

Karen I. Gold (SBN 258360)
kgold@blackstonepc.com
Sara Pezeshkpour (SBN 260240)
spezeshkpour@blackstonepc.com
Noam Y. Reiffman (SBN 299446)
nreiffman@blackstonepc.com
Marissa A. Mayhood (SBN 334376)
mmayhood@blackstonepc.com
BLACKSTONE LAW, APC
8383 Wilshire Boulevard, Suite 745
Beverly Hills, California 90211
Tel: (310) 622-4278 / Fax: (855) 786-6356

Attorneys for Plaintiffs BRITTNI AGHEDO and
IEASHA PETERS, individually and on behalf of
others similarly situated, and JIMMY QUEVEDO,
individually, on behalf of others similarly situated
and aggrieved employees pursuant to the California
Private Attorneys General Act
(Additional Counsel on Following Page)

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

BRITTNI AGHEDO and IEASHA PETERS,
individually and on behalf of others similarly
situated, and JIMMY QUEVEDO,
individually, on behalf of others similarly
situated and aggrieved employees pursuant to
the California Private Attorneys General Act

Plaintiff,

vs.

VILLA ESPERANZA SERVICES, a
California 501(c)(3) non-profit organization;
and DOES 1 through 25, inclusive,

Defendants.

Case No. 23STCV27362

*Assigned for All Purposes to the Honorable Carolyn
B. Kuhl, Dept. SS-12*

**DECLARATION OF KAREN I. GOLD IN
SUPPORT OF PLAINTIFFS' MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

Date: July 2, 2025
Time: 10.00 a.m
Dept.: SS-12

[Filed Concurrently with Plaintiffs' Declarations;
Declaration of Sean Hartranft; Declaration of Paul
Haines; Motion for Preliminary Approval of Class &
PAGA Settlement; and Proposed Order]

1 Paul K. Haines (SBN 248226)
phaines@haineslawgroup.com
2 Sean M. Blakely (State Bar No. 264384)
sblakely@haineslawgroup.com
3 **HAINES LAW GROUP, APC**
4 2155 Campus Drive, Suite 180
El Segundo, California 90245
5 Telephone: (424) 292-2350/ Fax: (424) 292-2355

6 Attorneys for Plaintiffs BRITTNI AGHEDO and
7 IEASHA PETERS, individually and on behalf of
others similarly situated, and JIMMY QUEVEDO,
8 individually, on behalf of others similarly situated
and aggrieved employees pursuant to the California
9 Private Attorneys General Act

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1 6. As the Senior Trial Attorney and Team Lead, I oversee and handle over 100 wage-and-
2 hour putative class actions and/or representative actions under the California Labor Code Private
3 Attorney General Act of 2004 (“PAGA”) seeking relief on behalf of California employees.

4 7. I have considerable experience in handling class and representative action lawsuits
5 throughout my career and have been approved as counsel in a number of cases.

6 8. Blackstone Law, APC, represents plaintiffs in individual and representative
7 employment litigation. The firm has grown exponentially over the past six-plus years, now
8 maintaining approximately twenty well-qualified attorneys working on almost exclusively labor and
9 employment class actions, PAGA cases, and individual matters, with roughly 15% of the firm focused
10 on other litigation matters.

11 9. Blackstone Law, APC has been counsel of record on several class action and PAGA
12 actions that have since been resolved, the most recent of which are as follows:

- 13 • *David Williams v. Rancho Nicasio, LLC*, Marin County Superior Court, Case No.
14 CIV2203067, approved as class counsel in final settlement of wage and hour class and
15 PAGA action.
- 16 • *Bobby Birdi v. Lucid USA, Inc.*, Alameda County Superior Court, Case No.
17 21CV003541, approved as class counsel in final settlement of wage and hour class and
18 PAGA action.
- 19 • *Alexis Cardoza v. BHFC Operating LLC*, Los Angeles County Superior Court, Case No.
20 21STCV34040, approved as counsel in settlement of representative wage and hour action
21 pursuant to PAGA.
- 22 • *Theresa Bendorf, et al. v. Sea World LLC, et al.*, San Diego County Superior Court, Case
23 No. 37-2021-00034922-CU-OE-CTL, preliminarily approved as class counsel, in
24 association with other counsel, in settlement of wage and hour class and PAGA action.
- 25 • *Victor De La Cruz v. Northwest Pipe Company*, San Bernardino County Superior Court,
26 Case No. CIVSB2211140, preliminarily approved as class counsel in settlement of wage
27 and hour class and PAGA action.
- 28 • *Maria Ayala, et al. v. SDH Services West, LLC*, Kern County Superior Court, Case No.

BCV-21-101933, approved as class counsel in final settlement of wage and hour class action.

- *Alfredo Sanchez v. Greenworld, Inc.*, Riverside County Superior Court, Case No. CVRI2105756, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Michael Bravo v. Michels Pacific Energy, Inc.*, Santa Clara County Superior Court, Case No. 22CV403427, preliminarily approved as class counsel in settlement of wage and hour class and PAGA action.
- *Oscar Bryant v. Midwest Construction Services, Inc. dba Trillium*, San Bernardino County Superior Court, Case No. CIVSB2121529, approved as class counsel in final settlement of wage and hour class action.
- *Matthew Savattieri v. AMI Expeditionary Healthcare, LLC, et al.*, Los Angeles County Superior Court, Case No. 21STCV33372, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Lexy Barajas, et al. v. H. W. Hunter, Inc.*, Los Angeles County Superior Court, Case No. 22STCV01892, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Alejandro Valdez v. C.H.I. Automart, Inc.*, Los Angeles County Superior Court, Case No. 21STCV40168, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Sheizan Bawa v. Meathead Movers, Inc.*, Orange County Superior Court, Case No. 30-2021-01211895-CU-OE-CXC, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Tanisha Lopez, et al. v. Restorix Health, Inc.*, Los Angeles County Superior Court, Case No. 21STCV33067, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Perla Soto, et al. v. Nippon Express U.S.A., Inc.*, Los Angeles County Superior Court, Case No. 21STCV24902, approved as class counsel in final settlement of wage and hour

class and PAGA action.

- *Angel Garcia, et al. v. J&B Investments, Inc., et al.*, San Bernardino County Superior Court, Case No. CIVSB2208601, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Sindy Aviles, et al. v. Freeway Insurance Services America, LLC*, Los Angeles County Superior Court, Case No. 21STCV34864, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Alexander Gnaedig, et al. v. Favorite Healthcare Staffing, Inc.*, Los Angeles County Superior Court, Case No. 21STCV20904, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Richard Evans v. My Paint Stop, LLC, et al.*, Contra Costa County Superior Court, Case No. MSC21-01812, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Jose Luis Parada George v. Main Electric Supply Company, LLC, et al.*, Orange County Superior Court, Case No. 30-2021-01220136-CU-OE-CXC, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Samia Salazar Yunis v. Sharif Jewelers*, Sacramento County Superior Court, Case No. 34-2020-00290080, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Daniel Analco v. Felix Chevrolet, LP, et al.*, Los Angeles County Superior Court, Case No. 21STCV36654, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Sasha Aiono v. Benefit Cosmetics*, Los Angeles County Superior Court, Case No. 21STCV33719, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Daniel Rodriguez v. Republique, LLC*, Los Angeles Superior Court, Case N. 23STCV14521, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.

- *Sitara Nayabkhil v. San Francisco SPCA et al.*, San Francisco Superior Court, Case No. CGC-23-609950, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Travis Sanford v. Santa Cruz Seaside Company*, Santa Cruz Superior Court, Case No. 23CV01762, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Tyler Emery v. Santa Cruz Bicycles, LLC*, Santa Cruz Superior Court, Case No. 24CV00244, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Jesse Romero v. California Closet Company et al.*, Los Angeles Superior Court, Case No. 23STCV27355, approved as class counsel in settlement of wage and hour class and PAGA action.

Procedural History of the Action

10. On November 6, 2023, Plaintiff Brittnei Aghedo & Plaintiff Ieasha Peters filed a Class Action Complaint for Damages in the action entitled *Brittnei Aghedo et al. v. Villa Esperanza Services*, Los Angeles County Superior Court Case No. 23STCV27362, thereby commencing a putative class action lawsuit against Defendant. (“Aghedo Action”). The original complaint alleges ten (10) causes of action for violations of the California Labor Code for failure to pay overtime wages, failure to provide compliant meal periods and premium payments in lieu thereof, failure to provide compliant rest periods and premiums payments in lieu thereof, failure to pay minimum wages, failure to timely pay wages upon termination, failure to timely pay wages during employment, failure to provide compliant wage statements, failure to maintain complete and accurate payroll records, and failure to reimburse necessary business expenses, for violations of California Business & Professions Code Section 17200, et seq. based on the aforementioned California Labor Code violations

11. On February 21, 2024, Plaintiff Jimmy Quevedo provided written notice to the LWDA by online submission and to Defendant by U.S. Certified Mail, pursuant to California Labor Code Section 2699.3, of the specified provisions of the California Labor Code alleged to have been violated by Defendant (“PAGA Letter”). A true and correct copy of the PAGA Letter is attached hereto as

Exhibit 1.

12. On February 21, 2024, Plaintiff Jimmy Quevedo filed a Complaint for Enforcement Action Under the Private Attorneys General Act, California Labor Code §§ 2698 *et seq.*, in the action entitled *Jimmy Quevedo v. Villa Esperanza Services*, Los Angeles County Superior Court Case No. 24STCV04374 (the “Quevedo Action”) based on the alleged California Labor Code violations described above, thereby commencing a representative PAGA action against Defendant.

13. On April 29, 2024, plaintiff Jimmy Quevedo filed a First Amended Class and Representative Action Complaint in the Quevedo Action, thereby commencing a putative class action and representative PAGA action against Defendant. This complaint alleges five (5) causes of action for violations of the California Labor Code for failure to provide compliant meal periods and premium payments in lieu thereof, failure to provide compliant rest periods and premiums payments.

14. On August 13, 2024, the Parties participated in a formal mediation conducted by Marc Feder, Esq., (“Mediator”), a neutral and respected mediator with extensive experience in complex wage and hour matters, and with the assistance of the Mediator, the Parties were able to reach an agreement to resolve this dispute on a class and representative basis. The Parties then worked diligently to negotiate and memorialize the terms in a long form settlement agreement.

15. On November 22, 2024, the Parties executed the Joint Stipulation of Class Action and PAGA Settlement (“Settlement” or “Settlement Agreement”). Attached hereto as **Exhibit 2** is a true and correct copy of the fully executed Settlement Agreement.

16. On March 13, 2025, Plaintiffs filed a First Amended Class and PAGA Representative Action Complaint (“Operative Complaint”) in the Aghedo Action. The Operative Complaint alleges Defendant violated the California Labor Code for failure to pay minimum wages and straight wages, failure to pay overtime wages, failure to provide compliant meal periods and premium payments in lieu thereof, failure to provide compliant rest periods and premiums payments in lieu thereof, failure to timely pay wages during employment, failure to provide compliant wage statements, failure to provide accurate wage statements, failure to timely pay wages upon separation, and failure to reimburse necessary business expenses, for violations of California Business & Professions Code Section 17200, *et seq.* based on the aforementioned California Labor Code violations, and for civil

penalties under PAGA based on the aforementioned California Labor Code violations.

Summary of the Terms of the Settlement Agreement

17. For purposes of settlement only, the Parties have agreed that the Class shall be defined as “all current and former hourly-paid and/or non-exempt employees who worked for Defendant in the State of California at any time during the Class Period” (“Class Member(s)” or “Class”). The Class Period is from as November 6, 2019 through December 3, 2024. Based on information provided by Defendant, as of July 15, 2024, it is estimated that there are a total of five hundred ninety-seven (597) Class Members.

18. The Parties have agreed to settle the class and PAGA claims at issue in the Actions for a non-reversionary Gross Settlement Amount of One million three hundred and fifty thousand dollars and zero cents (\$1,350,000.00), exclusive of employer-side payroll taxes. The Gross Settlement Amount is a common fund and therefore includes all requested costs, fees, and other allocations. The Gross Settlement Amount includes: (1) Class Counsel’s Attorneys’ Fees, in the amount of one-third (1/3) of the Gross Settlement Amount (i.e., \$449,955.00 if the Gross Settlement Amount is \$1,350,000.00); (2) Class Counsel’s actual litigation costs and expenses, not to exceed twenty-five thousand five hundred dollars and zero cents (\$25,500.00); (3) Settlement Administration Costs in the amount of twelve thousand one hundred seventy-five dollars and zero cents (\$12,175.00); (4) Enhancement Payments up to twenty-two thousand five hundred dollars and zero cents to be split equally amongst the Plaintiffs (i.e. \$7,500.00 for each named plaintiff); and (5) up to one hundred thirty-five thousand dollars and zero cents (\$135,000.00) as the PAGA Amount. After the above-estimated amounts are deducted from the Gross Settlement Amount, the Net Settlement Amount that will be available for Class Members is currently estimated to be seven hundred and four thousand eight hundred seventy dollars and zero cents (\$704,870.00). Additionally, 25% of the PAGA Amount, which is \$33,750 out of \$135,000.00, will be fully distributed to all “PAGA Employees,” defined as all current and former hourly-paid and/or non-exempt employees who worked for Defendant in the State of California at any time during the PAGA Period. The “PAGA Period” is defined as the period from February 21, 2023, through December 3, 2024.

