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SUPERIOR COURT OF CALIFORNIA
COUNTY OF SONOMA

LATASHA MARIE KNIGHTEN AND
MEGAN KATHLEEN BERGER,
individually, and on behalf of all others
similarly situated,

Plaintiffs,

vs.

THE PETALUMA PEOPLE SERVICES
CENTER, a California non-profit corporation;
and DOES 1 through 100, inclusive,

Defendants.

CASE NO.: 24CV04614

**DECLARATION OF KEVIN LIPELES IN
SUPPORT OF PLAINTIFFS' MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

Judge: Hon. Oscar A. Pardo
Date: October 8, 2026
Time: 3:00 PM
Dept.: 19

Complaint Filed: August 6, 2024

DECLARATION OF KEVIN LIPELES

1 1. I am an attorney at law duly licensed to practice law in California and admitted to
2 practice before this Court. I am the founding attorney of Lipeles Law Group, APC, which is
3 attorney of record for Plaintiffs LaTasha Marie Knighten and Megan Kathleen Berger (collectively
4 “Plaintiffs”) and the potential class in this lawsuit.

5 2. I am over 18 years of age. I have personal knowledge of the facts set forth in this
6 declaration and could and would testify competently thereto.

7 3. I have no knowledge of the existence of any conflict of interest between me and my
8 firm and Plaintiffs, on the one hand, and any Class Member, on the other hand.

9 4. Prior to filing the Complaint, Plaintiffs’ Counsel conducted an initial investigation
10 of the facts and the law, and contacted potential witnesses at Defendant The Petaluma People
11 Services Center, (“Defendant”), in California. I comprehensively investigated the applicable law as
12 applied to the facts discovered, regarding the suitability of the action for class treatment, the claims
13 of Plaintiffs, and the damages claimed by Plaintiffs. These witnesses corroborated the class-wide
14 claims in Plaintiffs’ complaint and supported my belief that Plaintiffs were typical non-exempt
15 hourly-paid employees and as such were subject to the same policies and procedures that gave rise
16 to the claims of the Class.

17 5. On August 6, 2024, Plaintiffs filed their Original Class Action Complaint in the
18 Superior Court of California, Sonoma County, on behalf of themselves and others similarly situated
19 for certain present and former employees of Defendant for: (1) failure to pay overtime (Cal. Labor
20 Code §§510, 511, 1194, 1198, et seq.; IWC Wage Order No. 4); (2) failure to pay minimum wages
21 (Cal. Labor Code §§ 1194, 1197, 1197.1, 1198; IWC Wage Order No. 4); (3) failure to pay for
22 meal periods not provided (Cal. Labor Code §§ 226.7, 512; IWC Wage Order No. 4); (4) failure to
23 pay for rest periods not provided (Cal. Labor Code §226.7, 512; IWC Wage Order No. 4); (5)
24 failure to maintain records and provide accurate itemized wage statements (Cal. Labor Code § 226;
25 IWC Wage Order No. 4); (6) failure to pay wages on termination and/or resignation (Cal. Labor
26 Code §§ 201-203); (7) failure to reimburse business expenses (Cal. Labor Code § 2802); (8) failure
27 to provide uniforms and maintenance allowance (Cal. Labor Code § 2802); (9) failure to provide
28 proper wages for alternative workweeks (Cal. Labor Code § 511); (10) failure to make proper

disclosure in violation of the FCRA (15U.S.C. §1681b(b)(2)(A));¹ (11) unlawful deduction of wages (Cal. Labor Code § 221);² (12) failure to allow inspection of employment records (Cal. Labor Code § 1198.5); and (13) unfair/unlawful business practices (Cal. Bus. and Prof. Code §§ 17200 et seq.)

6. On October 15, 2024, Plaintiffs filed a First Amended Complaint (“FAC”), adding Plaintiff Megan Kathleen Berger and a claim for civil penalties pursuant to the Private Attorneys General Act (PAGA) (Cal. Labor Code §§2699 *et seq.*) The FAC is the operative complaint.

7. Once the Action was filed, the Parties conducted extensive informal discovery, investigation and arm’s-length negotiations. Since approximately July 2024, I have conducted a thorough investigation into the facts of this putative class action. The Parties exchanged and analyzed documents. Information and data exchanges included detailed examination and analysis of time data, payroll data and policies and practices. The parties agreed to participate in the cost-effective alternative of settlement.

8. The informal discovery process culminated in a mediation scheduled for September 5, 2025. In preparing for the mediation, I reviewed various information and data produced by Defendant, including, *inter alia*,: (1) extensive review and analysis of relevant documents, including, but not limited to, documents relating to payroll and time records; (2) review of relevant data regarding the size of the putative class; (3) detailed examination of data related to Defendant’s PAGA exposure; and (4) research with respect to the applicable law and the potential defenses thereto.

9. This discovery allowed me to assess the merits and value of Plaintiffs’ claims, the claims held by the Class Members, and Defendant’s defenses.

10. Negotiations at the mediation were hotly contested. At the settlement meeting, Defendant made the following arguments in their defense for which substantial “deductions” were thought to be appropriate by Plaintiffs’ counsel and were applied to the maximum liability amount.

¹ At the time of mediation, Plaintiff ascertained that there was little to no value as to the FCRA claim.

² At the time of mediation, Plaintiff ascertained that the unlawful deduction of wages claim did not have any value on a class basis, because the unlawful deduction was a one off relating to Plaintiff Knighten alone.

