

Arby Aiwarzian (SBN 269827)
Joanna Ghosh (SBN 272479)
Brian St. John (SBN 304112)
Maria Halwadjian (SBN 358015)
LAWYERS for JUSTICE, PC
450 North Brand Blvd., Suite 900
Glendale, California 91203
Tel: (818) 265-1020 / Fax: (818) 265-1021

Attorneys for Plaintiff Geovanni Vazquez

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF PLACER

GEOVANNI VAZQUEZ, individually, and on
behalf of other members of the general public
similarly situated;

Plaintiff,

vs.

CALCARE, INC., a California corporation;
CARPINTERICA LLC, a California limited
liability company; and DOES 1 through 100,
inclusive,

Defendants.

Case No.: S-CV-0049068

Honorable Michael Jones
Department 3

CLASS ACTION

**DECLARATION OF BRIAN J. ST.
JOHN IN SUPPORT OF PLAINTIFFS'
MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION AND
PAGA SETTLEMENT**

[Plaintiffs' Motion for Preliminary Approval
of Class Action Settlement; Declaration of
Proposed Class Counsel (Hali M.
Anderson); Declarations of Proposed Class
Representatives (Geovanni Vazquez and
Dorothea Bowens); and [Proposed] Order
filed concurrently herewith]

Hearing Date: September 11, 2025
Hearing Time: 8:30 a.m.
Department: 3

Complaint Filed: September 7, 2022
Trial Date: None Set

DECLARATION OF BRIAN J. ST. JOHN

I, Brian J. St. John, hereby declare as follows:

1. I am an attorney licensed to practice law in the State of California. I am a member of Lawyers *for* Justice, PC, attorneys of record for Plaintiff Geovanni Vazquez (“Plaintiff Vazquez”). The facts set forth in this declaration are within my personal knowledge or based on information and belief, and if called as a witness, I could and would competently testify thereto.

PROCEDURAL HISTORY

2. On September 7, 2022, Plaintiff Vazquez filed the Class Action Complaint for Damages in the Superior Court for the County of Placer (“Vazquez Action”), thereby commencing the above-captioned lawsuit.

3. On May 10, 2023, Plaintiff Dorothea Bowens (“Plaintiff Bowens”) provided written notice by certified mail to the LWDA and Defendants of the specific provisions of the California Labor Code that were alleged to be violated (“PAGA Notice”). Aside from confirmation of receipt of the PAGA Notice, the LWDA did not respond to the PAGA Notice. Marked and attached hereto as “EXHIBIT 1” is a true and correct copy of Plaintiff Bowens’ PAGA Notice.

4. On June 27, 2023, Plaintiff Bowens filed a Class Action Complaint for Damages, thereby commencing the action entitled Dorothea Bowens v. Trestles LLC, et al. in the Superior Court of California for the County of Sacramento, Case No. 23CV003757 (“Bowens Action”) (together with the Vazquez Action, the “Actions”) against Defendant Testles LLC for alleged violations of the California Labor Code.

5. On August 22, 2023, Plaintiff Bowens filed a First Amended Complaint, adding a representative claims under PAGA, and on April 26, 2024, filed an Amended to Complaint form inserting Defendant Kalesta in place of the fictitious name of Doe 1 in the Complaint.

6. On September 7, 2023, Plaintiff Vazquez provided written notice by certified mail to the LWDA and Defendants of the specific provisions of the California Labor Code that were alleged to be violated (“PAGA Notice”). Aside from confirmation of receipt of the PAGA Notice, the LWDA did not respond to the PAGA Notice. Marked and attached hereto as “EXHIBIT 2” is a true and correct copy of Plaintiff Vazquez’s PAGA Notice.

7. The Parties have also agreed to the form and content of the proposed First Amended Class Action Complaint for Damages & Enforcement Under the Private Attorneys General Act, Cal. Labor Code § 2698, Et Seq. (“First Amended Complaint” or “Operative Complaint”), which is attached as “Exhibit A” to the [Proposed] Order Granting Approval of Class Action Settlement, filed concurrently herewith. Class Counsel respectfully requests the Court grant leave to file the First Amended Complaint so that the terms of the Settlement Agreement and the intent of the Parties may be effectuated.

THE PROPOSED SETTLEMENT

8. Marked and attached hereto as “EXHIBIT 3” is a true and correct copy of the Joint Stipulation of Class Action and PAGA Settlement and Release (“Settlement,” “Agreement,” or “Settlement Agreement”) entered into by and between Plaintiffs, individually and on behalf of all others similarly situated and other aggrieved employees, on the one hand, and Defendants, on the other hand (together, the “Parties”). The Parties and their counsel have approved the proposed Notice of Class Action Settlement (“Class Notice”), which is attached to the Settlement Agreement as “Exhibit C” and respectfully request that the Court approve it as well.

9. The Settlement provides for a Total Settlement Amount of \$1,500,000.00 to be paid in a single payment. The Net Settlement Amount is the Total Settlement Amount less the following amounts, subject to approval by the Court: Attorneys’ Fees of up to \$525,000.00 (if the Total Settlement Amount remains \$1,500,000.00) and Costs not to exceed \$30,000.00 to Class Counsel, Enhancement Awards to Plaintiffs of \$10,000.00 each, Settlement Administration Costs to the Settlement Administrator not to exceed \$11,000.00, and the PAGA Amount of \$150,000.00. Assuming that the amounts allocated under the Settlement toward these payments are awarded by the Court, the Net Settlement Amount that will be available for distribution to Settlement Class Member is currently \$764,000.00. Additionally, 25% of the PAGA Amount (i.e., Aggrieved Employee Amount), which is \$37,500.00 out of \$150,000.00, will be distributed to the Aggrieved Employees, for their respective portion of the Aggrieved Employee Amount. The Total Settlement Amount will be fully distributed in accordance with the terms of the Settlement.

10. The Settlement Agreement provides for Class Counsel to apply for attorneys’ fees

1 in an amount of up to 35% of the Total Settlement Amount (i.e., \$525,000.00, if the Total
2 Settlement Amount remains \$1,500,000.00) and expenses and costs of not more than \$30,000.00,
3 which will be paid out of the Total Settlement Amount, subject to approval by the Court. It should
4 be noted that Class Counsel has borne all of the risks and costs of litigation and will not receive
5 any compensation until recovery is obtained. A description of the qualifications of Class Counsel,
6 the work performed by Class Counsel, and the results achieved by Class Counsel in this matter can
7 be found in paragraphs 18 through 29, *infra*.

8 11. The Settlement Agreement provides for payment of up to \$10,000.00 to each
9 Plaintiff, in the combined amount of \$20,000.00, as an Enhancement Award, to be paid out of the
10 Total Settlement Amount subject to approval by the Court. Plaintiffs spent considerable time and
11 effort to produce relevant documents and past employment records and to provide the facts and
12 evidence necessary to attempt to prove the allegations. Plaintiffs were available whenever Class
13 Counsel needed them and actively tried to obtain information that would benefit the Class.
14 Accordingly, it is appropriate and just for Plaintiffs to receive an Enhancement Awards, in addition
15 to their individual settlement payments, for their services on behalf of the Class, Aggrieved
16 Employees, and the State of California.

17 12. The Parties have agreed to retain Apex Class Action Administration (“Settlement
18 Administrator”) to handle the notice and settlement administration process. The Parties
19 respectfully request that the Court appoint Apex Class Action Administration to handle these
20 procedures and serve as the Settlement Administrator. Defendants will provide the Settlement
21 Administrator with the Class List, and the Settlement Administrator will calculate each Class
22 Member’s estimated share of the Net Settlement Amount (“Individual Settlement Share”) and each
23 Aggrieved Employee’s estimated pro rata share of the 25% portion of the PAGA Amount
24 (“Individual PAGA Payment”). The Settlement Administrator will be responsible for translating
25 the Class Notice to Spanish and Tagalog, printing, distributing, and tracking Class Notices and
26 other documents for the Settlement, calculating and distributing payments due under the
27 Settlement, issuing of 1099 and W-2 IRS Forms and all required tax reporting, filings,
28 withholdings, and remittances, providing necessary reports and declarations, and other duties and

responsibilities set forth to process the Settlement, and as requested by the Parties. Settlement Administration Costs are currently estimated not to exceed \$11,000.00 and will be paid out of the Total Settlement Amount, subject to approval of the Court.

13. Under the Settlement Agreement, Defendants are responsible for any employer-side tax obligations associated with the Total Settlement Amount and will deposit that amount into the settlement fund in addition to the Total Settlement Amount. Each Settlement Class Member's Individual Settlement Share will be allocated 10% to wages and 90% to penalties and interest. The Settlement Administrator will withhold the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Shares.

CONDITIONAL CERTIFICATION OF THE PROPOSED CLASS IS APPROPRIATE

14. **Ascertainability:** The proposed Class is defined as all current and former hourly-paid or non-exempt employees who worked for Defendant Carpinteria, Defendant Kalesta, Defendant Trestles and/or the five (5) other facility entities (Hamoa LLC dba Valley Skilled Nursing Center, Three Arch LLC dba The Villas at Saratoga, Newport LLC dba Almond Vista Healthcare Center, Napili Bay LLC dba Los Banos Post-Acute, and Coronado Bay LLC dba Harvest Crossing Post Acute) allegedly affiliated with Defendant Kalesta, who were not subject to an arbitration agreement, in California at any time during the Class Period, which is September 7, 2018 through July 16, 2024.

15. **Numerosity:** Based on data provided by Defendants, the Class is estimated to be approximately 604 individuals.

16. **Commonality:** Based on investigation and information discovered, Class Counsel believes that there is sufficient evidence to support the allegations made in the lawsuit, including the allegations that Defendants, with respect to Plaintiffs, Class Members, and Aggrieved Employees, *inter alia*, failed to properly pay overtime and minimum wages and associated premium pay, failed to provide compliant meal and rest periods and to pay associated premium pay, failed to timely pay wages during employment and upon termination of employment, failed to provide compliant wage statements, failed to maintain requisite payroll records, and failed to reimburse necessary business expenses, and thereby engaged in unfair business practices and

1 conduct giving rise to civil penalties recoverable under the Private Attorneys General Act of 2004
2 (California Labor Code sections 2698, et seq.). Plaintiffs also asserted that Class Members were
3 expected to perform similar job duties and were subject to the same or similar operations and
4 employment policies, practices, and procedures. Additionally, Plaintiffs asserted that Defendants'
5 recordkeeping practices with respect to Plaintiffs, Class Members, and Aggrieved Employees were
6 substantially the same during the time period at issue. As a result of said alleged uniform practices,
7 Plaintiffs claim that the Class Members were not paid all of the compensation that was owed to
8 them by Defendants. Thus, in Class Counsel's view, it is clear that the outcome of this litigation
9 would be determined by Defendants' uniform operations and employment practices, policies, and
10 procedures that Plaintiffs allege applied across its hourly-paid or non-exempt employees in
11 California during the relevant time period.

12 17. **Adequacy and Typicality:** Plaintiffs undertook the responsibilities of representing
13 a class action against their former employer. Plaintiffs spent considerable time and effort to
14 produce relevant documents and past employment records and to provide the facts and evidence
15 necessary to attempt to prove the allegations. Plaintiffs were available whenever Class Counsel
16 needed them and actively tried to obtain information that would benefit the Class. Plaintiffs have
17 no interests that are adverse to the Class. Plaintiffs were employed by Defendants during the Class
18 Period and subject to the same alleged violations and the same policies, practices, and procedures.
19 Plaintiffs took on the challenge and risk of commencing and maintaining this action, and they have
20 not yet received any monetary benefit for their service to date. Plaintiffs put their own interests
21 aside and brought a publicly filed lawsuit against an employer not just for their own benefit, but,
22 instead, on behalf of other hourly-paid employees and the State of California.

23 **EXPERIENCE AND ADEQUACY OF LAWYERS *for* JUSTICE, PC**

24 18. For over a decade, Lawyers *for* Justice, PC has almost exclusively focused on the
25 prosecution of consumer and employment class actions, involving wage-and-hour claims, race
26 discrimination, unfair business practices, or consumer fraud. Currently, Lawyers *for* Justice, PC is
27 the attorney of record in well over a dozen employment-related putative class actions in both state
28 and federal courts in the State of California. Lawyers *for* Justice, PC is comprised of attorneys

1 who focus on litigating complex wage-and-hour class and Private Attorneys General Act
2 (“PAGA”) representative actions. Lawyers *for* Justice, PC has successfully litigated cases
3 involving the executive, administrative, and other overtime exemptions to the State of California
4 and federal overtime compensation requirements. During a relatively short time, in association
5 with other law firms, Lawyers *for* Justice, PC has recovered millions of dollars on behalf of
6 thousands of individuals in California.

7 19. Edwin Aiwazian is the Managing Member and Shareholder of Lawyers for Justice,
8 PC. He received his Bachelor of Arts degree from Pepperdine University in April of 1999 and
9 earned a Juris Doctor degree from Pepperdine University School of Law in May of 2004. He has
10 extensive formal training in dispute resolution and negotiation from the Straus Institute for Dispute
11 Resolution as part of its Masters in Dispute Resolution degree program. In addition, he has
12 previously served as a pro bono mediator for the Los Angeles County Superior Court. In October
13 of 2000, he obtained a Litigation Paralegal Certificate from the UCLA Extension Program. During
14 the summer of 2000, he studied Legal Writing at Harvard University. From approximately
15 September 2002 to approximately December 2002, he served as a Judicial Extern to the Honorable
16 Kim McLane Wardlaw of the United States Court of Appeals for the Ninth Circuit. From
17 approximately June 2002 to approximately August 2002, he served as a Judicial Extern to the
18 Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second Appellate District.
19 In December of 2004, he obtained a license to practice law from the California State Bar. Since in
20 or around October of 2008, through his work at Lawyers for Justice, PC, he has almost exclusively
21 focused on the prosecution of consumer and employment class actions, involving wage-and-hour
22 claims, race discrimination, unfair business practices, or consumer fraud. While employed by
23 Lawyers for Justice PC, he has argued over one hundred (100) motions, taken or defended over
24 one hundred fifty (150) depositions, prepared dozens of expert witnesses for deposition or trial,
25 and attended over one hundred seventy-five (175) mediations. Together with other attorneys at the
26 firm, and in many cases in conjunction with co-counsel, he has successfully litigated cases
27 involving the executive, administrative, and other overtime exemptions to the State of California
28 and federal overtime compensation requirements. Under his supervision, Lawyers for Justice, PC

1 has successfully obtained class certification by contested motion practice in approximately sixteen
2 (16) cases in the last decade, and litigated over 1,000 class action or representative action cases.

3 20. Arby Aiwarzian is a Member and Shareholder of Lawyers for Justice, PC. He
4 received his Bachelor of Arts degree from University of California, Los Angeles and graduated
5 magna cum laude. He earned a Juris Doctor degree, cum laude, from Southwestern Law School.
6 From approximately May 2007 to approximately July 2007, he served as a Judicial Extern to the
7 Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second Appellate District.
8 From approximately August 2008 to approximately December 2008, he served as a Judicial Extern
9 to the Honorable Kim McLane Wardlaw of the United State Court of Appeals for the Ninth
10 Circuit. He was admitted to practice law in California in 2010. He is admitted to practice before
11 all courts of the State of California and all United States District Courts in the State of California.
12 He has worked on many wage-and-hour class action and representative action cases, taking the
13 lead in taking and defending depositions, arguing motions, and attending mediations. He has
14 played an integral role in preparing matters for class certification, including and not limited to,
15 successful certification of a class in *Upson v. Sur La Table* (Los Angeles County Superior Court
16 Case No. BC424012), *Montazemi v. Regus Management* (Los Angeles County Superior Court
17 Case No. BC478769), and *Abdulhaqq v. Urban Outfitters* (Alameda County Superior Court Case
18 No. RG13680477). Under his supervision, dozens of class action or representative action cases
19 have resulted in settlements that have been granted court approval. He has handled over one
20 hundred and fifty (150) mediations and has worked on over two hundred and fifty (250) class
21 action or representative action cases which have resulted in settlement.

22 21. Joanna Ghosh is a Senior Member of Lawyers for Justice, PC. She received a
23 Bachelor of Arts degree from California State University, Los Angeles in 2006, a Master of
24 Science degree from the London School of Economics in 2007, and a Juris Doctor degree from
25 Georgetown University Law Center in 2010. She is admitted to practice in California (since 2010)
26 and in New York (since 2013) and is also admitted to practice in all U.S. District Courts in
27 California, the U.S. Bankruptcy Court for the Central District of California, and the U.S. Supreme
28 Court. She has taken and defended dozens of depositions and successfully handled motion

1 practice in class action cases regarding discovery (including and not limited to, regarding class
2 contact information), class certification (both contested class certification and stipulated class
3 certification), arbitration agreements, coordination, intervention. She has successfully handled
4 briefing and oral argument on appeal and obtained notable decisions regarding the Private
5 Attorneys General Act and employer efforts to compel arbitration of PAGA claims, e.g., *Roberto*
6 *Betancourt v. Prudential Overall Supply* (Cal., May 24, 2017) 9 Cal.App.5th 439 (Cal. Ct. App.,
7 Mar. 7, 2017), cert. denied, cert. denied (U.S., Dec. 11, 2017) and *ZB, N.A. v. Superior Court*
8 (2019) 8 Cal.5th 175. She also has extensive experience with class action and/or representative
9 action settlements. Under her, Edwin Aiwasian, and Arby Aiwasian's supervision, the firm has
10 handled the class certification and court approval process for hundreds of class action and/or
11 representative action matters that have successfully resolved. She is a member of the California
12 Employment Lawyers Association and, on several occasions, have been a speaker regarding topics
13 in wage and hour law at the organization's continuing legal education events.

14 22. I am a Member of Lawyers for Justice, PC. I received my Bachelor's degree from
15 the University of California, San Diego in 2010 and earned my Juris Doctor degree from the
16 University of California, Berkeley, School of Law in 2013. I was admitted to practice law in
17 California in 2015. I am admitted to practice before all courts of the State of California and all
18 federal district courts in the State of California. I have worked on many wage and hour class action
19 and PAGA representative matters, and my work has included, inter alia, researching and drafting
20 pleadings, administrative notice exhaustion, drafting, negotiating, and finalizing stipulations and
21 settlement agreements, engaging in motion practice, claims evaluation and analysis, and making
22 court appearances. Prior to working at Lawyers for Justice, PC, I spent several years working for a
23 boutique employment and labor law firm representing employers, and, in 2019 and 2020, I was
24 employed as general counsel for a DMHC licensed discount dental plan.

25 **THE SETTLEMENT AND SUMMARY OF WORK PERFORMED**

26 23. The effectiveness of Lawyers for Justice, PC and Graham Hollis APC ("Class
27 Counsel") in prosecuting this matter has translated into tangible monetary benefits in the following
28 respects: (1) Class Members, Aggrieved Employees, and the State of California recover over a

1 reasonably short period of time as opposed to waiting additional years for the same, or possibly
2 worse, result; (2) a guaranteed result that compares favorably with other similar class action
3 settlements of this type given the strengths and weaknesses of the case; and (3) significant savings
4 in Class Counsel's fees and/or costs that would have only increased significantly had the case
5 progressed through certification, trial, and/or appeals.

6 24. Class Counsel has litigated the case for over 3 years and was actively preparing the
7 matter for class certification and trial. The Parties have engaged in extensive settlement
8 negotiations and participated in a full-day mediation conducted by Monique Ngo-Bonnici, Esq., a
9 well-respected mediator experienced in mediating complex labor and employment matters. In the
10 course of the this lawsuit and in connection with the mediation and settlement negotiations, the
11 Parties exchanged extensive information and engaged in discussions regarding their evaluations of
12 the case and various aspects of the case, including but not limited to, the risks and delays of further
13 litigation, the law relating to off-the-clock theory, meal and rest periods, PAGA representative
14 claims, and state wage-and-hour law and enforcement, as well as the evidence produced and
15 analyzed, and the possibility of appeals, among other things. During all settlement discussions, the
16 Parties conducted their negotiations at arm's length in an adversarial position. Arriving at a
17 settlement that was acceptable to all Parties was not easy. Defendants and its counsel felt strongly
18 about its ability to prevail on the merits, and Plaintiffs and Class Counsel believed that they would
19 be able to prevail at trial. After conducting investigations, formal and informal discovery,
20 exchange of information, extensive settlement negotiations, and with the aid of the mediator's
21 evaluation, the Parties have agreed that the matter is well-suited for settlement given the legal
22 issues relating to Plaintiffs' principal claims, as well as the costs and risks to both sides that would
23 attend further litigation. The Settlement is a fair, reasonable, and adequate resolution of the
24 Released Class Claims of Plaintiffs and Settlement Class Members, and of the Released PAGA
25 Claims of Plaintiffs and the State of California, with respect to aggrieved employees, Released
26 Parties.