19. Based on information from Defendant, it is estimated that the Class Members worked

1 a total of 55,000 Workweeks during the Class Period. If it is determined by the Settlement
2 Administrator that the total number of Workweeks worked by the Class Members during the Class
3 Period actually exceeds 55,000 by more than 10% (i.e., the total Workweek count during the Class
4 Period is more than 60,500 Workweeks), then the Gross Settlement Amount will be increased on a
5 pro-rata basis equal to the percentage increase in the number of Workweeks worked by the Class
6 Members above 10%. For example, if the number of workweeks increases by 11% to 61,050
7 Workweeks, then the Gross Settlement Amount will increase by 1%. As of the date of this filing,
8 Defendant represented that the number of Workweeks during the Class Period was less than 60,500
9 Workweeks.

10 20. No later than fourteen (14) days of entry of the order of Preliminary Approval,
11 Defendant will provide a list in a formatted readable Microsoft Office Excel spreadsheet to the
12 Settlement Administrator containing the following information for each Class Member: (1) full name;
13 (2) last known mailing address; (3) Social Security number; (4) dates worked for Defendant during
14 the Class Period; and (5) such other information as is necessary for the Settlement Administrator to
15 calculate Workweeks and PAGA Workweeks (collectively referred to as the “Class List”). Using best
16 efforts to perform as soon as possible, and in no event later than seven (7) days after receiving the
17 Class List, the Settlement Administrator will perform a search based on the National Change of
18 Address Database or any other similar services available, such as provided by Experian, for
19 information to update and correct for any known or identifiable address changes, and will mail a Class
20 Notice in English, Spanish, ad Tagalog (in the form attached as Exhibit A to the Settlement
21 Agreement) to all Class Members via First-Class U.S. Mail, using the most current, known mailing
22 addresses identified by the Settlement Administrator. The Parties requested and obtained three (3) bids
23 for settlement administration in this matter and have agreed to use APEX Class Action, LLC – the
24 entity with the lowest bid – as the Settlement Administrator.

25 21. The Net Settlement Amount will be distributed and paid to all Class Members who do
26 not submit a timely and valid Request for Exclusion (“Settlement Class Members”) on a *pro rata* basis
27 based on the number of weeks each Class Member worked for Defendant as an hourly-paid and/or
28 non-exempt employee in California during the Class Period (“Workweeks”). The *pro rata* share of

1 the Net Settlement Amount that a Class Member may be eligible to receive under the Class Settlement
2 (“Individual Settlement Payment”) will be calculated by the Settlement Administrator, in accordance
3 with the Settlement Agreement.

4 22. The PAGA Employee Amount will be distributed and paid to all PAGA Employees on
5 a *pro rata* basis based on the number of PAGA Workweeks worked by each PAGA Employee for
6 Defendant as an hourly-paid and/or non-exempt employee in California during the PAGA Period
7 (“PAGA Workweeks”). The *pro rata* share of the PAGA Employee Amount that an PAGA Employee
8 may be eligible to receive under the PAGA Settlement (“Individual PAGA Payment”) will be
9 calculated by the Settlement Administrator, in accordance with the Settlement Agreement.

10 23. Each Individual Settlement Share will be allocated as twenty percent (20%) wages and
11 eighty percent (80%) penalties, interest, and non-wages damages. The portion allocated to wages will
12 be reported on an IRS Form W-2 and the portions allocated to penalties, interest, and non-wage
13 damages will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator. The
14 Settlement Administrator will withhold the employee’s share of taxes and withholdings with respect
15 to the wages portion of the Individual Settlement Share, and issue checks to Settlement Class Members
16 for their net payment of their Individual Settlement Payments (i.e., payment of their Individual
17 Settlement Share net of these taxes and withholdings) (“Individual Settlement Payment”). The
18 employer’s share of taxes and contributions in connection with the wages portion of Individual
19 Settlement Shares will be paid by Defendant separately and in addition to the Gross Settlement
20 Amount. Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties
21 and will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator.

22 24. The Settlement Agreement is a non-reversionary and non-claims made settlement. The
23 Net Settlement Amount will be fully distributed to Settlement Class Members and the PAGA Amount
24 will be fully distributed to the LWDA and PAGA Employees, in accordance with the Settlement
25 Agreement. No money will revert to Defendant.

26 25. Each Individual Settlement Payment and Individual PAGA Payment check will be
27 valid and negotiable for one hundred and eighty (180) calendar days from the date the checks are
28 mailed, and thereafter, shall be canceled. Any funds associated with such canceled checks will be

distributed by the Settlement Administrator to the State of California's Unclaimed Property Fund in the name of the Settlement Class Member and/or PAGA Employee. The Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure Code § 384, as the entire Net Settlement Amount will be paid out to Settlement Class Members, whether or not they cash their settlement checks.

The Settlement is Reasonable

Informed Arms-Length Negotiations

26. The Parties' settlement negotiations were at all times made at arm's-length and were adversarial. The Settlement was reached after a full day of mediation and with the ongoing assistance of a highly respected mediator with substantial experience mediating wage and hour cases.

27. The Parties engaged in extensive informal discovery prior to reaching a settlement at the mediation. Prior to mediation, Defendant produced a statistically significant sample of Plaintiffs' personnel, time, and payroll records; a statistically significant sample of time and payroll records for the putative class members; policy documents regarding Defendant's wage and hour practices (including, but not limited to, Defendant's Employee Handbook and Meal and Rest Break Policies); and information regarding the Class statistics.

28. This allowed Class Counsel to conduct an informed assessment and analysis of the strengths and weaknesses of the claims and the potential class and PAGA-wide damages.

29. Based on the information exchanged, the Parties extensively researched, evaluated and briefed issues regarding class certification and liability and provided their analyses to the Mediator who helped the Parties debate the strengths and weakness of their respective positions.

Estimate of Potential Value of Claims

30. My office hired an expert consultant, who assisted us in analyzing all available data. Using that expert's analysis, we estimated that Defendant's overall exposure here is approximately \$9,285,600.06, as explained in more detail below.

Off-The-Clock Work & Unpaid Overtime Wages and Hours

31. Plaintiffs' claims for unpaid wages and improperly compensated overtime assert that Defendant required Plaintiffs and other class members to spend at least 2 hours working off the clock

1 per workweek. For example, Plaintiffs were expected to transport students before the start of their shifts.

2 32. Defendant claimed that the individualized nature of why this work was performed, and
3 the individualized nature of damages presented substantial concerns regarding the manageability of the
4 case and the risk the Court could find these issues prevented certification.

5 33. Plaintiffs faced challenges certifying and proving liability for their unpaid off-the-clock
6 and overtime claims. The individualized nature of why this work was performed and the individualized
7 nature of damages presented substantial concerns regarding the manageability of the case. Thus, there
8 was a substantial risk the Court would find these issues prevented certification.

9 34. The estimated damages for this claim assumed that Class Members worked on average
10 one hour per week off the clock, resulting in the following calculation: 50,913 work weeks x 2 hours x
11 \$19.23, which equals \$1,958,113.98 in estimated damages for off-the-clock work.

12 *Underpaid Overtime Wages and Hours*

13 35. Plaintiffs' underpaid overtime wages claim was based primarily on a regular rate of
14 pay violation, which affected only a handful of employees and resulted in an underpayment of
15 approximately \$13,012.

16 *Alleged Meal Period Violations*

17 36. Plaintiffs' meal period claims assert that Defendant failed to provide lawful meal
18 periods. Plaintiffs' theory of liability for meal period violations was based on allegations that
19 Defendant's practices failed to allow Class Members to take meal breaks in the manner required under
20 California law.

21 37. Defendant contended that its meal break-related policies and practices at all times
22 during the Class Period were lawful. Defendant also contended that its employees signed lawful meal
23 break waivers. Additionally, Defendant argued that the rate of purported meal period violations
24 reflected in the data would require individualized inquiry and that such inquiry would prohibit a class
25 from being certified. Class Counsel has also considered the risk that the Court would find validity in
26 an individualized proof defense to certification of Plaintiffs' meal period claim.

27 38. Based on the information provided, I am informed and believe that a reasonable
28 estimate of Defendant's liability for meal break violations here is as follows: 181,479 meal break

1 eligible shifts x \$19.23 (average regular rate of pay) x 15% violation rate = \$523,476.17 in reasonable
2 exposure for meal break violations.

3 *Alleged Rest Period Violations*

4 39. Plaintiffs argued that Defendant failed to schedule, permit, or authorize compliant rest
5 periods. Plaintiffs alleged that Plaintiffs and other Class Members were unable to take their rest breaks
6 because of their heavy workloads. As with the meal period allegations, Defendant contended that it had
7 a lawful written rest period policy, provided compliant rest breaks, and relieved Class Members of all
8 duties as required under California law. Plaintiffs' damages analysis on this claim was based on an
9 alleged 15% violation rate.

10 40. However, this claim is even more uncertain given the difficulties associated with
11 proving the alleged rest period violations, as Defendant was not required to record these breaks. Given
12 the lack of records demonstrating rest period violations, there were legitimate concerns Plaintiffs would
13 not be able to certify these claims or prove substantial damages with requisite certainty, which made
14 the estimated value of this claim subject to change.

15 41. Based on the information provided, I am informed and believe that a reasonable
16 estimate of Defendant's liability for rest break violations here is as follows: 202,942 rest break eligible
17 shifts x \$19.23 (average regular rate of pay) x 15% violation rate = \$586,352.85 in reasonable exposure
18 for rest break violations.

19 *Failure to Reimburse Necessary Business Expenses*

20 42. Plaintiffs contend that they and other Class Members regularly used their personal cell
21 phones for work-related calls with supervisors and managers, for which they were not reimbursed.
22 Plaintiffs and other Class Members also contend that they were required to maintain work attire. *Id.*
23 Plaintiffs attributed a modest \$30 per month, per class member to this claim, resulting in \$379,980 in
24 unreimbursed business expenses for the putative class. However, Defendant contended that use of a
25 personal cell phone was unnecessary and also contended that whether employees used their personal
26 cell phones would require individualized proof. Class Counsel has also considered the risk that the
27 Court would find validity in an individualized proof defense to certification of Plaintiffs' business
28 expense reimbursement claim.

1 *Reporting Time Pay*

2 43. Plaintiffs claimed that Defendant failed to comply with the applicable Wage Order
3 which requires employers to pay their employees for half the usual or scheduled day's work but in no
4 event for less than two (2) hours nor more than four (4) hours, at the employee's regular rate of pay,
5 when they report to work and are called off. Whether an employee volunteered to call out early or was
6 requested by a manager to do so presents individualized issues that posed a defense to certification of
7 this claim.

8 44. Based on the information provided, I am informed and believe that a reasonable
9 estimate of Defendant's liability for reporting time pay violations is as follows: 10,115 shifts under
10 two-hour duration resulted in a shortfall of 7,622 hours x \$19.23 (average regular rate of pay) =
11 \$146,571.06 in reasonable exposure for rest break violations.

12 *Derivative Claims*

13 45. As with all derivative claims, success depends on the success of the underlying claims.
14 Here, Plaintiffs' claims for inaccurate wage statements, failure to timely pay wages during employment,
15 and failure to pay all wages due upon termination would only succeed if the underlying claims for
16 failure to pay wages for off-the-clock work, failure to pay overtime, and failure to pay premiums for
17 all meal and rest periods not lawfully provided were successful. Therefore, these claims were subject
18 to the same risks of failure as discussed above. Based on the information provided, I am informed and
19 believe that a reasonable estimate of Defendant's liability for wage statements, assuming a 100%
20 violation rate during the applicable statute of limitations, is \$898,150. I further believe that \$924,244
21 is a reasonable estimate of Defendant's liability for waiting time penalties assuming a 100% violation
22 rate at the maximum of 30 days.

23 46. Also, even if Plaintiffs prevailed on their underlying claims, they would still be required
24 to demonstrate that Defendant's violations of California Labor Code section 203 were *willful* violations.
25 Wage statement claims have also seen varying treatment at the appellate level because such claims have
26 an element of discretion attached to them rather than a pure calculation of damages after liability is
27 proven.

28 47. Accordingly, these derivative claims were therefore highly uncertain and therefore

1 Class Counsel allocated minimal value to them.

2 *PAGA Exposure*

3 48. The PAGA period included only 9,167 pay periods. Assuming a 100% per pay period
4 violation rate, without stacking, this results in an additional \$3,855,700 in exposure under PAGA.

5 *General Risks Considered*

6 49. Defendant raised numerous defenses and issues that factored into Plaintiffs' and their
7 counsel's decision to enter the Settlement.

8 50. Also critical to the decision to settle was the fact that Defendant is a business with a
9 wide range of employee titles and duties, and some portion of those individuals may have signed
10 arbitration agreements etc., rendering class certification difficult.

11 51. Moreover, my colleagues and I were aware of Defendant's defenses and arguments and
12 have also taken into account the uncertainty and risk of the outcome of further litigation, and the
13 difficulties and delays inherent in such litigation, including those involved in class and/or representative
14 adjudication. Plaintiffs further recognize the burdens of proof necessary to establish liability for the
15 claims asserted in the Actions, Defendant's defenses, and the difficulties in establishing entitlement to
16 monetary recovery. Plaintiffs have also considered the evaluations of the Mediator, who is experienced
17 and well-regarded in complex labor and employment matters.

18 52. Moreover, Defendant denied and continues to deny any liability and wrongdoing of
19 any kind associated with the claims alleged in the Actions and further denies that class certification is
20 appropriate for any purpose other than the Settlement. Defendant proffered defenses to both
21 certification and to the merits of Plaintiffs' claims. Defendant contended that Plaintiffs' claims are not
22 suitable for class certification because individual issues would predominate should this case go to trial,
23 particularly given the wide range of job titles and responsibilities across the putative class. As with all
24 class actions, these complex cases raise difficult management and proof issues and, accordingly, there
25 is a significant risk that the Court may deny class certification.