Defendant contended that it is their policy and practice to pay all wages for all time worked, that and that Defendant did not require employees to perform off the clock work.

11. Further, Defendant adamantly contended that it implemented a policy for when nonexempt employees were to take meal/rest breaks. Defendant contended that Plaintiffs will not be able to certify a class because individual issues predominate and that courts routinely decline to certify meal/rest break classes. Further, Defendant maintained that their policies provide for expense reimbursement for cell phone usage. Also, Defendant maintained that employees had an annual uniform allotment.

12. Despite Defendant's contentions, I believed that Defendant's overtime, minimum wage, meal/rest break and reimbursement policies and practices, violated their employees' rights to proper wage compensation and meal/rest breaks.

13. From the data received from Defendant, Plaintiffs constructed a damages model based on Defendant's exposure. Certain calculations are extrapolated to the Class since the analysis data was based on a sample. As a result, certain calculations are multiplied by 15.38.

A. Overtime/Minimum Wage/Alternative Workweek Claims³

Plaintiffs assumed 15-minutes of off the clock work per shift. Defendant maintained that their policy and practice is to pay all wages for all time worked, that Defendant did not require employees to perform off the clock work and that employees reported all hours actually worked on their timesheets. However, Defendant concedes that some of their employees may have answered calls while off the clock and/or on their days off and not reported those hours on their timesheets. The average wage rate for all employees during the Class Period was \$27.00 per hour.

The total estimated amount of alleged unpaid off the clock time in the statutory period is 4,752 regular hours and 12,231 overtime hours. Thus, the total amount of overtime/minimum wages owed equaled \$623,660.00 as of September 5, 2025 (date of mediation). $4,752 \text{ hours} * \$27.00 + 12,231 * \$27.00 * 1.5 = \$623,660.00$.

³ Damages relating to the minimum wage and alternative workweeks claims are subsumed within the calculations for overtime wages.

B. Meal Break Claim

Meal break violations (missed, short and/or late), were calculated and quantified based on the actual observed violations contained in the data. The data was converted and both shift durations and break durations were calculated. Employing the “5/10 rule⁴”, each shift was analyzed to determine whether a meal break was taken and whether that break was short, missed or late. The data revealed 3,441 shifts with violations during the statutory period. The total amount of damages based on the number of shifts in the data was \$92,907.00 ($3,441 * \$27.00$).

Further, Plaintiffs assumed that 30% of meal breaks were interrupted. The total number of meal break interruptions was $9 * 30\% = 3$ violations. Thus, the total damages for interrupted meal breaks based on the data was \$73.00 ($3 * \$27.00$).

Defendant contended that they have a valid meal break policy and that they authorized and permitted meal breaks. However, Defendant’s meal period policy was facially inconsistent with California law since it stated that employees are afforded meal periods after working 6 or more hours. Further, Defendant did not have a policy that required employees to record their meal periods.

According to Plaintiffs’ damages model, Defendant’s exposure for meal period violations extrapolated to the Class, excluding interest and penalties, amounted to approximately \$1,428,910 ($\$92,907.00 * 15.38$ (multiplier)). Defendant’s exposure for meal period interruptions extrapolated to the Class, excluding interest and penalties, amounted to approximately \$1,123.00 ($\$73 * 15.38$). The total amount of damages for both meal break violations and interruptions is \$1,430,033.00.

C. Rest Break Claim

Regarding rest break violations, Plaintiffs assumed one missed rest break per shift greater than 3.5 hours. The total number of rest break violations in the statutory period was 3,612 shifts. Defendant contended that it has a valid rest break policy and that it authorized and permitted rest breaks. However, employees were required to keep their radios on during their rest periods.

⁴The “5/10 rule” refers to the assumption of no meal break waiver, meaning a shift is eligible for a first meal break at 5 hours and a second meal break at 10 hours.

According to Plaintiffs' damages model, Defendant's exposure for non-complaint rest periods on the shifts, excluding interest, amounted to approximately \$97,524 ($3,612 * \$27.00$). When extrapolated to the Class, Defendant's exposure for non-compliant rest periods, excluding interest and penalties, amounted to approximately \$1,499,919.00 ($\$97,524 * 15.38$).

D. Failure to Provide Accurate Wage Statements Claim

Concerning the wage statement claim,⁵ the putative class was comprised of approximately 151 employees during the one-year statutory period. There were 24 pay periods per year. The value of Plaintiffs' wage statement claim was \$354,850.00 calculated as follows: Current employees (151 at the time of mediation) * \$2,350 (\$50.00 (initial violation) + \$100 (subsequent violations)) = \$354,850.00.

E. Failure to Pay Wages on Termination Claim

Concerning waiting time penalties, the putative class is comprised of approximately 121 former employees during the statutory period. Plaintiffs assumed 30 days per employee at 9.21 hours per day, \$27.00 average rate of pay and 121 former employees each year are in the Section 203 subclass. The potential value of the waiting time penalty claim⁶ for the Class Members who are former employees of Defendant is \$902,672.00, calculated as follows: 121 employees * 9.21 hours per day * \$27.00 * 30 days = \$902,672.00.

F. Failure to Reimburse Business Expenses and Provide Uniform Maintenance Allowance Claims

Plaintiff assumed there was \$9.28⁷ of unreimbursed cell phone use per week. There were 16,256 Workweeks in the Class Period through September 5, 2025.