27 25. Prior to reaching the Settlement, Class Counsel investigated the veracity, strength,
28 and scope of the claims, and was preparing the action for class certification and trial. Plaintiffs

1 conducted significant investigation and formal and informal discovery regarding the facts of the
2 case, including and not limited to, the exchange, review, and analysis of a large volume of
3 documents and data obtained from Defendant, Plaintiffs, and other sources. The volume of data
4 and documents that Class Counsel reviewed and analyzed included and was not limited to:
5 Plaintiff Vazquez's employment records, a detailed sampling of Class Members' time and pay
6 data, Defendants' Employee Handbook, company policy acknowledgements, internal memoranda,
7 job descriptions, new employee welcome packet, General Orientation Checklist, Defendant's
8 operations and employment practices, forms (including but not limited to Shift Availability Form,
9 Code of Conduct Summary Acknowledgement, Patient/Resident Confidentiality Agreement,
10 Employee Statements), procedures (including but not limited to Resident's Rights, Employee
11 Safety Responsibilities (All Staff), Environmental Safety, Emergency Information, Fire
12 Extinguishers Locations, Employee Grievance Procedure, Theft and Loss Program, Rules of
13 Conduct, Hazard Communication Standard, Disaster Drill, The Heimlich Maneuver, House Rules),
14 and policies (including but not limited to Uniform Policy, Policy on Paid Time-Off, Using PTO,
15 Code of Conduct, Philosophy of Resident Care, Notice of Privacy Practices, Safety, Hand
16 Hygiene, Injuries (On-The-Job), Sexual Harassment Policy, Smoke Free Environment Policy and
17 Procedure, Dress Code Policy, Attendance and Punctuality Policy Statement, Attitudes Policy
18 Statement, Call-In Of Personnel, Clocking In/Out, Call-In Sick/Vacation, Emergency/Disaster Job
19 Assignment, Exchanging Days Off, Gifts, Gratuities, and Payments, Identification Badges, Meal
20 Periods and Rest Breaks, Holidays), among other information and documents. Class Counsel had
21 the opportunity to interview Plaintiff Vazquez and other Class Members to gather facts and to
22 identify potential witnesses. Counsel for the Parties met and conferred on numerous occasions,
23 e.g., to discuss issues relating to the pleadings, discovery, and the production of documents and
24 data prior to the mediation. Class Counsel drafted Plaintiffs' pleadings and mediation brief and
25 prepared for and attended court proceedings, settlement negotiations, and the mediation, among
26 other tasks.

27 26. Counsel for the Parties have also invested time researching and investigating the
28 applicable law, which is constantly evolving as it relates to certification, representative PAGA

1 claims, off-the-clock theory, meal and rest periods, state wage-and-hour law and enforcement,
2 Plaintiffs' claims and damages, and Defendants' defenses thereto, as well as facts discovered.
3 Based on Class Counsel's analysis, the result achieved in this lawsuit is fair, adequate, and
4 reasonable.

5 27. Class Counsel is aware of the defenses and position of Defendants, but believes that
6 Plaintiffs could potentially obtain class certification despite many obstacles. Plaintiffs and Class
7 Counsel have also taken into account the uncertainty and risk of the outcome of further litigation,
8 and the difficulties and delays inherent in such litigation. Plaintiffs further recognize the burdens
9 of proof necessary to establish liability for the claims asserted in the lawsuit, Defendants' defenses,
10 and the difficulties in establishing entitlement to monetary recovery. Plaintiffs and Class Counsel
11 have also considered the Parties' settlement discussions, as well as the evaluations of the mediator,
12 who is experienced and well-regarded in complex labor and employment matters.

13 28. Defendants, on the other hand, denied and continue to deny any liability and
14 wrongdoing of any kind associated with the claims alleged in the lawsuit, and further deny that this
15 lawsuit is appropriate for class treatment or representative adjudication for any purpose other than
16 this Settlement. Defendants believe that they would ultimately succeed in the matter. Both sides
17 have also had the opportunity to interview witnesses and review documents and information
18 relating to Plaintiffs', Class Members', and Aggrieved Employees' employment with Defendants,
19 and Defendants' operations and employment policies, practices, and procedures. The Parties also
20 reviewed and analyzed a large volume of documents and data to determine the potential value and
21 strength of the claims. The available information enabled Class Counsel to assess and value the
22 class and PAGA claims and prepare violation, damages, and penalties analyses models.
23 Accordingly, counsel for the Parties have conducted adequate investigation and discovery to be
24 sufficiently informed of the nature and extent of the Class Members' claims, and to enable both
25 sides to fully evaluate the Settlement for its fairness, adequacy, and reasonableness. The
26 Settlement takes into account the strengths and weaknesses of each side's position and the
27 uncertainty of how the case might have concluded at trial and/or appeals.

28 ///

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

[Signature]

Brian J. St. John

EXHIBIT 1

May 10, 2023

Attorneys at Law

3555 Fifth Avenue Suite 200
San Diego, California 92103
619.692.0800 voice
619.692.0822 fax

www.grahamhollis.com

Alex Kuner
akuner@grahamhollis.com
619.546.4309 direct

VIA ONLINE ELECTRONIC FILING

California Labor And Workforce Development Agency
Attn: PAGA Administrator
1515 Clay Street, Suite 801
Oakland, CA 94612

VIA CERTIFIED MAIL

Trestles LLC
599 Menlo Drive, Suite 200
Rocklin, CA 95765

Trestles LLC
c/o Ryan Williams, Agent for Service of Process
599 Menlo Drive, Suite 200
Rocklin, CA 95765

**Re: Dorothea Bowens' Wage and Hour Claims Against Trestles
LLC DBA City Creek Care Center/City Creek Post Acute**

Dear Labor and Workforce Development Agency and Trestles LLC:

Please be advised that Dorothea Bowens ("Claimant") has retained our firm to represent her for claims against her former employer, Trestles LLC DBA City Creek Care Center/City Creek Post Acute ("Trestles" or the "Company").

This letter shall serve as Claimant's written notice to the Labor and Workforce Development Agency ("LWDA") and the Company of the alleged Labor Code violations Claimant claims that the Company committed against her and all other aggrieved employees in California. Claimant provides this notice in accordance with the Labor Code Private Attorneys General Act of 2004 ("PAGA"), Labor Code § 2699.3. Claimant intends to file a civil action to enforce her rights under the Labor Code and seeks compensation accordingly.

Pursuant to Labor Code § 2699(a), and by way of this letter, Claimant also intends to represent all other current and former aggrieved employees who performed work for the Company in California and who have suffered at least one of the wage and hour violations described herein during their employment.

Graham S.P. Hollis

Vilmarie Cordero

Hali Anderson

Nathan Reese

David Lin

Erik Dos Santos

Nora Steinhagen

Alyssa Smith*

Allison Schubert

Alex Kuner

Dawn M. Berry

Brisa Martinez

*Provisionally Licensed Lawyer

FACTUAL BACKGROUND

The following factual information is based upon the limited investigation Claimant has been able to conduct to date. Claimant reserves the right to amend this notice should additional information come to light at a later date.

Trestles LLC dba City Creek Care Center is a limited liability company that operates skilled nursing facilities that provide short term and long-term skilled nursing, rehabilitation services, and other health and social services. The Company is headquartered and has its principal place of business in Rocklin, California.

Claimant was employed with the Company as an admissions coordinator at City Creek Care Center in Sacramento, California from approximately October 5, 2022, to February 17, 2023. As an admissions coordinator, Claimant was paid a salary of \$70,000 per year. In this position, the Company classified Claimant as an “exempt” employee, ineligible to receive overtime pay or to enjoy the protections of the applicable IWC Wage Order. Claimant would typically work from 8:30 or 9:00 a.m. until 4:00 or 4:30 p.m. but was not required to clock in and out for her shifts. Claimant primarily performed non-managerial tasks and did not exercise discretion or independent judgment in performing any of her duties. Accordingly, Claimant should have been classified as a “non-exempt” employee. Claimant therefore alleges that the Company misclassified her and, on information and belief, other aggrieved employees as “exempt” when in fact Claimant and other aggrieved employees should have been classified as “non-exempt” employees, entitled to the full protections of both the California Labor Code and the applicable Industrial Welfare Commission (“IWC”) Wage Order.

As a result of its misclassification of Ms. Bowens and other aggrieved employees as “exempt” employees, Trestles denied Ms. Bowens and, on information and belief, other aggrieved employees in California specific rights afforded to them under the California Labor Code and the applicable IWC Wage Order. For example, the Company failed to provide them with legally compliant meal and rest breaks or pay them meal and rest break premiums, failed to timely pay them all minimum, regular, and overtime wages owed, failed to reimburse them for all business expenses, failed to maintain accurate records, failed to issue accurate itemized wage statements, and failed to timely pay all wages due during and upon separation of employment. Upon information and belief, aggrieved employees classified as non-exempt also suffered these same violations.

During her employment with Trestles, Claimant never took a meal period or rest period, nor was she ever paid a meal period or rest period premium wage for all the days a meal period or rest period was missed. Due to the workload and staffing constraints, Claimant and, on information and belief, other aggrieved employees would often be required to continue working at all times without taking breaks, regardless of whether they were on a meal period, rest period, or otherwise off the clock.

The Company also failed to pay Claimant and all other aggrieved employees the correct amount of minimum, regular, and overtime wages owed because the Company did not require Claimant and, on information and belief, other aggrieved misclassified employees to clock in or out, so the Company did not keep track of all hours worked. Claimant was also required to respond to emails, pull reports, and complete other tasks while at home after completing her usual shifts. For example, Claimant was required to submit a census report every morning by 9:00 a.m., which would require her to work either the prior

evening following her shift, or in the morning before her shift. Upon information and belief, non-exempt aggrieved employees were also not paid for all hours worked.

Further, Claimant was required to use her personal cell phone during and before/after work hours to complete necessary business tasks such as communicating with her supervisor and calling insurance companies to complete her onboarding tasks for new patients. Claimant never received reimbursement for the required use of her personal cell phone for work related purposes. Upon information and belief, the Company did not reimburse any aggrieved employees for use of their personal cell phones despite routinely communicating with employees about work-related issues on their personal devices.

WILLFUL MISCLASSIFICATION OF INDIVIDUALS AS EXEMPT EMPLOYEES

(The “Applicability of Order” section of the applicable IWC Wage Order)

Section 1 of the applicable IWC Wage Order provides the requirements necessary in determining whether an employee’s duties qualify for an exemption from the protections afforded in Sections 3 through 12 of the Order. According to the IWC Wage Order, an exempt employee means any employee “[w]ho is primarily engaged in duties which meet the test of the exemption.” Section 2 of the IWC Order defines “primarily” to mean more than one-half the employee’s work time.

The IWC Wage Order further provides:

Exempt work shall include, for example, all work that is directly and closely related to exempt work and work which is properly viewed as a means for carrying out exempt functions. The work actually performed by the employee during the course of the workweek must, first and foremost, be examined and the amount of time the employee spends on such work, together with the employer’s realistic expectations and the realistic requirements of the job, shall be considered in determining whether the employee satisfies this requirement.

Accordingly, to determine whether employees are properly classified as exempt employees, courts evaluate the realistic requirements of a job, as opposed to the job description. See *Ramirez v. Yosemite Water Co.*, 20 Cal.4th 785, 802 (1999). Substantial consideration is afforded to how an employee actually spends his or her time working. *Id.* Only where an employee spends more than 50% of their time working on exempt duties is he or she appropriately deemed an exempt employee. See e.g. *Ramirez v. ISB Mehta Corp.*, No. H042072, 2017 WL 750565 (Cal. Ct. App. Feb. 27, 2017) (holding that a restaurant manager who spent less than 50 percent of his workweek on non-exempt tasks is an exempt employee under California law).

As set forth above, Trestles violated the IWC Wage Order and the Labor Code by willfully misclassifying Claimant and other aggrieved employees as exempt employees. Claimant and, on information and belief, other aggrieved employees spent more than 50% of their work time on non-exempt duties and thus were non-exempt employees within the definition of the IWC Wage Order. Claimant did not exercise discretion or independent judgment in the execution of her tasks; all actions were completed pursuant to standardized procedures and/or had to be approved by her superiors.

Claimant will pursue all available remedies for the Company's violations on behalf of herself and other aggrieved employees to the extent allowed by law.

FAILURE TO TIMELY PAY ALL MINIMUM, REGULAR, AND OVERTIME WAGES

(Labor Code §§ 204, 210, 223, 225.5, 510, 558, 1194, 1194.2, 1197, 1197.1, 1198, and the "Hours and Days of Work" sections of the applicable IWC Wage Order)

Labor Code § 1197 states, "[t]he minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed is unlawful." Labor Code § 1197.1 provides that, "[a]ny employer or other person acting either individually or as an officer, agent, or employee of another person, who pays or causes to be paid to any employee a wage less than the minimum fixed by an applicable state or local law or by an order of the commission shall be subject to a civil penalty, restitution of wages, liquidated damages payable to the employee, and any applicable penalties imposed pursuant to Section 203..." Section 1198 states, "[t]he maximum hours of work and the standard conditions of labor fixed by the commission shall be the maximum hours of work and the standard conditions of labor for employees. The employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful."

Labor Code § 510 states, "[e]ight hours of labor constitutes a day's work. Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee. Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee." The "Hours and Days of Work" and "Minimum Wages" sections of the applicable IWC Wage Order mandate the same requirements.

Labor Code § 1198 states, "[t]he maximum hours of work and the standard conditions of labor fixed by the commission shall be the maximum hours of work and the standard conditions of labor for employees. The employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful."

Labor Code § 204(a) states in pertinent part, "[a]ll wages...earned by any person in any employment are due and payable twice during each calendar month, on days designated in advance by the employer as the regular paydays." Furthermore, Labor Code § 204(b)(1) states, "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." Labor Code § 210 provides that, "every person who fails to pay the wages of an employee as provided in Section...204...shall be subject to a civil penalty" of \$100 for an initial violation and \$200 plus 25% of the amount unlawfully withheld for a subsequent violation." The "Minimum Wages" section of the applicable IWC Wage Order also states that "[e]very employer shall pay to each employee, on the established payday for the period involved, not less than the applicable minimum wage for all hours worked in the payroll period, whether the remuneration is measured by time, piece, commission or otherwise."

Labor Code § 1194(a) states, "...any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid

balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney's fees, and costs of suit." Liquidated damages in an amount equal to the minimum wages unlawfully unpaid and interest thereon are provided for under Labor Code § 1194.2.

Labor Code § 223 states, "[w]here any statute or contract requires an employer to maintain the designated wage scale, it shall be unlawful to secretly pay a lower wage while purporting to pay the wage designated by statute or by contract." Labor Code § 225.5 provides that, "...every person who unlawfully withholds wages due any employee in violation of Section...223 shall be subject to a civil penalty" of \$100 for each initial violation and \$200 plus 25% of the amount unlawfully withheld for a subsequent violation.

As set forth above, the Company failed to timely pay Claimant and, on information and belief, other aggrieved employees all minimum, regular, and overtime wages, as required by law. Because Claimant and other aggrieved employees were misclassified as exempt employees when they were actually acting as non-exempt employees, they did not receive proper protections and benefits of the laws governing the compensation for minimum wages, regular wages, and overtime wages. As a result, Trestles improperly paid Claimant and other aggrieved employees on a salary basis, failed to pay Claimant and other aggrieved employees for all hours suffered or permitted to work such as when Claimant would be required to complete tasks at home before and after her shifts, and failed to timely pay for all hours worked over eight hours in a day and/or over forty hours in a week. Upon information and belief, non-exempt aggrieved employees were also deprived of the same Labor Code protections and were also not compensated all minimum, regular, and overtime wages rightfully owed, because they were required to work through meal periods and rest periods, or otherwise required to perform work while off the clock. Thus, Claimant and other aggrieved employees were not timely compensated minimum, regular, and overtime wages owed and earned because they were not timely compensated for all hours suffered or permitted to work. Claimant will pursue all available remedies for the Company's violations on behalf of herself and other current and former aggrieved employees to the extent allowed by law.

FAILURE TO PROVIDE LEGALLY COMPLIANT MEAL PERIODS AND/OR PAY PREMIUM WAGES FOR NON-COMPLIANT MEAL PERIODS

(Labor Code §§ 204, 226.7, 512, 558, and the "Meal Periods" section of the applicable IWC Wage Order)

Labor code § 512(a) provides:

An employer may not employ an employee for a work period of more than five hours per day without providing the employee with a meal period of not less than 30 minutes, except that if the total work period per day of the employee is no more than six hours, the meal period may be waived by mutual consent of both the employer and employee. An employer may not employ an employee for a work period of more than 10 hours per day without providing the employee with a second meal period of not less than 30 minutes, except that if the total hours worked is no more than 12 hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

In pertinent part, the “Meal Periods” section of the applicable IWC Wage Order states:

(A) No employer shall employ any person for a work period of more than five (5) hours without a meal period of not less than 30 minutes, except that when a work period of not more than six (6) hours will complete the day's work the meal period may be waived by mutual consent of the employer and the employee. Unless the employee is relieved of all duty during a 30-minute meal period, the meal period shall be considered an “on duty” meal period and counted as time worked. An “on duty” meal period shall be permitted only when the nature of the work prevents an employee from being relieved of all duty and when by written agreement between the parties an on-the-job paid meal is agreed to.

(B) An employer may not employ an employee for a work period of more than ten (10) hours per day without providing the employee with a second meal period of not less than 30 minutes, except that if the total hours worked is no more than 12 hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived....

(D) If an employer fails to provide an employee a meal period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the meal period is not provided.

A meal period generally complies with the requirements of California Law if the employee has at least 30 minutes uninterrupted and the employee is relieved of any and all duty and is free to leave the premises during such time. (*Brinker Restaurant Corp. v. Superior Court*, 53 Cal.4th 1004, 1036 (2012).) California law further prohibits employers from “...undermining [its] formal policy of providing meal breaks by pressuring employees to perform their duties in ways that omit breaks.” (*Id.*, at 1040).

Pursuant to Labor Code § 226.7(c):

If an employer fails to provide an employee a meal or rest or recovery period in accordance with a state law, including, but not limited to, an applicable statute or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided.

Labor Code § 204 establishes an employee's fundamental right in the state of California to be paid wages in a timely manner for their work. Premium wages under Labor Code § 226.7 are wages that

are due payable in accordance with Labor Code § 204. (*Murphy v. Kenneth Cole Productions, Inc.*, 40 Cal.4th 1094, 1103-1114 (2007).)

Labor Code § 558 provides that “any employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty” of \$50 for each underpaid employee for each pay period for which the employee was underpaid for any initial violation, and \$100 for each underpaid employee for each pay period for which the employee was underpaid for each subsequent violation.

As set forth above, the Company misclassified Claimant and other aggrieved employees as exempt employees when they should have been classified as non-exempt and therefore subject to protections under the IWC Wage Orders and Labor Code, including the right to take meal breaks. However, the Company had and continues to have a policy and practice of failing to provide Claimant and, on information and belief, other aggrieved employees with the opportunity to take uninterrupted, off-duty meal periods of at least thirty-minutes before the start of their sixth hour of work, and/or a second off-duty, thirty-minute meal period when they worked in excess of ten hours. Upon information and belief, employees who were properly classified as non-exempt suffered from the same policies and practices. Claimant and, on information and belief, other aggrieved employees were required to work through meal periods, and/or were required to skip meal periods, be interrupted, or take breaks of fewer than thirty minutes if necessitated by the employee’s workload. Consequently, Claimant and other aggrieved employees were entitled to receive, and did not receive, one-hour of premium wages for each day a compliant meal period was not provided on the payday designated by the Company. Claimant will pursue all available remedies against the Company, for its violations of the Labor Code on behalf of herself and all aggrieved employees to the extent permitted by law.

**FAILURE TO PROVIDE LEGALLY COMPLIANT REST PERIODS AND/OR PAY PREMIUM
WAGES FOR NON-COMPLIANT REST PERIODS**

(Labor Code §§ 204, 226.7, and the “Rest Periods” section of the applicable IWC Wage Order)

The “Rest Periods” section of the applicable IWC Wage Order provides:

(A) Every employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period. The authorized rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes of net rest time per four (4) hours or major fraction thereof. However, a rest period need not be authorized for employees whose total daily work time is less than three and one-half (3 ½) hours. Authorized rest period time shall be counted as hours worked for which there shall be no deduction from wages.

(B) If an employer fails to provide an employee a rest period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee’s regular rate of compensation for each workday that the rest period is not provided.

During rest periods, California law requires employers to relinquish all control over their employees and relieve their employees of all duties. (*Augustus v. ABM Security Services, Inc.*, 2 Cal.5th 257, 273 (2016).)

In pertinent part, Labor Code § 226.7 states:

(b) An employer shall not require an employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health.

(c) If an employer fails to provide an employee a meal or rest or recovery period in accordance with a state law, including, but not limited to, an applicable statute or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided.

Labor Code § 204 establishes an employee's fundamental right in the state of California to be paid wages in a timely manner for their work. Specifically, Labor Code § 204(a) states that all wages earned are due and payable twice during each calendar month on days designated in advance by the employer as regular pay days. Premium wages under Labor Code § 226.7 are wages that are due payable in accordance with the Labor Code § 204. (*Murphy, supra*, 40 Cal.4th at 1103-1114.)

As discussed herein, the Company misclassified Claimant and other aggrieved employees as exempt employees when they should have been classified as non-exempt and therefore subject to protections under the IWC Wage Orders and Labor Code, including the right to take rest breaks. However, the Company had and continues to have a policy and practice of failing to authorize and permit Claimant and, on information and belief, other aggrieved employees to take an off-duty, uninterrupted 10-minute rest period for every four hours worked or major fraction thereof. Upon information and belief, employees who were properly classified as non-exempt suffered from the same policies and practices. Claimant and, on information and belief, other aggrieved employees were required to work through rest periods, and/or were required to skip rest periods, be interrupted, or take breaks of fewer than ten minutes if necessitated by the employee's workload. Therefore, Claimant and other aggrieved employees were entitled to receive, and did not receive, one-hour of premium wages on the designated payday for each day a legally compliant rest period was not provided. Claimant will pursue all available remedies against the Company for its violations of the Labor Code on behalf of herself and all aggrieved employees to the extent allowed by law.

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FAILURE TO REIMBURSE FOR BUSINESS EXPENSES

(Labor Code § 2802 and the “Uniforms and Equipment” section of the applicable IWC Wage Order)

Labor Code § 2802(a) provides in pertinent part, “[a]n employer shall indemnify his or her 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.”