26 53. Class Counsel also recognized that, even if Plaintiffs prevailed at class certification,
27 proving the amount of wages due to Class Members would be an expensive, time-consuming, and
28 uncertain proposition. In order to prove liability and damages, Class Counsel will need to request and

1 analyze thousands of pages of documents, obtain the Class Members' contact information, contact
2 them, and obtain their declarations at great expense. Obtaining the cooperation of current employees
3 would also be difficult, given the likely reluctance to aid prosecution of a lawsuit against a current
4 employer. On the other hand, Defendant would likely be able to obtain the cooperation of their
5 employees. Moreover, even if Plaintiffs prevailed at class certification and trial, possible appeals would
6 substantially delay any recovery by the Class.

7 54. Therefore, taking into account how each of the above risks potentially effected
8 Plaintiffs' ability to obtain class certification, then prove the underlying violations, and the cost and
9 delay in recovering the alleged potential damages, Class Counsel discounted Defendant's estimated
10 liability by 50% to \$4,642,800.03. The merits-based risk factors further reduced Defendant's estimated
11 liability by an additional 50%. This resulted in an adjusted estimated liability of \$2,321,400.02. In
12 light thereof, the settlement amount of \$1,350,000.00 is a significant settlement.

13 55. Class Counsel also separately contemplated the risks of proceeding with the PAGA
14 action and potential liability Defendant could face from this claim as part of the global resolution.
15 Existing case law makes PAGA claims subject to the same defenses and risks as Plaintiffs' underlying
16 wage claims. It was anticipated that even if successful on the merits at trial, the imposition of
17 cumulative civil penalties based on the alleged wage and hour violations could be considered unjust,
18 arbitrary and oppressive, or confiscatory, and that Defendant would argue that it made a good faith
19 attempt to comply with its legal obligations warranting a reduction in penalties. Class Counsel also
20 anticipated Defendant would argue that it made a good faith attempt to comply with its legal obligations
21 and that the violations per pay period were relatively low, warranting an additional reduction in civil
22 penalties. Finally, we were also mindful of the fact that PAGA is fundamentally not intended to be
23 compensatory in nature but is instead intended to facilitate enforcement of California's labor laws by
24 financing state activities and educating and deterring non-compliance.

25 56. Therefore, after considering this multitude of factors, my colleagues and I concluded
26 that it was in the best interest of the Class Members, the State of California and the Aggrieved
27 Employees to enter into the Settlement, and to allocate one hundred and thirty-five thousand, dollars
28 and zero cents (\$135,000.00) of the Gross Settlement Amount towards the PAGA claim, which

represents 10% of the Gross Settlement Amount. This percentage of the settlement is well-within the range of wage and hour settlements regularly approved in both state and federal court for cases that include both a class and PAGA action. Typically, such hybrid cases allocate only 1% of the gross settlement value to resolve PAGA claims, and, indeed, settlements allocations as little as 0.22% of the gross settlement amount have been approved as reasonable by courts. Moreover, the overall relief obtained by the Settlement is significant, not only from a monetary perspective, but also because it fulfills the public policy objectives of PAGA—to promote enforcement of California’s labor laws, provide funds to the state, and deter future non-compliance by the employer.

57. I therefore respectfully submit that the Settlement is fair, reasonable, and adequate. The Settlement is in the best interest of the Settlement Class Members, the Aggrieved Employees, and the State of California and is within the accepted range of recoveries for this type of litigation given the inherent risk of litigation, the risk of obtaining and maintaining class certification, and the costs of further litigation.

Enhancement Payments

58. As part of the Settlement Agreement, Plaintiffs are requesting a reasonable Enhancement Payment of in an amount not to exceed seven thousand and five hundred dollars and zero cents (\$7,500.00) to each plaintiff for their services in the Actions. These Enhancement Payments are reasonable given the time and effort Plaintiffs spent on this case, and the benefit to the Class Members as a result of Plaintiffs' actions. Notice of the requested Enhancement Payments are disclosed to the Class Members in the Class Notice.

Attorneys' Fees and Costs

59. The attorneys' fees incurred by Class Counsel are in line with the common fund requested. The Settlement Agreement provides for Class Counsel to apply for attorneys' fees in an amount of one third (1/3) of the Gross Settlement Amount (i.e., \$449,955.00 if the Gross Settlement Amount is \$1,350,000.00) and actual litigation costs and expenses in an amount not to exceed twenty-five thousand dollars five hundred and zero cents (\$25,500.00), which will be paid out of the Gross Settlement Amount, subject to approval by the Court. Class Counsel has borne all of the risks and costs of litigation and will not receive any compensation until recovery is obtained.

1 60. The effectiveness of Blackstone Law, APC's prosecution of this matter has translated
2 into tangible monetary benefits as follows: (1) Class Members, the State of California, and PAGA
3 Employees will obtain monetary recovery over a relatively short period of time, as opposed to waiting
4 additional years for the same, or a potentially worse, result; (2) a guaranteed result that compares
5 favorably with other similar class action settlements of this type, given the strengths and weaknesses
6 of the case; and (3) significant savings in Class Counsel's fees and/or costs that would have only
7 increased had the case progress through certification, trial, and/or upon appeal.

8 The attorneys who worked on this Action are all experienced in litigating wage and hour
9 matters as follows:

10 a. Jonathan M. Genish is the shareholder and founder of Blackstone Law, APC. Mr.
11 Genish received his law degree from Benjamin N. Cardozo School of Law and was
12 admitted to the California State Bar in 2008. During law school, he clerked at the
13 litigation firm Oved & Oved, LLP and was published several times in various small
14 publications. Upon graduation, he was hired by Freedman & Taitelman, LLP as an
15 associate and remained employed there from September 2008 through August 2015.
16 During his tenure, he managed hundreds (perhaps thousands) of complex litigation
17 cases, ranging from employment, corporate, entertainment, and general business
18 litigation matters, though his primary area of expertise was employment, both single
19 plaintiff and representative actions. On the vast majority of those cases, he was the
20 only or primary attorney managing the case and thus obtained extensive experience.
21 He has represented a wide range of clients from sole proprietorships to Fortune 500
22 companies in state, federal, complex, and appellate courts. Many of the cases he
23 managed were highly publicized, with articles written about them in the Los Angeles
24 Times, Deadline, The Hollywood Reporter, Business Insider, Law360, and others.
25 Super Lawyers has regularly honored him as a Southern California Rising Star since
26 2012.

27 b. Sara Pezeshkpour is a 2008 graduate of UCLA Law School and is part of the team at
28 Blackstone Law, APC that litigated this matter. She was admitted to practice law in

California that same year. Since passing the California bar, Ms. Pezeshkpour has exclusively represented plaintiffs in civil rights litigation, including wage-and-hour disputes, as well as harassment, discrimination, and retaliation litigation.

c. Noam Y. Reiffman is a graduate of Southwestern Law School and is a Senior Associate at Blackstone Law, APC. He was admitted to practice law in California in 2014. He has represented clients across a wide range of fields including complex civil litigation across various industries including consumer litigation, business litigation, intellectual property, corporate litigation, crisis management, and appellate matters.

d. Marissa Mayhood graduated from Pepperdine University School of Law with a juris doctorate and a certificate in dispute resolution from Pepperdine's Straus Institute. Ms. Mayhood spent approximately five years working for Marlin & Saltzman, LLP, which is a well-known plaintiff-side wage and hour law firm in Los Angeles. While working for Marlin & Saltzman, LLP, she litigated and helped settle a \$72.5 million case, *Utne v. Home Depot U.S.A., Inc.*, United States District Court for the Northern District of California, Case No. 3:16-cv-01854-RS, and was approved as class counsel. Ms. Mayhood is now a senior attorney at Blackstone Law, APC.

61. Class Counsel has litigated this matter for over one (1) year and was actively preparing this matter for class certification and trial. At all times, Plaintiffs were willing and prepared to litigate this matter through class certification and trial if the Parties had been unable to reach a favorable resolution. The Motion for Final Approval will elaborate on the nature of the legal services provided, the time incurred in performing those services, and Class Counsel's hourly rates. The Motion for Final Approval will also elaborate on the reimbursement costs sought by Class Counsel. Notice of the requested Attorneys' Fees and Costs is disclosed to the Class Members in the Class Notice.

Notice to the Class

62. The Parties have jointly drafted the Class Notice, which will be mailed to the Class Members in English, Spanish, and Tagalog. The Parties have agreed to retain APEX Class Action, LLC ("APEX" or "Settlement Administrator") to handle the notice and settlement administration process. The Parties respectfully request that the Court appoint APEX to handle these procedures and

1 to serve as the Settlement Administrator. Defendant will provide APEX with the Class List and APEX
2 will calculate each Class Member's estimated Individual Settlement Share and each PAGA
3 Employee's estimated Individual PAGA Payment. APEX will also receive and process Requests for
4 Exclusion, Notices of Objection, and Workweek Disputes; will provide necessary reports and
5 declarations; will calculate, subtract, and transmit necessary taxes and withholdings with respect to
6 the wages portion of the Individual Settlement Share; will prepare and submit informational and other
7 tax filings and documents; will issue and transmit all payments provided for by the Settlement,
8 including, but not limited to, mailing Individual Settlement Share checks to the Class Members and
9 Individual PAGA Payment checks to the PAGA Employees; and perform any other usual and
10 customary duties for administering a class action settlement.

11 63. I am not aware of an alternative method of providing notice to the Class which would
12 result in a higher likelihood of actual notice. The original source of the mailing addresses is from each
13 Class Member, who provided the information to Defendant. Skip tracing will be performed, if
14 necessary.

15 ***Notice of Settlement to the LWDA***

16 64. In accordance with California Labor Code section 2699(s)(2) and concurrently with the
17 filing of this Motion, a copy of the proposed Settlement was submitted to the LWDA via online
18 submission through the LWDA's website. Attached hereto as **Exhibit 3** is a true and correct copy of
19 the submission to the LWDA.

20 ***Pending Actions***

21 65. Neither I nor Plaintiffs are aware of any other pending matter or action asserting claims
22 that will be extinguished or adversely affected by the Agreement.

23
24 I declare under penalty of perjury under the laws of the State of California that the foregoing
25 is true and correct. Executed on April 28, 2025, at Westlake Village, California

26
27 

28 Karen I. Gold

EXHIBIT 1

HAINES LAW GROUP
EMPLOYMENT ATTORNEYS

February 21, 2024

VIA LWDA WEBSITE

Labor and Workforce Development Agency
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612

Re: *Jimmy Quevedo v. Villa Esperanza Services*

To Whom It May Concern:

Please be advised that this law firm represents Jimmy Quevedo (“Mr. Quevedo”) in claims arising from his employment with Villa Esperanza Services and Does 1 through 100 (collectively “Villa Esperanza”). Mr. Quevedo is an “aggrieved employee” as defined by Labor Code Section 2698 *et seq.*, due to Villa Esperanza’s numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code Section 2699.3, which requires aggrieved employees to notify their employer and the Labor & Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated. For purposes of this letter, “aggrieved employees” include all of Villa Esperanza’s non-exempt employees who worked for Villa Esperanza in California during the one year immediately preceding the date of this letter through the present.

Villa Esperanza operates and offers various programs and services to individuals with developmental disabilities (hereinafter “clients”) throughout Los Angeles County and California.

Mr. Quevedo has been employed by Villa Esperanza as a non-exempt “Instructional Aide” (or similarly titled position) since approximately November 2022, but has been on a medical leave of absence since approximately March 2023.

During Mr. Quevedo’s employment with Villa Esperanza, Villa Esperanza failed to provide Mr. Quevedo and other aggrieved employees with all required meal periods because, upon information and belief, Villa Esperanza did not maintain a lawful meal period policy and failed to provide for duty-free meal periods to Mr. Quevedo and other aggrieved employees. Additionally, Villa Esperanza did not record Mr. Quevedo’s or other aggrieved employees’ meal periods. Assuming, *arguendo*, that Mr. Quevedo and Villa Esperanza entered into a lawful on-duty meal period agreement, such an agreement inherently concedes that the nature of Mr. Quevedo’s work precluded lawful off-duty rest periods.

Villa Esperanza failed to authorize and permit Mr. Quevedo and other aggrieved employees to take all required rest periods because, upon information and belief, Villa Esperanza did not maintain a lawful rest period policy and failed to authorize and permit non-exempt employees to be relieved of all work during rest periods, due to the purported on-duty nature of their work. Due to the nature of caring with individuals with intellectual and developmental disabilities, Mr. Quevedo and other aggrieved employees were not permitted to leave clients unattended at any time and were not allowed to leave Villa Esperanza's premises during the entirety of their shifts. Despite Villa Esperanza's failure to provide Mr. Quevedo and other aggrieved employees with all required rest periods to which they were legally entitled due to Villa Esperanza's uniform and unlawful policies and/or practices, Villa Esperanza did not provide Mr. Quevedo and other aggrieved employees with an hour of pay at their regular rate of compensation for each rest period violation as required by Labor Code § 226.7. Further, upon information and belief, Villa Esperanza maintained no payroll code or other mechanism for paying rest period premiums when Villa Esperanza failed to provide a legally compliant rest period. Nor did Villa Esperanza ever apply for and receive any exemption from providing off-duty rest periods from the appropriate government agency.

As a result of Villa Esperanza's failure to pay all meal and rest period premiums, Villa Esperanza maintained inaccurate payroll records, issued inaccurate wage statements to Mr. Quevedo and other aggrieved employees.

As described above, Villa Esperanza committed the following violations of the Labor Code, and Industrial Welfare Commission Wage Order 4 ("Wage Order 4"):

Meal Period Violations

As alleged above, Villa Esperanza failed to provide Mr. Quevedo and other aggrieved employees with all required and compliant meal periods. *See* Labor Code §§ 226.7 and 512; Wage Order 4, § 11. As a result, Mr. Quevedo and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday they experienced a meal period violation. *See* Labor Code § 226.7 ("If an employer fails to provide an employee a meal or rest or recovery period in accordance with ... [an] order of the Industrial Welfare Commission ... 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.").