⁵ Labor Code §226(e) provides that an employee is entitled to recover \$50 for the initial pay period in which a violation of Labor Code §226 occurs and \$100 for each subsequent pay period, not to exceed \$4,000, as well as an award of costs and reasonable attorneys' fees, for all pay periods in which the employer knowingly and intentionally fails to provide accurate itemized statements to the employee causing the employee to suffer injury. There are 24 pay periods per year. The wage statement violation claim is derivative of Plaintiffs' other claims and depends on the actual number of violations found to exist.

⁶ Under Labor Code 203(a), Plaintiffs and the Class are entitled to one day's wages for each day he or she was not timely paid, not to exceed 30 days' wages.

⁷ Cell phone reimbursement cost: <http://www.insights.samsung.com/2022/05/16/how-much-should-you-compensate-byod-employees-for-mobile-expenses-3/>

According to Plaintiff's damages model, Defendant's exposure for unreimbursed cell phone use, excluding interest, amounted to approximately \$158,856.00 (16,256 * \$9.28).

Plaintiff assumed \$50.00 per pay period based on cleaning costs of 5 shirts and pants.⁸ There were 8,128 Pay Periods in the statutory period through September 5, 2025.

According to Plaintiff's damages model, Defendant's exposure for unreimbursed uniform maintenance business expenses, excluding interest, amounted to approximately \$406,400.00 (8,128 * \$50).

Thus, the total expense reimbursement owed for both cell phone use and uniform maintenance expenses is \$565,246.00.

G. Damages Model

The Damages Model manifested the following conclusions concerning Defendant's exposure, excluding interest:

<u>ALLEGATION</u>	<u>MAXIMUM POTENTIAL RECOVERY</u>	<u>REALISTIC RECOVERY</u>
Overtime/Minimum Wage/Alternative Workweeks Claims	\$623,660.00	For the reasons stated in paragraph 20 <i>infra</i> , the value of this claim is discounted by 50% leading to potential realistic exposure of \$311,800.00.
Rest Break Claim	\$1,499,919.00	For the reasons stated in paragraph 20 <i>infra</i> , the value of this claim is discounted by 65% leading to potential realistic exposure of \$524,972.00.
Meal Break Claim (including meal break violations and interruptions)	\$1,430,033.00	For the reasons stated in paragraph 20 <i>infra</i> , the value of this claim is discounted by 65% leading to potential

⁸ See Uniform Cleaning Cost: <https://www.amenify.com/blog/how-much-does-dry-cleaning-cost>

		realistic exposure of \$500,312.00.
1	Failure to Issue Accurate Itemized Wage Statement Claim	\$354,850.00
2		For the reasons stated in paragraph 20 <i>infra</i> , the value of this claim is discounted by 65% leading to potential realistic exposure of \$124,197.00.
3		
4		
5		
6	Failure to Pay Wages on Termination Claim	\$902,672.00
7		For the reasons stated in paragraph 20 <i>infra</i> , the value of this claim is discounted by 65% leading to potential realistic exposure of \$315,935.00.
8		
9		
10		
11	Failure to Reimburse Business Expenses/ Failure to Provide Uniform Maintenance Allowance Claims	\$565,246.00
12		For the reasons stated in paragraph 20 <i>infra</i> , the value of this claim is discounted by 50% leading to potential realistic exposure of \$282,623.00.
13		
14		
15	Total, excluding interest	\$5,376,380.00
		\$2,060,040.00

The following chart shows the amount of PAGA penalties on the overtime/minimum wage/alternative workweeks claims only since based on Labor Code 2699(h)(3)(i) PAGA penalties cannot be stacked:

20	Number of Pay Periods in PAGA Period	3,886	
21	Number of Pay Periods in PAGA Period – Overtime/Minimum Wage/Alternative Workweeks	3,886	
22	PAGA for Overtime/Minimum Wages/Alternative Workweeks	\$388,600	\$100/\$100
23	Total PAGA penalties alleged (assuming no stacking)	\$388,600.00	

Since PAGA penalties cannot be stacked, the maximum recoverable PAGA penalties is \$388,600.00.

14. The \$225,000 proposed Gross Settlement Amount (“GSA”) represents a compromise of Defendant’s liability risk. The parties agreed to settle for \$225,000.00 with no claims process and **no reversion** to Defendant of any settlement monies remaining after all Participating Class Members claims are paid.

15. On September 5, 2025, the parties virtually attended via Zoom an all-day mediation with mediator Daniel Quinn, Esq. (“Mr. Quinn”). Defense counsel and I selected Mr. Quinn as mediator based upon his experience in mediating wage and hour class action lawsuits. Jasmine Badawi, Esq.⁹ and I attended on behalf of Plaintiffs. Antwane Mace, Esq. of Levangie Long Looz attended on behalf of Defendant. Plaintiffs also remotely attended the mediation. *See* Declaration of LaTasha Marie Knighten (“Knighten Decl.”), ¶¶ 6-11 and Declaration of Megan Kathleen Berger (“Berger Decl.”), ¶ 6.

16. Discussion focused on the many disputed legal and factual issues. Counsel for both Parties analyzed the data provided by Defendant to estimate potential damages in the litigation. Arm’s-length negotiations were conducted in good faith. The negotiations were lengthy and hard-fought.

17. With Mr. Quinn’s help, we negotiated a class-wide resolution at the mediation. After a full day of negotiations, the parties agreed to settle for \$225,000.00 with **no reversion** to Defendant of any settlement monies remaining after all Participating Class Members are paid.

