and all applicable taxes on her Class Representative Service Award and shall hold harmless Defendant and Class Counsel from any claim or liability for taxes, penalties, or interest arising as a result of the Class Representative Service Award payment. The Class Representative Service Award shall be in addition to Plaintiff's Individual Settlement Payment. This Settlement is not contingent upon the Court awarding Plaintiff a Class Representative Service Award in any amount, and any amount requested by Plaintiff for the Class Representative Service Award that is not granted by the Court shall return to the Net Settlement Amount and be distributed to Settlement Class Members as provided in this Settlement Agreement.

g. Class Counsel Award. Defendant agrees not to oppose or object to any application or motion by Class Counsel for attorneys' fees not to exceed one-third from the Gross Settlement Amount, or Seven-Hundred and Forty-Nine Thousand, Two Hundred and Fifty Dollars and Zero cents ($749,250). Defendant further agrees not to oppose any application or motion by Class Counsel for the reimbursement of any costs or expenses associated with Class Counsel's prosecution of this matter from the Gross Settlement Amount not to exceed Sixty Thousand Dollars ($60,000). Class Counsel shall be solely and legally responsible to pay all applicable taxes on the payment made pursuant to this paragraph. The Settlement Administrator shall issue an IRS Form 1099 – MISC to Class Counsel for the payments made pursuant to this paragraph. This Settlement is not contingent upon the Court awarding Class Counsel any particular amount in attorneys' fees and costs. Any amount requested by Class Counsel for the Class Counsel Award and costs that are not granted by the Court shall return to the Net Settlement Amount and be distributed to Settlement Class Members as provided in this Agreement.

h. Settlement Administration Costs. The Settlement Administrator shall be paid for the costs of administration of the Settlement from the Gross Settlement Amount. The costs of notice and administration for the disbursement of the Gross Settlement Amount shall not exceed Sixty Thousand Dollars ($60,000.00). Prior to the filing of a motion for final approval of this Settlement, the Settlement Administrator shall provide the Parties with a statement detailing the costs of

administration. Any amount requested by the Settlement Administrator for administration costs that is not granted by the Court shall return to the Net Settlement Amount and be distributed to Settlement Class members as provided in this Settlement Agreement.

i. PAGA Payment. Two Hundred Thousand dollars ($200,000) from the Gross Settlement Amount will be allocated to penalties under PAGA as the PAGA Payment. Seventy-five percent (75%) of that amount, or $150,000, will be paid to the LWDA as the LWDA Payment and twenty-five (25%) of that amount, or $50,000, will be paid to the PAGA Members based upon Compensable PAGA Pay Periods as determined by the PAGA Payment Ratio as set forth in Paragraph 25. This PAGA Payment is made pursuant to California Labor Code § 2699(i).

56. Tax Liability: Class Counsel and Defendant make no representation as to the tax treatment or legal effect of payments called for hereunder, and Plaintiff and the Settlement Class Members are not relying on any statement or representation by Class Counsel or Defendant in this regard. Plaintiff and Settlement Class Members understand and agree that they will be solely responsible for the payment of any taxes and penalties assessed on their respective payments described herein. The amount of federal income tax withholding will be based upon a flat withholding rate for supplemental wage payments in accordance with Treas. Reg. §31.3402(g)-1(a)(2) as amended or supplemented. Income tax withholding will also be made pursuant to applicable state and/or local withholding codes or regulations. Forms W-2 and/or Forms 1099 will be distributed at times and in the manner required by the Internal Revenue Code of 1986 (the "Code") and consistent with this Settlement Agreement. If the Code, the regulations promulgated thereunder, or other applicable tax law, is changed after the date of this Settlement Agreement, the processes set forth in this Section may be modified in a manner to bring Defendant into compliance with any such changes.

57. Distribution of Settlement Payments. Individual Settlement Payments to Settlement Class Members, Individual PAGA Payments to PAGA Members, the Class Representative Service Award, the Class Counsel Award, Settlement Administration Costs, Defendant's share of employer payroll taxes and PAGA Payment, shall all be distributed by the Settlement Administrator within (10) calendar days of receipt of the full Gross Settlement Amount from Defendant. Prior to distribution of Individual Settlement Payments to the Settlement Class Members and Individual PAGA Payments to

the PAGA Members, the Settlement Administrator shall update the Class and PAGA Members addresses using the National Change of Address Database.

58. Additional Compensable Pay Periods. It is currently estimated that Class Members worked 388,947 Compensable Workweeks as confirmed by Defendant. If the number of Compensable Workweeks identified during the Class Period exceeds 10% or more of 388,947 Compensable Workweeks (i.e., 427,842 Compensable Workweeks), then Defendant will pay the pro rata percentage increase in excess of the Gross Settlement Amount to include the additional Compensable Workweeks (*e.g.,* an 11% increase in Compensable Workweeks would result in a 1% increase in the Gross Settlement Amount.

59. Final Settlement Approval Hearing and Entry of Final Judgment. Upon expiration of the Response Deadline, a final approval hearing shall be conducted to determine, *inter alia*, final approval of the Settlement and amounts properly payable for: (a) Individual Settlement Payments; (b) the Class Counsel Awards; (c) the Class Representative Service Award; (d) PAGA Payment; and (e) the Settlement Administration Costs.