Additionally, the “Uniforms and Equipment” section of the applicable IWC Wage Order states that “When tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by the employer...”

Labor Code § 2802(b) states, “[a]ll awards made by a court or by the Division of Labor Standards Enforcement for reimbursement of necessary expenditures under this section shall carry interest at the same rate as judgments in civil actions. Interest shall accrue from the date on which the employee incurred the necessary expenditure or loss.” Accordingly, Claimant will request that she receive interest on the applicable amount.

Furthermore, Labor Code § 2802(c) states, “[f]or purposes of this section, the term ‘necessary expenditures or losses’ shall include all reasonable costs, including, but not limited to, attorney’s fees incurred by the employee enforcing the rights granted by this section.” Consequently, Claimant will also request reimbursement of the attorney’s fees incurred in pursuing this matter.

As set forth above, the Company required that Claimant and other aggrieved employees use their personal cell phones during and before/after work hours to complete necessary business tasks such as communicating with supervisors and calling insurance companies to complete onboarding tasks for new patients. These tasks were required to be completed in the discharge of their employment duties, and Claimant and, on information and belief, other aggrieved employees were not reimbursed for such use of their personal phones. Claimant will pursue all available remedies for the Company’s violations on behalf of herself and other current and former aggrieved employees to the extent allowed by law.

FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

(Labor Code §§ 226, 226.3, 1198, and the “Records” section of the applicable IWC Wage Order)

Labor Code § 226(a) states in pertinent part that every employer shall provide an accurate, itemized wage statement in writing with respect to each of its employees showing: “(1) gross wages earned, (2) total hours worked by the employee, ..., (5) net wages earned, ..., and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.”

The “Records” section of the applicable IWC Wage Order requires an employer to “semimonthly or at the time of each payment of wages furnish each employee, either as a detachable part of the check, draft, or voucher paying the employee’s wages, or separately, an itemized statement in writing showing: (1) all deductions; (2) the inclusive dates of the period for which the employee is paid; (3) the name of the employee or the employee’s social security number; and (4) the name of the employer, provided all deductions made on written orders of the employee may be aggregated and shown as one item.”

Labor Code § 226(e) imposes a penalty of the greater of all actual damages or \$50 for the initial pay period in which a violation occurs and \$100 per employee for each violation in a subsequent pay period, not exceeding an aggregate penalty of \$4,000, and entitles an employee to an award of costs and reasonable attorney's fees. Labor Code § 226.3 imposes an additional civil penalty on the employer of \$250.00 per employee per violation of Labor Code § 226(a) in an initial citation and \$1,000 per employee for each violation in a subsequent citation.

As set forth above, the Company misclassified Claimant and other aggrieved employees as exempt employees when they should have been classified as non-exempt and therefore subject to protections under the IWC Wage Orders and Labor Code, including the right to accurate wage statements that include all of the information required by section 226(a). Upon information and belief, employees who were properly classified as non-exempt suffered from these same policies and practices as well. The Company failed to provide Claimant and other aggrieved employees with accurate itemized wage statements that comply with the requirements of the Labor Code because the wage statements issued did not, among other things, include the correct total regular and overtime hours worked, the correct amount of gross and net wages earned, and all applicable hourly rates and the corresponding number of hours worked at each hourly rate. Claimant will pursue all available remedies for the Company's violations on behalf of herself and other current and former aggrieved employees to the extent allowed by law.

FAILURE TO MAINTAIN ACCURATE RECORDS

(Labor Code §§ 1174, 1174.5, and the "Records" section of the applicable IWC Wage Order)

Labor Code § 1174 states, "[e]very person employing labor in this state shall... [k]eep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, ..., employees employed at the respective plants or establishments."

The "Records" section of the applicable Wage Order states that every employer shall keep accurate information with respect to each one of its employees, including time records showing when the employee begins and ends each work period, meal periods, total daily hours worked, total wages paid each payroll period, and total hours worked in the payroll period and the applicable rates of pay.

Labor Code § 1174.5 imposes a civil penalty of \$500 for an employer's failure to maintain accurate and complete records. This civil penalty is in addition to the civil penalty of \$100 per pay period, per aggrieved employee that would be imposed pursuant to Labor Code § 2699 for a violation of Labor Code § 1174(d).

As set forth above, the Company violated these requirements by failing to accurately record employee hours worked including, but not limited to, the Company's failure to record the proper beginning and end of each work period, the meal periods, the total hours worked during the pay period, the applicable rates of pay for each hour worked, and the total wages earned and paid. Claimant will pursue all available remedies for the Company's violations on behalf of herself and other current and former aggrieved employees to the extent allowed by law.

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FAILURE TO TIMELY PAY ALL WAGES DUE

(Labor Code §§ 201, 202, 203, 204, 210, 1194, 1194.2, 1198, and the “Minimum Wages” section of the applicable IWC Wage Order)

Labor Code § 204(a) states in pertinent part, “[a]ll wages...earned by any person in any employment are due and payable twice during each calendar month, on days designated in advance by the employer as the regular paydays.” Furthermore, Labor Code § 204(b)(1) states, “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.” Labor Code § 210 provides that, “every person who fails to pay the wages of an employee as provided in Section...204...shall be subject to a civil penalty” of \$100 for an initial violation and \$200 plus 25% of the amount unlawfully withheld for a subsequent violation.” The “Minimum Wages” section of the applicable IWC Wage Order also states that “[e]very employer shall pay to each employee, on the established payday for the period involved, not less than the applicable minimum wage for all hours worked in the payroll period, whether the remuneration is measured by time, piece, commission, or otherwise.”

Labor Code § 201 states, in pertinent part, “[i]f an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately.” Labor Code § 202 states, in pertinent part, “[i]f an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 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.”

Labor Code § 203(a) states, in pertinent part, “[i]f an employer willfully fails to pay, without abatement or reduction, in accordance with Sections 201, 201.3, 201.5, 201.9, 202, and 205.5, any wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefore is commenced; but the wages shall not continue for more than 30 days.”

Labor Code § 210 provides that, “every person who fails to pay the wages of each employee as provided in Section[...]...204...shall be subject to a penalty” of \$100 for an initial violation and \$200 plus 25% of the amount unlawfully withheld for a subsequent violation.

Labor Code § 1194(a) states, “...any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney’s fees, and costs of suit.” Liquidated damages in an amount equal to the minimum wages unlawfully unpaid and interest thereon are provided for under Labor Code § 1194.2.

Labor Code § 1198 states, “[t]he maximum hours of work and the standard conditions of labor fixed by the commission shall be the maximum hours of work and the standard conditions of labor for employees. The employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.”

As set forth above, the Company misclassified Claimant and other aggrieved employees as exempt employees when they should have been classified as non-exempt and therefore subject to

protections under the IWC Wage Orders and Labor Code. Upon information and belief, employees who were properly classified as non-exempt suffered from these same policies and practices as well. The Company violated the aforementioned Labor Code sections by not timely paying to Claimant and other aggrieved employees all minimum and overtime wages and meal and/or rest break premium wages within the required time during and upon separation of their employment. As a result of the Company's failure to comply with these Labor Code provisions, the Company owes waiting time penalties to Claimant and other aggrieved employees, which it has not yet paid. Claimant will pursue all available remedies for the Company's violations on behalf of herself and other current and former aggrieved employees to the extent allowed by law.

**CIVIL PENALTIES FOR VIOLATIONS OF THE LABOR CODE AND THE APPLICABLE
IWC WAGE ORDER**

(Labor Code §§ 210, 255.5, 226.3, 558, 558.1, 1174.5, 1197.1, and 2699(f))

Labor Code § 210 provides that any person who fails to pay wages as provided in section 204 shall be subject to a civil penalty of \$100 for any initial violation for each failure to pay each employee and for each subsequent violation, or any willful or intentional violation \$200 for each failure to pay each employee, plus 25% of the amount unlawfully withheld, in addition to any other penalty.

Labor Code § 225.5 provides the following penalties for violations of Labor Code §§ 212, 216, 221, 222 or 223: (a) For any initial violation, one hundred dollars (\$100) for each failure to pay each employee; and (b) For each subsequent violation, or any willful or intentional violation, two hundred dollars (\$200) for each failure to pay each employee, plus 25% of the amount unlawfully withheld.

For violations of Labor Code § 226(a), Labor Code § 226.3 imposes a civil penalty of \$250 per employee per violation in an initial citation and \$1,000 per employee for each violation in a subsequent citation.

Labor Code § 558 subjects an employer or any person acting on behalf of an employer who violates Labor Code §§ 500-558, or any provision regulating the hours and days of work in any IWC Wage Order, to a civil penalty of \$50 for each underpaid employee for each pay period for which the employee was underpaid for any initial violation, and \$100 for each underpaid employee for each pay period for which the employee was underpaid for each subsequent violation. Labor Code § 558.1(a) states:

Any employer or other person acting on behalf of an employer, who violates, or causes to be violated, any provision regulating minimum wage or hours and days of work in any order of the Industrial Welfare Commission, or violates, or causes to be violated, Sections 203, 226, 226.7, 1193.6, 1194, or 2802, may be held liable as the employer for such violation.

Pursuant to Labor Code § 558.1(b), Labor Code § 558.1(a) is applicable to the owners, officers, directors, or managing agents of the employer.

For violations of Labor Code § 1174 subdivisions (c) and (d), Labor Code § 1174.5 imposes a civil penalty of \$500.

Similarly, Labor Code § 1197.1 subjects any employer or other person acting either individually or as an officer, agent, or employee of another person, who pays or causes to be paid to any employee a wage less than the minimum fixed by an applicable state or local law, or by an order of the commission to a civil penalty, restitution of wages, liquidated damages payable to the employee, and any applicable penalties imposed pursuant to § 203 as follows:

(1) For any initial violation that is intentionally committed, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee is underpaid. This amount shall be in addition to an amount sufficient to recover underpaid wages, liquidated damages pursuant to § 1194.2, and any applicable penalties imposed pursuant to § 203. (2) For each subsequent violation for the same specific offense, two hundred fifty dollars (\$250) for each underpaid employee for each pay period for which the employee is underpaid regardless of whether the initial violation is intentionally committed. This amount shall be in addition to an amount sufficient to recover underpaid wages, liquidated damages pursuant to § 1194.2, and any applicable penalties imposed pursuant to § 203. (3) Wages, liquidated damages, and any applicable penalties imposed pursuant to § 203, recovered pursuant to this section shall be paid to the affected employee.

Labor Code § 2699(f) imposes a civil penalty of \$100 per pay period, per employee for the initial violation and \$200 per pay period, per employee for each subsequent violation for all Labor Code provisions for which a civil penalty is not specifically provided, including, but not limited to, Labor Code §§ 201, 202, 203, 204, 210, 212, 221, 223, 224, 226(a), 226.7, 510, 512, 1174(d), 1194, 1197, 1197.1, and 1198 and relevant IWC Wage Orders.

As set forth above, the Company violated the Labor Code and the applicable IWC Wage Order by failing to timely pay Claimant and all aggrieved employees all minimum, regular, and overtime wages for all time actually worked; failing to provide meal and rest periods or paying meal and rest period premium wages in lieu thereof; failing to reimburse for all necessary business expenses; failing to furnish accurate itemized wage statements; failing to maintain accurate employee records; and failing to pay all waiting time penalties owed, as required under the Labor Code and the applicable IWC Wage Order. As a result, the Company is liable for civil penalties under the Labor Code and Claimant will pursue all available remedies including, but not limited to, those stated herein, for the Company's violations on behalf of herself and all aggrieved employees to the extent allowed by law.

ATTORNEYS' FEES, COSTS, INTEREST, LIQUIDATED DAMAGES, AND PENALTIES
(Labor Code §§ 210, 218.5, 218.6, 225.5, 226(e), 558, 1194, 1194.2, 1197.1, and 2698 et seq.)

Labor Code §§ 210, 218.5, 218.6, 225.5, 226(e), 558, 1194, 1194.2, 1197.1, and 2698 et seq., among others, give employees, such as Claimant, the right to recover in a civil action the full amount of

damages, liquidated damages, and penalties, including interest thereon, as well as reasonable attorneys' fees and costs.

Under Labor Code § 2699(g)(1), an aggrieved employee, such as Claimant, is entitled to an award of reasonable attorney's fees and costs. Accordingly, the Company is liable for these items. Claimant has already incurred actual damages, costs, and attorney's fees, and she will continue to incur such costs as a result of the Company's unlawful actions. Claimant will pursue all available remedies against the Company, including those provided under the PAGA, on behalf of herself and all other aggrieved employees to the extent permitted by California law for the violations of law described herein and those that may be later discovered.

CONCLUSION

Based on the foregoing, the Company has violated, and will continue to violate, the Labor Code and the applicable IWC Wage Order, thereby depriving Claimant and other aggrieved employees of the rights and protections afforded to them. Claimant has satisfied the prerequisites of the PAGA to serve as a representative of all aggrieved employees, the general public, and the state of California in order to enforce California labor laws and to seek civil penalties for the provisions set forth herein, as well as those which may be later discovered.

Accordingly, if the California agency declines to intervene or act within the time prescribed by the PAGA, Claimant may elect to initiate and/or amend a civil action, on behalf of herself and all other aggrieved employees, as permitted by the PAGA.

Sincerely,

A handwritten signature in black ink, appearing to read 'Alex Kuner', with a stylized flourish at the end.

Alex Kuner

EXHIBIT 2



September 7, 2023

BY ONLINE SUBMISSION

California Labor & Workforce Development Agency
PAGAfilings@dir.ca.gov

Re: CALCARE, INC.; CARPINTERICA, LLC.

Dear Representative:

We have been retained to represent Geovanni Vazquez against Calcare, Inc., Carpinterica, LLC (including any and all affiliates, subsidiaries, parents, directors, officers, agents, and executive employees) (collectively referred to as (“Calcare”) for violations of California wage-and-hour laws. Mr. Vazquez seeks penalties for violations of the California Labor Code, which are recoverable under California Labor Code section 2698, et seq., the Labor Code Private Attorneys General Act of 2004 (“PAGA”) and all other remedies available under PAGA.

Mr. Vazquez seeks these remedies on behalf of the State of California and “aggrieved employees,” as defined herein. This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3.

Calcare employed Mr. Vazquez as an hourly-paid, non-exempt employee in the State of California. Mr. Vazquez is an “aggrieved employee” as defined by California Labor Code section 2699 because she was employed by Calcare and she suffered one or more of the alleged violations, as demonstrated below.

The “aggrieved employees” that Mr. Vazquez may seek penalties on behalf of are all current and former hourly-paid or non-exempt employees who worked for any of the above-referenced entities within the State of California, including, but not limited to all current and former hourly-paid or non-exempt employees who worked for any of the above-referenced entities within the State of California who earned shift differentials/non-discretionary bonuses/non-discretionary performance pay which was not used to calculate the correct regular rate of pay used to calculate the overtime rate.

Based on the following facts and theories, Calcare has violated and/or continues to violate, among other provisions of the California Labor Code and applicable wage law, California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and IWC Wage Orders.

Calcare required aggrieved employees to perform work before their scheduled shifts, after their scheduled shifts, during off-the-clock meal breaks, and/or during rest breaks and failed to compensate aggrieved employees for this time. Calcare rounded the work time recorded by

aggrieved employees in a manner that was not fair and neutral on its face and/or that favored Calcare over time, resulting in aggrieved employees being underpaid for their time worked.

California Labor Code sections 510 and 1198 require employers to pay time-and-a-half or double time overtime wages, and make it unlawful to work employees for hours longer than eight hours in one day and/or over forty hours in one week without paying the premium overtime rates at one-and-one-half times or double the regular rate of pay, including additional remuneration. During the relevant time period, Mr. Vazquez and other aggrieved employees worked in excess of 8 hours in a day and 40 hours in a week. Therefore, Mr. Vazquez and other aggrieved employees were entitled to receive certain wages for overtime compensation, but they were not paid for all overtime hours worked.

California Labor Code sections 226.7 and 512 require employers to pay an employee one additional hour of pay at the employee's regular rate for each meal or rest period that is not provided. During the relevant time period, Calcare required Mr. Vazquez and other aggrieved employees to work during meal and rest periods and failed to compensate them properly for non-compliant meal and rest periods including, *inter alia*, short, late, interrupted, and missed meal and rest periods. Calcare also required aggrieved employees to stay on work premises during rest periods.

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' 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. During the relevant time period, Calcare failed to pay Mr. Vazquez and other aggrieved employees all wages due to them within any time period specified by California Labor Code sections 201 and 202, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 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 the 26th day of the month during which the labor was performed, and 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. California Labor Code section 204 also requires 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. During the relevant time period, Calcare failed to pay Mr. Vazquez and other aggrieved employees all wages due to them within any time period specified by California Labor Code section 204, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 226 requires employers to make, keep and provide complete and accurate itemized wage statements to their employees. During the relevant time period, Calcare did not provide Mr. Vazquez and other aggrieved employees with complete and accurate itemized wage statements. The wage statements they received from Calcare were in violation of California

Labor Code section 226(a). The violations include, but are not limited to, the failure to include the total hours worked by Mr. Vazquez and other aggrieved employees, including time spent working off-the-clock and during meal and rest periods as discussed above.

California Labor Code sections 551 and 552 require that every person employed in any occupation of labor is entitled to one day's rest in a seven-day workweek, that no employer of labor shall cause his employees to work more than six days in a workweek, and that an employer shall pay a civil penalty in the amounts of fifty dollars (\$50) for each aggrieved employee per pay period for the initial violation and one hundred dollars (\$100) for each aggrieved employee per pay period for each subsequent violation. During the relevant time period, Mr. Vazquez and the aggrieved employees were required to regularly and/or consistently work in excess of six (6) days in a workweek. During the relevant time period, Mr. Vazquez and the aggrieved employees were required to work in excess of thirty (30) hours in a week and/or six (6) hours in any one (1) day thereof, during workweeks in which they were required to work in excess of six (6) days. During the relevant time period, Mr. Vazquez and the aggrieved employees were required to work in excess of six (6) days in a workweek without accumulating or being provided the opportunity to take at least one (1) day of rest, and when Mr. Vazquez and the aggrieved employees accumulated days of rest, they were not actually provided the opportunity to take the equivalent of one (1) day's rest in seven (7) during each calendar month.

California Labor Code sections 1174(d) requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case shall be kept on file for not less than two years. During the relevant time period, Calcare failed to keep accurate and complete payroll records showing the actual hours worked daily and the wages earned by Mr. Vazquez and other aggrieved employees, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code sections 1194, 1197, and 1197.1 provide the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful. During the relevant time period, Calcare did not provide Mr. Vazquez and other aggrieved employees with the minimum wages to which they were entitled for work performed "off-the-clock."

California Labor Code section 1198 provides that "The employment of any employee ... under conditions of labor prohibited by the [Industrial Wage Orders] is unlawful." The applicable Industrial Wage Orders require that for each workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee's usual or scheduled day's work, the employee shall be paid for half the usual or scheduled day's work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee's regular rate of pay. Further, if an employee is required to report for work a second time in any one workday and is furnished less than two (2) hours of work on the second reporting, said employee shall be paid for two (2) hours at the employee's regular rate of pay. During the relevant time period, Calcare failed to pay Mr. Vazquez and other aggrieved employees half the usual or scheduled day's work in an amount no less than two (2) hours nor more than four (4) hours at the employee's regular rate of pay for workdays in which Mr. Vazquez and the other aggrieved employees reported

to work and were furnished less than half the usual or scheduled day's work. During the relevant time period, Calcare failed to pay Mr. Vazquez and other aggrieved employees for two (2) hours at the employee's regular rate of pay on days in which Mr. Vazquez and the other aggrieved employees were required to report for work a second time in one workday and were furnished less than two (2) hours of work upon the second reporting.

California Labor Code sections 2800 and 2802 require an employer to reimburse its employee for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. During the relevant time period, Mr. Vazquez and other aggrieved employees incurred necessary business-related expenses and costs that were not fully reimbursed by Calcare.

Therefore, on behalf of all aggrieved employees, Mr. Vazquez seeks all applicable penalties arising out of the above-referenced wage, hour, and payroll practices, or which could be assessed and collected by the Labor and Workforce Development Agency, for violation of the California Labor Code pursuant to PAGA, including civil penalties pursuant to Labor Code section 558.

If you have any questions or require additional information, please do not hesitate to contact us. Thank you for your attention to this matter and the noble cause you advance each and every day.

With kind regards,



Meg Razi, Esq.

Cc: (By U.S. Certified Mail / Return Receipt Requested)

Calcare, Inc.
c/o W. Steven Shumway
LAW OFFICES OF W. STEVEN SHUMWAY
Attorneys
3300 Douglas Boulevard, Suite 250
Roseville, California 95661

Carpinterica, LLC
c/o Grace Y. Horoupian
Victor T. Xu
The-An Hoang-Nguyen
FISHER & PHILLIPS, LLP
2050 Main Street, Suite 1000
Irvine, California 92614

EXHIBIT 3

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT AND RELEASE

This Joint Stipulation of Class Action and PAGA Settlement and Release (“Settlement,” “Agreement” or “Settlement Agreement”) is made and entered into by and between Geovanni Vazquez, “Plaintiff Vazquez”) and Dorothea Bowens (“Plaintiff Bowens”) (together, “Plaintiffs”) individually, on behalf of all others similarly situated, and on behalf of the State of California with respect to Aggrieved Employees (as defined herein) pursuant to the Private Attorneys General Act, and Carpinteria LLC dba Atherton Park Post-Acute (“Defendant Carpinteria”), Trestles LLC dba City Creek Post Acute (erroneously sued as Trestles LLC dba City Creek Post Acute/City Creek Care Center) (“Defendant Trestles LLC”), Kalesta Healthcare Group, LLC (“Defendant Kalesta”), Hamoa LLC dba Valley Skilled Nursing Center, Three Arch LLC dba The Villas at Saratoga, Newport LLC dba Almond Vista Healthcare Center, Napili Bay LLC dba Los Banos Post-Acute, and Coronado Bay LLC dba Harvest Crossing Post Acute as defendants and (together, “Defendants”) (collectively, Plaintiffs and Defendants are referred to as the “Parties” and individually they are referred to as “Party”).