18. The Parties negotiated a long-form agreement over many months before executing the Joint Stipulation of Class Action and PAGA Settlement (“Settlement Agreement”) in June 2026. A true and correct copy of the Settlement Agreement is attached hereto as **Exhibit A**.

19. I have evaluated the strengths of the class claims and assessed the range of potential outcomes of the litigation. In addition to disputing the merits of Plaintiffs’ claims, Defendant would strongly challenge any request for class certification. While I believe that this case was suitable for class certification because the policies at issue are amenable to treatment on a class-wide basis, there is always a significant risk associated with class certification proceedings and that uncertainty

⁹ Jasmine Badawi no longer works at Lipeles Law Group.

governed the settlement negotiations.

20. Pursuit of the Action through trial would impose significant risks on the outcome of Plaintiffs' claims. Plaintiffs estimate that their likelihood of proving all their underlying claims is low and thus their likelihood of recovering the potential undiscounted amount or anything close to that amount is very unlikely. With respect to the claims asserted on behalf of the Class in this case, there are significant risks that support the reduced compromise amount. These risks include, but are not limited to the following:

(i) The risk that Plaintiffs would be unable to establish liability for allegedly unpaid minimum and overtime wages. *See Duran v. U.S. Bank Nat'l Ass'n*, 59 Cal.4th 1, 39 & fn. 33 (2014) ("*Duran*"), citing *Dilts v. Penske Logistics, LLC* 2014 WL 205039 (S.D. Cal. 2014) (dismissing certified off-the-clock claims based on proof at trial). Defendant contends that it is its policy and practice to pay all wages for all time worked and that employees were not allowed to engage in off the clock work. Further, Defendant maintains that it instructed employees to record all time worked. Thus, not getting certified was a risk which Plaintiffs considered during the negotiations. As a result, Plaintiffs believe the overtime/minimum wage/alternative workweeks claims should be discounted by 50%, resulting a realistic value of \$311,800.00

(ii) The risk that Plaintiffs would not be able to prove liability for alleged failure to provide compliant meal periods and rest breaks; or that to establish liability for the failure to provide compliant meal periods and rest breaks would require an individualized inquiry that would present trial manageability issues and perhaps lead to inconsistent testimony. Defendant adamantly contends that it implemented a policy for when nonexempt employees were to take meal/rest breaks. Defendant maintains that it provided its non-exempt employees with legally-compliant meal/rest periods. Defendant argued that it has no obligation to ensure that meal/rest breaks are taken. Further, Defendant maintained that individual issues predominate. Defendant argued that courts routinely decline to certify meal/rest break classes. *See, e.g., Wilson v. TE Connectivity Networks, Inc.*, 2017 WL 1758048, *7 (N.D. Cal. Feb. 9, 2017 (denying certification of break classes and noting "courts consistently [find that] individualized issues predominate in meal and rest break claims"). Thus, there was a high risk that the Court would deny certification of the meal/rest break claims.

As a result, Plaintiffs believe the meal break claim should be discounted by 65%, resulting a realistic value of \$500,512.00. As a result, Plaintiffs believe the rest break claim should be discounted by 65%, resulting a realistic value of \$524,972.00.

(iii) Plaintiffs claim that Class Members were not reimbursed for their business expenses such as cell phone expenses. Defendant maintained that their policies provide for expense reimbursement for cell phone usage and that employees were eligible to receive subsidies. Further, employees who had work expenses that exceeded their subsidies, were encouraged to provide receipts for additional reimbursement or an increased subsidy. Additionally, Defendants contend that employees had access to agency phones and they did not inform Defendant that they were using their cell phones. Plaintiffs claim that Class Members were not provided a uniform maintenance allowance and that they were required to clean their uniforms themselves. Defendant maintained that Defendant provided each employee with a annual uniform allotment of up to \$150.00 for uniforms and maintenance. Defendant informed Plaintiffs that its records showed that Plaintiff Knighten was issued \$58.58 for a uniform allotment. Nonetheless, Plaintiffs contended that Defendant failed to maintain Plaintiffs and Class Members' uniforms. Thus, there was a significant risk that the Court would deny the expense reimbursement and uniform maintenance allowance claims. As a result, Plaintiffs believe the expense reimbursement and uniform maintenance claims should be discounted by 50%, resulting a realistic value of \$282,623.00.

(iv) Plaintiffs must establish willfulness with respect to their waiting time penalties claim under Labor Code Section 203 as well as a knowing and intentional violation under Labor Code Section 226 for wage statement penalties. It should be noted that there is currently a split of authority as to whether such penalties can be obtained. *See e.g., Singletary v. Teavana Corporation*, 2014 WL 1760884, *4 (N.D. Cal. 2014) (noting that "the law in this area is murky at best" and holding that section 203 penalties are not applicable to meal and rest break claims). Plaintiffs might not prevail in showing that Defendant acted with the requisite intent necessary for the alleged claims for penalties under Labor Code sections 203 and 226. Specifically, section 203 requires that a plaintiff show the employer committed a "willful" violation of the law in withholding wages. "A good faith dispute that any wages

are due will preclude imposition of waiting time penalties under Section 203.” 8 Cal. Code Regs. § 13520. Similarly, penalties pursuant to section 226 require a “knowing and intentional” violation. Defendant contends that it would present several good faith defenses that would preclude a finding of willfulness under section 203. As a result, Plaintiffs believe the Section 203 claim should be discounted by 65%, resulting a realistic value of \$315,935.00. Further, the section 226 should likewise be discounted by 65%, resulting in a realistic value of \$124,197.00.