60. Nullification of Settlement Agreement. In the event: (a) the Court does not enter the order for preliminary approval of the Settlement; (b) the Court does not finally approve the Settlement; (c) the Court does not enter a Final Approval Order and Judgment as provided herein; (d) the Settlement does not become final for any other reason; or (e) the Court fails or refuses to approve any material condition of this Settlement Agreement which effects a fundamental change of the Settlement Agreement, this entire Settlement Agreement shall be null and void and unenforceable as to all Parties herein at the option of any Party but remains protected by California Evidence Code Section 1152, and any order or judgment entered by the Court in furtherance of this Settlement shall be treated as void from the beginning. In such cases, the Parties and any funds to be awarded under this Settlement shall be returned to their respective statuses as of the date and time immediately prior to the execution of this Settlement Agreement, and the Parties shall proceed in all respects as if this Settlement Agreement had not been executed. Further, if the Settlement Agreement is voided or fails for any reason, Plaintiff and Defendant will have no further obligations under the Settlement Agreement, including any obligation by Defendant to pay the Settlement Amount, or any amounts that otherwise

would have been owed under this Settlement Agreement. In the event an appeal is filed from the Court's Final Approval Order and Judgment, or any other appellate review is sought, administration of the Settlement shall be stayed pending final resolution of the appeal or other appellate review, and any fees incurred by the Settlement Administrator prior to it being notified of the filing of an appeal from the Court's Final Approval Order and Judgment, or any other appellate review, shall be paid to the Settlement Administrator by the party or person that filed the appeal, within thirty (30) calendar days of said notification.

61. No Admission by Defendant. Defendant denies any and all claims alleged in this Action and/or the Operative Complaint and denies all wrongdoing whatsoever. This Settlement Agreement is not a concession or admission and shall not be used against Defendant as an admission or indication with respect to any claim of any fault, concession, or omission by Defendant. Nonetheless, Defendant's desire to settle and compromise the matters at issue in the Action to avoid further substantial expense and the inconvenience and distraction of protracted and burdensome litigation. Defendant also has taken into account the uncertainty and risks inherent in litigation, and without conceding any infirmity in the defenses that it has asserted or could assert against Plaintiff and/or any Class Member, has determined that it is desirable and beneficial that the claims of Plaintiff and the Class be settled in the manner and upon the terms and conditions set forth in this Settlement Agreement.

62. No Publicity. Plaintiff and Class Counsel agree not to issue any press releases, initiate contact with the press, or respond to any press inquiries regarding the Settlement. Additionally, Plaintiff and Class Counsel agreed not to disclose or publicize the settlement, including the previously executed PAGA Settlement Agreement, which is superseded by this Settlement Agreement, the fact of the Settlement, its terms or contents, and the negotiations underlying the Settlement, in any manner or form, directly or indirectly, to any person or entity, except potential class members and as shall be contractually required to effectuate the terms of the Settlement as set forth herein. For the avoidance of doubt, this section means Plaintiff and Class Counsel will not issue press releases, communicate with, or respond to any media or publication entities, publish information in manner or form, whether printed or electronic, on any

medium or otherwise communicate, whether by print, video, recording or any other medium, with any person or entity concerning the Settlement, including the fact of the Settlement, its terms or contents and the negotiations underlying the Settlement, except as shall be contractually required to effectuate the terms of the Settlement as set forth herein. However, for the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other actions, Class Counsel may disclose the name of the Parties in this action and the venue/case number of this action (but not any other settlement details) for such purposes.

63. Exhibits and Headings. The terms of this Settlement Agreement include the terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein. Any Exhibits to this Settlement Agreement are an integral part of the Settlement. The descriptive headings of any paragraphs or sections of this Settlement Agreement are inserted for convenience of reference only and do not constitute a part of this Settlement Agreement.

64. Interim Stay of Proceedings. The Parties agree to stay all proceedings in the Action, except such proceedings necessary to implement and complete the Settlement, holding the Action in abeyance pending the final approval hearing to be conducted by the Court.

65. Dispute Resolution. Except as otherwise set forth herein, all disputes concerning the interpretation, calculation or payment of Settlement claims, or other disputes regarding compliance with this Agreement shall be resolved as follows:

a. If Plaintiff or Class Counsel, on behalf of Plaintiff or any Settlement Class Member, or Defendant's Counsel, on behalf of Defendant, at any time believe that the other Party has breached or acted contrary to the Agreement, that Party shall notify the other Party in writing of the alleged violation.

b. Upon receiving notice of the alleged violation or dispute, the responding Party shall have ten (10) calendar days to correct the alleged violation and/or respond to the initiating Party with the reasons why the Party disputes all or part of the allegation.

c. If the response does not address the alleged violation to the initiating Party's satisfaction, the Parties shall negotiate in good faith for up to ten (10) calendar days to resolve their differences.

d. If Class Counsel and Defendant's Counsel are unable to resolve their differences after twenty (20) calendar days, either Party shall first contact the mediator (Steve Pearl, Esq.) to try to resolve the dispute. If that proves unsuccessful, the party may file an appropriate motion for enforcement with the Court. The briefing of such motion should be in letter brief form and shall not exceed five (5) single-spaced pages (excluding exhibits).

e. Reasonable attorneys' fees and costs for work done in resolving a dispute under this Section may be recovered by any Party that prevails under the standards set forth within the meaning of applicable law.

66. Notice. Unless otherwise specifically provided herein, all notices, demands or other communications given hereunder shall be in writing and shall be deemed to have been duly given as of the third business day after (i) emailing and (ii) mailing by United States registered or certified mail, return receipt requested, addressed:

To the Settlement Class:

THE WHEELER LAW FIRM, APC
Scott Ernest Wheeler
Justin A. Wheeler
250 West First Street, Suite 216
Claremont, California 91711
Telephone: (909) 621-4988
Facsimile: (909) 621-4622
Email: sew@scottwheelerlawoffice.com
jaw@scottwheelerlawoffice.com

To Defendant:

Christian J. Keeney
Alis Moon
Kelli M. Dreger
JACKSON LEWIS P.C.
200 Spectrum Center Drive, Suite 500
Irvine, CA 92618
Phone: (949) 885-1360
Christian.Keeney@jacksonlewis.com
Kelli.dreger@jacksonlewis.com

67. Amendment or Modification. This Settlement Agreement may be amended or modified only by a written instrument signed by counsel for all Parties and approved by the Court.

68. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute

the entire Agreement among these Parties, and no oral or written representations, warranties, or inducements have been made to any Party concerning this Settlement Agreement or its Exhibits other than the representations, warranties, and covenants contained and memorialized in the Settlement Agreement and its Exhibits.

69. Authorization to Enter Into Settlement Agreement. Class Counsel and Defendant's Counsel warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate actions required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to affect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court or the mediator to resolve such disagreement. The persons signing this Settlement Agreement on behalf of Defendant represents and warrants that they are authorized to sign this Agreement on behalf of Defendant. Plaintiff represents and warrants that she is authorized to sign this Settlement Agreement and that she has not assigned any claim, or part of a claim, covered by this Settlement to a third-party.

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

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

72. Inadmissibility of Agreement. Whether or not the Court issues the Final Approval Order and Judgment, nothing contained herein, nor the consummation of this Settlement Agreement, is to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant or any of the other Released Parties. Each of the Parties hereto has entered into this

Settlement Agreement with the intention of avoiding further disputes and litigation with the attendant inconvenience and expenses. This Settlement Agreement is a settlement document, and it, along with all related documents such as the notices, and motions for preliminary and final approval, shall, pursuant to California Evidence Code section 1152 and/or Federal Rule of Evidence 408, be inadmissible as evidence in any proceeding, except an action or proceeding to approve the Settlement, and/or interpret or enforce this Settlement Agreement. The stipulation for class certification as part of this Settlement Agreement is for settlement purposes only and if for any reason the Settlement is not approved, the stipulation will be of no force or effect.

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

74. This Settlement is Fair, Adequate and Reasonable. The Parties believe this Settlement is a fair, adequate, and reasonable settlement of this Action and have arrived at this Settlement after extensive arms-length negotiations, taking into account all relevant factors, present and potential.

75. Jurisdiction of the Court. Pursuant to California Code of Civil Procedure section 664.6 and California Rules of Court. Rule 3.769(h), the Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Settlement Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the settlement embodied in this Settlement Agreement and all orders and judgments entered in connection therewith. All terms of this Settlement Agreement are subject to approval by the Court.

76. Construction. The Parties hereto agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive arms'-length negotiations among the Parties and that this Settlement Agreement shall not be construed in favor of or against any Party based on the extent to which any Party or their counsel participated in the drafting of this Settlement Agreement. Plaintiff and Defendant expressly waive the common-law and statutory rule of construction that ambiguities should be construed against the drafter of an agreement and further agree, covenant, and represent that the language in all parts of this Settlement Agreement shall be in all cases construed as a whole, according to its fair meaning.

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

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

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

80. Voluntary Agreement. The Parties acknowledge that they have entered into this Settlement Agreement voluntarily, on the basis of their own judgment and without coercion, duress, or undue influence of any Party, and not in reliance on any promises, representations, or statements made by the other Parties other than those contained in this Settlement Agreement. Each of the Parties hereto expressly waives any right they might ever have to claim that this Settlement Agreement was in any way induced by fraud.

81. Opportunity to Consult with Counsel. Prior to execution of this Settlement Agreement, each Party has read this entire Settlement Agreement and has been given the opportunity to consult with independent counsel of their choosing and to have such independent counsel advise as to the meaning of this Settlement Agreement and its legal effect.

82. Counterparts. This Settlement Agreement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one fully-signed Settlement Agreement, which shall be binding upon and effective as to all Parties. Electronic signatures shall have the same force and effect as an original. To facilitate execution and delivery of

Docusign Envelope ID: 9FB5DE4E-6C49-8F4A-834F-C98AE2F08CF8

this Agreement, the Parties may execute and exchange by facsimile or electronic image (i.e., as a ".pdf" file) counterparts of the signature pages and/or sign by electronical means (i.e., with DocuSign).

83. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Agreement valid and enforceable.

Dated: 6/1/2026

By: DocuSigned by: C71D898B9CE2400...
Marlene Del Carmen Leoner Diaz

Dated: _____

By: _____
Silverado Senior Living Management, Inc.

_____
Title:

APPROVED AS TO FORM:

Dated: June 1, 2026

THE WHEELER LAW FIRM, APC

By: _____
Scott Ernest Wheeler
Justin A. Wheeler

Attorneys for Plaintiff and the Putative Class

Dated:

JACKSON LEWIS P.C.

By: _____
Christian J. Keeney
Kelli M. Dreger

Attorneys for Defendant

this Agreement, the Parties may execute and exchange by facsimile or electronic image (i.e., as a ".pdf" file) counterparts of the signature pages and/or sign by electronical means (i.e., with DocuSign).

83. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Agreement valid and enforceable.

Dated: _____

By: _____
Marlene Del Carmen Leoner Diaz

Dated: 06/02/2026

By: Kristina Hulsey (Jun 2, 2026 15:57:02 PDT)
Silverado Senior Living Management, Inc.

Vice President, Legal
Title:

APPROVED AS TO FORM:

Dated:

THE WHEELER LAW FIRM, APC

By: _____
Scott Ernest Wheeler
Justin A. Wheeler

Attorneys for Plaintiff and the Putative Class

Dated:

JACKSON LEWIS P.C.