This Joint Stipulation of Class Action and PAGA Settlement and Release shall be binding on Plaintiffs, Settlement Class Members (as defined herein), the State of California with respect to Aggrieved Employees (as defined herein) and on Defendants, subject to the terms and conditions hereof and the approval of the Court.

RECITALS

1. On September 7, 2023, Plaintiff Vazquez provided notice by electronic upload to the Labor and Workforce Development Agency and written notice by certified mail to Defendant Carpinteria of his intent to pursue civil penalties under California Labor Code section 2698 et seq. (“PAGA”) for Defendants Carpinteria and Defendant Calcare, Inc.’s alleged violations of the California Labor Code (“*Vazquez* PAGA Notice”). A true and correct copy of the *Vazquez* PAGA Notice is attached hereto as “**EXHIBIT A.**”

2. On September 7, 2022, Plaintiff Vazquez filed a Class Action Complaint for Damages, thereby commencing a putative class action entitled *Geovanni Vazquez v. Calcare, Inc.; Carpinteria LLC* in the Superior Court of California for the County of Placer, Case No. S-CV-0049068 (“*Vazquez* Action”) against Defendants Calcare, Inc. and Carpinteria LLC (erroneously named as “Carpinterica LLC”) for

1 alleged violations of the California Labor Code.

2 3. On May 10, 2023, Plaintiff Bowens provided notice by electronic upload to the Labor and
3 Workforce Development Agency and written noticed by certified mail to Defendant Trestles LLC of her
4 intent to pursue civil penalties under PAGA for Defendant Trestles LLC's alleged violations of the
5 California Labor Code ("*Bowens* PAGA Notice"). A true and correct copy of the *Bowens* PAGA Notice
6 is attached hereto as "**EXHIBIT B.**"

7 4. On June 27, 2023, Plaintiff Bowens filed a Class Action Complaint for Damages, thereby
8 commencing the action entitled *Dorethea Bowens v. Trestles LLC, et al.* in the Superior Court of California
9 for the County of Sacramento, Case No. 23CV003757 ("*Bowens* Action") (together with "*Vazquez*
10 Action", the "Actions") against Defendant Trestles LLC for alleged violations of the California Labor
11 Code. Then on August 22, 2023, Plaintiff Bowens filed a First Amended Complaint, adding a
12 representative claim under PAGA, and on April 26, 2024, filed an Amendment to Complaint form
13 inserting Defendant Kalesta in place of the fictitious name of Doe 1 in the Complaint.

14 5. Plaintiffs will request leave to file a First Amended Class Action Complaint for Damages
15 & Enforcement Under the Private Attorneys General Act, California Labor Code section 2698 et seq.
16 ("Operative Complaint") in the *Vazquez* Action adding Plaintiff Bowens, Defendant Kalesta, Defendant
17 Trestles LLC, naming Hamoa LLC dba Valley Skilled Nursing Center, Three Arch LLC dba The Villas
18 at Saratoga, Newport LLC dba Almond Vista Healthcare Center, Napili Bay LLC dba Los Banos Post-
19 Acute, and Coronado Bay LLC dba Harvest Crossing Post Acute as additional defendants, and adding a
20 claim for civil penalties pursuant to PAGA, on behalf of the State of California in connection with
21 Plaintiffs and aggrieved employees.

22 6. Plaintiffs shall prepare and send an additional letter to the LWDA and Defendant
23 Carpinteria, Defendant Kalesta, Defendant Trestles LLC, Hamoa LLC dba Valley Skilled Nursing Center,
24 Three Arch LLC dba The Villas at Saratoga, Newport LLC dba Almond Vista Healthcare Center, Napili
25 Bay LLC dba Los Banos Post-Acute, and Coronado Bay LLC dba Harvest Crossing Post Acute alleging
26 against each of the Defendants enumerated in this paragraph all of the violations of the California Labor
27 Code that were alleged in the *Vazuquez* PAGA Notice and the *Bowens* PAGA Notice and all of the
28 violations of the California Labor Code that can be alleged based on the facts pleaded on in the Actions,

1 (“Additional PAGA Notice”). (*Vazquez* PAGA Notice, *Bowens* PAGA Notice, and Additional PAGA
2 Notice collectively referred to as the “PAGA Notices.”)

3 7. Defendants deny all material allegations set forth in the Operative Complaint in the
4 Actions and have asserted numerous affirmative defenses in the case. Defendants also deny that they
5 are joint employers of any of any putative class members and deny that they are a joint enterprise.
6 Notwithstanding, in the interest of avoiding further litigation, Defendants desire to fully and finally settle
7 the Actions, the Released Class Claims, and the Released PAGA Claims.

8 8. Class Counsel diligently investigated the claims against Defendants, including any and
9 all applicable defenses and the applicable law. The investigation included, *inter alia*, the exchange of
10 information, data, and documents, and review of Defendants’ employment and operations policies,
11 practices, and procedures.

12 9. On May 9, 2024, Plaintiff Vazquez and Defendants participated in mediation with
13 Monique Ngo-Bonnici, Esq. (the “Mediator”), a respected mediator of complex wage and hour actions.
14 Although a settlement was not reached at the mediation, with the assistance of the Mediator’s
15 evaluations, the Parties reached the settlement that is memorialized herein. The settlement discussions
16 were conducted at arm’s-length, and the Settlement is the result of an informed and detailed analysis of
17 Defendants’ potential liability and exposure in relation to the costs and risks associated with continued
18 litigation. Based on the documents produced, as well as Class Counsel’s own independent investigation
19 and evaluation, Class Counsel believe that the settlement with Defendants for the consideration and on
20 the terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best
21 interest of the Class Members, the State of California, and Aggrieved Employees in light of all known
22 facts and circumstances, including the risk of significant delay and uncertainty associated with litigation
23 and various defenses asserted by Defendants.

24 10. The Parties expressly acknowledge that this Settlement Agreement is entered into solely
25 for the purpose of compromising significantly disputed claims and that nothing herein is an admission
26 of liability or wrongdoing by Defendants. If for any reason the Settlement Agreement is not approved,
27 it will be of no force or effect, and the Parties shall be returned to their original respective positions.

28 ///

DEFINITIONS

11. The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

a. “Aggrieved Employee(s)” means all current and former non-exempt, hourly-paid employees who were employed by Defendants in California at any time during the PAGA Period.

b. “Aggrieved Employee Amount” means the amount of \$37,500.00, i.e., 25% of the PAGA Amount, to be distributed to Aggrieved Employees on a *pro rata* basis based on their Workweeks during the PAGA Period.

c. “Attorneys’ Fees and Costs” means attorneys’ fees for Class Counsel’s litigation and resolution of the Actions and all actual costs incurred and to be incurred by Class Counsel in the Actions.

d. “Class Counsel” means Arby Aiwarzian, Joanna Ghosh, Brian St. John, and Maria Halwadjian of Lawyers *for* Justice, PC, and Graham Hollis, Hali M. Anderson, and Alex M. Kuner of GrahamHollis APC.

e. “Class List” means a complete list of all Class Members that Defendants will diligently and in good faith compile from their records and provide to the Settlement Administrator. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet and will include each Class Member’s last-known full name, mailing address, telephone number, Social Security Number, start and end dates employed as a non-exempt, hourly-paid employee of Defendants in California during the Class Period, and such other information as is necessary for the Settlement Administrator to calculate Workweeks (as defined herein).

f. “Class Member(s)” or “Class” means all current and former hourly-paid or non-exempt employees who worked for Defendant Carpinteria, Defendant Kalesta, Defendant Trestles and/or the five (5) other facility entities (Hamoia LLC dba Valley Skilled Nursing Center, Three Arch LLC dba The Villas at Saratoga, Newport LLC dba Almond Vista Healthcare Center, Napili Bay LLC dba Los Banos Post-Acute, and Coronado Bay LLC dba Harvest Crossing Post Acute) allegedly affiliated with Defendant Kalesta, who were not subject to an arbitration agreement, in California at any time during the Class Period. Defendants represent that the number of Class Members is approximately 604 individuals,

as of January 4, 2024.

g. “Class Notice” means the Notice of Class Action Settlement, substantially in the form attached as “**EXHIBIT C**” and translated into Spanish and Tagalog at “**EXHIBIT D**” and “**E.**”

h. “Class Period” means the time period from September 7, 2018 through July 16, 2024, or, if applicable, the Alternate End Date.

i. “Class Representatives” or “Plaintiffs” mean Plaintiffs Geovanni Vazquez and Dorothea Bowens.

j. “Class Settlement” means the settlement and resolution of all Released Class Claims.

k. “Court” means the Superior Court of California for the County of Placer.

l. “Defendants” mean Defendant Carpinteria, Defendant Kalesta, Defendant Trestles Hamoa LLC dba Valley Skilled Nursing Center, Three Arch LLC dba The Villas at Saratoga, Newport LLC dba Almond Vista Healthcare Center, Napili Bay LLC dba Los Banos Post-Acute, and Coronado Bay LLC dba Harvest Crossing Post Acute.

m. “Defendants’ Counsel” means Grace Horoupian and Victor Xu of Fisher Phillips LLP.

n. “Effective Date” means the later of (a) the date the Court grants Final Approval, if no Objections are filed, (b) the last day on which any appeal might be filed with respect to the Final Approval Order and Judgment, if no appeal is filed, or (c) the date of successful resolution of any appeal(s) with respect to Final Approval Order and Judgment – including expiration of any time to seek reconsideration or further review.

o. “Employer Taxes” means the employers’ share of taxes and contributions in connection with the wages portion of Individual Settlement Shares.

p. “Enhancement Award(s)” means the amounts to be paid to Plaintiffs in recognition of their efforts and work in prosecuting the Actions.

q. “Final Approval” means the determination by the Court that the Settlement is fair, reasonable, and adequate, and entry of the Final Approval Order and Judgment based thereon.

r. “Final Approval Hearing” means the hearing at which the Court will consider and

determine whether the Settlement should be granted Final Approval.

s. “Individual PAGA Payment(s)” means the *pro rata* share of the Aggrieved Employee Amount that an Aggrieved Employee may be eligible to receive for the PAGA Settlement.

t. “Individual Settlement Payment(s)” means the net payment of each Settlement Class Member’s Individual Settlement Share, after reduction for the employee’s share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share.

u. “Individual Settlement Share” means the *pro rata* share of the Net Settlement Amount that a Class Member may be eligible to receive for the Class Settlement.

v. “LWDA Payment” means the amount of \$112,500.00, i.e., 75% of the PAGA Amount, that the Parties have agreed to pay to the California Labor and Workforce Development Agency (“LWDA”) for the PAGA Settlement.

w. “Net Settlement Amount” means the Total Settlement Amount less the Court-approved Enhancement Awards, Settlement Administration Costs, PAGA Amount, and Attorneys’ Fees and Costs.

x. “Objection” means a Class Member’s written objection to the Class Settlement, which must: (a) contain the case name and number of the *Vazquez* Action; (b) contain the Class Member’s full name, signature, address, telephone number, and last four (4) digits of Social Security Number; (c) contain a written statement of all grounds for the objection (d) contain copies of any papers, briefs, or other documents upon which the objection is based (should any exist); and (e) be submitted by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

y. “Operative Complaint” means the First Amended Class Action Complaint for Damages & Enforcement Under the Private Attorneys General Act, California Labor Code section 2698 et seq., which will be filed in the *Vazquez* Action upon stipulation of the Parties.

z. “PAGA Amount” means the allocation of \$150,000.00 from the Total Settlement Amount as civil penalties pursuant to the Private Attorneys General Act, California Labor Code section 2698 et seq., for the settlement and resolution of the Released PAGA Claims. Seventy-five percent (75%) of the PAGA Amount, or \$112,500.00, will be paid to the LWDA (i.e., the LWDA Payment) and the remaining twenty-five percent (25%), or \$37,500.00, will be distributed to Aggrieved Employees

(i.e., the Aggrieved Employee Amount).

aa. “PAGA Period” means the time period from September 7, 2021 through July 16, 2024, or, if applicable, the Alternate End Date.

bb. “PAGA Settlement” means the settlement and resolution of Released PAGA Claims.

cc. “Parties” means Plaintiffs and Defendants, collectively, and “Party” means any Plaintiff or Defendant.

dd. “Preliminary Approval” means entry of the Court order granting preliminary approval of the Settlement Agreement.

ee. “Released Class Claims” means all claims under state, federal, or local law, arising out of the claims expressly pleaded in the Actions and all other claims, such as those under the California Labor Code, Wage Orders, regulations, and/or other provisions of law, that could have been asserted based on the facts pleaded in the Actions for: (1) failure to pay overtime wages under Labor Code sections 510, 1194, 1198; (2) failure to provide meal periods and/or pay meal period premiums under Labor Code sections 226.7, 512; (3) failure to provide rest periods and/or pay rest period premiums under Labor Code section 226.7; (4) failure to pay minimum wages under Labor Code section 1194 et seq., 1197, 1197.1; (5) failure to timely pay wages upon termination under Labor Code section 201, 202, 203; (6) failure to timely pay wages during employment under Labor Code sections 204, 210; (7) failure to provide accurate, itemized wage statements under Labor Code section 226; (8) failure to keep requisite payroll records under Labor Code section 1174(d); (9) failure to reimburse business expenses under Labor Code sections 2800, 2802; (10) violation of California’s unfair competition law under Business and Professions Code section 17200 et seq.; and (11) all claims for liquidated damages, penalties, interest, fees, costs based on the foregoing.

ff. “Released PAGA Claims” means all claims for civil penalties under the Private Attorneys General Act, California Labor Code section 2698 et seq. that were alleged in the PAGA Notices and Operative Complaint or that reasonably could have been alleged based on the factual allegations in the PAGA Notice and Operative Complaint, arising during the PAGA Period, against any of the Released Parties, for violations of the California Labor Code, including *inter alia* sections 201,

202, 203, 204, 210, 226, 226.7, 510, 512, , 558, 1174, 1194, 1197, 1197.1, 1198, 2800, and 2802, and applicable Industrial Welfare Commission Wage Orders (including, *inter alia*, No. 5-2001), for failure to pay all overtime wages due; failure to provide compliant meal periods and associated premiums; failure to provide compliant rest periods and associated premiums; failure to pay all minimum wages due; failure to pay all wages timely during employment, failure to pay all wages timely at the time of termination; failure to provide complete, accurate, or properly formatted wage statements; failure to maintain requisite payroll records; and failure to reimburse business expenses. The Released PAGA Claims also includes a release from the state of California (to the extent Plaintiff is permitted to provide such a release for the state of California for the PAGA period).

gg. “Released Parties” means Defendant Carpinteria, Defendant Kalesta , Defendant Trestles LLC, Hamoa LLC dba Valley Skilled Nursing Center, Three Arch LLC dba The Villas at Saratoga, Newport LLC dba Almons Vista Healthcare Center, Napili Bay LLC dba Los Banos Post-Acute, and Coronado Bay LLC dba Harvest Crossing Post Acute and any of their former and/or current parents, subsidiaries, affiliates, and any other entities that could be considered to have jointly employed the Class Members, as well as each of their officers, directors, managers, owners executives, partners, executive-level employees, shareholders, agents, attorneys’ and any other predecessors, successors, assigns or legal representatives. Defendant Calcare, Inc. is specifically and affirmatively excluded as a Released Party.

hh. “Request for Exclusion” means a Class Member’s written letter indicating a request to be excluded from the Class Settlement, which must: (a) contain the case name and number of the Action; (b) contain the Class Member’s full name, signature, address, telephone number, and last four (4) digits of Social Security Number; (c) contain a clear written statement indicating that the Class Member seeks exclusion from the Class Settlement; and (d) be submitted by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

ii. “Response Deadline” means the deadline by which Class Members must submit a Request for Exclusion, Objection, and/or Workweeks Dispute, which shall be the date that is forty-five (45) calendar days from the initial mailing of the Class Notice by the Settlement Administrator, unless the 45th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open; in the event that a Class Notice is re-

mailed to a Class Member, the Response Deadline for that Class Member shall be extended by fifteen (15) calendar days from the initial Response Deadline.

jj. “Settlement Administrator” means Apex Class Action Administration or any other third-party class action settlement administrator agreed to by the Parties and approved by the Court for purposes of administering this Settlement. The Parties and their counsel each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

kk. “Settlement Administration Costs” means the costs payable from the Total Settlement Amount, subject to Court approval, to the Settlement Administrator for administering this Settlement.

ll. “Settlement Class Members” or “Settlement Class” means all Class Members who do not submit a timely and valid Request for Exclusion.

mm. “Total Settlement Amount” means the amount of \$1,500,000.00 to be paid by Defendants in full resolution of all Released Class Claims, Released PAGA Claims, and the Actions provided for under the Class Settlement and PAGA Settlement, which includes all Attorneys’ Fees and Costs to be paid to Class Counsel, Enhancement Payments to be paid to Plaintiffs, PAGA Amount to be paid to the LWDA and Aggrieved Employees, Net Settlement Amount to be paid to the Settlement Class Members, and Settlement Administration Costs to be paid to the Settlement Administrator. The Total Settlement Amount may increase to the extent provided in Paragraph 42. The Total Settlement Amount does not include Employer Taxes; Employer Taxes will be paid by Defendant, separately and in addition to the Total Settlement Amount.

nn. “Workweeks” means the number of weeks each Class Member was employed by Defendants as a non-exempt, hourly paid employee in California during the Class Period, which will be calculated by the Settlement Administrator based on the dates of employment for each Class Member, taking into account each workweek in which a Class Member worked any amount of time, provided by Defendants to the Settlement Administrator.

oo. “Workweeks Dispute” means a Class Member’s written letter disputing the pre-printed information on the Class Notice as to the number of Workweeks credited to them, which must:

(a) contain the case name and number of the Action; (b) contain the Class Member's full name, signature, address, telephone number, and last four (4) digits of Social Security Number; (c) clearly state that the Class Member disputes of the number of Workweeks credited to him or her and what he or she contends is the correct number to be credited to him or her; (d) attach any documentation that he or she has to support the dispute; and (e) be submitted by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

CLASS CERTIFICATION

12. For the purposes of this settlement only, the Parties stipulate to the certification of the Class.

13. The Parties agree that certification for the purpose of settlement is not an admission that certification is proper under California Code of Civil Procedure section 382. Should, for whatever reason, the Court not grant Final Approval, the Parties' stipulation to class certification as part of the Settlement shall become null and void *ab initio* and shall have no bearing on, and shall not be admissible in connection with, the issue of whether or not certification would be appropriate as to any of the claims asserted by Plaintiffs against Defendants in a non-settlement context.

TERMS OF AGREEMENT

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:

14. Amendment of Complaint. To implement the terms of the Settlement, Parties have agreed that Plaintiffs will file a First Amended Class Action Complaint for Damages & Enforcement Under the Private Attorneys General Act, California Labor Code section 2698 et seq. in the *Vazquez* Action that will add PAGA as a cause of action and combine both Actions. Parties will enter into a separate stipulation seeking an order from the Court granting Plaintiff Vazquez leave to file the contemplated amended complaint and/or Plaintiff Vazquez will move the Court for leave to file the contemplated amended complaint (and Defendants will not oppose this request).

15. Funding and Disbursement of the Total Settlement Amount. Within fifteen (15) calendar days after the Effective Date, the Settlement Administrator will provide the Parties with an accounting estimate of the amounts to be paid by Defendants pursuant to the terms of the Settlement and establish

1 a qualified settlement account for administration of the Settlement. Within (thirty) 30 calendar days after
2 the Effective Date, Defendants will make a one-time deposit of the Total Settlement Amount into the
3 settlement account to be established by the Settlement Administrator. Within seven (7) calendar days of
4 the funding of the Total Settlement Amount, the Settlement Administrator will issue payments due under
5 the Settlement and approved by the Court, as follows: (a) Individual Settlement Payments to Settlement
6 Class Members; (b) Individual PAGA Payments to Aggrieved Employees; (c) LWDA Payment to the
7 LWDA; (d) Enhancement Awards to Plaintiffs; (e) Attorneys' Fees and Costs to Class Counsel; and (f)
8 Settlement Administration Costs to itself (the Settlement Administrator). The Settlement Administrator
9 will obtain funds from Defendants that are sufficient for the Employer Taxes that Defendants must fund
10 separately and in addition to the Total Settlement Amount. The Settlement Administrator will also
11 undertake filings and remittances in connection with the employee's share of taxes on the wages portion
12 of Individual Settlement Shares and the Employer Taxes, that are necessary for administration of the
13 Settlement.

14 16. Attorneys' Fees and Costs. Class Counsel will request and Defendant will not oppose
15 attorneys' fees of up to 35% of the Total Settlement Amount (i.e., up to \$525,000.00 if the Total
16 Settlement Amount is \$1,500,000.00 and reimbursement of actual costs and expenses associated with
17 Class Counsel's litigation and settlement of the Actions, supported by declaration, in an amount not to
18 exceed \$30,000.00, both of which will be paid from the Total Settlement Amount subject to Court
19 approval. These amounts will cover any and all work performed and any and all costs incurred by Class
20 Counsel in connection with the litigation and settlement of the Actions, including without limitation all
21 work performed and costs incurred to date, and all work to be performed and all costs to be incurred in
22 connection with obtaining the Court's approval of this Settlement Agreement, including any objections
23 raised and any appeals necessitated by those objections. Class Counsel shall be solely and legally
24 responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on
25 the amounts received. With respect to the Attorneys' Fees and Costs to Class Counsel, the Settlement
26 Administrator may purchase an annuity to utilize United States Treasuries and bonds or utilize other
27 attorney fee deferral vehicles for Class Counsel, and any additional expenses for doing so shall be paid
28 separately by Class Counsel and shall not be included within the Settlement Administration Costs.