(v) The risk that any civil penalties award under PAGA could be reduced by the Court in its discretion, which would materially impact the recovery by the Aggrieved Employees. *See* Labor Code section 2699(e)(1).

(vi) The risk that lengthy appellate litigation could ensue, with associated litigation risk and costs, further enhances the value of a confirmed settlement as opposed to unpredictable litigation.

(vii) Although the PAGA penalties recoverable amounts to \$388,600, that amount is not likely to bear fruit in this case. Most significantly, the ultimate decision as to the amount of penalties is always up to the discretion of the Court. Labor Code § 2699(e)(2) states: “In any action by an aggrieved employee seeking recovery of a civil penalty available under subdivision (a) or (f), a court may award a lesser amount than the maximum civil penalty amount specified by this part if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory.” Subdivision (a) states, “Notwithstanding any other provision of law, any provision of this code that provides for a civil penalty to be assessed and collected by the Labor and Workforce Development Agency or any of its departments, divisions, commissions, boards, agencies, or employees, for a violation of this code, may, as an alternative, be recovered through a civil action brought by an aggrieved employee on behalf of himself or herself and other current or former employees pursuant to the procedures specified in Section 2699.3.” Subdivision (f) specifies the penalties in instances where the underlying statute does not specify any civil penalty. In other words, where the facts and circumstances of the particular case demonstrate that an unreduced award would be “unjust, arbitrary and oppressive, or confiscatory,” the court may reduce the award so as to ameliorate any such finding. Also, since only 35% of any PAGA recovery reaches the PAGA claimants (with the balance going to the state), the strength of Plaintiffs’ potential PAGA claims and the

potentially limited recovery was a factor considered during settlement negotiations.

(viii) Moreover, Plaintiffs faced the risk of a potentially prolonged and expensive trial.

Each of these factors bore heavily on the negotiations leading to the settlement. In view of these risks, the settlement reflects a fair, adequate, and reasonable compromise amount for these claims and warrants approval. Indeed, while the risks listed herein are far from exhaustive, they show that the settlement is fair, adequate, and reasonable in view of them.

21. I anticipate that should this matter not resolve against Defendant, Defendant will defend themselves vigorously. I anticipate that Defendant will challenge every aspect of the claims, including whether they violated labor laws, the commonality of the claims such that this action could not be certified as a class action, and the damages claimed.

22. In light of the uncertainties of protracted litigation, the GSA reflects an excellent recovery for the Class Members.

23. The proposed settlement here is fair to the Class. Since the filing of the Complaint in September 2024, Plaintiffs' counsel has conducted a comprehensive investigation and has reviewed voluminous documentary evidence relating to Defendant's overtime, minimum wage, meal/rest break, expense reimbursement, alternative workweek wages and disclosure policies and practices. Plaintiffs' counsel has also participated in extensive informal discovery and meeting and conferring regarding negotiations. Moreover, Plaintiffs remotely attended an all-day mediation with mediator Mr. Quinn. Thus, Plaintiffs' Counsel negotiated the proposed Settlement with ample knowledge of the strengths and weaknesses of this case, the amounts necessary to compensate Class Members for their damages, and the benefits of the proposed Settlement under the circumstances of this case. In addition, Plaintiffs' Counsel and Defense counsel, are experienced class action litigation and employment attorneys, and have used their experience and expertise in fashioning a proposed Settlement that is acceptable to both parties.

24. Upon approval, Defendant will pay a non-reversionary GSA of \$225,000.00. After deductions for proposed court-approved Settlement Administration Costs, attorneys' fees and costs, LWDA PAGA Payment and the Enhancement Payments, the remaining Net Settlement Amount ("NSA"), approximately \$84,000.00, will be distributed to all Class Members who do not request

1 exclusion. Current and former employees are not required to submit a claim form in order to receive
2 an Individual Class Payment. Class Counsel believes the Settlement is a fair and adequate amount
3 given the litigation risks and delays inherent in further litigation and appeals.

4 25. The proposed Settlement provides that Plaintiffs will request, and Defendant will not
5 oppose, an award to Class Counsel in an amount not to exceed \$78,750.00 for attorneys' fees (35%
6 of the GSA), up to \$12,000.00 in Class Counsel's costs, Enhancement Payments of \$10,000 to each
7 of the Class Representatives (\$20,000 total) in recognition of their time, effort, and risk as Class
8 Representatives, a PAGA penalty to the LWDA in the amount of \$14,625 (plus \$7,875 to the
9 Aggrieved Employees for a total of \$22,500) and approximately \$7,750 in Settlement Administration
10 Costs. The foregoing awards amount to \$141,000 and Plaintiffs therefore request that the Court
11 approve a total deduction of \$141,000 from the \$225,000.00 GSA. Viewing the participation, service
12 and risk payment as an additional cost of litigation, in combination with the allocation for attorneys'
13 fees, expenses and costs, this total deduction of \$141,000 is within the range of attorneys' fees,
14 expenses and costs awarded in similar cases. *See e.g., Garrido v. American Air Liquide, Inc.*, No.
15 BC485942, BC614586, 2018 WL 2267367, **1-2 (Cal. Super. Feb. 20, 2018) (granting final
16 approval for failure to provide meal breaks); *Manzanares v. Irvine Scientific Sales Company, Inc.*,
17 No. BC574478, 2017 WL 4772976 *2, (Cal. Super. Apr. 20, 2017) (granting preliminary approval
18 in rest/meal break action); *Velasco v. Knight Port Services, LLC*, No. CIVDS1513403, 2016 WL
19 7655334, *2, (Cal. Super. Jan. 12, 2016) (granting preliminary approval in meal/rest break action);
20 *Lacy T v. The Oakland Raiders*, No. RG14710815, 2015 WL 13701077, *3 (Cal. Super. Mar. 3,
21 2015) (granting final approval in a meal/rest break action).