By: _____
Christian J. Keeney
Kelli M. Dreger

Attorneys for Defendant

EXHIBIT B

CLASS AND PAGA NOTICE

Marlene Del Carmen Leonor Diaz v. Silverado Senior Living Management, Inc., Superior Court of the State of California for the County of Orange, Case Number: 30-2023-013333990-CU-OE-CXC

A court authorized this Notice. This is not a solicitation by a lawyer. You are not being sued.

Your legal rights are affected whether you act or not. Read this Notice carefully. You will be deemed to have carefully read and understood it.

Why should you read this Notice?

A proposed settlement (the "Settlement") has been reached in the class action lawsuit entitled *Marlene Del Carmen Leonor Diaz v. Silverado Senior Living Management, Inc.*, Superior Court of the State of California for the County of Orange, Case Number: 30-2023-013333990-CU-OE-CXC (the "Action"). The Settlement has two components, the settlement of class action claims (the "Class Released Claims") and the settlement of California Private Attorneys General Act ("PAGA") claims (the "PAGA Claims").

The Court has determined that there is sufficient evidence to suggest that the Settlement might be fair, adequate, and reasonable, and that any final determination of those issues will be made at the final approval hearing.

The Settlement covers all hourly, non-exempt employees who were employed by Silverado Senior Living Management, Inc. ("Defendant") at any time in the state of California during the period of June 29, 2019, through October 22, 2025 (the "Class Period"). You are receiving this notice because Defendant's records show that you worked as an hourly, non-exempt employee for Defendant during the Class Period. The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights with respect to the Class Released Claims.

If you also worked as an hourly, non-exempt employee who was employed by Defendant in the State of California during the period of April 11, 2022, through October 22, 2025 (the "PAGA Period") (collectively, the "Aggrieved Employees"), you may also qualify for a settlement payment as a result of the settlement of the PAGA Claims. If eligible as an Aggrieved Employee, you will still receive your portion of the PAGA settlement regardless of how you respond to this Notice, and the PAGA Claims will still be released by the Settlement.

Your options are further explained in this Notice. To exclude yourself from the class action portion of the Settlement, or object to the Settlement, you must take action by certain deadlines. If you want to participate in the Settlement as proposed, you don't need to do anything to obtain your share of the settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
DO NOTHING	If you do nothing, you will be considered part of the Settlement Class and will receive settlement benefits. You will also give up your rights to pursue a separate legal action against Defendant for the claims released under the Settlement.
EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS	If you do not wish to participate in the class action portion of the Settlement, you may exclude yourself by submitting a written request to be excluded. However, if you do so, you will not receive any payment under the Settlement for the class claims. If you exclude yourself from the Settlement, you will still receive your settlement payment for the release of the PAGA Claims if you are eligible; you cannot exclude yourself from that portion of the settlement.

OBJECT	To object to the Settlement, you may object orally at the Final Approval Hearing, or you may write to the Settlement Administrator about why you don't like the Settlement. This option is available only if you do not exclude yourself from the Settlement.
DISPUTE WORK WEEKS	If you believe your workweek count is incorrect**,** you have the right to submit a dispute with the Settlement Administrator.

Who is affected by this proposed Settlement?

The Court has certified, for settlement purposes only, the following Class: all hourly, non-exempt employees who were employed by Defendant at any time in the state of California during the Class Period. According to Defendant's records, you are a member of the Class (a "Class Member"). Also, according to Defendant's records, you were employed during the PAGA Period and are therefore a PAGA Aggrieved Employee.

What is this case about?

In the Action, Marlene Del Carmen Leonor Management, Inc. ("Plaintiff") alleges on behalf of herself and the Class (and with respect to the PAGA Claim, on behalf of the State of California) the following claims against Defendant: (1) failure to provide meal periods; (2) failure to provide rest periods; (3) failure to pay overtime wages; (4) failure to pay minimum wages; (5) failure to pay timely wages; (6) failure to pay all wages owed and due at termination of employment; (7) failure to provide accurate itemized wage statements i; (8) failure to maintain records; (9) failure to indemnify for necessary expenditures incurred in discharge of duties; (10) unfair and unlawful business practices; and (11) and violation of PAGA.

Defendant denies any and all wrongdoing and maintains that it has complied with all laws alleged to have been violated in the Second Amended Class Action and PAGA Complaint ("Operative Complaint") filed by Plaintiff as part of this Settlement. Defendant notes that this Settlement was established specifically to avoid the costs of proceeding with litigation and does not constitute an admission of liability by Defendant. The Court has not ruled on the merits of Plaintiff's claims or Defendant's defenses.

This Settlement is a compromise reached after good faith, arm's-length negotiations between Plaintiff and Defendant (the "Parties"), through their attorneys and a mediator. Both sides agree that in light of the risks and expenses associated with continued litigation, this Settlement is fair, adequate and reasonable. Plaintiff and Class Counsel believe this Settlement is in the best interests of the Class. The Court has granted preliminary approval of this Settlement.

Who are the attorneys in this Lawsuit?

Class Counsel

THE WHEELER LAW FIRM, APC
Scott Ernest Wheeler
Justin A. Wheeler
250 West First Street, Suite 216
Claremont, California 91711
Telephone: (909) 621-4988
Facsimile: (909) 621-4622
Email: sew@scottwheelerlawoffice.com
jaw@scottwheelerlawoffice.com

Defendant's Counsel

JACKSON LEWIS P.C.
Christian J. Keeney
Christian.Keeney@jacksonlewis.com
Kelli M. Kreger
Kelli.dreger@jacksonlewis.com
Alis M. Moon
Alis.Moon@jacksonlewis.com
200 Spectrum Center Drive, Suite 500
Irvine, California 92618
Telephone: (949) 885-1360

What will I receive under the Settlement?