Defendants and Defendants' Counsel shall not be liable for any expenses associated with the purchase or use of any attorney fee deferral vehicles for Class Counsel by the Settlement Administrator. Any portion of the requested Attorneys' Fees and Costs not awarded to Class Counsel shall be a part of the Net Settlement Amount for the benefit of Settlement Class Members.

17. Enhancement Award(s). In recognition of their efforts and work in prosecuting the Actions, Defendants agree not to oppose or impede any application or motion for Enhancement Awards to Plaintiffs in the amount of up to \$10,000.00 for each Plaintiff (\$20,000.00 total). The Enhancement Awards, which will be paid from the Total Settlement Amount subject to Court approval, will be in addition to any Individual Settlement Payment and Individual PAGA Payment (if applicable) that each Plaintiff is eligible to receive pursuant to the Settlement. The Settlement Administrator will issue an IRS Form 1099 to Plaintiffs for the Enhancement Awards, and Plaintiffs shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any and all taxes on the amounts received. Should the Court not approve the Enhancement Awards to Plaintiffs, or approve it in an amount that is less than that set forth above, Plaintiffs shall not have the right to revoke this Agreement, and it will remain binding, and the difference between the amount approved by the Court (if any) and the amount allocated toward the Enhancement Awards will be part of the Net Settlement Amount for the benefit of Settlement Class Members.

18. Settlement Administration Costs. The Settlement Administrator will be paid for the reasonable costs of administration of the Settlement and distribution of payments under the Settlement, which is currently estimated not to exceed Eleven Thousand Dollars (\$11,000.00). These costs, which will be paid from the Total Settlement Amount subject to Court approval, will include, *inter alia*, translating the Class Notice to Spanish and Tagalog, printing, distributing, and tracking Class Notices and other documents for the Settlement, calculating and distributing payments due under the Settlement, issuing of 1099 and W-2 IRS Forms and all required tax reporting, filings, withholdings, and remittances, providing necessary reports and declarations, and other duties and responsibilities set forth herein to process this Settlement, and as requested by the Parties. To the extent actual Settlement Administration Costs are greater than the estimated amount stated herein, such excess amount will be deducted from the Total Settlement Amount, subject to approval by the Court. Any portion of the

estimated, designated, and/or awarded Settlement Administration Costs which are not in fact required to fulfill payment to the Settlement Administrator to undertake the required settlement administration duties will be part of the Net Settlement Amount for the benefit of Settlement Class Members.

19. PAGA Amount. Subject to approval by the Court, the Parties agree that the amount of \$150,000.00 from the Total Settlement Amount will be allocated toward civil penalties under the Private Attorneys General Act, California Labor Code section 2698 et seq. (i.e., the PAGA Amount), of which seventy-five percent (75%), or \$112,500, will be paid to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%) or, \$37,500, will be distributed to Aggrieved Employees (i.e., the Aggrieved Employee Amount) on a *pro rata* basis, based on Workweeks during the PAGA Period (i.e., the Individual PAGA Payment).

20. Individual Settlement Share Calculations. Individual Settlement Shares will be calculated and apportioned from the Net Settlement Amount based on the Class Members' number of Workweeks during the Class Period, as follows:

a. After Preliminary Approval of the Settlement, the Settlement Administrator will divide the estimated Net Settlement Amount by the Workweeks of all Class Members during the Class Period to yield the "Estimated Workweek Value," and multiply each Class Member's individual Workweeks during the Class Period by the Estimated Workweek Value to yield his or her estimated Individual Settlement Share.

b. After Final Approval of the Settlement, the Settlement Administrator will divide the final Net Settlement Amount by the Workweeks of all Settlement Class Members during the Class Period to yield the "Final Workweek Value," and multiply each Settlement Class Member's individual Workweeks during the Class Period by the Final Workweek Value to yield his or her Individual Settlement Share.

21. Individual PAGA Payment Calculations. Individual PAGA Payments will be calculated and apportioned from the Aggrieved Employee Amount based on the Aggrieved Employees' number of Workweeks during the PAGA Period as follows: The Settlement Administrator will divide the Aggrieved Employee Amount, i.e., 25% of the PAGA Amount, by the total number of Workweeks of all Aggrieved Employees during the PAGA Period to yield the "PAGA Workweek Value," and multiply

each Aggrieved Employee's individual Workweeks during the PAGA Period by the PAGA Workweek Value to yield his or her Individual PAGA Payment.

22. Settlement Awards Do Not Trigger Additional Benefits. All payments made under the Settlement shall be deemed to be paid to the payee solely in the year in which such payments actually are issued to the payee. It is expressly understood and agreed that payments made under this Settlement shall not in any way entitle Plaintiffs, Settlement Class Members, or Aggrieved Employees to additional compensation or benefits under any new or additional compensation or benefits, or any bonus, contest or other compensation or benefit plan or agreement in place during the Class Period, nor will it entitle Plaintiffs, Settlement Class Members, or Aggrieved Employees to any increased retirement, 401K benefits or matching benefits, or deferred compensation benefits. It is the intent of this Agreement that the Individual Settlement Payments and Individual PAGA Payments provided for in this Agreement are the sole payments to be made by Defendants to the Settlement Class Members and Aggrieved Employees in connection with this Agreement (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the Class Period).

23. Notice of Proposed PAGA Settlement to LWDA. Pursuant to California Labor Code section 2699(l)(2), Class Counsel will submit a copy of this Settlement Agreement to the LWDA at the same time that it is submitted to the Court for preliminary approval.

24. Delivery of the Class List. Within 21 calendar days of Preliminary Approval, Defendants will provide the Class List to the Settlement Administrator.

25. Notice by First-Class U.S. Mail.

a. Within 14 calendar days after receiving the Class List from Defendants, the Settlement Administrator will perform a search based on the United States Postal Service's National Change of Address Database and any other similar services available, such as provided by Experian, for information to update and correct for any known or identifiable address changes, and will mail a Class Notice in English, Spanish, and Tagalog (in the forms attached as **EXHIBITS C, D, and E** to this Settlement Agreement) to all Class Members via U.S. mail, using the most current, known mailing addresses identified by the Settlement Administrator.

b. With respect to Class Notices that are returned as undeliverable on or before the

1 Response Deadline, the Settlement Administrator will search for an alternate address by way of skip-
2 trace and re-mail the Class Notice within five (5) calendar days to an alternate address if one is located.

3 c. Dispute Regarding Workweeks. The Class Notice will include the procedure by
4 which a Class Member may dispute the number of Workweeks allocated to him or her by submitting a
5 timely and valid Workweeks Dispute. The date of the postmark on the return mailing envelope will be
6 the exclusive means to determine whether a dispute has been timely submitted. Absent evidence
7 rebutting the accuracy of Defendants' records and data as they pertain to the number of Workweeks to
8 be credited to a disputing Class Member, Defendants' records will be presumed correct and
9 determinative of the dispute. The Settlement Administrator will evaluate the information and/or
10 documents submitted by the Class Member and the Settlement Administrator will resolve and determine
11 the number of Workweeks that the disputing Class Member should be credited with under the
12 Settlement. The Settlement Administrator's decision on such disputes will be final and non-appealable.

13 26. Settlement Checks.

14 a. The Settlement Administrator will be responsible for undertaking appropriate
15 deductions, required tax reporting, and issuing the Individual Settlement Payments by way of check to
16 the Settlement Class Members and the Individual PAGA Payments by way of check to the Aggrieved
17 Employees in accordance with this Settlement Agreement. When issuing payments, the Settlement
18 Administrator may combine the Individual Settlement Payment and Individual PAGA Payment into one
19 check if the intended recipient for both payments is one individual.

20 b. The Settlement Administrator shall remit and report the applicable portions of the
21 payroll tax payment to the appropriate taxing authorities on a timely basis pursuant to its duties under this
22 Agreement. Defendants agree to reasonably cooperate with the Settlement Administrator to the extent
23 necessary to determine the amount of the payroll tax payment required

24 c. Each Individual Settlement Payment check and Individual PAGA Payment check
25 will be valid and negotiable for 180 calendar days from the date of original issuance, and thereafter,
26 shall be canceled. All funds remaining in connection with, and after the cancellation of checks issued
27 to Settlement Class Members and Aggrieved Employees, shall be paid the California Controller's
28 Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue."

d. The Settlement Administrator shall undertake amended and/or supplemental tax filings and reporting, required under applicable local, state, and federal tax laws, that are necessitated due to the cancelation of any Individual Settlement Payment or Individual PAGA Payment checks. Settlement Class Members whose Individual Settlement Payment checks are canceled shall, nevertheless, be bound by this Settlement Agreement and the Final Approval Order and Judgment will have claim preclusive impact with respect to them and all Settlement Class Members with respect to the Class Settlement. The Final Approval Order and Judgment will have claim preclusive impact on the Aggrieved Employees with respect to the PAGA Settlement irrespective of whether their Individual PAGA Payment checks are canceled.

27. Procedures for Requesting Exclusion from the Class Settlement. Any Class Member wishing to be excluded from the Class Settlement must submit a timely and valid Request for Exclusion to the Settlement Administrator, by mail, on or before the Response Deadline. The date of the postmark on the return mailing envelope will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendants' Counsel, the number of timely and valid Requests for Exclusion that were submitted, and also identify the individuals who submitted them, in a declaration that is to be filed with the Court in advance of the Final Approval Hearing. Any Class Member who submits a timely and valid Request for Exclusion is prohibited from making any objection to the Class Settlement. Any Class Member who submits a timely and valid Request for Exclusion will not be bound by the Class Settlement and will not be issued an Individual Settlement Payment. All Aggrieved Employees will be bound by the PAGA Settlement and will be issued an Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion.

28. Procedures for Objecting to the Class Settlement. Class Members who have not opted out of the Class Settlement (i.e., Settlement Class Members) may object to the Class Settlement. To object to the Class Settlement, Settlement Class Members must submit a timely and complete Objection to the Settlement Administrator, by mail, on or before the Response Deadline. The Objection must be signed by the Settlement Class Member and contain all information required by Section 10(w) of this Settlement Agreement. The postmark date will be deemed the exclusive means for determining that the

1 Objection is timely. At no time will any of the Parties or their counsel seek to solicit or otherwise
2 encourage Class Members to object to the Settlement Agreement or appeal from the Final Approval
3 Order and Judgment. Settlement Class Members may also present their objection orally at the Final
4 Approval Hearing, irrespective of whether they submit a written Objection. The Settlement
5 Administrator will certify jointly to Class Counsel and Defendants' Counsel the Objections that were
6 timely submitted, and also attach them as exhibits to a declaration that is to be filed with the Court in
7 advance of the Final Approval Hearing.

8 29. Reports by the Settlement Administrator Regarding Settlement Administration. The
9 Settlement Administrator will provide Defendants' Counsel and Class Counsel a weekly report which
10 certifies: (a) the number of Class Members who have submitted Workweeks Disputes; (b) the number
11 of Class Members who have submitted timely and valid Requests for Exclusion; (c) the number of Class
12 Members who have submitted timely and complete Objections; (d) the number of undeliverable Class
13 Notices; and (e) the number of re-mailed Class Notices. Additionally, the Settlement Administrator will
14 provide to counsel for both Parties any updated reports regarding the administration of the Settlement
15 Agreement as needed or requested, and immediately notify the Parties when it receives a request from
16 an individual or any other entity regarding inclusion in the Class and/or Settlement.

17 30. Certification of Completion. Upon completion of administration of the Settlement, the
18 Settlement Administrator will provide a written declaration under oath to certify such completion to the
19 Court and counsel for all Parties.

20 31. Treatment of Individual Settlement Payments and Individual PAGA Payments. Each
21 Individual Settlement Share will be allocated as follows: ten percent (10%) wages and ninety percent
22 (90%) penalties, interest, and non-wage damages. The portion allocated to wages will be reported on
23 an IRS Form W-2 and the portions allocated to penalties, interest, and non-wage damages will be
24 reported on an IRS Form-1099 by the Settlement Administrator. The Settlement Administrator will
25 withhold the employee's share of taxes and withholdings with respect to the wages portion of the
26 Individual Settlement Shares, and issue checks to Settlement Class Members for their Individual
27 Settlement Payments (i.e., payment of their Individual Settlement Share net of these taxes and
28 withholdings). Each Individual PAGA Payment will be allocated as one hundred percent (100%)

penalties and will be reported on an IRS Form-1099 (if applicable) by the Settlement Administrator.

32. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiffs, Settlement Class Members, Aggrieved Employees, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement Agreement. The Settlement Administrator will also be responsible for forwarding all payroll taxes, contributions, and withholdings to the appropriate government authorities.

33. Tax Liability. Plaintiffs, Class Counsel, Defendants, and Defendants' Counsel do not intend anything contained in this Settlement Agreement, the Class Notice, or any other communications to Class Members or Aggrieved Employees regarding the Settlement to constitute advice regarding taxes or taxability, nor shall anything in this Settlement Agreement, the Class Notice, or any other communication regarding the Settlement be relied on as such. Plaintiffs, Settlement Class Members, and Aggrieved Employees understand and agree that they will be solely responsible for correctly characterizing any compensation received by them under the Settlement on their personal income tax returns and paying any and all taxes due for any and all amounts paid to them under the Settlement.

34. Circular 230 Disclaimer. EACH PARTY TO THIS SETTLEMENT AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS SETTLEMENT 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 WILL 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 SETTLEMENT AGREEMENT, (B) HAS NOT ENTERED INTO THIS SETTLEMENT 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 SETTLEMENT AGREEMENT.

35. No Prior Assignments. The Parties and their counsel 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 right herein released and discharged.

36. Releases of Claims.

a. Class Settlement Release. Upon the Effective Date and full funding of the Total Settlement Amount, Plaintiffs and all Class Members who do not submit a timely and valid Request for Exclusion (i.e., Settlement Class Members) will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of and from all Released Class Claims.

37. PAGA Settlement Release. Upon the Effective Date and full funding of the Total Settlement Amount, Plaintiffs, the State of California with respect to Aggrieved Employees, and Aggrieved Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of and from all Released PAGA Claims pertaining to Plaintiffs and the Aggrieved Employees.

38. General Release of Claims by Plaintiff. In addition to the above releases of claims, upon the Effective Date and full funding of the Total Settlement Amount, Plaintiffs will be deemed to have fully released and discharged the Released Parties of and from all claims arising from their employment with Defendants, separation of employment from Defendants, and any acts that have or could have been

asserted in any legal action or proceeding against Defendants, whether known or unknown, arising under any federal, state, or local law, or statute, including, *inter alia*, those arising under the California Labor Code, Fair Labor Standards Act, Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, Employee Retirement Income Security Act, National Labor Relations Act, California Corporations Code, California Business and Professions Code, California Fair Employment and Housing Act, California Constitution (all as amended), and law of contract and tort, as well as for discrimination, harassment, retaliation, wrongful termination, lost wages, benefits, other employment compensation, emotional distress, medical expenses, other economic and non-economic damages, attorney fees, and costs, arising on or before the date of execution of the Settlement Agreement. With respect to those claims released by Plaintiffs in an individual capacity, Plaintiffs acknowledge and waive any and all rights and benefits available under California Civil Code section 1542, which provides:

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

39. Plaintiffs understand and agree that claims or facts in addition to or different from those which are now known or believed by Plaintiffs to exist may hereafter be discovered. It is Plaintiffs' intention to settle fully and release all claims Plaintiffs now have against the Released Parties, whether known or unknown, suspected or unsuspected, upon the Effective Date and full funding of the Total Settlement Amount. Notwithstanding the above, this general release by Plaintiffs shall not extend to claims for workers' compensation benefits, claims for unemployment benefits, or other claims that may not be released by law. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement. Upon execution of this Settlement Agreement, Plaintiff shall promptly obtain a hearing date for Plaintiff's motion for preliminary approval of the Settlement, and submit this Settlement Agreement to the Court in support of said motion. Defendants agree not to oppose the motion for preliminary approval of the Settlement consistent with this Settlement Agreement. Said motion shall apply to the Court for the entry of an order ("Preliminary Approval Order"), which shall be mutually agreed upon by the Parties, seeking the following:

- a. Conditionally certifying the Class for settlement purposes only;

- b. Granting Preliminary Approval of the Settlement;
- c. Preliminarily appointing Plaintiffs as representative of the Class;
- d. Preliminarily appointing Class Counsel as counsel for the Class;
- e. Approving, as to form and content, the mutually-agreed upon and proposed Class Notice and directing its mailing to the Class by U.S. Mail;
- f. Approving the manner and method for Class Members to request exclusion from or object to the Class Settlement as contained herein and within the Class Notice; and
- g. Scheduling a Final Approval Hearing at which the Court will determine whether the Settlement should be finally approved as fair, reasonable, and adequate.

40. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After the Response Deadline, and with the Court's permission, a hearing will be conducted on Plaintiffs' motion for final approval of the Settlement (i.e., the Final Approval Hearing), to determine whether Final Approval of the Settlement should be granted, along with the amounts properly payable for Individual Settlement Payments, Individual PAGA Payments, LWDA Payment, Attorneys' Fees and Costs, Enhancement Awards, and Settlement Administration Costs. By way of said motion, Plaintiffs will apply for the entry of the mutually-agreed-upon proposed order and judgment ("Final Approval Order and Judgment"), which will provide for, in substantial part, the following:

- a. Approval of the Settlement as fair, reasonable, and adequate, and directing consummation of its terms and provisions;
- b. Certification of the Settlement Class;
- c. Appointment of Plaintiffs as representatives of the Settlement Class;
- d. Appointment of Class Counsel as counsel for the Settlement Class;
- e. Approval of the application for Attorneys' Fees and Costs to Class Counsel;
- f. Approval of the application for Enhancement Awards to Plaintiffs;
- g. Directing Defendants to fund all amounts due under the Settlement Agreement and ordered by the Court; and
- h. Entering judgment in this Action, while maintaining continuing jurisdiction to implement the Settlement, in conformity with California Rules of Court, rule 3.769 and the Settlement

1 Agreement.

2 41. Effects of Termination of the Settlement. In the event that the Settlement Agreement is
3 not approved by the Court, such a development shall have the following effects:

4 a. The Settlement Agreement and all negotiations, statements, and proceedings
5 relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be restored
6 to their respective positions in the Actions prior to the execution of the Settlement Agreement;

7 b. Neither this Settlement Agreement, nor any ancillary documents, actions,
8 statements, or filings in furtherance of the Settlement (including all matters associated with the mediation)
9 shall be offered into evidence in the Actions or any other action for any purpose whatsoever; and

10 c. Any documents generated to bring the Settlement into effect, will be null and
11 void, and any order entered by the Court in furtherance of this Settlement Agreement will likewise be
12 treated as void from the beginning.

13 42. Escalator Clause. Defendants represent that, during the period from September 7, 2018
14 through July 16, 2024, there are 127,582 Workweeks for the Class Members. If it is determined that the
15 total number of Workweeks exceed 127,582 by more than ten percent (10%) (i.e. exceeds 140,340)
16 during the Class Period, at Defendants' option either: (a) the Total Settlement Amount will be increased
17 on a *pro rata* basis equal to the percentage increase in the number of Workweeks above 140,340
18 Workweeks (e.g., if the number of Workweeks increases by 11% to 141,616 Workweeks, the Total
19 Settlement Amount will increase by 1%), or, (b) the Class Release Period will end as of the date the ten
20 percent (10%) threshold was reached (i.e., the date on which the Workweeks total reached 140,340) and
21 such date shall be referred to as the "Alternate End Date." In the event that Defendant chooses to end
22 the Class Period on the Alternative End Date, then, the PAGA Period will also end on the Alternate End
23 Date. Defendants must confirm whether this Clause has been triggered before Plaintiffs file their
24 Motion for Preliminary Approval.

25 43. Defendant's Right to Withdraw From and Terminate the Settlement: If ten percent (10%)
26 or more of the Class Members (rounded to the next whole number) elect not to participate in the
27 Settlement, Defendants may, in their sole discretion, unilaterally withdraw from and terminate the
28 Settlement no later than five (5) business days prior to the date of the Final Approval Hearing. If

Defendants exercise their right to withdraw from and terminate the Agreement, Defendants shall be responsible for all Settlement Administration Costs incurred to the date of rescission.

44. Continuing Jurisdiction. After entry of judgment pursuant to the Settlement, the Court will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of Court and Section 664.6 of the California Code of Civil Procedure, for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement, (b) settlement administration matters, and (c) such post-judgment matters as may be appropriate under court rules or as set forth in this Settlement Agreement.

45. Exhibits Incorporated by Reference. 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.

46. Limitation on Publicity. Prior to preliminary approval, Plaintiffs and Class Counsel agree not to issue press releases and engage in any publicity regarding the Settlement, except as shall be contractually required to effectuate the terms of the Settlement and respond to inquiries received from Class Members and PAGA Employees. However, for the limited purpose of allowing Class Counsel to prove their experience and adequacy as class counsel in other actions, Class Counsel may reference the Settlement in the Actions for such purposes. Furthermore, Plaintiffs and Class Counsel will undertake any and all disclosures and submissions required to be made to the LWDA in conformity with PAGA.

47. Entire Agreement. This Settlement Agreement and any attached exhibits constitute the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties expressly recognize California Civil Code section 1625 and California Code of Civil Procedure section 1856(a), and any other provisions of state or federal law, which provide that a written agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written representations or terms will modify, vary, or contradict the terms of this Settlement Agreement. This Settlement Agreement contains the entire agreement between the Parties relating to the settlement and transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, are merged herein.

48. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in the Actions (including, and not limited to, the deadline to bring the Actions to trial under California Code of Civil Procedure section 583.310), except such proceedings necessary to implement and complete the Settlement Agreement, pending the Final Approval Hearing to be conducted by the Court.

49. Amendment and Waiver. The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by written agreement signed by counsel for the Parties, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

50. Authorization to Enter into Settlement Agreement. Counsel for all Parties 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 warrant that they understand and have full authority to enter into this Settlement Agreement, and further intend that this Settlement Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under state or federal law.

51. Signatories. It is agreed that because the members of the Class are so numerous, it is impossible or impractical to have each Class Member execute this Settlement Agreement. The Class Notice will advise all Class Members of the binding nature of the Class Settlement as to the Settlement Class Members, and the release shall have the same force and effect as if this Settlement Agreement were executed by each Settlement Class Member.

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

53. California Law Governs. All terms of this Settlement Agreement and attached exhibits hereto will be governed by and interpreted according to the laws of the State of California.

54. Execution and Counterparts. This Settlement Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All

executed counterparts and each of them, including facsimile, electronic, and scanned copies of the signature page, will be deemed to be one and the same instrument.

55. Acknowledgment that the Settlement is Fair and Reasonable. The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Actions, Released Class Claims, and Released PAGA Claims, and have arrived at this Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement Agreement. In addition, if necessary to obtain Court approval of the Settlement, the Mediator may execute a declaration supporting the Settlement and the reasonableness of the Settlement and the Court may, in its discretion, contact the Mediator to discuss the Settlement and whether or not the Settlement is objectively fair and reasonable.

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

57. Cooperation. By signing this Settlement Agreement, the Parties are hereby bound by the terms herein and agree to fully cooperate to implement the Settlement.

58. Non-Admission of Liability. The Parties enter into this Settlement Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of continued litigation. In entering into this Settlement Agreement, Defendants do not admit, and specifically deny, that they have violated any state, federal, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations, or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to its' employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an admission or concession by Defendants of any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this Settlement

Agreement, this Settlement Agreement and its terms and provisions shall not be offered as evidence in any action or proceeding to establish any liability or admission on the part of Defendants or to establish the existence of any condition constituting a violation of, or a non-compliance with state, federal, local, or other applicable law.

59. Captions. The captions and paragraph numbers in this Settlement Agreement are inserted for the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the provisions of this Settlement Agreement.

60. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed more strictly against one Party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations between the Parties, all Parties have contributed equally to the preparation of this Settlement Agreement.

61. Representation by Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed in full by the Parties with the assistance of their respective counsel.

62. All Terms Subject to Final Court Approval. All amounts and procedures described in this Settlement Agreement herein will be subject to final Court approval.

To Plaintiffs and Class Counsel:

Arby Aiwanian, Esq.
Joanna Ghosh, Esq.
Maria Halwadjian
LAWYERS for JUSTICE, PC
450 North Brand Blvd., Suite 900
Glendale, California 91203

Graham S.P. Hollis, Esq.
Hali M. Anderson, Esq.
Alex M. Kurer, Esq.
GRAHAMHOLLIS APC
3555 Fifth Avenue, Suite 200
San Diego, California 92103

To Defendant:

Grace Y. Horoupian, Esq.
Victor T. Xu, Esq.
Fisher & Phillips LLP
2050 Main Street, Suite 1000
Irvine, California 92614

63. Notices. All notices, demands, and other communications to be provided concerning this

Settlement Agreement shall be in writing and delivered by overnight mail at the addresses set for below, or such other addresses as either Party may designate in writing from time to time:

64. Final Approval Order and Judgment. The Parties shall provide the Settlement Administrator with a copy of the Final Approval Order and Judgment once it is entered by the Court, and the Settlement Administrator shall post the Final Approval Order and Judgment on its website for sixty (60) calendar days, and this shall satisfy California Rules of Court, rule 3.771(b). No individualized notice of the Final Approval Order and Judgment to the Class will be required.

65. Cooperation and Execution of Necessary Documents. All Parties and their counsel will cooperate with each other in good faith and use their best efforts to implement the Settlement, including and not limited to, executing all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties may seek the assistance of the Mediator and then the Court to resolve such disagreement.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class and PAGA Settlement and Release between Plaintiffs and Defendants:

IT IS SO AGREED.

PLAINTIFF GEOVANNI VAZQUEZ

Dated: 06/04/2025, 2025

Electronically Signed: 2025-06-05 03:22:44 UTC - 71.198.241.229
Nintex AssureSign® 8796ca33-3c6f-4ca6-a655-b2f9000a9335

Geovanni Vazquez, Plaintiff

PLAINTIFF DOROTHEA BOWENS

Dated: 6/5/2025, 2025

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Dorothea Bowens, Plaintiff

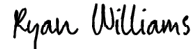
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**DEFENDANT KALESTA HEALTHCARE GROUP,
LLC**

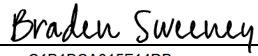
Dated: May 29, 2025

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Full Name: Ryan Williams
Title: Manager
On behalf of Kalesta Healthcare Group, LLC

**HAMOA LLC dba VALLEY SKILLED NURSING
CENTER**

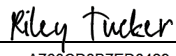
Dated: May 29, 2025

Signed by:

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Full Name: Braden Sweeney
Title: Administrator
On behalf of HAMOA LLC dba VALLEY SKILLED
NURSING CENTER

**THREE ARCH LLC dba THE VILLAS AT
SARATOGA**

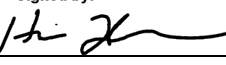
Dated: May 29, 2025

Signed by:

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Full Name: Riley Tucker
Title: Administrator
On behalf of THREE ARCH LLC dba THE VILLAS AT
SARATOGA

**NEWPORT LLC dba ALMOND VISTA
HEALTHCARE CENTER**

Dated: May 29, 2025

Signed by:

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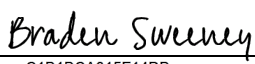
Full Name: Harris Lachance
Title: Administrator
On behalf of NEWPORT LLC dba ALMOND VISTA
HEALTHCARE CENTER

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NAPILI BAY LLC dba LOS BANOS POST-ACUTE

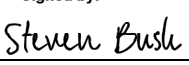
Dated: May 29, 2025

Signed by:

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Full Name: Braden Sweeney
Title: Administrator
On behalf of NAPILI BAY LLC dba LOS BANOS POST-ACUTE

CORONADO BAY LLC dba HARVEST CROSSING POST ACUTE

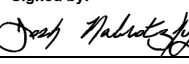
Dated: May 29, 2025

Signed by:

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Full Name: Steven Bush
Title: Administrator
On behalf of CORONADO BAY LLC dba HARVEST CROSSING POST ACUTE

CARPINTERIA, LLC DBA ATHERTON PARK POST ACUTE

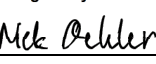
Dated: May 29, 2025

Signed by:

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Full Name: Josh Nabrotzky
Title: Administrator
On behalf of CARPINTERIA, LLC DBA ATHERTON PARK POST ACUTE

TRESTLES, LLC DBA CITY CREEK POST ACUTE

Dated: May 29, 2025

Signed by:

CA95A5807F6D4DF...

Full Name: Nick Oehler
Title: Administrator
On behalf of TRESTLES, LLC DBA CITY CREEK POST ACUTE

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APPROVED AS TO FORM:

LAWYERS *for* JUSTICE, PC

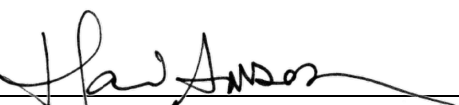
Dated: 06/05/2025, 2025



Arby Aiwazian
Joanna Ghosh
Maria Halwadjian
Attorneys for Plaintiff Vazquez and Proposed Class

GRAHAMHOLLIS APC

Dated: June 6, 2025



Graham Hollis
Hali M. Anderson
Alex M. Kuner
Attorneys for Plaintiff Bowens and Proposed Class

FISHER PHILLIPS LLP

Dated: June 4, 2025

Grace Horoupian
Victor T. Xu
Attorneys for Defendants

1 **APPROVED AS TO FORM:**

2 **LAWYERS *for* JUSTICE, PC**

3
4 Dated: _____, 2025

Arby Aiwazian
Joanna Ghosh
Maria Halwadjian
Attorneys for Plaintiff Vazquez and Proposed Class

7 **GRAHAMHOLLIS APC**

8
9 Dated: _____, 2025

Graham Hollis
Hali M. Anderson
Alex M. Kuner
Attorneys for Plaintiff Bowens and Proposed Class

12 **FISHER PHILLIPS LLP**

13
14 Dated: June 4, 2025


Grace Horoupian
Victor T. Xu
Attorneys for Defendants

EXHIBIT A



September 7, 2023

BY ONLINE SUBMISSION

California Labor & Workforce Development Agency
PAGAfilings@dir.ca.gov

Re: CALCARE, INC.; CARPINTERICA, LLC.

Dear Representative:

We have been retained to represent Geovanni Vazquez against Calcare, Inc., Carpinterica, LLC (including any and all affiliates, subsidiaries, parents, directors, officers, agents, and executive employees) (collectively referred to as (“Calcare”) for violations of California wage-and-hour laws. Mr. Vazquez seeks penalties for violations of the California Labor Code, which are recoverable under California Labor Code section 2698, et seq., the Labor Code Private Attorneys General Act of 2004 (“PAGA”) and all other remedies available under PAGA.

Mr. Vazquez seeks these remedies on behalf of the State of California and “aggrieved employees,” as defined herein. This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3.

Calcare employed Mr. Vazquez as an hourly-paid, non-exempt employee in the State of California. Mr. Vazquez is an “aggrieved employee” as defined by California Labor Code section 2699 because she was employed by Calcare and she suffered one or more of the alleged violations, as demonstrated below.

The “aggrieved employees” that Mr. Vazquez may seek penalties on behalf of are all current and former hourly-paid or non-exempt employees who worked for any of the above-referenced entities within the State of California, including, but not limited to all current and former hourly-paid or non-exempt employees who worked for any of the above-referenced entities within the State of California who earned shift differentials/non-discretionary bonuses/non-discretionary performance pay which was not used to calculate the correct regular rate of pay used to calculate the overtime rate.

Based on the following facts and theories, Calcare has violated and/or continues to violate, among other provisions of the California Labor Code and applicable wage law, California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and IWC Wage Orders.

Calcare required aggrieved employees to perform work before their scheduled shifts, after their scheduled shifts, during off-the-clock meal breaks, and/or during rest breaks and failed to compensate aggrieved employees for this time. Calcare rounded the work time recorded by

aggrieved employees in a manner that was not fair and neutral on its face and/or that favored Calcare over time, resulting in aggrieved employees being underpaid for their time worked.

California Labor Code sections 510 and 1198 require employers to pay time-and-a-half or double time overtime wages, and make it unlawful to work employees for hours longer than eight hours in one day and/or over forty hours in one week without paying the premium overtime rates at one-and-one-half times or double the regular rate of pay, including additional remuneration. During the relevant time period, Mr. Vazquez and other aggrieved employees worked in excess of 8 hours in a day and 40 hours in a week. Therefore, Mr. Vazquez and other aggrieved employees were entitled to receive certain wages for overtime compensation, but they were not paid for all overtime hours worked.

California Labor Code sections 226.7 and 512 require employers to pay an employee one additional hour of pay at the employee's regular rate for each meal or rest period that is not provided. During the relevant time period, Calcare required Mr. Vazquez and other aggrieved employees to work during meal and rest periods and failed to compensate them properly for non-compliant meal and rest periods including, *inter alia*, short, late, interrupted, and missed meal and rest periods. Calcare also required aggrieved employees to stay on work premises during rest periods.

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' 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. During the relevant time period, Calcare failed to pay Mr. Vazquez and other aggrieved employees all wages due to them within any time period specified by California Labor Code sections 201 and 202, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 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 the 26th day of the month during which the labor was performed, and 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. California Labor Code section 204 also requires 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. During the relevant time period, Calcare failed to pay Mr. Vazquez and other aggrieved employees all wages due to them within any time period specified by California Labor Code section 204, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 226 requires employers to make, keep and provide complete and accurate itemized wage statements to their employees. During the relevant time period, Calcare did not provide Mr. Vazquez and other aggrieved employees with complete and accurate itemized wage statements. The wage statements they received from Calcare were in violation of California

Labor Code section 226(a). The violations include, but are not limited to, the failure to include the total hours worked by Mr. Vazquez and other aggrieved employees, including time spent working off-the-clock and during meal and rest periods as discussed above.

California Labor Code sections 551 and 552 require that every person employed in any occupation of labor is entitled to one day's rest in a seven-day workweek, that no employer of labor shall cause his employees to work more than six days in a workweek, and that an employer shall pay a civil penalty in the amounts of fifty dollars (\$50) for each aggrieved employee per pay period for the initial violation and one hundred dollars (\$100) for each aggrieved employee per pay period for each subsequent violation. During the relevant time period, Mr. Vazquez and the aggrieved employees were required to regularly and/or consistently work in excess of six (6) days in a workweek. During the relevant time period, Mr. Vazquez and the aggrieved employees were required to work in excess of thirty (30) hours in a week and/or six (6) hours in any one (1) day thereof, during workweeks in which they were required to work in excess of six (6) days. During the relevant time period, Mr. Vazquez and the aggrieved employees were required to work in excess of six (6) days in a workweek without accumulating or being provided the opportunity to take at least one (1) day of rest, and when Mr. Vazquez and the aggrieved employees accumulated days of rest, they were not actually provided the opportunity to take the equivalent of one (1) day's rest in seven (7) during each calendar month.

California Labor Code sections 1174(d) requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case shall be kept on file for not less than two years. During the relevant time period, Calcare failed to keep accurate and complete payroll records showing the actual hours worked daily and the wages earned by Mr. Vazquez and other aggrieved employees, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code sections 1194, 1197, and 1197.1 provide the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful. During the relevant time period, Calcare did not provide Mr. Vazquez and other aggrieved employees with the minimum wages to which they were entitled for work performed "off-the-clock."

California Labor Code section 1198 provides that "The employment of any employee ... under conditions of labor prohibited by the [Industrial Wage Orders] is unlawful." The applicable Industrial Wage Orders require that for each workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee's usual or scheduled day's work, the employee shall be paid for half the usual or scheduled day's work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee's regular rate of pay. Further, if an employee is required to report for work a second time in any one workday and is furnished less than two (2) hours of work on the second reporting, said employee shall be paid for two (2) hours at the employee's regular rate of pay. During the relevant time period, Calcare failed to pay Mr. Vazquez and other aggrieved employees half the usual or scheduled day's work in an amount no less than two (2) hours nor more than four (4) hours at the employee's regular rate of pay for workdays in which Mr. Vazquez and the other aggrieved employees reported

to work and were furnished less than half the usual or scheduled day's work. During the relevant time period, Calcare failed to pay Mr. Vazquez and other aggrieved employees for two (2) hours at the employee's regular rate of pay on days in which Mr. Vazquez and the other aggrieved employees were required to report for work a second time in one workday and were furnished less than two (2) hours of work upon the second reporting.

California Labor Code sections 2800 and 2802 require an employer to reimburse its employee for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. During the relevant time period, Mr. Vazquez and other aggrieved employees incurred necessary business-related expenses and costs that were not fully reimbursed by Calcare.

Therefore, on behalf of all aggrieved employees, Mr. Vazquez seeks all applicable penalties arising out of the above-referenced wage, hour, and payroll practices, or which could be assessed and collected by the Labor and Workforce Development Agency, for violation of the California Labor Code pursuant to PAGA, including civil penalties pursuant to Labor Code section 558.

If you have any questions or require additional information, please do not hesitate to contact us. Thank you for your attention to this matter and the noble cause you advance each and every day.

With kind regards,



Meg Razi, Esq.

Cc: (By U.S. Certified Mail / Return Receipt Requested)

Calcare, Inc.
c/o W. Steven Shumway
LAW OFFICES OF W. STEVEN SHUMWAY
Attorneys
3300 Douglas Boulevard, Suite 250
Roseville, California 95661

Carpinterica, LLC
c/o Grace Y. Horoupian
Victor T. Xu
The-An Hoang-Nguyen
FISHER & PHILLIPS, LLP
2050 Main Street, Suite 1000
Irvine, California 92614

EXHIBIT B

May 10, 2023

Attorneys at Law

3555 Fifth Avenue Suite 200
San Diego, California 92103
619.692.0800 voice
619.692.0822 fax

www.grahamhollis.com

Alex Kuner
akuner@grahamhollis.com
619.546.4309 direct

VIA ONLINE ELECTRONIC FILING

California Labor And Workforce Development Agency
Attn: PAGA Administrator
1515 Clay Street, Suite 801
Oakland, CA 94612

VIA CERTIFIED MAIL

Trestles LLC
599 Menlo Drive, Suite 200
Rocklin, CA 95765

Trestles LLC
c/o Ryan Williams, Agent for Service of Process
599 Menlo Drive, Suite 200
Rocklin, CA 95765

**Re: Dorothea Bowens' Wage and Hour Claims Against Trestles
LLC DBA City Creek Care Center/City Creek Post Acute**

Dear Labor and Workforce Development Agency and Trestles LLC:

Please be advised that Dorothea Bowens ("Claimant") has retained our firm to represent her for claims against her former employer, Trestles LLC DBA City Creek Care Center/City Creek Post Acute ("Trestles" or the "Company").

This letter shall serve as Claimant's written notice to the Labor and Workforce Development Agency ("LWDA") and the Company of the alleged Labor Code violations Claimant claims that the Company committed against her and all other aggrieved employees in California. Claimant provides this notice in accordance with the Labor Code Private Attorneys General Act of 2004 ("PAGA"), Labor Code § 2699.3. Claimant intends to file a civil action to enforce her rights under the Labor Code and seeks compensation accordingly.

Pursuant to Labor Code § 2699(a), and by way of this letter, Claimant also intends to represent all other current and former aggrieved employees who performed work for the Company in California and who have suffered at least one of the wage and hour violations described herein during their employment.

Graham S.P. Hollis

Vilmarie Cordero

Hali Anderson

Nathan Reese

David Lin

Erik Dos Santos

Nora Steinhagen

Alyssa Smith*

Allison Schubert

Alex Kuner

Dawn M. Berry

Brisa Martinez

*Provisionally Licensed Lawyer

FACTUAL BACKGROUND

The following factual information is based upon the limited investigation Claimant has been able to conduct to date. Claimant reserves the right to amend this notice should additional information come to light at a later date.

Trestles LLC dba City Creek Care Center is a limited liability company that operates skilled nursing facilities that provide short term and long-term skilled nursing, rehabilitation services, and other health and social services. The Company is headquartered and has its principal place of business in Rocklin, California.

Claimant was employed with the Company as an admissions coordinator at City Creek Care Center in Sacramento, California from approximately October 5, 2022, to February 17, 2023. As an admissions coordinator, Claimant was paid a salary of \$70,000 per year. In this position, the Company classified Claimant as an “exempt” employee, ineligible to receive overtime pay or to enjoy the protections of the applicable IWC Wage Order. Claimant would typically work from 8:30 or 9:00 a.m. until 4:00 or 4:30 p.m. but was not required to clock in and out for her shifts. Claimant primarily performed non-managerial tasks and did not exercise discretion or independent judgment in performing any of her duties. Accordingly, Claimant should have been classified as a “non-exempt” employee. Claimant therefore alleges that the Company misclassified her and, on information and belief, other aggrieved employees as “exempt” when in fact Claimant and other aggrieved employees should have been classified as “non-exempt” employees, entitled to the full protections of both the California Labor Code and the applicable Industrial Welfare Commission (“IWC”) Wage Order.

As a result of its misclassification of Ms. Bowens and other aggrieved employees as “exempt” employees, Trestles denied Ms. Bowens and, on information and belief, other aggrieved employees in California specific rights afforded to them under the California Labor Code and the applicable IWC Wage Order. For example, the Company failed to provide them with legally compliant meal and rest breaks or pay them meal and rest break premiums, failed to timely pay them all minimum, regular, and overtime wages owed, failed to reimburse them for all business expenses, failed to maintain accurate records, failed to issue accurate itemized wage statements, and failed to timely pay all wages due during and upon separation of employment. Upon information and belief, aggrieved employees classified as non-exempt also suffered these same violations.

During her employment with Trestles, Claimant never took a meal period or rest period, nor was she ever paid a meal period or rest period premium wage for all the days a meal period or rest period was missed. Due to the workload and staffing constraints, Claimant and, on information and belief, other aggrieved employees would often be required to continue working at all times without taking breaks, regardless of whether they were on a meal period, rest period, or otherwise off the clock.

The Company also failed to pay Claimant and all other aggrieved employees the correct amount of minimum, regular, and overtime wages owed because the Company did not require Claimant and, on information and belief, other aggrieved misclassified employees to clock in or out, so the Company did not keep track of all hours worked. Claimant was also required to respond to emails, pull reports, and complete other tasks while at home after completing her usual shifts. For example, Claimant was required to submit a census report every morning by 9:00 a.m., which would require her to work either the prior

evening following her shift, or in the morning before her shift. Upon information and belief, non-exempt aggrieved employees were also not paid for all hours worked.

Further, Claimant was required to use her personal cell phone during and before/after work hours to complete necessary business tasks such as communicating with her supervisor and calling insurance companies to complete her onboarding tasks for new patients. Claimant never received reimbursement for the required use of her personal cell phone for work related purposes. Upon information and belief, the Company did not reimburse any aggrieved employees for use of their personal cell phones despite routinely communicating with employees about work-related issues on their personal devices.