Rest Period Violations

As alleged above, Villa Esperanza also failed to authorize and permit Mr. Quevedo and other aggrieved employees to take all required rest periods. *See* Labor Code §§ 226.7 and 516; Wage Order 4, § 12. As a result, Mr. Quevedo and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday that they were not authorized and permitted to take all legally required rest periods. *See* Labor Code § 226.7 ("If an employer fails to provide an employee a meal period or rest

period in accordance with an applicable order of the Industrial Welfare Commission, 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 period is not provided.")

Wage Statement Violations

Villa Esperanza was required to furnish Mr. Quevedo and other aggrieved employees with complete and accurate itemized wage statements that showed, among other things, their rates of pay, corresponding number of hours worked at each rate of pay, total gross wages earned, total net wages earned, and the name of the legal entity that is the employer. *See* Labor Code §§ 226(a) and 1174(d); Wage Order 4, § 7. As a result of Villa Esperanza's failure to pay all required meal and rest period premium wages, Villa Esperanza maintained inaccurate payroll records and issued inaccurate wage statements to Mr. Quevedo and other aggrieved employees in violation of Labor Code § 226. Villa Esperanza's failure to comply with its wage statement obligations was knowing and intentional, and Mr. Quevedo and other aggrieved employees have suffered injury as a result.

Waiting Time Penalties

Labor Code §§ 201 and 202 require that employees receive all of their final wages at the time of their separation of employment. Villa Esperanza failed to timely pay other aggrieved employees all of their final wages at the time of separation, which included all meal and rest period premium wages. Pursuant to Labor Code § 203, Villa Esperanza's failure to pay all final wages due to other aggrieved employees was willful and, consequently, entitles aggrieved employees to waiting time penalties equal to one day of wages at their standard hourly rate for each day Villa Esperanza failed to pay their final wages after their separation, up to a maximum of thirty days.

As an "aggrieved employee," Mr. Quevedo will initiate a civil action on behalf of himself and other aggrieved employees to recover civil penalties resulting from the wage and hour violations alleged herein. Based on Mr. Quevedo's own investigation, and on information and belief, Villa Esperanza committed and continues to commit the following Labor Code violations:

- a. Villa Esperanza violated Labor Code §§ 226.7, 512, 558, and 1198 by failing to provide meal periods as required by law and failing to pay meal period premiums to Mr. Quevedo and other aggrieved employees at these employees' respective regular rates of compensation for meal period violations;
- b. Villa Esperanza violated Labor Code §§ 226.7, 516, 558, and 1198 by failing to authorize and permit Mr. Quevedo and other aggrieved employees all required rest periods and failing to pay rest period premiums to Mr. Quevedo and other aggrieved employees at these employees' respective regular rates of compensation for rest period violations;

- c. Villa Esperanza violated Labor Code § 226 by failing to furnish Mr. Quevedo and other aggrieved employees with accurate and compliant itemized wage statements;
- d. Villa Esperanza violated Labor Code §§ 201, 202, and 203 by failing to timely pay all final wages due to aggrieved employees;
- e. Villa Esperanza violated Labor Code § 204 by failing to pay Mr. Quevedo and other aggrieved employees all wages earned at least twice during each calendar month; and
- f. Villa Esperanza violated Labor Code §§ 1174 and 1198 by failing to maintain accurate records on behalf of Mr. Quevedo and other aggrieved employees.

Pursuant to Labor Code Section § 2699.3(a)(2)(A), please notify us and Villa Esperanza if the LWDA intends to investigate these alleged violations of the Labor Code. Please contact me should you require additional information.

Very truly yours,
HAINES LAW GROUP, APC



Paul K. Haines

cc: Villa Esperanza Services (via certified mail)

PROOF OF ACCEPTANCE (ELECTRONIC)

PRODUCED DATE: 02/22/2024

HAINES LAW GROUP:

The following is information for Certified Mail™/RRE item number:

9214 8901 9403 8349 9875 76

Our records indicate that this item was accepted by the USPS at:

SHIPMENT RECEIVED ACCEPTANCE PENDING EL SEGUNDO,CA 90245 02/21/2024 16:48

ORIGINAL INTENDED RECIPIENT:

VILLA ESPERANZA SERVICES

C/O: KELLY WHITE

2116 E VILLA ST

PASADENA CA 91107-2435

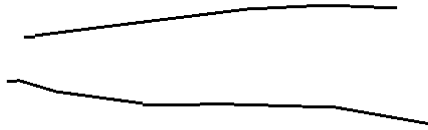
Mailer: Haines Law Group

Date Produced: 02/26/2024

ConnectSuite Inc.:

The following is the delivery information for Certified Mail™/RRE item number 9214 8901 9403 8349 9875 76. Our records indicate that this item was delivered on 02/23/2024 at 02:08 p.m. in PASADENA, CA 91107. The scanned image of the recipient information is provided below.

Signature of Recipient :



Address of Recipient :



Thank you for selecting the Postal Service for your mailing needs. If you require additional assistance, please contact your local post office or Postal Service representative.

Sincerely,
United States Postal Service

The customer reference number shown below is not validated or endorsed by the United States Postal Service. It is solely for customer use.

This USPS proof of delivery is linked to the customers mail piece information on file as shown below:

VILLA ESPERANZA SERVICES
C/O: KELLY WHITE
2116 E VILLA ST
PASADENA CA 91107-2435

Customer Reference Number: C4818804.28946703

EXHIBIT 2

1 **JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT**

2 This Joint Stipulation of Class Action and PAGA Settlement (“Settlement,” “Agreement,” or
3 “Settlement Agreement”) is made and entered into by and between plaintiff Brittnei Aghedo, plaintiff
4 Ieasha Peters, and plaintiff Jimmy Quevedo (“Plaintiffs” or “Class Representatives”), individually,
5 and on behalf of all others similarly situated and on behalf of the State of California with respect to
6 aggrieved employees, and Defendant Villa Esperanza Services (“Defendant”) (together, Plaintiffs and
7 Defendant are referred to as “Parties” and individually as “Party”).

8 This Settlement Agreement shall be binding on Plaintiffs, Settlement Class Members (as
9 defined herein), the State of California as to the employment of PAGA Employees (as defined herein),
10 and Defendant, subject to the terms and conditions hereof and the approval of the Court.

11 **RECITALS**

12 1. On November 6, 2023, plaintiff Brittnei Aghedo & plaintiff Ieasha Peters filed a Class
13 Action Complaint for Damages in the action entitled *Brittnei Aghedo et al. v. Villa Esperanza Services*,
14 Los Angeles County Superior Court Case No. 23STCV27362 (“Aghedo Action”), thereby
15 commencing a putative class action against Defendant. The complaint alleges ten (10) causes of action
16 for violations of the California Labor Code for failure to pay overtime wages, failure to provide
17 compliant meal periods and premium payments in lieu thereof, failure to provide compliant rest
18 periods and premiums payments in lieu thereof, failure to pay minimum wages, failure to timely pay
19 wages upon termination, failure to timely pay wages during employment, failure to provide compliant
20 wage statements, failure to maintain complete and accurate payroll records, and failure to reimburse
21 necessary business expenses, for violations of California Business & Professions Code Section 17200,
22 *et seq.* based on the aforementioned California Labor Code violations (“Aghedo Complaint”).

23 2. On February 21, 2024, plaintiff Jimmy Quevedo provided written notice to the Labor
24 and Workforce Development Agency (“LWDA”) by online submission and to Defendant by U.S.
25 Certified Mail, pursuant to California Labor Code Section 2699.3, of the specific provisions of the
26 California Labor Code alleged to have been violated by Defendant (“PAGA Letter”).

27 3. On February 21, 2024, plaintiff Jimmy Quevedo filed a Class Action Complaint in the
28 action entitled *Jimmy Quevedo v. Villa Esperanza Services*, Los Angeles County Superior Court Case

No. 24STCV04374 (“Quevedo Action,” collectively with the Aghedo Action “Actions”), thereby commencing a putative class action against Defendant.

4. On April 29, 2024, plaintiff Jimmy Quevedo filed a First Amended Class and Representative Action Complaint in the Quevedo Action, thereby commencing a putative class action and representative PAGA action against Defendant. The Operative Complaint alleges five (5) causes of action for violations of the California Labor Code for failure to provide compliant meal periods and premium payments in lieu thereof, failure to provide compliant rest periods and premiums payments in lieu thereof, for violations of California Business & Professions Code Section 17200, *et seq.* based on the aforementioned California Labor Code violations, and for civil penalties under the Private Attorneys General Act of 2004 pursuant to California Labor Code Section 2698 *et seq.* (“PAGA”) based on the aforementioned California Labor Code violations (“Quevedo Complaint” collectively with Aghedo Complaint “Operative Complaint”)

5. Defendant denies all materials allegations set forth in the Actions and has asserted numerous affirmative defenses. Notwithstanding, in the interest of avoiding further litigation, Defendant desires to fully and finally settle the Actions, Released Class Claims (as defined herein), and Released PAGA Claims (as defined herein).

6. Class Counsel diligently investigated the class and PAGA claims against Defendant, including any and all applicable defenses and the applicable law. The investigation included, *inter alia*, the exchange of information, data, and documents, and review of corporate policies and practices. The Parties have engaged in sufficient informal discovery and investigation to assess the relative merits of the claims and contentions of the Parties.

7. On August 13, 2024, the Parties participated in mediation with Marc Feder (the “Mediator”), a respected mediator of complex wage and hour actions, and with the assistance of the Mediator’s evaluations, the Parties reached the settlement that is memorialized herein. The Parties’ settlement discussions were conducted at arms’ length, and the Settlement is the result of an informed and detailed analysis of Defendant’s potential liability and exposure in relation to the costs and risks associated with continued litigation. Based on Class Counsels’ investigation and evaluation, Class Counsel believes that the settlement with Defendant for the consideration and on the terms set forth in

1 this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the Class
2 Members, State of California, and PAGA Employees in light of all known facts and circumstances,
3 including the risk of significant delay and uncertainty associated with litigation and various defenses
4 asserted by Defendant.

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

10 **DEFINITIONS**

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

13 a. “Attorneys’ Fees and Costs” means attorneys’ fees approved by the Court for
14 Class Counsels’ litigation and resolution of the Actions and all actual costs and expenses incurred and
15 to be incurred by Class Counsel in connection with the Actions, as set forth in Paragraph 12.

16 b. “Class” or “Class Member(s)” means all current and former hourly-paid and/or
17 non-exempt employees who worked for Defendant within the State of California at any time during
18 the Class Period.

19 c. “Class Counsel” means Jonathan M. Genish, Karen I. Gold, Sara Pezeshkpour,
20 Ashley H. Cruz, Marissa A. Mayhood of Blackstone Law, APC, and Paul K. Haines and Sean M.
21 Blakely of Haines Law Group, APC who will seek to be appointed counsel for the Class.

22 d. “Class List” means a complete list of all Class Members that Defendant will
23 diligently and in good faith compile from its records and provide to the Settlement Administrator. The
24 Class List will be formatted in a readable Microsoft Office Excel spreadsheet containing the following
25 information for each Class Member: (1) full name; (2) last known mailing address; (3) Social Security
26 number; (4) dates worked for Defendant during the Class Period; and (8) such other information as is
27 necessary for the Settlement Administrator to calculate Workweeks and PAGA Workweeks.

28 e. “Class Notice” means the Notice of Class Action & Representative Action

Settlement, substantially in the form attached hereto as “**Exhibit A**.”

f. “Class Period” means the period from November 6, 2019, through December 3, 2024.

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

h. “Court” means the Superior Court of the State of California for the County of Los Angeles.

i. “Defendant’s Counsel” means Jamie Hagerott and Erin Ezra of Berger Kahn.

j. “Effective Date” means the date when all of the following events have occurred: (1) the Settlement Agreement has been executed by all Parties, Class Counsel, and Defendant’s Counsel; (2) the Court has given preliminary approval to the Settlement; (3) the Class Notice has been mailed to the Class Members, providing them with an opportunity to object to the terms of the Class Settlement or opt out of the Class Settlement; (4) the Court has had a Final Approval Hearing and entered a Final Approval Order and Judgment; (5) sixty-five calendar days have passed since the Court entered a Final Approval Order and Judgment; and (6) in the event there are written objections to the Class Settlement filed prior to the Final Approval Hearing which are not later withdrawn or denied, the later of the following events: five business days after the period for filing any appeal, writ, or other appellate proceeding opposing the Court’s Final Approval Order and Judgment has elapsed without any appeal, writ, or other appellate proceeding having been filed, or, if any appeal, writ, or other appellate proceeding opposing the Court’s Final Approval Order and Judgment has been filed, five business days after any appeal, writ, or other appellate proceedings opposing the Court’s Final Approval Order and Judgment has finally and conclusively dismissed with no right to pursue further remedies or relief.

k. “Employer Taxes” means the employer’s share of taxes and contributions in connection with the wages portion of Individual Settlement Shares, which shall be paid by Defendant in addition to the Gross Settlement Amount.

l. “Enhancement Payments” means the amounts to be paid to Plaintiffs, in recognition of their effort and work in prosecuting the Actions on behalf of Class Members and PAGA

Employees, and general release of claims, as set forth in Paragraph 13.

m. “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.

n. “Final Approval Hearing” means the hearing at which the Court will consider and determine whether the Settlement should be granted Final Approval.

o. “Final Approval Order and Judgment” means the order granting final approval of the Settlement and entering judgment thereon, in a form and content mutually agreed to by the Parties, and subject to approval by the Court.

p. “Gross Settlement Amount” means the amount of one million three hundred and fifty thousand dollars and zero cents (\$1,350,000.00) to be paid by Defendant in full satisfaction of the Actions, Released Class Claims, and Released PAGA Claims, which includes all Attorneys’ Fees and Costs, Enhancement Payments, PAGA Amount, Settlement Administration Costs, and Net Settlement Amount to be paid to the Settlement Class Members. Defendant shall pay the Employer Taxes separately and in addition to the Gross Settlement Amount. The Gross Settlement Amount is non-reversionary; no portion of the Gross Settlement Payment will return to Defendant. The Gross Settlement Amount is subject to increase, as provided in Paragraph 16.

q. “Individual PAGA Payment” means the *pro rata* share of the PAGA Employee Amount that a PAGA Employee may be eligible to receive under the PAGA Settlement, to be calculated in accordance with Paragraph 18.

r. “Individual Settlement Payment” 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, as provided in Paragraph 19.

s. “Individual Settlement Share” means the *pro rata* share of the Net Settlement Amount that a Class Member may be eligible to receive under the Class Settlement, to be calculated in accordance with Paragraph 17.

t. “LWDA Payment” means the amount of one hundred and one thousand two hundred and fifty dollars and zero cents (\$101,250.00), i.e., 75% of the PAGA Amount, that the Parties

1 have agreed to pay to the LWDA under the PAGA Settlement, as set forth in Paragraph 14.