22 26. According to the information provided to me from Defendant, there are 226 potential
23 Class Members. Thus, the average settlement share is projected to be \$371.68¹⁰. Class members will
24 have 60 days from the mailing of the Class Notice to request exclusion or object, thereby providing
25 ample time to review the Class Notice without unduly delaying the settlement. The Class Notice will
26 be in English with Spanish translation. The NSA shall be allocated proportionally based on each such

27 ¹⁰ \$84,000 (NSA)/226 (putative class members) = \$371.68 (average award per class member).

Class Member's workweeks during the Class Period.

1 27. If a Class Member fails to cash the check within 180 days, his or her pro rata share of
2 the NSA will be remitted to California Unclaimed Property Fund in the name of the Class Member.

3 28. Those Class Members who do not request exclusion from the settlement will be bound
4 by its terms, and will be releasing all claims against Defendant that were asserted or could have been
5 asserted in this lawsuit, based on the facts and allegations asserted in the FAC in this lawsuit, for the
6 period of September 6, 2020 through the date of preliminary approval.

7 29. The following factors support the approval of the incentive awards requested here
8 for the Class Representatives. First, the Class Representatives spent a tremendous amount of time,
9 approximately 35 hours each, providing invaluable assistance to Class Counsel and the Class in this
10 case, including providing factual background for the Class Complaint; providing and explaining
11 documents corroborating their allegations to Class Counsel; reviewing the Complaint and other
12 pleadings filed with the Court by Plaintiffs and Defendant; providing crucial information at
13 settlement negotiations to rebut Defendant's arguments; remotely attending the all-day mediation;
14 and participating in multiple conference calls and phone calls to discuss litigation and settlement
15 strategy. The Class Representatives have been actively involved in this litigation and have proven
16 themselves to be invaluable resources of information throughout this litigation. Second, the
17 requested \$10,000 service payments to each of the Class Representatives falls well within the range
18 of incentive awards typically awarded to class representatives in similar actions.

19 30. I believe that this proposed settlement is within the range of possible approval in light
20 of the significant legal and factual obstacles that Plaintiffs faced, the risks and costs of further
21 litigation, and the tangible monetary benefits to be received by Class Members.

22 31. I will also apply for an attorneys' fee award of \$78,750.00, or 35% of the GSA of
23 \$225,000.00 and for costs up to \$12,000.00. The requested fee is fair compensation for undertaking
24 complex, risky, expensive, and time-consuming litigation on a purely contingent fee basis. My office
25 incurred substantial attorneys' fees conducting pre-filing investigation, analyzing the claims,
26 conducting legal research, reviewing documents produced by Defendant, performing substantial data
27 analysis of employee timekeeping data and payroll records, preparing for and attending mediation,

negotiating and reviewing the Settlement Agreement, preparing this Motion for Preliminary Approval, and otherwise prosecuting the case. I also anticipate incurring significant future attorneys' fees in appearing at the hearing on this Motion for Preliminary Approval, supervising the Notice process, fielding phone calls from Class Members after the Notice has been disseminated, and preparing the necessary Final Approval motions and appearing at the Final Approval Hearing.

32. Continuing to litigate this action against Defendant will be expensive and will take a considerable amount of time, with the eventual outcome entirely uncertain and there is a substantial risk that the Plaintiffs could, especially after deductions for costs and expenses, end up with nothing.

33. I believe and assert that this settlement is a fair, adequate and reasonable settlement against Defendant, and is in the best interests of the Class Members.

34. I am the founder of Lipeles Law Group, APC ("LLG"). I opened my own law firm straight out of law school starting with just a computer. Prior to founding the firm, I managed several retail businesses, including a high-end jewelry business and full-service restaurant that employed more than 25 people. In addition, I have represented and managed professional prize fighters, working to secure boxers high profile and world championship fights. I am also fluent in Spanish. This firm has now grown into a full-service litigation law firm representing both plaintiffs and defendants with over 150 active cases, including cases in Federal and State Court. The overwhelming majority of our cases involve employment/wage and hour lawsuits. In addition, my firm is or has been counsel or co-counsel in many employment-related class action lawsuits. California courts have certified classes in cases similar to the present Class in which Plaintiffs' Counsel was appointed Class Counsel. *See e.g., Canseco v. Pampanga Food Company, Inc.*, Orange County Superior Court, Case No. 30-2016-00852698-CU-OE-CXC, February 13, 2019, (granting final approval in a rest break class action and approving me as adequate and competent class counsel); *Bernstein v. Alice and Olivia California Holdings, LLC, et al.*, Los Angeles Superior Court Case No. BC 661262, December 17, 2019, (granting final approval in an overtime and meal/rest break class action and approving me as adequate and competent class counsel); *Lagunas v. Impact Logistics, Inc. et al.*, San Bernardino Superior Court Case No. CIVSD1815249,