Subject to final Court approval, Defendant will pay the total sum of $2,250,000 (the "Gross Settlement Amount"). It is estimated that, subject to Court approval, after deducting the attorney's fees and costs, service award to Plaintiff, payment to the California Labor and Workforce Development Agency ("LWDA") and Aggrieved Employees for the PAGA settlement, and settlement administration costs from Gross Settlement Amount, there will be a Net Settlement Amount of at least $_____.

From this Net Settlement Amount, Individual Settlement Payments will be paid to each Class Member who does not opt out of the Settlement Class ("Settlement Class Member"). The Net Settlement Amount shall be divided among all Settlement Class Members based on the ratio of the number of compensable work weeks worked by each Settlement Class Member to the total number of work weeks worked by all Settlement Class Members, calculated based on Defendant's records.

According to Defendant's records, during the period of June 29, 2019, through October 22, 2025, you worked ___ compensable work weeks in California, as an hourly, non-exempt employee, and therefore, your settlement payment as a Class Member is estimated to be $_____.

According to Defendant's records, during the period of April 11, 2022, through October 22, 2025, you worked ___ PAGA pay periods in California, as an hourly, non-exempt employee, and therefore, your portion of the settlement of the PAGA claim is estimated to be $_____.

Your settlement payments are only estimates, and the recovery will vary. Your actual settlement payment may be higher or lower than estimated. The estimated range of settlement payments to Class Members from the class action portion of the Settlement varies from _____ to _____. Your estimated recovery is _____. The range of settlement payments to Aggrieved Employes from the PAGA portion of the Settlement will range from _____ to _____.

If you wish to dispute the number of compensable work weeks credited to you, you must submit a written dispute to the Settlement Administrator at _____ by mail, postmarked no later than [Response Deadline], or by fax to _____ or e-mail by _____. The dispute must: (1) contain your full name, current address, telephone number, the last four digits of your Social Security number or full employee ID number; (2) contain the case name and case number; (3) contain a clear statement explaining that you wish to dispute the number of compensable work weeks and the basis for your dispute, including evidence sufficient to prove that Defendant's workweek calculation is incorrect, if any; and (4) and be signed by you. You may also dispute your PAGA pay periods by following the same process you can dispute your compensable work weeks set forth above. You should attach any documentation in support of your dispute. A Work Week Dispute Form is attached to this notice for your convenience.

When and how will I receive payment?

If the Court grants final approval of the Settlement, and only after the Effective Date of the Settlement defined below, the Settlement Administrator will send you a settlement check (unless you exclude yourself from the Settlement as discussed in this letter). The settlement approval process takes time so please be patient.

Class Members are responsible for paying taxes on any amount received. This Notice is not tax advice and you should consult your tax advisor. Checks will be valid and negotiable for one-hundred and eighty (180) days; after that checks will become void and a stop payment will be placed on the uncashed checks. Settlement checks that are not cashed within one-hundred and eighty (180) days of mailing, or are returned to the Settlement Administrator, will be cancelled and the Settlement Administrator shall send the funds associated with uncashed checks to Legal Aid at Work's Wage Protection Clinic. All funds attributable to PAGA penalties that are not timely negotiated by an Aggrieved Employee will also be paid to Legal Aid at Work's Wage Protection Clinic. The class action settlement payment issued to you will be allocated as follows: twenty percent (20%) as wages, seventy percent (70%) as penalties; and ten percent (10%) as interest. The wage portion of the Individual Settlement Payment shall be subject to withholding of

applicable local, state, and federal taxes, and the Settlement Administrator shall deduct applicable payroll taxes from the wage portion of the Individual Settlement Payment. None of the Parties or attorneys make any representations concerning the tax implications of this payment. Settlement Class Members may wish to consult with their own tax advisors concerning the tax consequences of the Settlement. The penalties and interest portion will not be subject to withholdings and a 1099 will be provided to you for these payments. The PAGA Payment is allocated as 100% to penalties. The PAGA Payment will not be subject to withholdings and a 1099 will be provided for this payment.

How will the lawyers be paid and how will other funds under the Settlement be distributed?

Class Counsel will ask the Court to award attorneys' fees not to exceed Seven Hundred and Forty-Nine Thousand and Two Hundred and Fifty Dollars ($749,250) or thirty-three and one-third (33.33) percent of the Gross Settlement Amount, and reimbursement of reasonable litigation costs not to exceed $60,000. In addition, Class Counsel will ask the Court to authorize Class Representative Service Award payment to Plaintiff of up to $6,000 for her efforts in representing the Class. The cost of administering the Settlement will not exceed $60,000. A payment in the amount of $150,000 will also be made to the LWDA for its share of PAGA penalties, while $50,000 will be paid to PAGA Aggrieved Employees. Any of these amounts not awarded by the Court will be included in the estimated net settlement of $_____ and will be distributed to Settlement Class Members.

What claims are being released by the proposed Settlement?