2 u. “Net Settlement Amount” means the portion of the Gross Settlement Amount
3 that is available for distribution to Settlement Class Members, which is the Gross Settlement Amount
4 less the Court-approved Attorneys’ Fees and Costs, Enhancement Payments, PAGA Amount, and
5 Settlement Administration Costs.

6 v. “Notice of Objection” means a Settlement Class Member’s written objection to
7 the Class Settlement, which must: (a) contain the case name and number of the Actions; (b) contain
8 the objector’s full name, signature, address, telephone number, and the last four (4) digits of the
9 objector’s Social Security number; (c) contain a written statement of all grounds for the objection
10 accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other
11 documents upon which the objection is based; and (e) be returned by mail to the Settlement
12 Administrator at the specified address, postmarked on or before the Response Deadline.

13 w. “PAGA Amount” means the allocation of one hundred thirty-five thousand
14 dollars and zero cents (\$135,000.00) from the Gross Settlement Amount for the PAGA Settlement.
15 Seventy-five percent (75%) of the PAGA Amount, or \$101,250.00, will be paid to the LWDA (i.e.,
16 the LWDA Payment) and the remaining twenty-five percent (25%), or \$33,750.00, will be distributed
17 to the PAGA Employees (i.e., the PAGA Employee Amount).

18 x. “PAGA Employee(s)” means all current and former hourly-paid and/or non-
19 exempt employees who worked for Defendant within the State of California at any time during the
20 PAGA Period.

21 y. “PAGA Employee Amount” means the amount of thirty-three thousand seven
22 hundred and fifty dollars and zero cents (\$33,750.00), i.e., 25% of the PAGA Amount, to be distributed
23 to PAGA Employees on a *pro rata* basis based on their PAGA Workweeks.

24 z. “PAGA Period” means the period from February 21, 2023, through December
25 3, 2024.

26 aa. “PAGA Settlement” means the settlement and resolution of all Released PAGA
27 Claims.

28 bb. “PAGA Workweeks” means the number of weeks each PAGA Employee

1 worked for Defendant as an hourly-paid or non-exempt employee in California during the PAGA
2 Period. PAGA Workweeks will be calculated by the Settlement Administrator.

3 cc. “Preliminary Approval” means the date on which the Court enters the
4 Preliminary Approval Order.

5 dd. “Preliminary Approval Order” means the order granting preliminary approval
6 of the Settlement, in a form and content mutually agreed to by the Parties, and subject to approval by
7 the Court.

8 ee. “Released Class Claims” means any and all claims, debts, liabilities, demands,
9 obligations, guarantees, costs, expenses, attorneys’ fees, damages, or causes of action which were
10 alleged or which could have been alleged based on the factual allegations in the Operative Complaint,
11 arising during the Class Period, under any federal, state, or local law, and shall specifically include
12 claims for Defendant’s alleged failure to pay overtime and minimum wages, provide compliant meal
13 and rest periods and associated premium payments, timely pay wages during employment and upon
14 termination, provide complaint wage statements, maintain complete and accurate payroll records, and
15 reimburse necessary business-related expenses in violation of California Labor Code Sections 201,
16 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and
17 Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Order 5-2001, and all claims
18 for attorneys’ fees and costs and statutory interest in connection therewith, California Business and
19 Professions Code sections 17200, *et seq.*, and any other claims, including claims for statutory
20 penalties, pertaining to the Class Members.

21 ff. “Released PAGA Claims” means any and all claims arising from any of the
22 factual allegations in the PAGA Letter Plaintiff Jimmy Quevedo served via certified mail on the
23 California Labor and Workforce Development Agency and Defendant on February 21, 2024, arising
24 during the PAGA Period, for civil penalties under the Private Attorneys General Act of 2004,
25 California Labor Code Sections 2698 *et seq.*, including all claims for attorneys’ fees and costs related
26 thereto, for Defendant’s alleged failure to pay overtime and minimum wages, provide compliant meal
27 and rest periods and associated premium payments, timely pay wages during employment and upon
28 termination, provide complaint wage statements, maintain complete and accurate payroll records, and

1 reimburse necessary business-related expenses in violation of California Labor Code Sections 201,
2 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and
3 Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Order 5-2001.

4 gg. “Released Parties” means Defendant and its current and former officers,
5 directors, members, insurers, shareholders, subsidiaries, affiliates, predecessors, successors, and
6 assigns.

7 hh. “Request for Exclusion” means a letter submitted by a Class Member indicating
8 a request to be excluded from the Class Settlement, which must: (a) contain the case name and number
9 of the Actions; (b) contain the Class Member’s full name, signature, address, telephone number, and
10 last four (4) digits of the Class Member’s Social Security number; (c) clearly state that the Class
11 Member does not wish to be included in the Class Settlement; and (d) be returned by mail to the
12 Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

13 ii. “Response Deadline” means the deadline by which Class Members must submit
14 a Request for Exclusion, Notice of Objection, and/or Workweeks Dispute, which shall be the date that
15 is forty-five (45) calendar days from the initial mailing of the Class Notice by the Settlement
16 Administrator to Class Members, unless the 45th day falls on a Sunday or Federal holiday, in which
17 case the Response Deadline will be extended to the next day on which the United States Postal service
18 is open. The Response Deadline may also be extended by express agreement between Class Counsel
19 and Defendant’s Counsel. Under no circumstances, however, will the Settlement Administrator have
20 the authority to extend the Response Deadline. In the event that a Class Notice is re-mailed to a Class
21 Member, the Response Deadline for that Class Member shall be extended fifteen (15) calendar days
22 from the original Response Deadline.

23 jj. “Settlement Administrator” means Apex Class Action, LLC, who the Parties
24 and their counsel have jointly agreed to serve as the Settlement Administrator. The Parties have
25 verified that as a condition of appointment, Apex Class Action, LLC agrees to be bound by this
26 Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for
27 payment of Administration Expenses. The Parties and their counsel each represent that they do not
28 have any financial interest in the Settlement Administrator or otherwise have a relationship with the

1 Settlement Administrator that could create a conflict of interest. Plaintiffs agree that it will secure
2 prior to filing for Preliminary Approval a signed declaration from the Settlement Administrator
3 attaching its “not to exceed” bid for administering the Settlement and attesting to its willingness to
4 serve; competency; operative procedures for protecting the security of Class Data; amounts of
5 insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to
6 any actual or potential conflicts of interest with Class Members; and the nature and extent of any
7 financial relationship with Plaintiffs, Class Counsel or Defendant’s Counsel.

8 kk. “Settlement Administration Costs” means the costs payable from the Gross
9 Settlement Amount to the Settlement Administrator for administering the Settlement, as set forth in
10 Paragraph 15.

11 ll. “Settlement Class” or “Settlement Class Member(s)” means all Class Members
12 who do not submit a timely and valid Request for Exclusion.

13 mm. “Workweeks” means the number of weeks each Class Member worked for
14 Defendant as an hourly-paid or non-exempt employee in California during the Class Period.
15 Workweeks will be calculated by the Settlement Administrator.

16 nn. “Workweeks Dispute” means a letter submitted by a Class Member disputing
17 the number of Workweeks and/or PAGA Workweeks to which they have been credited, which must:
18 (a) contain the case name and number of the Actions; (b) contain the Class Member’s full name,
19 signature, address, telephone number, and the last four (4) digits of the Class Member’s Social Security
20 number; (c) clearly state that the Class Member disputes the number of Workweeks and/or PAGA
21 Workweeks credited to the Class Member and what the Class Member contends is the correct number;
22 and (d) be returned by mail to the Settlement Administrator at the specified address, postmarked on or
23 before the Response Deadline.

24 **CLASS CERTIFICATION**

25 10. For the purposes of this Settlement only, the Parties stipulate to the certification of the
26 Class.

27 11. The Parties agree that certification for the purpose of settlement is not an admission
28 that certification is proper under Section 382 of the California Code of Civil Procedure. Should, for

1 whatever reason, the Court not grant Final Approval, the Parties' stipulation to class certification as
2 part of the Settlement shall become null and void ab initio and shall have no bearing on, and shall not
3 be admissible in connection with, the issue of whether or not certification would be inappropriate in a
4 non-settlement context.

5 **TERMS OF THE AGREEMENT**

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

8 12. **Attorneys' Fees and Costs.** Defendant agrees not to oppose or impede any application
9 or motion by Class Counsel for attorneys' fees in the amount up to one-third (33.33%) of the Gross
10 Settlement Amount (i.e., \$449,955.00 if the Gross Settlement Amount is \$1,350,000.00) and
11 reimbursement of actual costs and expenses associated with Class Counsels' litigation and settlement
12 of the Actions, in an amount not to exceed twenty-five thousand and five hundred dollars and zero
13 cents (\$25,500.00), both of which will be paid from the Gross Settlement Amount. These amounts
14 will cover any and all work performed and any and all costs incurred by Class Counsel in connection
15 with the litigation of the Actions, including without limitation all work performed and costs incurred
16 to date, and all work to be performed and all costs to be incurred in connection with obtaining the
17 Court's approval of this Settlement Agreement, including any objections raised and any appeals
18 necessitated by those objections. Class Counsel shall be solely and legally responsible for correctly
19 characterizing this compensation for tax purposes and for paying any taxes on the amounts received.
20 The Settlement Administrator shall issue an IRS Form 1099 to Class Counsel for the Attorneys' Fees
21 and Costs. Any portion of the requested Attorneys' Fees and Costs that is not awarded by the Court
22 to Class Counsel shall be reallocated to the Net Settlement Amount for the benefit of the Settlement
23 Class Members.

24 13. **Enhancement Payments.** Defendant agrees not to oppose or impede any application or
25 motion by Plaintiffs for an Enhancement Payments in the amount up to seven thousand and five
26 hundred dollars and zero cents (\$7,500) for each individual plaintiff. The Enhancement Payments,
27 which will be paid from the Gross Settlement Amount, subject to Court approval, will be in addition
28 to their Individual Settlement Payment as a Settlement Class Member and Individual PAGA Payment

1 as a PAGA Employee. Plaintiffs shall be solely and legally responsible for correctly characterizing
2 this compensation for tax purposes and for paying any taxes on the amounts received. The Settlement
3 Administrator shall issue an IRS Form 1099 to Plaintiffs for the Enhancement Payments. Any portion
4 of the requested Enhancement Payments that is not awarded by the Court to Plaintiffs shall be
5 reallocated to the Net Settlement Amount for the benefit of the Settlement Class Members.

6 14. PAGA Amount. Subject to approval by the Court, the Parties agree that the amount of
7 one hundred and thirty-five thousand dollars and zero cents (\$135,000.00) shall be allocated from the
8 Gross Settlement Amount toward penalties under the Private Attorneys General Act, California Labor
9 Code Section 2698, *et seq.* (i.e., the PAGA Amount), of which seventy-five percent (75%), or
10 \$101,250.00, will be paid to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%), or
11 \$33,750.00, will be distributed to PAGA Employees (i.e., the PAGA Employee Amount) on a *pro rata*
12 basis, based on the total number of PAGA Workweeks worked by each PAGA Employee during the
13 PAGA Period (i.e., the Individual PAGA Payments).

14 15. Settlement Administration Costs. The Settlement Administrator will be paid for the
15 reasonable costs of administration of the Settlement and distribution of payments under the Settlement,
16 which is currently not to exceed fourteen thousand dollars and zero cents (\$14,000.00). These costs,
17 which will be paid from the Gross Settlement Amount, subject to Court approval, will include, *inter*
18 *alia*, translating the Class Notice to Spanish and Tagalog, printing, distributing, and tracking Class
19 Notices and other documents for the Settlement, calculating and distributing payments due under the
20 Settlement, issuing of 1099 and W-2 IRS Forms and all required tax reporting, filings, withholdings,
21 and remittances, providing necessary reports and declarations, and other duties and responsibilities set
22 forth herein to process the Settlement, and as requested by the Parties. To the extent the actual
23 Settlement Administrator's costs are greater than the estimated amount stated herein, such excess
24 amount will be deducted from the Gross Settlement Amount, subject to approval by the Court. Any
25 portion of the estimated, designated, and/or awarded Settlement Administration Costs which are not
26 in fact required to fulfill payment to the Settlement Administrator to undertake the required settlement
27 administration duties shall be reallocated to the Net Settlement Amount for the benefit of the
28 Settlement Class Members.

