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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

EUGENE ZALDIVAR, JR., an individual, on behalf of himself and on behalf of all persons similarly situated,

Plaintiff,

vs.

ALAKOR HEALTHCARE LLC, a Limited Liability Company; and DOES 1 through 50, inclusive,

Defendants.

CASE NO.: **24STCV04927**

[PROPOSED] PRELIMINARY APPROVAL ORDER

Hearing Date: August 13, 2026
Hearing Time: 10:00 a.m.

Judge: Hon. Bruce G. Iwasaki
Dept: SS-11

Date Filed: February 24, 2024
Trial Date: Not set

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This matter came before the Honorable Bruce G. Iwasaki of the Superior Court of the State of California, in and for the County of Los Angeles, on October 19, 2026, for hearing on the unopposed motion by Plaintiff Eugene Zaldivar, Jr. ("Plaintiff") for preliminary approval of the Class Action and PAGA Settlement with Defendant Alakor Healthcare LLC ("Defendant"). The Court, having considered the briefs, argument of counsel, and all matters presented to the Court and good cause appearing, hereby GRANTS Plaintiff's Motion for Preliminary Approval of Class Action Settlement.

IT IS HEREBY ORDERED:

1. The Court preliminarily approves the First Amended Class Action and PAGA Settlement Agreement ("Agreement") attached as Exhibit #1 to the Supplemental Declaration of Kyle Nordrehaug in Support of Plaintiff's Motion for Preliminary Approval of Class Action Settlement. This is based on the Court's determination that the Settlement set forth in the Agreement is within the range of possible final approval, pursuant to the provisions of Section 382 of the California Code of Civil Procedure and California Rules of Court, Rule 3.769.

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

3. The Gross Settlement Amount that Defendant shall pay is One Million One Hundred Fifty Thousand Dollars ($1,150,000.00). It appears to the Court on a preliminary basis that the settlement amount and terms are fair, adequate, and reasonable as to all potential Class Members when balanced against the probable outcome of further litigation and the significant risks relating to certification, liability, and damages issues. It further appears that investigation and research have been conducted such that counsel for the Parties are able to reasonably evaluate their respective positions. It further appears to the Court that the Settlement will avoid substantial additional costs by all Parties, as well as avoid the delay and risks that would be presented by the further prosecution of the Action. It further appears that the Settlement has been reached as the

result of serious and non-collusive, arm's-length negotiations. This determination is based on the Parties' representations and the current record and is subject to further scrutiny at final approval.

4. The Court preliminarily finds that the Settlement appears to be within the range of reasonableness of a settlement that could ultimately be given final approval by this Court. The Court has reviewed the monetary recovery that is being granted as part of the Settlement and preliminarily finds that the monetary settlement awards made available to the Class is fair, adequate, and reasonable when balanced against the probable outcome of further litigation and the significant risks relating to certification, liability, and damages issues.

5. The Agreement provides for an attorneys' fees award not to exceed one-third of the Gross Settlement Amount, an award of litigation expenses incurred not to exceed $44,000.00, and a proposed Class Representative Service Payment to the Plaintiff in an amount not to exceed $15,000.00. The Court will not approve the amount of attorneys' fees and costs, nor the amount of any service award, until the Final Approval Hearing. Plaintiff will be required to present evidence supporting these requests, including lodestar, prior to final approval and evidence supporting the basis and reasonableness of any requested service award. The Court does not make any finding at this stage as to the reasonableness of the requested percentage.

6. The Court recognizes that Plaintiff and Defendant stipulate and agree to representative treatment and certification of a class for settlement purposes only. This stipulation will not be deemed admissible in this, or any other, proceeding should this Settlement not become final. For settlement purposes only, the Court conditionally certifies the Class which consists of "all individuals who are or previously were employed by Defendant Alakor Healthcare LLC who were classified as non-exempt in the State of California at any time during the Class Period." The "Class Period" is February 28, 2020, through December 8, 2025.

7. The Court concludes that, for settlement purposes only, the Class meets the requirements for certification under Section 382 of the California Code of Civil Procedure in that: (a) the Class is ascertainable and so numerous that joinder of all members of the Class is impracticable; (b) common questions of law and fact predominate, and there is a well-defined

community of interest amongst the members of the Class with respect to the subject matter of the litigation; (c) the claims of the Plaintiff are typical of the claims of the members of the Class; (d) the Plaintiff will fairly and adequately protect the interests of the members of the Class; (e) a class action is superior to other available methods for the efficient adjudication of this controversy; and (f) counsel for the Class is qualified to act as Class Counsel and the Plaintiff is an adequate representative of the Class.

8. The Court provisionally appoints Plaintiff as the representatives of the Class. The Court provisionally appoints Blumenthal Nordrehaug Bhowmik De Blouw LLP as Class Counsel for the Class.

9. The Agreement provides for PAGA Penalties out of the Gross Settlement Amount of $30,000.00, which shall be allocated $22,500.00 to the Labor & Workforce Development Agency ("LWDA") as the LWDA's 75% share of the settlement of civil penalties paid under this Agreement pursuant to the PAGA, and $7,500.00 to the Aggrieved Employees. "Aggrieved Employees" are all individuals who are or previously were employed by Defendant Alakor Healthcare LLC who were classified as non-exempt in the State of California at any time during the PAGA Period (October 20, 2022, through December 8, 2025). Pursuant to Labor Code Section 2699, the LWDA was provided notice of the Agreement and these settlement terms. The Court finds the PAGA Penalties to be reasonable. This finding is based on the risks of continued litigation and the potential challenges in establishing liability and penalties.