On the Effective Date, and in exchange for the consideration provided under this Settlement, Settlement Class Members shall fully and finally release and discharge Defendant and each of the Released Parties, from the "Class Released Claims," defined as: any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, or causes of action contingent or accrued for, that are pleaded, or that could have been pleaded, based on the facts and claims alleged in the Operative Complaint, PAGA Notices, and/or the Action including any claims for: (a) failure to provide required meal periods and pay premium payments, California Labor Code §§ 226.7, 510 and 512; (b) failure to provide required rest periods and pay premium payments, California Labor Code §§ 226.7 and 512; (c) failure to pay overtime wages, California Labor Code §§ 510, 1194 and 1198; (d) failure to pay minimum and straight time wages, California Labor Code §§ 223, 1182.12, 1194, 1194.2, 1197, and 1197.1; (e) failure to pay all wages to discharged and quitting employees, California Labor Code §§ 201, 202 and 203; (f) failure to timely pay wages §§ 204 and 210; (g) failure to maintain and/or produce required records, California Labor Code §§ 226, 248.6, 1174, 1174.5, 1198.5; (h) failure to furnish accurate, itemized wage statements, California Labor Code §§ 226, 248.6, and 226.3; (i) failure to indemnify for reasonable and necessary business expenses, California Labor Code §§ 2800, 2802; (j) failure to properly pay the regular rate of pay for overtime, meal and rest period premiums, and sick pay; and (k) unlawful business practices under California, Business and Professions Code §17200, et seq.; predicated on any of the violations of the California Labor Code and any applicable IWC Wage Order as alleged in the Operative Complaint including but not limited to, claims for restitution and other equitable relief, liquidated damages, or penalties; and any other benefit, wages, penalties, or other amounts claimed on account of the allegations asserted or which could have been asserted in the Operative Complaint and PAGA Notice dated April 11, 2023 and amended PAGA Notice dated October 4, 2024. This release shall apply to any and all claims arising at any point during the Class Period. Upon entry of the Final Approval Order and funding of the total Gross Settlement Amount, all Participating Class Members will forever completely release and discharge the Released Parties from the Released Claims for the Release Period. Plaintiff and Defendant intends that the Settlement described in this Settlement Agreement will release and preclude any further claim, whether by lawsuit, administrative claim or action, arbitration, demand, or other action of any kind, by each and all of the Participating Class Members to obtain a recovery to any and all of the Released Claims. This release excludes the release of claims not otherwise permitted by law, i.e. Worker's Compensation and unemployment insurance benefits.

In addition, as of the Effective Date, Plaintiff on behalf of herself, and the State of California and PAGA Members, release of any and all claims for penalties under PAGA that were or could have been asserted in the PAGA Notices, the Operative Complaint, and/or the Action, for the duration of the PAGA Period. The claims released shall include, without limitation, known and unknown claims for PAGA penalties

relating to any alleged: a) failure to provide required meal periods, in violation of Labor Code Sections 226.7, 512, 558 and Industrial Welfare Commission ("IWC") Wage Orders 1-2001, 4-2001, and 5-2001, Section 11; b) failure to provide required rest periods, in violation of Labor Code Sections 226.7, IWC Orders 1-2001, 4-2001, and 5-2001, Section 12; c) failure to pay overtime wages, in violation of Labor Code Sections 510, 1194, 1198, IWC Wage Orders 1-2001, 4-2001, and 5-2001, Section 3; d) failure to pay minimum and straight time wages, in violation of Labor Code Sections 1194, 1194.2, 1197, 1197.1, 226.7, 512 and Industrial Welfare Commission ("IWC") 1-2001, 4-2001, and 5-2001, Section 4; e) failure to timely pay wages when due, in violation of Labor Code Sections 204, and 210; f) failure to pay all wages due upon discharge or termination, including vacation pay, in violation or Labor Code Sections 201, 202, 203, 221, 227, and 227.3; g) failure to maintain required records, in violation of Labor Code Sections 226, 226.2, 1174, 1174.5, and IWC Wage Orders 1-2001, 4-2001, and 5-2001, Section 7; h) failure to provide accurate and itemized wage statements, in violation of Labor Code Sections 226, 226.3, and IWC Wage Order 1-2001, 4-2001, 5-2001, Section 5; i) failure to provide suitable seating, in violation of IWC Wage Orders 1-2001, 4-2001, and 5-2001, Section 14; j) failure to indemnify for necessary business expenses, in violation of Labor Code Section 2802; k) failure to provide and pay sick leave and COVID-19 supplemental sick leave, in violation of Labor Code Sections 245.5, 246, and 248.6; l) failure to provide employment records, in violation of Labor Code Section 1198.5 and IWC Wage Order 1-2001, 4-2001, 5-2001, Section 7; and m) the misclassification of aggrieved employees as independent contractors, in violation of Labor Code Section 226.8.

"Released Parties" collectively means Defendant and each of their past, present, and future respective subsidiaries, dba's, related and affiliated entities, joint ventures, parents, divisions, ownership entities, insurers and reinsurers, and company-sponsored employee benefit plans of any nature, successors, predecessors in interest, and each of their past and present officers, directors, shareholders, employees, agents, assigns, members, managing entities, joint employers, integrated enterprises, principals, heirs, representatives, accountants, auditors, consultants, attorneys, administrators, fiduciaries, trustees, agents, anyone acting for any of them.

"Effective Date" means October 1, 2026, or the date on which the Superior Court's Final Approval Order and Judgment become final, whichever is later. The Superior Court's Final Approval Order and Judgment "becomes final" upon the latter of: (a) if there is no Objection to the Settlement, or if there is an Objection but it is withdrawn, then, the date that the Final Approval Order and Judgment is entered by the Court; (b) if there is an Objection to the Settlement that is not withdrawn, but no appeal is commenced thereafter, then, sixty-five (65) calendar days following the date that the Final Approval Order and Judgment is filed by the Court; or (c) if there is an Objection to the Settlement, that is not withdrawn, and any appeal, writ, or other appellate proceeding opposing the Settlement has been filed within sixty-five (65) calendar days following the date that the Final Approval Order and Judgment is filed by the Court, then, when any such appeal, writ, or other appellate proceeding opposing the validity of the Settlement has been resolved finally and conclusively with no right to pursue further remedies or relief.