1 16. Escalator Clause. Defendant has represented that the Class Members worked
2 approximately 55,000 Workweeks during the Class Period. If it is determined by the Settlement
3 Administrator that the total number of Workweeks worked by the Class Members during the Class
4 Period actually exceeds 55,000 by more than 10% (i.e., by more than 60,500 Workweeks), then the
5 Gross Settlement Amount will be increased on a *pro rata* basis equal to the percentage increase in the
6 number of Workweeks worked by the Class Members above 10%. For example, if the number of
7 Workweeks increases by 11% to 61,050 Workweeks, then the Gross Settlement Amount will increase
8 by 1%.

9 17. Individual Settlement Share Calculations. Individual Settlement Shares will be
10 calculated and apportioned from the Net Settlement Amount based on the Class Members' number of
11 Workweeks, as follows:

12 a. After Preliminary Approval, the Settlement Administrator will divide the Net
13 Settlement Amount by the Workweeks of all Class Members to yield the "Estimated Workweek
14 Value," and multiply each Class Member's individual Workweeks by the Estimated Workweek Value
15 to yield each Class Member's estimated Individual Settlement Share that each Class Member may be
16 entitled to receive under the Class Settlement.

17 b. After Final Approval, the Settlement Administrator will divide the final Net
18 Settlement Amount by the Workweeks of all Settlement Class Members to yield the "Final Workweek
19 Value," and multiply each Settlement Class Member's individual Workweeks by the Final Workweek
20 Value to each Settlement Class Member's final Individual Settlement Share.

21 18. Individual PAGA Payment Calculations. Individual PAGA Payments will be
22 calculated and apportioned from the PAGA Employee Amount based on the PAGA Employees'
23 number of PAGA Workweeks, as follows: The Settlement Administrator will divide the PAGA
24 Employee Amount, i.e., 25% of the PAGA Amount, by the PAGA Workweeks of all PAGA
25 Employees to yield the "PAGA Workweek Value," and multiply each PAGA Employee's individual
26 PAGA Workweeks by the PAGA Workweek Value to yield each PAGA Employee's Individual
27 PAGA Payment.

28 19. Tax Treatment of Individual Settlement Shares and Individual PAGA Payments. Each

Individual Settlement Share will be allocated as follows: twenty percent (20%) wages and eighty percent (80%) penalties, interest, and non-wage damages. The portion allocated to wages will be reported on an IRS Form W-2 and the portions allocated to penalties, interest, and non-wage damages will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator. The Settlement Administrator will withhold the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of these taxes and withholdings). The Employer Taxes will be paid separately and in addition to the Gross Settlement Amount. 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.

20. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiffs, Settlement Class Members, PAGA Employees, and Class Counsel any tax forms (i.e., IRS Forms W-2, IRS Forms 1099, etc.) as may be required by law for all amounts paid pursuant to this Settlement Agreement. The Settlement Administrator will also be responsible for calculating the Employer Taxes and forwarding all payroll taxes and other legally required withholdings to the appropriate government authorities.

21. Tax Liability. Plaintiffs, Class Counsel, Defendant, and Defendant's Counsel do not intend anything contained in this Settlement Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Settlement Agreement be relied on as such. Plaintiffs, Settlement Class Members, and PAGA Employees are not relying on any statement, representation, or calculation by Defendant, the Settlement Administrator, or Class Counsel in this regard. Plaintiffs, Settlement Class Members, and PAGA Employees understand and agree that Plaintiffs, Settlement Class Members, and PAGA Employees will be solely responsible for the payment of any taxes and penalties assessed on the payments described in this Settlement Agreement. Plaintiffs, Settlement Class Members, and PAGA Employees should consult with their tax advisors concerning the tax consequences of any payment they receive under the Settlement.

22. 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 ADVISOR TO ANY OTHER PARTY TO AVOID ANY
TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO
ATTORNEY OR ADVISOR TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT
PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISOR’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.

23. 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 any PAGA Employee
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 any PAGA Employee to any increased

1 retirement, 401K benefits or matching benefits, or deferred compensation benefits (notwithstanding
2 any contrary language or agreement in any benefit or compensation plan document that might have
3 been in effect during the Class Period).

4 24. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement.

5 Upon execution of this Settlement Agreement, Plaintiffs will obtain a hearing date from the Court for
6 Plaintiffs' motion for preliminary approval of the Settlement, which Plaintiffs and Class Counsel will
7 be responsible for drafting, and submit this Settlement Agreement to the Court in support of said
8 motion. Class Counsel will provide Defendant's Counsel a draft of the preliminary approval motion
9 before filing it with the Court. Defendant agrees not to oppose the motion for preliminary approval
10 of the Settlement consistent with this Settlement Agreement. By way of said motion, Plaintiffs will
11 apply for the entry of the Preliminary Approval Order seeking the following:

- 12 a. Conditionally certifying the Class for settlement purposes only;
- 13 b. Granting Preliminary Approval of the Settlement;
- 14 c. Preliminarily appointing Plaintiffs as the representatives of the Class;
- 15 d. Preliminarily appointing Class Counsel as counsel for the Class;
- 16 e. Approving as to form and content, the mutually-agreed upon and proposed
17 Class Notice and directing its mailing by First Class U.S. Mail;
- 18 f. Approving the manner and method for Class Members to request exclusion
19 from or object to the Class Settlement as contained herein and within the Class Notice;
- 20 g. Scheduling a Final Approval Hearing at which the Court will determine whether
21 Final Approval of the Settlement should be granted.

22 25. Notice of Settlement to the LWDA. Pursuant to California Labor Code § 2699(1)(2),
23 Class Counsel shall notify the LWDA of the Settlement upon filing the motion for preliminary
24 approval of the Settlement.

25 26. Delivery of Class List. Within fourteen (14) calendar days of Preliminary Approval,
26 Defendant will provide the Class List to the Settlement Administrator.

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

- 28 a. Within seven (7) calendar days after receiving the Class List from Defendant,

1 the Settlement Administrator will perform a search based on the National Change of Address Database
2 or any other similar services available, such as provided by Experian, for information to update and
3 correct for any known or identifiable address changes, and will mail a Class Notice in English,
4 Spanish, and Tagalog (in the form attached as **Exhibit A** to this Settlement Agreement) to all Class
5 Members via First-Class U.S. Mail, using the most current, known mailing addresses identified by the
6 Settlement Administrator.

7 b. Any Class Notice returned to the Settlement Administrator as undeliverable on
8 or before the Response Deadline will be sent promptly via First-Class U.S. Mail to the forwarding
9 address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on
10 the Class Notice. If no forwarding address is provided, the Settlement Administrator will promptly
11 attempt to determine the correct address using a skip-trace or other search, using the name, address,
12 and/or Social Security number of the Class Member, and perform a single re-mailing within five (5)
13 calendar days.

14 c. Compliance with the procedures described herein above shall constitute due and
15 sufficient notice to Class Members of the Settlement and shall satisfy the requirements of due process.
16 Nothing else shall be required of or done by the Parties, Class Counsel, or Defendant's Counsel to
17 provide notice of the Settlement.

18 28. Disputes Regarding Workweeks and/or PAGA Workweeks. Class Members will have
19 an opportunity to dispute the number of Workweeks and/or PAGA Workweeks to which they have
20 been credited, as reflected in their respective Class Notices, by submitting a timely and valid
21 Workweeks Dispute to the Settlement Administrator, by mail, postmarked on or before the Response
22 Deadline. The date of the postmark on the return mailing envelope will be the exclusive means to
23 determine whether a Workweeks Dispute has been timely submitted. Absent evidence rebutting the
24 accuracy of Defendant's records and data as they pertain to the number of Workweeks and/or PAGA
25 Workweeks to be credited to a disputing Class Member, Defendant's records will be presumed to be
26 correct and determinative of the dispute. However, if a Class Member produces information and/or
27 documents to the contrary, the Settlement Administrator will evaluate the materials submitted by the
28 Class Member and the Settlement Administrator will resolve and determine the number of eligible

1 Workweeks and/or PAGA Workweeks that the disputing Class Member should be credited with under
2 the Settlement. The Settlement Administrator's decision on such disputes will be final and non-
3 appealable.

4 29. Requesting Exclusion from the Class Settlement. Any Class Member wishing to be
5 excluded from the Class Settlement must submit a timely and valid Request for Exclusion to the
6 Settlement Administrator, by mail, postmarked on or before the Response Deadline. The date of the
7 postmark on the return mailing envelope will be the exclusive means to determine whether a Request
8 for Exclusion has been timely submitted. The Settlement Administrator will certify jointly to Class
9 Counsel and Defendant's Counsel the number of timely and valid Requests for Exclusion that are
10 submitted, and also identify the individuals who have submitted a timely and valid Request for
11 Exclusion in a declaration that is to be filed with the Court in advance of the Final Approval Hearing.
12 At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members
13 to request exclusion from the Class Settlement. Any Class Member who submits a Request for
14 Exclusion is prohibited from making any objection to the Class Settlement. Any Class Member who
15 submits a timely and valid Request for Exclusion will not be bound by the Class Settlement and will
16 not be issued an Individual Settlement Payment. Any Class Member who does not affirmatively
17 request exclusion from the Class Settlement by submitting a timely and valid Request for Exclusion
18 will be bound by all of the terms of the Class Settlement, including and not limited to those pertaining
19 to the Released Class Claims, as well as any judgment that may be entered by the Court if it grants
20 Final Approval to the Settlement. Notwithstanding the above, all PAGA Employees will be bound to
21 the PAGA Settlement and will be issued their Individual PAGA Payment, irrespective of whether they
22 submit a Request for Exclusion.

23 30. Objecting to the Class Settlement. To object to the Class Settlement, Settlement Class
24 Members must submit a timely and complete Notice of Objection to the Settlement Administrator, by
25 mail, postmarked on or before the Response Deadline. The date of the postmark on the return mailing
26 envelope will be the exclusive means to determine whether a Notice of Objection has been timely
27 submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendant's
28 Counsel the number of Notices of Objection that are submitted (specifying which ones were timely

1 and complete and which were not), and also attach them to a declaration that is to be filed with the
2 Court in advance of the Final Approval Hearing. At no time will any of the Parties or their counsel
3 seek to solicit or otherwise encourage Settlement Class Members to object to the Class Settlement or
4 appeal from the Final Approval Order and Judgment. Settlement Class Members, individually or
5 through counsel, may also present their objection orally at the Final Approval Hearing, regardless of
6 whether they have submitted a Notice of Objection.

7 31. Reports by the Settlement Administrator. The Settlement Administrator shall provide
8 weekly reports to counsel for the Parties providing: (a) the number of undeliverable and re-mailed
9 Class Notices; (ii) the number of Class Members who have submitted Workweeks Disputes; (iii) the
10 number of Class Members who have submitted Requests for Exclusion; and (iv) the number of
11 Settlement Class Members who have submitted Notices of Objection. Additionally, the Settlement
12 Administrator will provide to counsel for the Parties any updated reports regarding the administration
13 of the Settlement Agreement as needed or requested, and immediately notify the Parties when it
14 receives a request from an individual or any other entity regarding inclusion in the Class and/or
15 Settlement or regarding a Workweeks Dispute.

16 32. Defendant's Right to Rescind. If more than ten percent (10%) of the Class Members
17 submit timely and valid Requests for Exclusion, Defendant may elect to rescind the Settlement
18 Agreement. Defendant must exercise this right of rescission in writing that is provided to Class
19 Counsel within fourteen (14) calendar days of the Settlement Administrator notifying the Parties of
20 the number of Class Members who have submitted timely and valid Requests for Exclusion following
21 the Response Deadline. If Defendant exercises this option, Defendant shall pay any costs of settlement
22 administration owed to the Settlement Administrator incurred up to that date.

23 33. Certification of Completion. Upon completion of administration of the Settlement, the
24 Settlement Administrator will provide a written declaration under oath to certify such completion to
25 the Court and counsel for all Parties.

26 34. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After
27 the Response Deadline, a Final Approval Hearing will be conducted to determine whether Final
28 Approval of the Settlement should be granted, along with the amounts properly payable for: (a)

Individual Settlement Shares; (b) Individual PAGA Payments; (c) LWDA Payment; (d) Attorneys' Fees and Costs; (e) Enhancement Payments; and (f) Settlement Administration Costs. The Final Approval Hearing will not be held earlier than thirty (30) calendar days after the Response Deadline. Plaintiffs and Class Counsel will be responsible for drafting the motion seeking Final Approval of the Settlement. Class Counsel will provide Defendant's Counsel a draft of the final approval motion before filing it with the Court. By way of said motion, Plaintiffs will apply for the entry of the 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. Approval of the application for Attorneys' Fees and Costs to Class Counsel;
- d. Approval of the application for Enhancement Payments to Plaintiffs;
- e. Directing Defendant to fund all amounts due under the Settlement Agreement and ordered by the Court; and
- f. Entering judgment in the Action, while maintaining continuing jurisdiction, in conformity with California Rules of Court 3.769 and the Settlement Agreement.

35. Funding of the Gross Settlement Amount. After the Effective Date, Defendant will deposit the Gross Settlement Amount into a Qualified Settlement Fund ("QSF") within the meaning of Treasury Regulation Section 1.468B-1, *et seq.*, to be established by the Settlement Administrator. The earliest date that Defendant will deposit the Gross Settlement Amount is September 4, 2025. If the Effective Date is on or after September 4, 2025, Defendant will deposit the Gross Settlement Amount no later than five (5) business days after the Effective Date. Defendant shall provide all information necessary for the Settlement Administrator to calculate necessary payroll taxes including its official name, 8-digit state unemployment insurance tax ID number, and other information requested by the Settlement Administrator, no later than five (5) business days after the Effective Date.