September 10, 2020, (granting final approval in an overtime, meal/rest break class action and approving me as adequate and competent class counsel); *Marroquin v. Food Castle, Inc. et al.*, Los Angeles Superior Court Case No. 21STCV22582, August 16, 2023 (granting final approval in an overtime, minimum wage and rest break class action and approving me as adequate and competent class counsel); *Saavedra v. Success Valley Farms, LLC*, Ventura Superior Court Case No. 56-2021-00556708-CU-OE-VTA, January 29, 2024 (granting preliminary approval in a wage and hour class action); *Lopez v. Vo Medical Center et al.*, Imperial County Superior Court Case No. ECU002625, September 30, 2024 (granting final approval in a wage and hour class action); *Phillips v. C & K Market, Inc.*, Northern District of California Case No. 25-cv-01868-EMC, December 2, 2025 (granting preliminary approval in a wage and hour class action); *Rose v. Scarborough Lumber and Building Supply, Inc. dba Ace Hardware, et al.*, Santa Clara Superior Court, Case No. 24CV02298, January 8, 2026 (granting preliminary approval in a wage and hour class action); *Michael v. Point Quest, Inc.*, Sacramento Superior Court, Case No. 24CV016886, February 6, 2026 (granting preliminary approval in a wage and hour class action); *Dickson v. Berkeley Therapy Institute, Inc.* Alameda Superior Court, Case No. 23CV036358, March 11, 2026 (granting final approval in a wage and hour class action); *Wilson v. People Assisting the Homeless*, Los Angeles Superior Court, Case No. 24STCV17152, May 5, 2026 (granting preliminary approval in a wage and hour class action).

35. I received my J.D. from Loyola Law School in Los Angeles, where I served as class representative for 2 years. In addition, I served on the Dean's List, graduating in the top 30% of my class. While in law school, I served as an extern to the Loyola Law School Center for Conflict Resolution and to Los Angeles County Superior Court Judge Joseph DiLoreto in Long Beach.

36. My firm conducted an in-depth review of Plaintiffs' lengthy payroll and time data, putative class data concerning the size and scope of the putative class, including the total class members during the applicable statutory periods. Defendant also provided documents relating to policies and procedures regarding the payment of wages, time keeping, reimbursements and meal/rest periods. We drew on our extensive experience in similar cases to assess the strengths and

weaknesses of Plaintiffs' case.

1 37. Prior to the expiration of the period of time allotted for Class Members to make
2 objections to the settlement, Plaintiffs will file a motion and brief for fees and costs (to be heard at
3 the same time as the Final Fairness Hearing) so that Class Members will be able to, if they elect to
4 do so, review the fees motion prior to making objections or filing a claim. The motion and brief for
5 fees and costs will include, *inter alia*, an itemized listing of all costs incurred in litigating this case.

6 38. The \$78,750 attorneys' fees (35%), up to \$12,000.00 for the Class Counsel's costs,
7 approximately \$7,750.00 expense from the \$225,000.00 GSA for the Settlement Administration
8 Costs, the \$14,625 PAGA Payment to the LWDA (plus \$7,875 which will go to the Aggrieved
9 Employees) as well as \$10,000 for each of the Class Representatives (\$20,000 total) as
10 Enhancement Payments, are within the range of attorneys' fees, litigation expenses, service
11 payments, and administration expenses awarded in similar cases.

12 I declare under penalty of perjury that the foregoing is true and correct. Executed on July
13 10, 2026, in Hermosa Beach, California.

14 
15 _____
16 KEVIN A. LIPELES
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EXHIBIT A

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Attorneys for Defendant
The Petaluma People Services Center

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SONOMA**

LATASHA MARIE KNIGHTEN AND
MEGAN KATHLEEN BERGER,
individually, and on behalf of all others
similarly situated,

Plaintiffs,

vs.

THE PETALUMA PEOPLE SERVICES
CENTER, a California non-profit
corporation; and DOES 1 through 100,
inclusive,

Defendants.

CASE NO.: 24CV04614

[Assigned to the Hon. Oscar A. Pardo – Dept. 19]

**CLASS ACTION AND PAGA SETTLEMENT
AGREEMENT AND CLASS NOTICE**

Complaint Filed: August 6, 2024
Trial Date: None Set

Subject to final approval by the Court, which counsel and parties agree to pursue and recommend in good faith, Plaintiffs LATASHA MARIE KNIGHTEN and MEGAN KATHLEEN BERGER individually and on behalf of all employees similarly situated, on the one hand (“Plaintiffs”), and Defendant THE PETALUMA PEOPLE SERVICES CENTER

1 (“Defendant”) hereby agree to the following binding settlement of the class action case of
2 *Latasha Marie Knighten and Megan Kathleen Berger v. The Petaluma People Services Center*,
3 Sonoma County Superior Court Case No. 24CV04614.

4 **I. DEFINITIONS**

5 1.1. “Action” means the Plaintiffs’ lawsuit alleging wage and hour violations against
6 Defendant captioned *Latasha Marie Knighten and Megan Kathleen Berger v. The Petaluma
7 People Services Center* initiated on August 6, 2024 and pending in the Superior Court of the
8 State of California, County of Sonoma.

9 1.2. “Administrator” or “Phoenix” means Phoenix Class Action Administration
10 Solutions, the neutral entity the Parties have agreed to appoint to administer the Settlement.

11 1.3. “Administration Expenses Payment” means the amount the Administrator will be
12 paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in
13 accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection
14 with Preliminary Approval of the Settlement.