The Final Approval Order and Judgment whether favorable or not will be entered by the Court. All Class Members who do not request exclusion from the Settlement will be bound by the Court's Final Judgment pursuant to California Rules of Court, Rule 3.766(d)(4).

What are my options?

You have several options with respect to the class action portion of this Settlement. You may: (A) remain in the Class and receive payment under the Settlement; or (B) exclude yourself from the Settlement. If you choose option (A), you may also object to the Settlement.

OPTION A. Remain in the Class. If you remain in the Class, you will receive payment and be represented by Class Counsel. If you wish to remain in the Class and be eligible to receive a payment under the Settlement, you do *not* need to take any action. By remaining in the Class and receiving settlement monies, you consent to the release of the Released Claims as described above.

OPTION B. If You Do Not Want To Be Bound By The Settlement. If you do not want to be part of the class action portion of the Settlement, you must mail a Request for Exclusion to the Settlement

Administrator at 2832 Walnut Avenue, Suite C, Tustin, California 92780or fax at ( ) or e-mail a Request for Exclusion to ILYM Group, Inc. by the [Response Deadline]. Your Request for Exclusion must: (1) contain your full name, address, and telephone number, the last four digits of your social security number; (2), contain the case name and case number; and (3) a clear statement you are electing to be excluded from the Settlement; and (4) be signed by you. In order to be timely, your Request for Exclusion must be postmarked, faxed or e-mailed, on or before . If you do not submit a valid and timely Request for Exclusion, your Request for Exclusion will be rejected, you will be deemed a member of the Settlement Class, and you will be bound by the release of Released Claims as described above. If you submit a valid and timely Request for Exclusion, you will *not* be entitled to any payment as a Class Member from the Net Settlement Amount and you will not release the Class Released Claims. If you are a PAGA Aggrieved Employee, you will still receive a PAGA payment and be subject to the PAGA release outlined above even if you submit a Request for Exclusion. The Request for Exclusion form is attached to this notice for your convenience

Objecting to the Settlement: If you believe the proposed Settlement is not fair, reasonable or adequate in any way, you may object to it. To object, you can appear at the Final Approval Hearing and make an oral objection or make a written objection. To object in writing, you should mail a written statement of objection to ILYM Group, Inc. at 2832 Walnut Avenue, Suite C, Tustin, California 92780, or e-mail the written objection to (INSERT)@ILYMGROUP.com), or fax to ( ). The written objection should contain the following: (1) your full name, current address, and signature; (2) a clear reference to the Action; and (3) a statement of the specific reasons why the objector believes the Settlement Agreement is unfair or objects to the Settlement Agreement. In order to be timely, the written objection must be postmarked, faxed or e-mailed, on or before . Class Counsel will provide the Court with your written objection prior to the Final Approval Hearing. You can also hire an attorney at your own expense to represent you in your objection. The Objection Form is attached to this notice for your convenience. Even if you do not object in writing you may still appear and be heard at the Final Approval Hearing.

You cannot object to the Settlement if you request exclusion from the Settlement.

What is the next step in the approval of the Settlement?

The Court will hold a final approval hearing regarding the fairness, reasonableness and adequacy of the proposed Settlement and the plan of distribution of the payments described herein, on 2026, in Department CX103 of the Orange County Superior Court, Civil Complex Center, located at 751 West Santa Ana Boulevard, Santa Ana, California 92701. The final approval hearing may be continued without further notice to Class Members unless they have filed an objection to the Settlement. You are not required to attend the Final Approval Hearing in order to receive payment under the Settlement.

How can I get additional information?

This Notice summarizes the Action and the basic terms of the Settlement. For more complete information, the pleadings and other records in this litigation may be examined during regular court hours at the Orange County Superior Court, Civil Complex Center, located at 751 West Santa Ana Boulevard, Santa Ana, California 92701. A copy of the Settlement Agreement was filed on June , 2026 and is attached to the Declaration of Scott Ernest Wheeler In Support of Plaintiff's Motion for Preliminary Approval. You can also visit the Court's website at: https://www.occourts.org/online-services for more information, including obtaining a copy of the Settlement Agreement online.

The Settlement Administrator also has a website at:_____ with links to this Notice and key case documents, including the Settlement Agreement.

PLEASE DO NOT CALL OR WRITE TO THE COURT ABOUT THIS NOTICE

EXHIBIT C

Marlene Del Carmen Leonor Diaz v. Silverado Senior Living Management, Inc.,
Superior Court of the State of California for the County of Orange, Case Number: 30-2023-013333990-CU-OE-CXC

EXCLUSION FORM

IF YOU DO NOT WANT TO PARTICIPATE IN THE SETTLEMENT, YOU MUST SIGN AND FILL OUT THIS FORM ACCURATELY AND IN ITS ENTIRETY, AND YOU MUST EITHER EMAIL TO (INSERT EMAIL ADDRESS), FAX TO _____, OR MAIL THIS FORM BY FIRST CLASS U.S. MAIL TO THE SETTLEMENT ADMINISTRATOR, ILYM GROUP, INC. AT THE ADDRESS BELOW. THE EXCLUSION FORM MUST BE POSTMARKED, EMAILED OR FAXED ON OR BEFORE _____.

ILYM GROUP, INC.
Re: *Marlene Del Carmen Leonor Diaz v. Silverado Senior Living Management, Inc.*
2832 Walnut Avenue, Suite C,
Tustin, California 92780
or e-mail at (INSERT)@ILYMGROUP.com
Fax:_____

IT IS MY DECISION TO BE EXCLUDED FROM THE CLASS AND NOT TO RECEIVE ANY PORTION OF THE CLASS ACTION SETTLEMENT.