36. Distribution of the Gross Settlement Amount. Within five (5) business days of the funding of the Gross Settlement Amount, the Settlement Administrator will issue the Individual Settlement Payments to Settlement Class Members, Individual PAGA Payments to PAGA Employees, LWDA Payment to the LWDA, Enhancement Payments to Plaintiffs, Attorneys' Fees and Costs to

1 Class Counsel, and Settlement Administration Costs to itself. The Settlement Administrator shall also
2 set aside the Employer Taxes and all employee-side payroll taxes, contributions, and withholding, and
3 timely forward these to the appropriate government authorities.

4 37. Settlement Checks. The Settlement Administrator will be responsible for undertaking
5 appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments by way
6 of check to the Settlement Class Members and the Individual PAGA Payments by way of check to the
7 PAGA Employees in accordance with this Settlement Agreement. When issuing payments, the
8 Settlement Administrator may combine the Individual Settlement Payment and Individual PAGA
9 Payment into one check if the intended recipient for both payments is one individual. Settlement Class
10 Members and PAGA Employees are not required to submit a claim to be issued an Individual
11 Settlement Payment and/or Individual PAGA Payment. Each Individual Settlement Payment and
12 Individual PAGA Payment check will be valid and negotiable for one hundred and eighty (180)
13 calendar days from the date the checks are issued, and thereafter, shall be canceled. Any funds
14 associated with such canceled checks shall be distributed by the Settlement Administrator to the State
15 of California's Unclaimed Property Fund in the name of the Settlement Class Member and/or PAGA
16 Employee. The Parties agree that this disposition results in no "unpaid residue" under California Civil
17 Procedure Code § 384, as the entire Net Settlement Amount will be paid out to Settlement Class
18 Members, whether or not they cash their settlement checks. Therefore, Defendant will not be required
19 to pay any interest on such amounts. The Settlement Administrator shall undertake amended and/or
20 supplemental tax filings and reporting required under applicable local, state, and federal tax laws that
21 are necessitated due to the cancelation of any Individual Settlement Payment and/or Individual PAGA
22 Payment checks. Settlement Class Members whose Individual Settlement Payment checks are
23 canceled shall, nevertheless, be bound by the Class Settlement, and PAGA Employees whose
24 Individual PAGA Payment checks are cancelled shall, nevertheless, be bound by the PAGA
25 Settlement.

26 38. Class Settlement Release. Upon the full funding of the Gross Settlement Amount,
27 Plaintiffs and all Settlement Class Members will be deemed to have fully, finally, and forever released,
28 settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims.

1 39. PAGA Settlement Release. Upon the full funding of the Gross Settlement Amount,
2 Plaintiffs, the State of California with respect to all PAGA Employees, and all PAGA Employees will
3 be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and
4 discharged the Released Parties of all Released PAGA Claims.

5 40. Plaintiffs' General Release. Upon the full funding of the Gross Settlement Amount,
6 Plaintiffs, individually and on their own behalf, will be deemed to have fully, finally, and forever
7 released, settled, compromised, relinquished, and discharged the Released Parties from any and all
8 claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages,
9 or causes of action of any kind or nature whatsoever, known or unknown, suspected or unsuspected,
10 asserted or unasserted, which Plaintiffs, at any time of execution of this Settlement Agreement, had or
11 claimed to have or may have, including but not limited to any and all claims arising out of, relating to,
12 or resulting from their employment and/or separation of employment with the Released Parties,
13 including any claims arising under any federal, state, or local law, statute, ordinance, rule, or regulation
14 or Executive Order relating to employment, including, but in no way limited to, any claim under Title
15 VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 1981; the Americans with Disabilities
16 Act; the Family and Medical Leave Act; the Employee Retirement Income Security Act; the California
17 Family Rights Act; the California Fair Employment and Housing Act; all claims for wages or penalties
18 under the Fair Labor Standards Act; all claims for wages or penalties under the California Labor Code;
19 Business and Professions Code sections 17200 *et seq.*; all laws relating to violation of public policy,
20 retaliation, or interference with legal rights; any and all other employment or discrimination laws;
21 whistleblower claims; any tort, fraud, or constitutional claims; and any breach of contract claims or
22 claims of promissory estoppel. It is agreed that this is a general release and is to be broadly construed
23 as a release of all claims, provided that, notwithstanding the foregoing, this Paragraph expressly does
24 not include a release of any claims that cannot be released hereunder by law. Plaintiffs understand
25 and expressly agrees that this Settlement Agreement extends to claims that they have against
26 Defendant, of whatever nature and kind, known or unknown, suspected or unsuspected, vested or
27 contingent, past, present, or future, arising from or attributable to an incident or event, occurring in
28 whole or in part, on or before the execution of this Settlement Agreement. Any and all rights granted

under any state or federal law or regulation limiting the effect of this Settlement Agreement, including the provisions of Section 1542 of the California Civil Code, ARE HEREBY EXPRESSLY WAIVED. Section 1542 of the California Civil Code reads as follows:

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

41. 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. No individualized notice of the Final Approval Order and Judgment to the Class will be required.

42. Continued Jurisdiction. After entry of the 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. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

43. Effects of Termination or Rescission of Settlement. Termination or rescission of the Settlement Agreement shall have the following effects:

a. The Settlement Agreement shall be void and shall have no force or effect, and no Party shall be bound by any of its terms;

b. In the event the Settlement Agreement is terminated, Defendant shall have no

obligation to make any payments to any Party, Class Member, or attorney, except that the terminating Party shall pay the Settlement Administrator for services rendered up to the date the Settlement Administrator is notified that the Settlement has been terminated;

c. The Preliminary Approval Order, Final Approval Order and Judgment, including any order certifying the Class, shall be vacated;

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

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

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

44. 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.

45. Exhibits Incorporated by Reference. The terms of this Settlement 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. Entire Agreement. This Settlement Agreement and any attached exhibits constitute the entirety of the Parties' agreement relating to the settlement and transaction completed thereby, 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. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties expressly recognize California Civil Code § 1625 and California Code of Civil Procedure § 1856(a), which provide that a written agreement is to be construed according to its terms and may not be varied

1 or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written
2 representations or terms will modify, vary, or contradict the terms of this Settlement Agreement.

3 47. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in
4 the Actions (including with respect to California Code of Civil Procedure § 583.310), except such
5 proceedings necessary to implement and complete this Settlement Agreement, pending the Final
6 Approval Hearing to be conducted by the Court.

7 48. Amendment or Modification. Prior to the filing of the motion for preliminary approval
8 of the Settlement, the Parties may not amend or modify any provision of this Settlement Agreement
9 except by written agreement signed by counsel for all Parties. After the filing of the motion for
10 preliminary approval of the Settlement, the Parties may not amend or modify any provision of this
11 Settlement Agreement except by written agreement signed by counsel for all the Parties and subject
12 to Court approval. A waiver or amendment of any provision of this Settlement Agreement will not
constitute a waiver of any other provision.

13 49. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
14 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
15 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
16 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
17 effectuate the terms of this Settlement Agreement. The Parties warrant that they understand and have
18 full authority to enter into this Settlement Agreement, and further intend that this Settlement
19 Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible
20 and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation
21 confidentiality provisions that otherwise might apply under state or federal law.

22 50. Signatories. It is agreed that because the members of the Class are so numerous, it is
23 impossible or impractical to have each Settlement Class Member or PAGA Employee execute this
24 Settlement Agreement. The Class Notice will advise all Class Members of the binding nature of the
25 Class Settlement as to the Settlement Class Members and the binding nature of the PAGA Settlement
26 as to the PAGA Employees, and the releases provided for by this Settlement Agreement shall have
27 the same force and effect as if this Settlement Agreement were executed by each Settlement Class
28 Member and PAGA Employee.

51. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,

1 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

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

4 53. Execution and Counterparts. This Settlement Agreement is subject only to the
5 execution of all Parties. However, this Settlement Agreement may be executed in one or more
6 counterparts. All executed counterparts and each of them, including facsimile, electronic, and scanned
7 copies of the signature page, will be deemed to be one and the same instrument.

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

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

21 56. Plaintiffs' Cooperation. Plaintiffs agree to sign this Settlement Agreement and, by
22 signing this Settlement Agreement, are hereby bound by the terms herein and agrees to fully cooperate
23 to implement the Settlement.

24 57. Non-Admission of Liability. The Parties enter into this Settlement Agreement to
25 resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of
26 continued litigation. In entering into this Settlement Agreement, Defendant does not admit, and
27 specifically denies, it has violated any federal, state, or local law; violated any regulations or guidelines
28 promulgated pursuant to any statute or any other applicable laws, regulations, or legal requirements;

1 breached any contract; violated or breached any duty; engaged in any misrepresentation or deception;
2 or engaged in any other unlawful conduct with respect to its employees. Neither this Settlement
3 Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be
4 construed as an admission or concession by Defendant of any such violations or failures to comply
5 with any applicable law. Except as necessary in a proceeding to enforce the terms of this Settlement
6 Agreement, this Settlement Agreement and its terms and provisions shall not be offered or received
7 as evidence in any action or proceeding to establish any liability or admission on the part of Defendant
8 or to establish the existence of any condition constituting a violation of, or a non-compliance with,
9 federal, state, local or other applicable law.

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

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

19 60. Representation By Counsel. The Parties acknowledge that they have been represented
20 by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and
21 that this Settlement Agreement has been executed with the consent and advice of counsel, and
22 reviewed in full.

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

25 62. Notices. All notices, demands, and other communications to be provided concerning
26 the Settlement Agreement shall be in writing and deemed to have been duly given as of the third
27 business day after mailing by First Class U.S. Mail, or the day sent by email or messenger, addressed
28 as follows:

To Plaintiffs and Class Counsel:

Jonathan M. Genish

jgenish@blackstonepc.com

Karen I. Gold

kgold@blackstonepc.com

Sara Pezeshkpour

Spezeshkpour@blackstonepc.com

Ashley H. Cruz

acruz@blackstonepc.com

Marissa A. Mayhood

mmayhood@blackstonepc.com

BLACKSTONE LAW, APC

8383 Wilshire Boulevard, Suite 745

Beverly Hills, California 90211

Tel: (310) 622-4278 / Fax: (855) 786-6356

Paul K. Haines

phaines@haineslawgroup.com

Sean M. Blakely

sblakely@haineslawgroup.com

HAINES LAW GROUP, APC

2155 Campus Drive, Suite 180

El Segundo, California 90245

Tel: (424) 292-2350 / Fax: (424) 292-2355

To Defendant:

Erin R. Ezra

eezra@bergerkahn.com

Jamie L. Hagerott

jhagerott@bergerkahn.com

BERGER KAHN

1 Spectrum Pointe Dr., Suite 340

Lake Forest, CA 92630

Tel: (949) 614-0100 / Fax: (949) 771-1922

63. 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.

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HAINES LAW GROUP, APC

Dated: November 22, 2024



Paul K. Haines
Attorneys for Plaintiff Jimmy Quevedo
and Proposed Class Counsel

BERGER KAHN

Dated: _____

Erin Ezra
Attorneys for Defendant Villa Esperanza
Services

HAINES LAW GROUP, APC

Dated: _____

Paul K. Haines
Attorneys for Plaintiff Jimmy Quevedo
and Proposed Class Counsel

BERGER KAHN

Dated: 11/19/24



Erin Ezra
Attorneys for Defendant Villa Esperanza
Services

EXHIBIT A

NOTICE OF CLASS ACTION & REPRESENTATIVE ACTION SETTLEMENT

Brittini Aghedo et al. v. Villa Esperanza Services; Jimmy Quevedo v. Villa Esperanza Services

Superior Court of California for the County of Los Angeles, Case Nos. 23STCV27362; 24STCV04374

PLEASE READ THIS CLASS NOTICE CAREFULLY.

You have received this Class Notice because Defendant's records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced case.

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

This Class Notice is designed to advise you of your rights and options with respect to the settlement, and how you can request to be excluded from the Class Settlement, object to the Class Settlement, and/or dispute the number of Workweeks and/or PAGA Workweeks that you are credited with, if you so choose.

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between plaintiff Brittini Aghedo, plaintiff Ieasha Peters, and plaintiff Jimmy Quevedo ("Plaintiffs" and Defendant Villa Esperanza Services ("Defendant") (Plaintiffs and Defendant are collectively referred to as the "Parties") in the cases titled *Brittini Aghedo et al. v. Villa Esperanza Services*, Los Angeles County Superior Court, Case No. 23STCV27362 and *Jimmy Quevedo v. Villa Esperanza Services*, Los Angeles County Superior Court, Case No. 24STCV04374 (collectively "Actions"), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement.

I. IMPORTANT DEFINITIONS

"Class" or "Class Member" means all current and former hourly-paid and/or non-exempt employees who worked for Defendant within the State of California at any time during the Class Period.

"Class Period" means the period from November 6, 2019, through December 3, 2024.

"Class Settlement" means the settlement and resolution of all Released Class Claims.

"PAGA Employees" means all current and former hourly-paid and/or non-exempt employees who worked for Defendant within the State of California at any time during the PAGA Period.

"PAGA Period" means the period from February 21, 2023, through December 3, 2024.

"PAGA Settlement" means the settlement and resolution of all Released PAGA Claims.

II. BACKGROUND OF THE ACTION

On November 6, 2023, plaintiff Brittini Aghedo and plaintiff Ieasha Peters commenced a putative class action lawsuit by filing a Class Action Complaint for Damages in the Los Angeles County Superior Court, Case No. 23STCV27362 ("Aghedo Complaint").