10. The Court hereby approves, as to form and content, the Class Notice attached to the Agreement as Exhibit A. The Court finds that the Class Notice appears to fully and accurately inform the Class of all material elements of the proposed Settlement, of the Class Members' right to be excluded from the Class by submitting a written opt-out request, and of each member's right and opportunity to object to the Settlement. The Court further finds that the distribution of the Class Notice substantially in the manner and form set forth in the Agreement and this Order meets the requirements of due process, is the best notice practicable under the circumstances, and shall constitute due and sufficient notice to all persons entitled thereto. The Court orders the mailing of

the Class Notice by first-class mail pursuant to the terms set forth in the Agreement. If a Class Notice Packet is returned because of an incorrect address, the Administrator will promptly search for a more current address for the Class Member and re-mail the Class Notice Packet to any new address for the Class Member no later than seven (7) days after the receipt of the undelivered Class Notice.

11. The Court hereby appoints Apex Class Action LLC as the Administrator. No later than fifteen (15) days after this Order, Defendant will provide the Class Data to the Administrator. The Administrator will perform address updates and verifications as necessary prior to the first mailing. Using best efforts to mail it as soon as possible, and in no event later than fourteen (14) days after receiving the Class Data, the Administrator will mail the Class Notice Packet to all Class Members via first-class regular U.S. Mail to their last known address.

12. The Court hereby preliminarily approves the proposed procedure for exclusion from the Settlement. Any Class Member may individually choose to opt out of and be excluded from the Class as provided in the Class Notice by following the instructions for requesting exclusion from the Class that are set forth in the Class Notice. All requests for exclusion must be postmarked or received no later than sixty (60) calendar days after the date of the mailing of the Class Notice ("Response Deadline"). If a Class Notice Packet is re-mailed, the Response Deadline for requests for exclusion will be extended an additional fourteen (14) days. A Request for Exclusion may also be faxed or emailed to the Administrator as indicated in the Class Notice. Any such person who chooses to opt out of and be excluded from the Class will not be entitled to any recovery under the Class Settlement and will not be bound by the Class Settlement or have any right to object, appeal, or comment thereon. Class Members who have not requested exclusion shall be bound by all determinations of the Court, the Agreement, and the Judgment. A request for exclusion may only opt out that particular individual, and any attempt to effect an opt-out of a group, class, or subclass of individuals is not permitted and will be deemed invalid.

13. Any Class Member who has not opted out may appear at the final approval hearing, may object or express the Member's views regarding the Settlement, and may present evidence

and file briefs or other papers that may be proper and relevant to the issues to be heard and determined by the Court as provided in the Class Notice. Class Members will have until the Response Deadline to submit their written objections to the Administrator. Written objections may also be faxed or emailed to the Administrator as indicated in the Class Notice. If a Class Notice Packet is re-mailed, the Response Deadline for written objections will be extended an additional fourteen (14) days. Alternatively, Class Members may appear at the Final Approval Hearing to make an oral objection.

14. A final approval hearing shall be held before this Court on _____ _____ at _____ in Department 11 at the Spring Street Courthouse of the Los Angeles County Superior Court to hear the motion for final approval and for attorneys' fees and costs, and to determine all necessary matters concerning the Settlement, including: whether the proposed settlement of the Action on the terms and conditions provided for in the Agreement is fair, adequate, and reasonable and should be finally approved by the Court; whether the Final Approval Order and Judgment should be entered herein; whether the plan of allocation contained in the Agreement should be approved as fair, adequate, and reasonable to the Class Members; and to finally approve attorneys' fees and costs, the service award, and the fees and expenses of the Administrator. All papers in support of the motion for final approval shall be filed with the Court and served on all counsel no later than sixteen (16) court days before the hearing and the motion shall be heard at this final approval hearing.

15. Neither the Settlement nor any exhibit, document, or instrument delivered thereunder shall be construed as a concession or admission by Defendant in any way that the claims asserted have any merit or that this Action was properly brought as a class or representative action, and shall not be used as evidence of, or used against Defendant as, an admission or indication in any way, including with respect to any claim of any liability, wrongdoing, fault, or omission by Defendant or with respect to the truth of any allegation asserted by any person. Whether or not the Settlement is finally approved, neither the Settlement, nor any exhibit, document, statement, proceeding, or conduct related to the Settlement, nor any reports or accounts

thereof, shall in any event be construed as, offered or admitted into evidence as, received as or deemed to be evidence for any purpose adverse to the Defendant, including, but not limited to, evidence of a presumption, concession, indication, or admission by Defendant of any liability, fault, wrongdoing, omission, concession, or damage.

16. In the event the Settlement does not become effective in accordance with the terms of the Agreement, or the Settlement is not finally approved or is terminated, canceled, or fails to become effective for any reason, this Order shall be rendered null and void and shall be vacated, and the Parties shall revert to their respective positions as of before entering into the Agreement and expressly reserve their respective rights regarding the prosecution and defense of this Action, including all available defenses and affirmative defenses, and arguments that any claim in the Action could not be certified as a class action and/or managed as a representative action. In such an event, the Court's orders regarding the Settlement, including this Order, shall not be used or referred to in litigation for any purpose. Nothing in this paragraph is intended to alter the terms of the Agreement with respect to the effect of the Agreement if it is not approved.

17. The Court reserves the right to adjourn or continue the date of the final approval hearing and all dates provided for in the Agreement without further notice to Class Members and retains jurisdiction to consider all further applications arising out of or connected with the proposed Settlement.

18. The Action is otherwise stayed and all trial and related pre-trial dates, if any, are vacated, subject to further orders of the Court at the Final Approval Hearing.

IT IS SO ORDERED.

Dated: _____

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HON. BRUCE G. IWASAKI
JUDGE OF THE SUPERIOR COURT OF CALIFORNIA