WILLFUL MISCLASSIFICATION OF INDIVIDUALS AS EXEMPT EMPLOYEES

(The “Applicability of Order” section of the applicable IWC Wage Order)

Section 1 of the applicable IWC Wage Order provides the requirements necessary in determining whether an employee’s duties qualify for an exemption from the protections afforded in Sections 3 through 12 of the Order. According to the IWC Wage Order, an exempt employee means any employee “[w]ho is primarily engaged in duties which meet the test of the exemption.” Section 2 of the IWC Order defines “primarily” to mean more than one-half the employee’s work time.

The IWC Wage Order further provides:

Exempt work shall include, for example, all work that is directly and closely related to exempt work and work which is properly viewed as a means for carrying out exempt functions. The work actually performed by the employee during the course of the workweek must, first and foremost, be examined and the amount of time the employee spends on such work, together with the employer’s realistic expectations and the realistic requirements of the job, shall be considered in determining whether the employee satisfies this requirement.

Accordingly, to determine whether employees are properly classified as exempt employees, courts evaluate the realistic requirements of a job, as opposed to the job description. See *Ramirez v. Yosemite Water Co.*, 20 Cal.4th 785, 802 (1999). Substantial consideration is afforded to how an employee actually spends his or her time working. *Id.* Only where an employee spends more than 50% of their time working on exempt duties is he or she appropriately deemed an exempt employee. See e.g. *Ramirez v. ISB Mehta Corp.*, No. H042072, 2017 WL 750565 (Cal. Ct. App. Feb. 27, 2017) (holding that a restaurant manager who spent less than 50 percent of his workweek on non-exempt tasks is an exempt employee under California law).

As set forth above, Trestles violated the IWC Wage Order and the Labor Code by willfully misclassifying Claimant and other aggrieved employees as exempt employees. Claimant and, on information and belief, other aggrieved employees spent more than 50% of their work time on non-exempt duties and thus were non-exempt employees within the definition of the IWC Wage Order. Claimant did not exercise discretion or independent judgment in the execution of her tasks; all actions were completed pursuant to standardized procedures and/or had to be approved by her superiors.

Claimant will pursue all available remedies for the Company's violations on behalf of herself and other aggrieved employees to the extent allowed by law.

FAILURE TO TIMELY PAY ALL MINIMUM, REGULAR, AND OVERTIME WAGES

(Labor Code §§ 204, 210, 223, 225.5, 510, 558, 1194, 1194.2, 1197, 1197.1, 1198, and the "Hours and Days of Work" sections of the applicable IWC Wage Order)

Labor Code § 1197 states, "[t]he minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed is unlawful." Labor Code § 1197.1 provides that, "[a]ny employer or other person acting either individually or as an officer, agent, or employee of another person, who pays or causes to be paid to any employee a wage less than the minimum fixed by an applicable state or local law or by an order of the commission shall be subject to a civil penalty, restitution of wages, liquidated damages payable to the employee, and any applicable penalties imposed pursuant to Section 203..." Section 1198 states, "[t]he maximum hours of work and the standard conditions of labor fixed by the commission shall be the maximum hours of work and the standard conditions of labor for employees. The employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful."

Labor Code § 510 states, "[e]ight hours of labor constitutes a day's work. Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee. Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee." The "Hours and Days of Work" and "Minimum Wages" sections of the applicable IWC Wage Order mandate the same requirements.

Labor Code § 1198 states, "[t]he maximum hours of work and the standard conditions of labor fixed by the commission shall be the maximum hours of work and the standard conditions of labor for employees. The employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful."

Labor Code § 204(a) states in pertinent part, "[a]ll wages...earned by any person in any employment are due and payable twice during each calendar month, on days designated in advance by the employer as the regular paydays." Furthermore, Labor Code § 204(b)(1) states, "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." Labor Code § 210 provides that, "every person who fails to pay the wages of an employee as provided in Section...204...shall be subject to a civil penalty" of \$100 for an initial violation and \$200 plus 25% of the amount unlawfully withheld for a subsequent violation." The "Minimum Wages" section of the applicable IWC Wage Order also states that "[e]very employer shall pay to each employee, on the established payday for the period involved, not less than the applicable minimum wage for all hours worked in the payroll period, whether the remuneration is measured by time, piece, commission or otherwise."

Labor Code § 1194(a) states, "...any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid

balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney's fees, and costs of suit." Liquidated damages in an amount equal to the minimum wages unlawfully unpaid and interest thereon are provided for under Labor Code § 1194.2.

Labor Code § 223 states, "[w]here any statute or contract requires an employer to maintain the designated wage scale, it shall be unlawful to secretly pay a lower wage while purporting to pay the wage designated by statute or by contract." Labor Code § 225.5 provides that, "...every person who unlawfully withholds wages due any employee in violation of Section...223 shall be subject to a civil penalty" of \$100 for each initial violation and \$200 plus 25% of the amount unlawfully withheld for a subsequent violation.

As set forth above, the Company failed to timely pay Claimant and, on information and belief, other aggrieved employees all minimum, regular, and overtime wages, as required by law. Because Claimant and other aggrieved employees were misclassified as exempt employees when they were actually acting as non-exempt employees, they did not receive proper protections and benefits of the laws governing the compensation for minimum wages, regular wages, and overtime wages. As a result, Trestles improperly paid Claimant and other aggrieved employees on a salary basis, failed to pay Claimant and other aggrieved employees for all hours suffered or permitted to work such as when Claimant would be required to complete tasks at home before and after her shifts, and failed to timely pay for all hours worked over eight hours in a day and/or over forty hours in a week. Upon information and belief, non-exempt aggrieved employees were also deprived of the same Labor Code protections and were also not compensated all minimum, regular, and overtime wages rightfully owed, because they were required to work through meal periods and rest periods, or otherwise required to perform work while off the clock. Thus, Claimant and other aggrieved employees were not timely compensated minimum, regular, and overtime wages owed and earned because they were not timely compensated for all hours suffered or permitted to work. Claimant will pursue all available remedies for the Company's violations on behalf of herself and other current and former aggrieved employees to the extent allowed by law.

FAILURE TO PROVIDE LEGALLY COMPLIANT MEAL PERIODS AND/OR PAY PREMIUM WAGES FOR NON-COMPLIANT MEAL PERIODS

(Labor Code §§ 204, 226.7, 512, 558, and the "Meal Periods" section of the applicable IWC Wage Order)

Labor code § 512(a) provides:

An employer may not employ an employee for a work period of more than five hours per day without providing the employee with a meal period of not less than 30 minutes, except that if the total work period per day of the employee is no more than six hours, the meal period may be waived by mutual consent of both the employer and employee. An employer may not employ an employee for a work period of more than 10 hours per day without providing the employee with a second meal period of not less than 30 minutes, except that if the total hours worked is no more than 12 hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

In pertinent part, the “Meal Periods” section of the applicable IWC Wage Order states:

(A) No employer shall employ any person for a work period of more than five (5) hours without a meal period of not less than 30 minutes, except that when a work period of not more than six (6) hours will complete the day's work the meal period may be waived by mutual consent of the employer and the employee. Unless the employee is relieved of all duty during a 30-minute meal period, the meal period shall be considered an “on duty” meal period and counted as time worked. An “on duty” meal period shall be permitted only when the nature of the work prevents an employee from being relieved of all duty and when by written agreement between the parties an on-the-job paid meal is agreed to.

(B) An employer may not employ an employee for a work period of more than ten (10) hours per day without providing the employee with a second meal period of not less than 30 minutes, except that if the total hours worked is no more than 12 hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived....

(D) If an employer fails to provide an employee a meal period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the meal period is not provided.

A meal period generally complies with the requirements of California Law if the employee has at least 30 minutes uninterrupted and the employee is relieved of any and all duty and is free to leave the premises during such time. (*Brinker Restaurant Corp. v. Superior Court*, 53 Cal.4th 1004, 1036 (2012).) California law further prohibits employers from “...undermining [its] formal policy of providing meal breaks by pressuring employees to perform their duties in ways that omit breaks.” (*Id.*, at 1040).

Pursuant to Labor Code § 226.7(c):

If an employer fails to provide an employee a meal or rest or recovery period in accordance with a state law, including, but not limited to, an applicable statute or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided.

Labor Code § 204 establishes an employee's fundamental right in the state of California to be paid wages in a timely manner for their work. Premium wages under Labor Code § 226.7 are wages that

are due payable in accordance with Labor Code § 204. (*Murphy v. Kenneth Cole Productions, Inc.*, 40 Cal.4th 1094, 1103-1114 (2007).)

Labor Code § 558 provides that “any employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty” of \$50 for each underpaid employee for each pay period for which the employee was underpaid for any initial violation, and \$100 for each underpaid employee for each pay period for which the employee was underpaid for each subsequent violation.

As set forth above, the Company misclassified Claimant and other aggrieved employees as exempt employees when they should have been classified as non-exempt and therefore subject to protections under the IWC Wage Orders and Labor Code, including the right to take meal breaks. However, the Company had and continues to have a policy and practice of failing to provide Claimant and, on information and belief, other aggrieved employees with the opportunity to take uninterrupted, off-duty meal periods of at least thirty-minutes before the start of their sixth hour of work, and/or a second off-duty, thirty-minute meal period when they worked in excess of ten hours. Upon information and belief, employees who were properly classified as non-exempt suffered from the same policies and practices. Claimant and, on information and belief, other aggrieved employees were required to work through meal periods, and/or were required to skip meal periods, be interrupted, or take breaks of fewer than thirty minutes if necessitated by the employee’s workload. Consequently, Claimant and other aggrieved employees were entitled to receive, and did not receive, one-hour of premium wages for each day a compliant meal period was not provided on the payday designated by the Company. Claimant will pursue all available remedies against the Company, for its violations of the Labor Code on behalf of herself and all aggrieved employees to the extent permitted by law.

FAILURE TO PROVIDE LEGALLY COMPLIANT REST PERIODS AND/OR PAY PREMIUM WAGES FOR NON-COMPLIANT REST PERIODS

(Labor Code §§ 204, 226.7, and the “Rest Periods” section of the applicable IWC Wage Order)

The “Rest Periods” section of the applicable IWC Wage Order provides:

(A) Every employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period. The authorized rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes of net rest time per four (4) hours or major fraction thereof. However, a rest period need not be authorized for employees whose total daily work time is less than three and one-half (3 ½) hours. Authorized rest period time shall be counted as hours worked for which there shall be no deduction from wages.

(B) If an employer fails to provide an employee a rest period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee’s regular rate of compensation for each workday that the rest period is not provided.

During rest periods, California law requires employers to relinquish all control over their employees and relieve their employees of all duties. (*Augustus v. ABM Security Services, Inc.*, 2 Cal.5th 257, 273 (2016).)

In pertinent part, Labor Code § 226.7 states:

(b) An employer shall not require an employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health.

(c) If an employer fails to provide an employee a meal or rest or recovery period in accordance with a state law, including, but not limited to, an applicable statute or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided.

Labor Code § 204 establishes an employee's fundamental right in the state of California to be paid wages in a timely manner for their work. Specifically, Labor Code § 204(a) states that all wages earned are due and payable twice during each calendar month on days designated in advance by the employer as regular pay days. Premium wages under Labor Code § 226.7 are wages that are due payable in accordance with the Labor Code § 204. (*Murphy, supra*, 40 Cal.4th at 1103-1114.)

As discussed herein, the Company misclassified Claimant and other aggrieved employees as exempt employees when they should have been classified as non-exempt and therefore subject to protections under the IWC Wage Orders and Labor Code, including the right to take rest breaks. However, the Company had and continues to have a policy and practice of failing to authorize and permit Claimant and, on information and belief, other aggrieved employees to take an off-duty, uninterrupted 10-minute rest period for every four hours worked or major fraction thereof. Upon information and belief, employees who were properly classified as non-exempt suffered from the same policies and practices. Claimant and, on information and belief, other aggrieved employees were required to work through rest periods, and/or were required to skip rest periods, be interrupted, or take breaks of fewer than ten minutes if necessitated by the employee's workload. Therefore, Claimant and other aggrieved employees were entitled to receive, and did not receive, one-hour of premium wages on the designated payday for each day a legally compliant rest period was not provided. Claimant will pursue all available remedies against the Company for its violations of the Labor Code on behalf of herself and all aggrieved employees to the extent allowed by law.

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FAILURE TO REIMBURSE FOR BUSINESS EXPENSES

(Labor Code § 2802 and the “Uniforms and Equipment” section of the applicable IWC Wage Order)

Labor Code § 2802(a) provides in pertinent part, “[a]n employer shall indemnify his or her 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.”

Additionally, the “Uniforms and Equipment” section of the applicable IWC Wage Order states that “When tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by the employer...”

Labor Code § 2802(b) states, “[a]ll awards made by a court or by the Division of Labor Standards Enforcement for reimbursement of necessary expenditures under this section shall carry interest at the same rate as judgments in civil actions. Interest shall accrue from the date on which the employee incurred the necessary expenditure or loss.” Accordingly, Claimant will request that she receive interest on the applicable amount.

Furthermore, Labor Code § 2802(c) states, “[f]or purposes of this section, the term ‘necessary expenditures or losses’ shall include all reasonable costs, including, but not limited to, attorney’s fees incurred by the employee enforcing the rights granted by this section.” Consequently, Claimant will also request reimbursement of the attorney’s fees incurred in pursuing this matter.

As set forth above, the Company required that Claimant and other aggrieved employees use their personal cell phones during and before/after work hours to complete necessary business tasks such as communicating with supervisors and calling insurance companies to complete onboarding tasks for new patients. These tasks were required to be completed in the discharge of their employment duties, and Claimant and, on information and belief, other aggrieved employees were not reimbursed for such use of their personal phones. Claimant will pursue all available remedies for the Company’s violations on behalf of herself and other current and former aggrieved employees to the extent allowed by law.

FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

(Labor Code §§ 226, 226.3, 1198, and the “Records” section of the applicable IWC Wage Order)

Labor Code § 226(a) states in pertinent part that every employer shall provide an accurate, itemized wage statement in writing with respect to each of its employees showing: “(1) gross wages earned, (2) total hours worked by the employee, ..., (5) net wages earned, ..., and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.”

The “Records” section of the applicable IWC Wage Order requires an employer to “semimonthly or at the time of each payment of wages furnish each employee, either as a detachable part of the check, draft, or voucher paying the employee’s wages, or separately, an itemized statement in writing showing: (1) all deductions; (2) the inclusive dates of the period for which the employee is paid; (3) the name of the employee or the employee’s social security number; and (4) the name of the employer, provided all deductions made on written orders of the employee may be aggregated and shown as one item.”

Labor Code § 226(e) imposes a penalty of the greater of all actual damages or \$50 for the initial pay period in which a violation occurs and \$100 per employee for each violation in a subsequent pay period, not exceeding an aggregate penalty of \$4,000, and entitles an employee to an award of costs and reasonable attorney's fees. Labor Code § 226.3 imposes an additional civil penalty on the employer of \$250.00 per employee per violation of Labor Code § 226(a) in an initial citation and \$1,000 per employee for each violation in a subsequent citation.

As set forth above, the Company misclassified Claimant and other aggrieved employees as exempt employees when they should have been classified as non-exempt and therefore subject to protections under the IWC Wage Orders and Labor Code, including the right to accurate wage statements that include all of the information required by section 226(a). Upon information and belief, employees who were properly classified as non-exempt suffered from these same policies and practices as well. The Company failed to provide Claimant and other aggrieved employees with accurate itemized wage statements that comply with the requirements of the Labor Code because the wage statements issued did not, among other things, include the correct total regular and overtime hours worked, the correct amount of gross and net wages earned, and all applicable hourly rates and the corresponding number of hours worked at each hourly rate. Claimant will pursue all available remedies for the Company's violations on behalf of herself and other current and former aggrieved employees to the extent allowed by law.

FAILURE TO MAINTAIN ACCURATE RECORDS

(Labor Code §§ 1174, 1174.5, and the "Records" section of the applicable IWC Wage Order)

Labor Code § 1174 states, "[e]very person employing labor in this state shall... [k]eep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, ..., employees employed at the respective plants or establishments."

The "Records" section of the applicable Wage Order states that every employer shall keep accurate information with respect to each one of its employees, including time records showing when the employee begins and ends each work period, meal periods, total daily hours worked, total wages paid each payroll period, and total hours worked in the payroll period and the applicable rates of pay.

Labor Code § 1174.5 imposes a civil penalty of \$500 for an employer's failure to maintain accurate and complete records. This civil penalty is in addition to the civil penalty of \$100 per pay period, per aggrieved employee that would be imposed pursuant to Labor Code § 2699 for a violation of Labor Code § 1174(d).

As set forth above, the Company violated these requirements by failing to accurately record employee hours worked including, but not limited to, the Company's failure to record the proper beginning and end of each work period, the meal periods, the total hours worked during the pay period, the applicable rates of pay for each hour worked, and the total wages earned and paid. Claimant will pursue all available remedies for the Company's violations on behalf of herself and other current and former aggrieved employees to the extent allowed by law.

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FAILURE TO TIMELY PAY ALL WAGES DUE

(Labor Code §§ 201, 202, 203, 204, 210, 1194, 1194.2, 1198, and the “Minimum Wages” section of the applicable IWC Wage Order)

Labor Code § 204(a) states in pertinent part, “[a]ll wages...earned by any person in any employment are due and payable twice during each calendar month, on days designated in advance by the employer as the regular paydays.” Furthermore, Labor Code § 204(b)(1) states, “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.” Labor Code § 210 provides that, “every person who fails to pay the wages of an employee as provided in Section...204...shall be subject to a civil penalty” of \$100 for an initial violation and \$200 plus 25% of the amount unlawfully withheld for a subsequent violation.” The “Minimum Wages” section of the applicable IWC Wage Order also states that “[e]very employer shall pay to each employee, on the established payday for the period involved, not less than the applicable minimum wage for all hours worked in the payroll period, whether the remuneration is measured by time, piece, commission, or otherwise.”

Labor Code § 201 states, in pertinent part, “[i]f an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately.” Labor Code § 202 states, in pertinent part, “[i]f an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 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.”

Labor Code § 203(a) states, in pertinent part, “[i]f an employer willfully fails to pay, without abatement or reduction, in accordance with Sections 201, 201.3, 201.5, 201.9, 202, and 205.5, any wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefore is commenced; but the wages shall not continue for more than 30 days.”

Labor Code § 210 provides that, “every person who fails to pay the wages of each employee as provided in Section[]...204...shall be subject to a penalty” of \$100 for an initial violation and \$200 plus 25% of the amount unlawfully withheld for a subsequent violation.

Labor Code § 1194(a) states, “...any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney’s fees, and costs of suit.” Liquidated damages in an amount equal to the minimum wages unlawfully unpaid and interest thereon are provided for under Labor Code § 1194.2.

Labor Code § 1198 states, “[t]he maximum hours of work and the standard conditions of labor fixed by the commission shall be the maximum hours of work and the standard conditions of labor for employees. The employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.”

As set forth above, the Company misclassified Claimant and other aggrieved employees as exempt employees when they should have been classified as non-exempt and therefore subject to

protections under the IWC Wage Orders and Labor Code. Upon information and belief, employees who were properly classified as non-exempt suffered from these same policies and practices as well. The Company violated the aforementioned Labor Code sections by not timely paying to Claimant and other aggrieved employees all minimum and overtime wages and meal and/or rest break premium wages within the required time during and upon separation of their employment. As a result of the Company's failure to comply with these Labor Code provisions, the Company owes waiting time penalties to Claimant and other aggrieved employees, which it has not yet paid. Claimant will pursue all available remedies for the Company's violations on behalf of herself and other current and former aggrieved employees to the extent allowed by law.

**CIVIL PENALTIES FOR VIOLATIONS OF THE LABOR CODE AND THE APPLICABLE
IWC WAGE ORDER**

(Labor Code §§ 210, 255.5, 226.3, 558, 558.1, 1174.5, 1197.1, and 2699(f))

Labor Code § 210 provides that any person who fails to pay wages as provided in section 204 shall be subject to a civil penalty of \$100 for any initial violation for each failure to pay each employee and for each subsequent violation, or any willful or intentional violation \$200 for each failure to pay each employee, plus 25% of the amount unlawfully withheld, in addition to any other penalty.

Labor Code § 225.5 provides the following penalties for violations of Labor Code §§ 212, 216, 221, 222 or 223: (a) For any initial violation, one hundred dollars (\$100) for each failure to pay each employee; and (b) For each subsequent violation, or any willful or intentional violation, two hundred dollars (\$200) for each failure to pay each employee, plus 25% of the amount unlawfully withheld.

For violations of Labor Code § 226(a), Labor Code § 226.3 imposes a civil penalty of \$250 per employee per violation in an initial citation and \$1,000 per employee for each violation in a subsequent citation.

Labor Code § 558 subjects an employer or any person acting on behalf of an employer who violates Labor Code §§ 500-558, or any provision regulating the hours and days of work in any IWC Wage Order, to a civil penalty of \$50 for each underpaid employee for each pay period for which the employee was underpaid for any initial violation, and \$100 for each underpaid employee for each pay period for which the employee was underpaid for each subsequent violation. Labor Code § 558.1(a) states:

Any employer or other person acting on behalf of an employer, who violates, or causes to be violated, any provision regulating minimum wage or hours and days of work in any order of the Industrial Welfare Commission, or violates, or causes to be violated, Sections 203, 226, 226.7, 1193.6, 1194, or 2802, may be held liable as the employer for such violation.

Pursuant to Labor Code § 558.1(b), Labor Code § 558.1(a) is applicable to the owners, officers, directors, or managing agents of the employer.