On February 21, 2024, plaintiff Jimmy Quevedo provided written notice to the California Labor and Workforce Development Agency ("LWDA") and Defendant of the specific provisions of the California Labor Code that he contends were violated ("PAGA Letter"). On February 21, 2023, plaintiff Jimmy Quevedo commenced a putative class action lawsuit by filing a Class Action Complaint in the Los Angeles County Superior Court, Case No. 24STCV04374. On April 29, 2024, Plaintiff filed a First Amended Class and Representative Action Complaint ("Quevedo Complaint" collectively with Aghedo Complaint "Operative Complaint"), adding a cause of action under the Private Attorneys General Act of 2004 pursuant to California Labor Code Section 2698, *et seq.* ("PAGA").

Plaintiffs contend that Defendant failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages upon termination of employment and associated waiting-time penalties,

provide accurate wage statements, and reimburse business expenses, and thereby engaged in unfair business practices in violation of the California Business and Professions Code section 17200, *et seq.*, and conduct that gives rise to penalties under PAGA. Plaintiffs seek, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys' fees and costs.

Defendant denies all of the allegations in the Actions or that it violated any law.

The Parties participated in mediation with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into a Joint Stipulation of Class Action and PAGA Settlement ("Settlement" or "Settlement Agreement").

On [Date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed Apex Class Action, LLC 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"):

Jonathan M. Genish
jgenish@blackstonepc.com
Karen I. Gold
kgold@blackstonepc.com
Sara Pezeshkpour
Spezeshkpour@blackstonepc.com
Ashley H. Cruz
acruz@blackstonepc.com
Marissa A. Mayhood
mmayhood@blackstonepc.com
BLACKSTONE LAW, APC
8383 Wilshire Boulevard, Suite 745
Beverly Hills, California 90211
Tel: (310) 622-4278 / Fax: (855) 786-6356

Paul Haines
phaines@haineslawgroup.com
HAINES LAW GROUP, APC
2155 Campus Drive, Suite 180
El Segundo, California 90245
Tel: (424) 292-2350 / Fax: (424) 292-2355

If you are a Class Member, you need not take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual Settlement Payment), object to the Class Settlement, and/or dispute the Workweeks and/or PAGA Workweeks credited to you, if you so choose, as explained more fully in Sections III and IV below. If you are a PAGA Employee, you do not need to take any action to receive an Individual PAGA Payment; you will not have the opportunity to object or seek exclusion from the PAGA Settlement and all PAGA Employees will be bound to the PAGA Settlement if the Court grants final approval of the Settlement.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendant that the claims in the Actions have merit or that Defendant has any liability to Plaintiffs, Class Members, or PAGA Employees. Plaintiffs and Defendant, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of the Class Members, the State of California, and PAGA Employees.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is one million three hundred and fifty thousand dollars and zero cents (\$1,350,000.00) (the “Gross Settlement Amount”). The portion of the Gross Settlement Amount that is available for payment to Class Members is referred to as the “Net Settlement Amount.” The Net Settlement Amount will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) attorneys’ fees, in an amount not to exceed one-third of the Gross Settlement Amount (i.e., \$449,955.00 if the Gross Settlement Amount is \$1,350,000.00), and reimbursement of litigation costs and expenses, in an amount not to exceed twenty-five thousand and five hundred dollars and zero cents (\$25,500.00) to Class Counsel; (2) Enhancement Payments in an amount not to exceed seven thousand and five hundred dollars and zero cents (\$7,500.00) to each plaintiff for their services in the Actions; (3) the amount of one hundred and thirty-five thousand dollars and zero cents (\$135,000.00) allocated toward civil penalties under the Private Attorneys General Act (“PAGA Amount”), of which the LWDA will be paid 75% (\$101,250.00) (“LWDA Payment”) and the remaining 25% (\$33,750.00) will be distributed to PAGA Employees (“PAGA Employee Amount”); and (4) Settlement Administration Costs in an amount not to exceed [REDACTED] (\$ [REDACTED]) to the Settlement Administrator.

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount (“Individual Settlement Share”) based on the number of weeks each Class Member worked for Defendant as an hourly-paid or non-exempt employee in California during the Class Period (“Workweeks”). The Settlement Administrator has divided the Net Settlement Amount by the Workweeks of all Class Members to yield the “Estimated Workweek Value,” and multiplied each Class Member’s individual Workweeks by the Estimated Workweek Value to yield an estimated Individual Settlement Share that each Class Member may be entitled to receive under the Class Settlement (which is listed in Section III.C below). Class Members who do not submit a timely and valid Request for Exclusion (“Settlement Class Members”) will be issued their final Individual Settlement Payment.

Each Individual Settlement Share will be allocated as twenty percent (20%) as wages, which will be reported on an IRS Form W-2, and eighty percent (80%) as penalties, interest, and non-wage damages, which will be reported on an IRS Form 1099 (if applicable). Each Individual Settlement Share will be subject to reduction for the employee’s share of payroll taxes and withholdings with respect to the wages portion of the Individual Settlement Shares resulting in a net payment to the Settlement Class Member (“Individual Settlement Payment”). The employer’s share of taxes and contributions in connection with the wages portion of Individual Settlement Shares (“Employer Taxes”) will be paid by Defendant separately and in addition to the Gross Settlement Amount.

PAGA Employees are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the PAGA Employee Amount (“Individual PAGA Payment”) based on means the number of weeks each PAGA Employee worked for Defendant as an hourly-paid or non-exempt employee in California during the PAGA Period (“PAGA Workweeks”). The Settlement Administrator had divided the PAGA Employee Amount, i.e., 25% of the PAGA Amount, by the PAGA Workweeks of all PAGA Employees to yield the “PAGA Workweek Value,” and multiplied each PAGA Employee’s individual PAGA Workweeks by the PAGA Workweek Value to yield each PAGA Employee’s Individual PAGA Payment.

Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties, will not be subject to taxes or withholdings, and will be reported on IRS Form 1099 (if applicable).

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Settlement Class Members and Individual PAGA Payments will be mailed to PAGA Employees 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 that you may be entitled to under the Settlement.**

B. Your Workweeks and PAGA Workweeks (if applicable) Based on Defendant’s Records

According to Defendant’s records:

- **From [REDACTED] through [REDACTED] (i.e., the Class Period), you are credited as having worked [REDACTED] Workweeks.**

- From [REDACTED] through [REDACTED] (i.e., the PAGA Period), you are credited as having worked [REDACTED] PAGA Workweeks.

If you wish to dispute the Workweeks and/or PAGA Workweeks credited to you, you must submit your dispute in writing to the Settlement Administrator (“Workweeks Dispute”). The Workweeks Dispute must: (a) contain the case name and number of the Actions (*Brittini Aghedo et al. v. Villa Esperanza Services*, Case No. 23STCV27362 and *Jimmy Quevedo v. Villa Esperanza Services*, Case No. 24STCV04374); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) clearly state that you dispute the number of Workweeks and/or PAGA Workweeks credited to you and what you contend is the correct number; and (d) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B below, postmarked **on or before** [Response Deadline].

C. Your Estimated Individual Settlement Share and Individual PAGA Payment (if applicable)

As explained above, your estimated Individual Settlement Share and Individual PAGA Payment (if applicable) is based on the number of Workweeks and PAGA Workweeks (if applicable) 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 goes into effect.

Under the terms of the Settlement, your Individual PAGA Payment is estimated to be \$ [REDACTED] and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

The settlement approval process may take multiple months. Your Individual Settlement Share and Individual PAGA Payment (if applicable) reflected in this Class Notice is only an estimate. Your actual Individual Settlement Payment and Individual PAGA Payment (if applicable) may be higher or lower.

D. Release of Claims

Upon the full funding of the Gross Settlement Amount, Plaintiffs and all Settlement Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims.

Upon the full funding of the Gross Settlement Amount, Plaintiffs, the State of California with respect to all PAGA Employees, and all PAGA Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims.

“Released Class Claims” means any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys’ fees, damages, or causes of action which were alleged or which could have been alleged based on the factual allegations in the Operative Complaint, arising during the Class Period, under any federal, state, or local law, and shall specifically include claims for Defendant’s alleged failure to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium payments, timely pay wages upon termination, provide accurate wage statements, and reimburse necessary business-related expenses in violation of California Labor Code Sections 201, 202, 203, 226(a), 226.7, 510, 512(a), 1194, 1197, 1197.1, 1198, 2800, and 2802, and Industrial Welfare Commission Wage Orders, and all claims for attorneys’ fees and costs and statutory interest in connection therewith, California Business and Professions Code sections 17200, *et seq.*, and any other claims, including claims for statutory penalties, pertaining to the Class Members.

“Released PAGA Claims” means any and all claims arising from any of the factual allegations in the PAGA Letter, arising during the PAGA Period, for civil penalties under the Private Attorneys General Act of 2004, California Labor Code Sections 2698 *et seq.*, including all claims for attorneys’ fees and costs related thereto, for Defendant’s alleged failure to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide complaint wage statements, maintain complete and accurate payroll records, and reimburse necessary business-related expenses in violation of California Labor Code §§ 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Order 16-2001.

“Released Parties” means Defendant and its current and former officers, directors, members, insurers, shareholders, subsidiaries, affiliates, predecessors, successors, and assigns.

E. Attorneys’ Fees and Costs to Class Counsel

Class Counsel will seek attorneys’ fees in an amount not to exceed one-third (33.33%) of the Gross Settlement Amount (i.e., \$449,955.00 if the Gross Settlement Amount is \$1,350,000.00) and reimbursement of litigation costs and expenses in an amount not to exceed twenty-five thousand and five hundred dollars and zero cents (\$25,500.00) (collectively, “Attorneys’ Fees and Costs”), subject to approval by the Court. The Attorneys’ Fees and Costs granted by the Court will be paid from the Gross Settlement Amount. Class Counsel has been prosecuting the Actions on behalf of Plaintiffs, Class Members, and PAGA Employees on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Enhancement Payments to Plaintiffs

Plaintiffs will seek the amount of twenty-two thousand five hundred dollars and zero cents (\$22,500.00) (“Enhancement Payments”), to be split equally between Plaintiffs in recognition of their services in connection with the Actions. The Enhancement Payments will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, it will be paid to Plaintiffs in addition to their Individual Settlement Payment and Individual PAGA Payment that they are entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed fourteen thousand dollars and zero cents (\$14,000.00) (“Settlement Administration Costs”) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, Notices of Objection, and Workweeks Disputes, calculating Individual Settlement Shares, Individual Settlement Payments, and Individual PAGA Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Class Settlement and receive money from the Class Settlement, you do not have to do anything. You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement and if the Court grants final approval of the Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released Class Claims against the Released Parties as described in Section III.D above.

If you are a PAGA Employee and the Court grants final approval of the Settlement, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Payment. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released PAGA Claims against the Released Parties as described in Section III.D above.

As a Class Member and PAGA Employee (if applicable), 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. Request Exclusion from the Class Settlement

Class Members may request to be excluded from the Class Settlement by submitting a letter (“Request for Exclusion”) to the Settlement Administrator, at the following address:

[Settlement Administrator]

[Mailing Address]

A Request for Exclusion must: (a) contain the case name and number of the Actions (*Brittini Aghedo et al. v. Villa Esperanza Services*, Case No. 23STCV27362 and *Jimmy Quevedo v. Villa Esperanza Services*, Case No. 24STCV04374); (b) contain your full name, signature, address, telephone number, and last four (4) digits of your Social Security number; (c) clearly state that you do not wish to be included in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified address above, postmarked **on or before [Response Deadline]**.

If the Court grants final approval of the Settlement, any Class Member who submits a timely and valid Request for Exclusion will not be issued an Individual Settlement Payment, will not be bound by the Class Settlement (and the release of Released Class Claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit a timely and valid Request for Exclusion will be deemed Settlement Class Members and will be bound by all terms of the Class Settlement, including those pertaining to the release of claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon. PAGA Employees will be bound to the PAGA Settlement (and the release of Released PAGA Claims described in Section III.D above) and will still be issued an Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion.

C. Object to the Class Settlement

You can object to the Class Settlement as long as you have not submitted a Request for Exclusion by submitting a written objection (“Notice of Objection”) to the Settlement Administrator.

The Notice of Objection must: (a) contain the case name and number of the Actions (*Brittini Aghedo et al. v. Villa Esperanza Services*, Case No. 23STCV27362 and *Jimmy Quevedo v. Villa Esperanza Services*, Case No. 24STCV04374); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B above, postmarked **on or before [Response Deadline]**.

You may also appear at the Final Approval Hearing and present your objection orally, regardless of whether you have submitted a Notice of Objection.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 012 of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California, 90012 on [date], at [time], to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and grant the Attorneys’ Fees and Costs to Class Counsel, Enhancement Payments to Plaintiffs, and Settlement Administration Costs to the Settlement Administrator.

The Final Approval Hearing may be continued without further notice to the Class Members and Aggrieved Employees. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to. You can find more information regarding appearing remotely through LA Court Connect online at:

<https://www.lacourt.org/lacceligibility/ui/civil.aspx?casetype=ci>.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers, which are on file with the Court. You may view the Settlement Agreement and other documents filed in the Action by for a fee by making an appointment in advance and visiting the civil clerk’s office during business hours, located at the Stanley Mosk Courthouse, 111 North Hill Street, Los Angeles, California 90012, or by online by visiting the following website:

<https://www.lacourt.org/casesummary/ui/>

You may also visit the Settlement Administrator’s website at [website link] for more information and documents relating to the Settlement

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.

EXHIBIT 3

Thank you for your Proposed Settlement Submission

From DIR PAGA Unit <no-reply@formassembly.com>

Date Mon 4/28/2025 4:59 PM

To Yesenia Rosas <yrosas@blackstonepc.com>

[External Email].

04/28/2025 04:59:18 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: [http://labor.ca.gov/Private Attorneys General Act.htm](http://labor.ca.gov/Private_Attorneys_General_Act.htm)