I confirm that I was employed by and performed work for Silverado Senior Living Management, Inc., as a non-exempt, hourly employee in California between June 29, 2019, through October 22, 2025. I confirm that I have received notice of the proposed settlement in this action. I have decided to be excluded from the Class, and I have decided not to participate in the proposed class action portion of the Settlement. I understand that by submitting this Exclusion Form, I will be forever barred from receiving any money under the class action portion of the Settlement, and will not be bound by the class action portion of the Settlement. I understand that if I am an Aggrieved Employee as defined by the Settlement, I will still receive my share of the PAGA portion of the Settlement, and that I will be bound by the PAGA release in the Settlement notwithstanding this request for exclusion.

DATED: _____ _____
(Signature)

_____ _____
(Address) (Type or Print Name)

_____ _____
(City, State, Zip) (Employee ID or Last Four Social Security Numbers)

EXHIBIT D

***Marlene Del Carmen Leonor Diaz v. Silverado Senior Living Management, Inc.*, Superior Court of the State of California for the County of Orange, Case Number: 30-2023-013333990-CU-OE-CXC**

OBJECTION FORM

THIS FORM MUST BE POSTMARKED, FAXED OR EMAILED NO LATER THAN xxx.

ONLY RETURN THIS FORM IF YOU WANT TO OBJECT TO THE SETTLEMENT.

Name (First, Middle, Last)

[preprinted by settlement administrator]

OBJECT	If you choose, you may object to this Settlement. The Court may or may not agree with your objection. Objecting to the Settlement will not exclude you from the Settlement, and if you participate in the Settlement and receive an Individual Settlement Payment you do so in exchange for a release of the released claims as more fully discussed below.

If you wish to Object to the Settlement you can appear at the Final Approval Hearing and make an oral objection, or you can make a written objection. To object in writing, you must either mail the written objection to ILYM Group, Inc. at 2832 Walnut Avenue, Suite C, Tustin, California 92780, fax to (_____) or e-mail the written objection to (INSERT)@ILYMGROUP.com. The written objection should contain the following: (a) your full name and, address, telephone number, and the last four digits of your social security number; (b) the case name and case number; (c) the dates of employment with Defendant; (d) a concise statement of the reasons for objecting; and (e) your signature. In order to be timely, the written objection must be postmarked, faxed or e-mailed, on or before _____. Class Counsel will provide the Court with your written objection prior to the Final Approval Hearing. You can also hire an attorney at your own expense to represent you in your objection.

You can appear in person at the Final Approval Hearing set for _____, 2026 at _____ in Dept. CX103 of the Orange County Superior Court – Civil Complex Center and discuss your objections with the Court and the Parties. The Final Approval Hearing may be continued to another date. If you file a timely written objection, the Settlement Administrator will notify you of any continuance of the Final Approval Hearing. You may withdraw your objection at any time. If you have submitted a Request for Exclusion Form, you may not submit objections to the Settlement. You do not need to state an intent to appear at or appear at the Final Approval Hearing to have your Objection considered by the Court.

Please state all reasons for the objection below and sign, date and include your full name and current address and telephone number. The Settlement Administrator will stamp the date received on the original and send copies of each objection to Class Counsel and Counsel for Silverado Senior Living Management, Inc., and Class Counsel will then file the objection with the Court.

Reason(s) for Objection: (you may include additional pages if necessary)

_____

_____

_____

Dated: _____

_____
(Signature)

_____
(Typed or Print Name)

_____
(Employee ID or Last Four Numbers of Social Security Number)

_____
(Address)

If you wish to object to the Settlement, you must email, fax or mail your Objection by _____, 2026 to:

ILYM GROUP, INC.
Re: *Marlene Del Carmen Leonor Diaz v. Silverado Senior Living Management, Inc.*
2832 Walnut Avenue, Suite C,
Tustin, California 92780
Fax :_____
or e-mail at (INSERT)@ILYMGROUP.com

EXHIBIT E

***Marlene Del Carmen Leonor Diaz v. Silverado Senior Living Management, Inc.*, Superior Court of the State of California for the County of Orange, Case Number: 30-2023-013333990-CU-OE-CXC**

DISPUTE FORM

TO DISPUTE THE WORKWEEKS AND/OR PAGA PAY PERIODS CREDITED TO YOU, YOU MAY FILL OUT, SIGN, AND FAX, EMAIL, OR MAIL VIA REGULAR U.S. MAIL THIS FORM, POSTMARKED OR DATE ON OR BEFORE [INSERT DATE]

TO: ILYM GROUP, INC.
Re: *Marlene Del Carmen Leonor Diaz v. Silverado Senior Living Management, Inc.*
2832 Walnut Avenue, Suite C
Tustin, California 92780
or e-mail to: (INSERT)@ILYMGROUP.com
Fax:_____

According to Defendant's records, you worked _____ workweeks during the Class Period. Based on the proceeding information, your estimated Individual Settlement Payment is $_____. Moreover, according to Defendant's records, you worked _____ during the PAGA Period. Based on the preceding information, your estimated portion of the PAGA Penalties is $_____. Your final actual share may vary depending on settlement payments approved by the Court at the Final Approval Hearing.

Basis for the workweek and/or PAGA pay period dispute:

_____

_____

Dated: _____

_____
(Signature)

_____
(Typed or Print Name)

_____
(Employee ID or Last Four Numbers of Social Security Number)

_____
(Address)