For violations of Labor Code § 1174 subdivisions (c) and (d), Labor Code § 1174.5 imposes a civil penalty of \$500.

Similarly, Labor Code § 1197.1 subjects any employer or other person acting either individually or as an officer, agent, or employee of another person, who pays or causes to be paid to any employee a wage less than the minimum fixed by an applicable state or local law, or by an order of the commission to a civil penalty, restitution of wages, liquidated damages payable to the employee, and any applicable penalties imposed pursuant to § 203 as follows:

(1) For any initial violation that is intentionally committed, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee is underpaid. This amount shall be in addition to an amount sufficient to recover underpaid wages, liquidated damages pursuant to § 1194.2, and any applicable penalties imposed pursuant to § 203. (2) For each subsequent violation for the same specific offense, two hundred fifty dollars (\$250) for each underpaid employee for each pay period for which the employee is underpaid regardless of whether the initial violation is intentionally committed. This amount shall be in addition to an amount sufficient to recover underpaid wages, liquidated damages pursuant to § 1194.2, and any applicable penalties imposed pursuant to § 203. (3) Wages, liquidated damages, and any applicable penalties imposed pursuant to § 203, recovered pursuant to this section shall be paid to the affected employee.

Labor Code § 2699(f) imposes a civil penalty of \$100 per pay period, per employee for the initial violation and \$200 per pay period, per employee for each subsequent violation for all Labor Code provisions for which a civil penalty is not specifically provided, including, but not limited to, Labor Code §§ 201, 202, 203, 204, 210, 212, 221, 223, 224, 226(a), 226.7, 510, 512, 1174(d), 1194, 1197, 1197.1, and 1198 and relevant IWC Wage Orders.

As set forth above, the Company violated the Labor Code and the applicable IWC Wage Order by failing to timely pay Claimant and all aggrieved employees all minimum, regular, and overtime wages for all time actually worked; failing to provide meal and rest periods or paying meal and rest period premium wages in lieu thereof; failing to reimburse for all necessary business expenses; failing to furnish accurate itemized wage statements; failing to maintain accurate employee records; and failing to pay all waiting time penalties owed, as required under the Labor Code and the applicable IWC Wage Order. As a result, the Company is liable for civil penalties under the Labor Code and Claimant will pursue all available remedies including, but not limited to, those stated herein, for the Company's violations on behalf of herself and all aggrieved employees to the extent allowed by law.

ATTORNEYS' FEES, COSTS, INTEREST, LIQUIDATED DAMAGES, AND PENALTIES
(Labor Code §§ 210, 218.5, 218.6, 225.5, 226(e), 558, 1194, 1194.2, 1197.1, and 2698 et seq.)

Labor Code §§ 210, 218.5, 218.6, 225.5, 226(e), 558, 1194, 1194.2, 1197.1, and 2698 et seq., among others, give employees, such as Claimant, the right to recover in a civil action the full amount of

damages, liquidated damages, and penalties, including interest thereon, as well as reasonable attorneys' fees and costs.

Under Labor Code § 2699(g)(1), an aggrieved employee, such as Claimant, is entitled to an award of reasonable attorney's fees and costs. Accordingly, the Company is liable for these items. Claimant has already incurred actual damages, costs, and attorney's fees, and she will continue to incur such costs as a result of the Company's unlawful actions. Claimant will pursue all available remedies against the Company, including those provided under the PAGA, on behalf of herself and all other aggrieved employees to the extent permitted by California law for the violations of law described herein and those that may be later discovered.

CONCLUSION

Based on the foregoing, the Company has violated, and will continue to violate, the Labor Code and the applicable IWC Wage Order, thereby depriving Claimant and other aggrieved employees of the rights and protections afforded to them. Claimant has satisfied the prerequisites of the PAGA to serve as a representative of all aggrieved employees, the general public, and the state of California in order to enforce California labor laws and to seek civil penalties for the provisions set forth herein, as well as those which may be later discovered.

Accordingly, if the California agency declines to intervene or act within the time prescribed by the PAGA, Claimant may elect to initiate and/or amend a civil action, on behalf of herself and all other aggrieved employees, as permitted by the PAGA.

Sincerely,

A handwritten signature in black ink, appearing to read 'Alex Kuner', with a stylized flourish at the end.

Alex Kuner

EXHIBIT C

NOTICE OF CLASS ACTION SETTLEMENT

Vazquez v. Calcare, Inc., et al.
Superior Court of California for the County of Placer, Case No. S-CV-0049068

PLEASE READ THIS NOTICE CAREFULLY.

You have received this Notice because Defendants’ records indicate that you may be eligible to take part in the putative class action settlement reached in the above-referenced case.

You do not need to take any action to receive a settlement payment.

The purpose of this Notice is to provide you with a brief description of the Action, inform you of the terms of the proposed Settlement, and of your rights and options in connection with the Settlement.

NO ACTION NEEDS TO BE TAKEN TO RECEIVE MONEY UNDER THE SETTLEMENT: If you were employed by Defendant as an hourly, non-exempt employee in California during the Class Period, you are automatically included in the Class Settlement and do not need to take any further action to receive a payment.

1. Overview

A class action and Private Attorneys Act (“PAGA”) settlement has been reached between Plaintiff Geovanni Vazquez (“Plaintiff Vazquez”) and Plaintiff Dorethea Bowens (“Plaintiff Bowens”) (together, “Plaintiffs” and “Class Representatives”) and Defendants Carpinterica LLC, Trestles LLC, Kalesta Healthcare Group, LLC, Hamoa LLC, Three Arch LLC, Newport LLC, Napili Bay LLC, and Coronado Bay LLC (“Defendants”) (Plaintiffs and Defendants are collectively referred to as the “Parties”) in the case entitled *Geovanni Vazquez v. Calcare, Inc., et al.*, Placer County Superior Court, Case No. S-CV-0049068 (“Action”), which may affect your legal rights. On [enter date], the Court granted preliminary approval of the settlement and scheduled a hearing on [enter date] at [enter time] (“Final Approval Hearing”) to determine whether the Court should grant final approval of the settlement.

Under the terms of the proposed settlement, hourly-paid, non-exempt employees of Defendants who worked in the State of California between September 7, 2018, through July 16, 2024 (“Class Members”) will receive a payment from the Net Settlement Amount should the Court grant final approval of the settlement. Class Members’ actual share of the Net Settlement Amount is based on the number of weeks worked for Defendants between September 7, 2018, through July 16, 2024 (the “Class Period”).

2. What is this Action about?

On September 7, 2022, Plaintiff Vazquez commenced the Action by filing a Class Action Complaint for Damages (“Vazquez Action”) against Defendants Calcare, Inc. and Carpinterica, Inc., in Placer County Superior Court. Plaintiff alleges that Defendants failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages during and upon termination of employment and associated waiting time penalties, provide accurate wage statements, keep requisite payroll records, engage in fair business practices, and reimburse business expenses. Plaintiff seeks, among other things, recovery of unpaid wages and meal and rest period premiums, restitution, penalties, interest, and attorneys’ fees and costs.

On June 27, 2023, Plaintiff Bowens commenced a Class Action Complaint for Damages, entitled *Dorethea Bowens v. Trestles LLC, et al.*, Sacramento Superior Court, Case No. 23CV003757 (“Bowens Action”) against Defendant Trestles LLC, alleging violations of the California Code. On August 22, 2023, Plaintiff Bowens filed a First Amended Complaint adding a representative under for Damages and Enforcement Under the Private Attorney General Act, California Labor Code section 2698 *et seq.* Together, the Vazquez Action and Bowens Action are referred to as the “Actions.”

On [enter date] Plaintiffs filed a First Amended Class Action Complaint for Damages and Enforcement Under the Private Attorney General Act, California Labor Code section 2698 *et seq.* in the Vazquez Action adding Plaintiff Bowens, and Defendants Kalesta, Trestles LLC, Hamoa LLC, Three Arch LLC, Napili LLC, and Cornado Bay LLC, alleging violations of the California Labor Code.

Defendants deny all of the allegations in the Action or that it violated any law. Defendants contend that at all times it has

complied with federal, state, and local laws. The Court has not decided whether Plaintiffs and the Class Members or Defendants are right or whether Defendants should be required to pay Plaintiffs or Class Members any money.

After extensive discovery and information provided to Class Counsel, the Parties participated in settlement negotiations, and as a result, the Parties reached a settlement. The Parties have since entered into the Joint Stipulation of Class Action and PAGA Settlement and Release (“Settlement,” “Agreement,” or “Settlement Agreement”).

On [enter date], the Court entered an order preliminarily approving the Settlement. By approving the Settlement and issuing this Class Notice, the Court is not suggesting which side would win or lose this case if it went to trial. The Court has appointed Apex Class Action Administration as the administrator of the Settlement (“Settlement Administrator”), Plaintiffs as representatives of the Class (“Class Representatives”), and the following Plaintiffs’ attorneys as counsel for the Class (“Class Counsel”):

Arby Aiwazian
Joanna Ghosh
Brian J. St. John
Maria Halwadjian
Lawyers for Justice, PC
450 North Brand Blvd., Suite 900
Glendale, California 91203
Telephone: (818) 265-1020 / Fax: (818) 265-1021

Graham S.P. Hollis
Hali M. Anderson
Alex M. Kuner
GrahamHollis APC
3555 Fifth Avenue, Suite 200
San Diego, California 92103
Telephone: (619) 692-0800 / Fax: (619) 692-0822

The Settlement represents a compromise of highly disputed claims after contested litigation and motion practice directed to the sufficiency of Plaintiffs’ claims and whether the proposed Class could be certified. Nothing in the Settlement is intended or will be construed as an admission by Defendants that the claims in the Actions have merit or that Defendants has any liability to Plaintiffs or to Class Members. Plaintiffs and Defendants, and their respective counsel, have concluded and agree that, the Settlement is in the Parties’ best interests in light of the facts and procedural posture of the Actions and the risks and uncertainties to each side of continued litigation. Plaintiffs and Class Counsel believe that the Settlement is fair, reasonable, and adequate, and is in the best interests of Class Members. The Court has made no ruling on the merits of Plaintiffs’ or the Class Members’ claims and has determined only that certification of the Class for settlement purposes is appropriate under California law.

3. What are the terms of the Settlement?

On [enter date], the Court certified a class, for settlement purposes only, of all hourly paid, non-exempt employees who worked for Defendants in California between September 7, 2018 through July 16, 2024. Individuals who do not opt out of the Settlement, pursuant to the procedures set forth in this Class Notice (“Settlement Class Members”) will be mailed Settlement checks and in exchange be bound by the Settlement and release of certain wage and penalty claims against Defendants.

Without admitting any wrongdoing, the Company agreed to pay the total gross settlement amount of One Million Five Hundred Thousand Dollars (\$1,500,000) (the “Total Settlement Amount”) to fully resolve all claims in the Actions. The Parties agreed the following payments will be paid from the Total Settlement Amount:

Settlement Administration Costs. The Court approved Apex Class Action Administrator to act as the “Settlement Administrator,” who is sending this Class Notice to you and will perform many other duties relating to the Settlement. Under the Settlement, a maximum of \$11,000 will be paid from the Total Settlement Amount to pay

the Settlement Administration Costs.

Payments to Class Representatives. Class Counsel will ask the Court to award Class Representatives \$10,000 each to Plaintiffs (\$20,000 total) compensate him for his efforts and work in prosecuting the Actions (“Enhancement Awards”).

Attorneys’ Fees and Costs to Class Counsel. Class Counsel will seek attorneys’ fees in an amount of up to thirty-five percent (35%) of the Total Settlement Amount (i.e. an amount of up to \$525,000) and reimbursement of litigation costs and expenses in an amount of up to Thirty Thousand Dollars (\$30,000), subject to approval by the Court. All Attorneys’ Fees and Costs awarded by the Court will be paid from the Total Settlement Amount. Class Counsel has been prosecuting the Action on behalf of Plaintiffs and Class Members on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

Calculation of Individual Settlement Payments to Class Members. After deducting the above amounts from the Total Settlement Amount, the balance (“Net Settlement Amount”) will be distributed to the Settlement Class Members. Class Members are eligible to receive payment under the Settlement of their share of the Net Settlement Amount (“Individual Settlement Share”) based on the number of weeks they worked for Defendants in California as an hourly paid, non-exempt employee during the Class Period (“Workweeks”).

According to the Company’s records, you worked a total of [# of weeks actually worked] during the Class Period. If you wish to dispute the Workweeks credited to you, you must submit a written letter to the Settlement Administrator. The written letter must: (a) contain the case name and number of the Action (*Geovanni Vazquez v. Calcare, Inc., et al.*, Case No. S-CV-0049068); (b) be signed by you; (c) contain your full name, mailing address, and telephone number, and last four (4) digits of your Social Security Number; (d) clearly state that you dispute the number of Workweeks credited to you and what you contend is the correct number to be credited to you; (e) include information and/or attach documentation demonstrating that the number of Workweeks that you contend should be credited to you is correct; and (f) be returned by mail to the Settlement Administrator at the address specified in Section IV.B below, postmarked or delivered no later than [the Response Deadline]. The Settlement Administrator divided the Net Settlement Amount by the Workweeks of all Class Members to yield the “Class Workweek Point Value,” and multiplied each Class Member’s individual Workweeks by the Class Workweek Point Value to yield each Class Member’s estimated Individual Settlement Share. Class Members who do not submit a valid and timely Request for Exclusion (“Settlement Class Members”) will be issued payment of their final Individual Settlement Share. If a Class Member opts-out of the Class Settlement, his/her Individual Settlement Share will be distributed to all Settlement Class Members (i.e., those who do not opt-out).

Allocation and Tax Treatment of Individual Settlement Payments. Each Individual Settlement Share will be allocated ten percent (10%) as taxable wages, which will be reported on an IRS Form W2, and ninety percent (90%) as penalties, interest, and other non-wage damages, which will be reported on an IRS Form 1099. The Settlement Class Member’s employee share of taxes and withholdings, including, but not limited to, state and federal tax withholding, disability premiums, and unemployment insurance, will be withheld from the ten percent (10%) wages portion of their Individual Settlement Share. (“Individual Settlement Payment”). Defendants will pay the Employer’s Payroll Taxes on the ten percent (10%) of the Class Members’ Individual Settlement Shares allocated as wages to the Settlement Administrator who is responsible for forwarding all payroll taxes, contributions, and withholdings to the appropriate government authorities for both the employee’s share of taxes and withholdings and the Employer’s Payroll Taxes.

Release. Upon the Effective Date, Plaintiffs and all Class Members who have not opted out of the Class Settlement (“Settlement Class Members”) will be bound by the Class Settlement, which will bar them from bringing certain claims against the Company as described here. The Settlement Class Members will fully, finally, and forever release, relinquish, and discharge any and all Released Class Claims against Defendants. If Settlement Class Members cash, deposit, or otherwise negotiate their Individual Settlement Payment, they shall be deemed to have opted-in to the Settlement under the Fair Labor Standards Act.

“Released Class Claims” means any and all claims under state, federal, or local law, arising out of the facts pleaded in the Actions and all other claims, such as those under the California Labor Code, Wage Orders, regulations, and/or other provisions of law, that were or could have been asserted based on the facts pleaded in the Actions, including but not limited to the following claims: (1) failure to pay all wages owed at the correct rate of pay, including but not limited to overtime wages, reporting time, off-the-clock work and related wages; (2) failure to provide meal

breaks and pay meal period premiums; (3) failure to provide rest breaks and pay rest period premiums; (4) failure to pay minimum wages; (5) failure to timely pay wages upon termination or resignation; (6) failure to timely pay wages during employment; (7) failure to provide and retain accurate and compliant wage statements; (8) failure to provide and keep complete and accurate payroll records; (9) failure to reimburse necessary business expenses; (10) violation of California's unfair competition law based on the afore-referenced claims; and (11) any and all resulting damages, restitution, disgorgement, civil penalties, statutory penalties, taxes, interest or attorneys' fees or costs.

"Released Parties" means Defendants and all of their former and/or current parents, subsidiaries, affiliates, and any other entities that could be considered to have jointly employed the Class Members, as well as each of their officers, directors, managers, owners, executives, partners, executive-level employees, shareholders, agents, associates, attorneys, and any other predecessors, successors, assigns or legal representatives.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing approving the Settlement as fair, reasonable, adequate and in the best interest of the Class Members, and the entry of Judgment.

4. How will I receive money from the Settlement?

If the Court grants final approval of the Settlement, and you have not opted out of the Settlement, you will be included as a Participating Class Member without taking any further action. Individual Settlement Payments will be mailed to Participating Class Members at the address that is on file with the Settlement Administrator. **If the address to which this Class Notice was mailed is not correct, or if you move after you receive this Class Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment to which you may be entitled under the Settlement.**

5. How much money will I receive from the Settlement?

As explained above, your estimated Individual Settlement Share is based on the number of Workweeks credited to you.

Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$ [REDACTED]. The Individual Settlement Share is subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share, and will only be distributed if the Court approves the Settlement and after the Settlement Effective Date.

The settlement approval process may take multiple months. Your Individual Settlement Share reflected in this Class Notice is only an estimate. Your actual Individual Settlement Payment may be higher or lower. After the Final Approval Hearing, to check on the progress of the Settlement, contact the Settlement Administrator at the toll-free phone number or address listed above.

Individual Settlement Payment checks will be valid and negotiable for 180 days after they are initially issued and expire after the 180th day. Thereafter, the checks will be cancelled and funds from any cancelled checks will be transmitted to the Santa Clara chapter of the Special Olympics, subject to Court approval, in the name of the Settlement Class Member(s) whose checks were cancelled, and who will remain bound by the Settlement.

6. What options do I have?

A. Participate In The Settlement

If you want to participate in the Settlement and receive money from the Settlement, you do not have to do anything. You will automatically be included in the Settlement and be issued your Individual Settlement Payment and/or Individual PAGA Payment. You can exclude yourself from the Class Settlement by following the exclusion procedure below. You will be bound by the terms of the Settlement and any judgment that may be entered by the Court based thereon, and you will release the claims described in paragraph 3 above. You cannot opt out or exclude yourself from the PAGA Settlement.

As a Class Member, you will not be separately responsible for the payment of attorney's fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney's fees and expenses.

B. Exclude Yourself from the Settlement

If you **do not** wish to participate in the Class Settlement, you must seek exclusion from the Class Settlement by submitting a written request ("Request for Exclusion") to the Settlement Administrator, which must: (a) contain the case name and number of the Action (*Geovanni Vazquez v. Calcare, Inc., et al.*, Case No. S-CV-0049068); (b) be signed by you; (c) contain your full name; (d) contain a statement clearly indicating that you want to opt out of the Settlement; and (e) be submitted to the Settlement Administrator by mail, postmarked no later than **[Response Deadline]**, at the following mailing address:

[Settlement Administrator]
[Mailing Address]

The Request for Exclusion should state:

"I WISH TO BE EXCLUDED FROM THE SETTLEMENT IN THE CALLES LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT, I WILL NOT RECEIVE ANY MONEY FROM THE SETTLEMENT OF THIS LAWSUIT."

C. Object to the Settlement

As long as you have not submitted a Request for Exclusion, you can object to the terms of the Settlement by submitting a written objection ("Objection") to the Settlement Administrator. You may also appear at the Final Approval Hearing at your expense, either in person, telephonically, or through an attorney, provided you notify the Court of your intention to do so. All written objections, supporting papers and/or notices of intent to appear at the Final Approval Hearing must (a) clearly identify the case name and number (*Geovanni Vazquez v. Calcare, Inc., et al.*, Case No. S-CV-0049068); (b) contain your full name and signature; (c) contain a written statement clearly stating the factual and legal basis for objecting to the Settlement; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; (e) indicate whether you are represented by counsel and identify said counsel; (f) indicate whether you intend to appear at the Final Approval Hearing and seek to be heard at the Final Approval Hearing; (g) be submitted to the Court either by mailing the objection to: Clerk of the Court, Superior Court of California, County of Santa Clara, 101 Maple Street, Auburn, California 95603, or by filing in person at the same location; (h) also be mailed to the Settlement Administrator at **[Mailing Address]**, who will provide copies to the attorneys in this Action; and (i) be filed or postmarked **on or before [Response Deadline]**. Regardless of whether the Court accepts or rejects your objection, you will remain a Settlement Class Member, and if the Court approves the Settlement, you will be bound by the terms of the Settlement.

7. How does the Settlement become final?

The Court will hold a Final Approval Hearing in Department 3 of the Placer County Superior Court, located at 101 Maple Street, Auburn, California 95603, on **[enter date]** at **[enter time]**, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and award Attorneys' Fees and Costs to Class Counsel, Enhancement Awards to Plaintiffs, and Settlement Administration Costs to the Settlement Administrator.

The hearing may be continued without further notice to Class Members. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to. Although Class Members may appear in person, the judge overseeing this case encourages remote appearances.

8. Further Information

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you are referred to the detailed Settlement Agreement, which is on file with the Clerk of the Court. The pleadings and other records in this litigation, including the Settlement Agreement, may be examined (a) online on the Superior Court of California, County of Placer's Online Case Access at www.placer.courts.ca.gov/online-services/online-case-access; (b) in person at Records, Superior Court of Placer, County of Placer, 101 Maple Street, Auburn, California 95603, between the hours of 8:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays and closures, or you may contact Class Counsel or the Settlement Administrator. In addition, the Settlement Administrator maintains a website with copies of this

notice and the Settlement Agreement, which can be accessed at [\[INSERT LINK\]](#).

PLEASE DO NOT TELEPHONE OR WRITE TO THE COURT OR DEFENDANT'S COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIMS PROCESS.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE TOLL-FREE NUMBER ON THE BOTTOM OF THE PAGE, OR YOU MAY ALSO CONTACT CLASS COUNSEL.