15 1.4. “Aggrieved Employee” means all individuals whom Defendant classified as hourly,
16 non-exempt employees and who worked for Defendant in California at any time during the
17 PAGA Period.

18 1.5. “Agreement” or “Stipulation” mean, and refer to, this Class Action and PAGA
19 Settlement Agreement and Class Notice.

20 1.6. “Class” means all individuals whom Defendant classified as hourly, non-exempt
21 employees and who worked for Defendant in California at any time during the Class Period.

22 1.7. “Class Counsel” means Kevin Lipeles, Esq., Thomas Schelly, Esq. and Jasmine
23 Badawi, Esq. of Lipeles Law Group, APC.

24 1.8. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment”
25 mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees
26 and expenses, respectively, incurred to prosecute the Action.

27 1.9. “Class Data” means Class Member identifying information in Defendant’s
28 possession including the Class Member’s name, last-known mailing address, Social Security
number, employee ID while employed by Defendant, and number of Class Period Workweeks
and PAGA Pay Periods.

1.10. “Class Member” or “Settlement Class Member” mean a member of the Class, as
either a Participating Class Member or Non-Participating Class Member (including a Non-
Participating Class Member who qualifies as an Aggrieved Employee).

1.11. “Class Member Address Search” means the Administrator’s investigation and search
for current Class Member mailing addresses using all reasonably available sources, methods and

means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

1.12. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English, in the form, without material variation, attached as Exhibit 1 and incorporated by reference into this Agreement.

1.13. “Class Period” means the period from August 6, 2020 through the date of preliminary approval.

1.14. “Class Representatives” mean the named Plaintiffs in the operative complaint in the Action seeking Court approval to serve as a Class Representatives.

1.15. “Class Representative Service Payments” mean the payments to the Class Representatives for initiating the Action and providing services in support of the Action.

1.16. “Court” means the Superior Court of California, County of Sonoma.

1.17. “The Petaluma People Services Center” means the named Defendant.

1.18. “Defense Counsel” means Antwane Mace, Esq. of LeVangie, Long, Loorz.

1.19. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.20. “Final Approval” means the Court’s order granting final approval of the Settlement.

1.21. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

1.22. “Final Judgment” means the judgment entered by the Court upon Granting Final Approval of the Settlement.

1.23. “Gross Settlement Amount” means \$225,000.00 which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payments and the Administrator’s Expenses.

1.24. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

1.25. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 35% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.

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

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

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

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

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

1.31. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

1.32. "PAGA Period" means the period from August 4, 2023 to the date of preliminary approval.

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

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

1.35. "PAGA Penalties" means the total amount of PAGA civil penalties, \$22,500 to be paid from the Gross Settlement Amount, allocated 35% to the Aggrieved Employees (\$7,875.00) and the 65% to LWDA (\$14,625.00) in settlement of PAGA claims.

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

1.37. "Plaintiffs" mean LaTasha Marie Knighten and Megan Kathleen Berger, the named Plaintiffs in the Action.

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

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

1.40. “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.

1.41. “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.

1.42. “Released Parties” means: Defendant and its former and present shareholders, partners, members, managers, owners, officers, directors, managerial employees, agents, attorneys, insurers, payroll providers, joint ventures, predecessors, successors, and assigns, and any individual or entity that could be liable for any of the released class and PAGA claims.

1.43. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.

1.44. "Response Deadline" means 60 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Class Notices are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the expired Response Deadline.

1.45. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

1.46. “Workweek” means any week during which a Class Member worked for Defendant for at least one day, during the Class Period.

2. RECITALS.

2.1. On August 6, 2024, Plaintiffs commenced this Action by filing a Complaint alleging causes of action against Defendant for (1) Failure to Pay Premium Overtime Wages Due; (2) Failure to Pay Minimum Wages; (3) Failure to Provide Timely Off Duty Meal Periods; (4) Failure to Provide Timely Off Duty Rest Periods; (5) Failure to Maintain and Provide Accurate Itemized Wage Statements; (6) Failure to Pay Wages Due Upon Termination; (7) Failure to Reimburse Business Expenses; (8) Failure to Provide Uniform and Maintenance Allowance; (9) Failure to Provide Proper Wages For Alternative Workweeks; (10) Failure to Make Proper Disclosure in Violation of the FCRA; (11) Unlawful Deduction of Wages; (12) Failure to Allow Inspection of Employment Records; and (13) Unfair Competition. On October 15, 2024, Plaintiffs filed a First Amended Complaint adding a cause of action against Defendant pursuant to the Private Attorneys General Act of 2004, Cal. Lab. Code §§2699, et seq. The First Amended Complaint is the operative complaint in the Action (the “Operative Complaint.”) Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint and denies any and all liability for the causes of action alleged.

2.2. Pursuant to Labor Code section 2699.3, subd. (a), Plaintiffs gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.

2.3. On September 5, 2025, the Parties participated in an all-day mediation presided over by Daniel Quinn, Esq. which led to this Agreement to settle the Action.

2.4. Prior to mediation and negotiating the Settlement, Plaintiffs obtained, through informal discovery the following documents: Defendant's policies and procedures relating to the claims alleged in the Complaint, payroll and time records. Plaintiffs' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal. App. 4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal. App. 4th 116, 129-130 ("*Dunk/Kullar*").

2.5. The Court has not granted class certification.

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

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay \$225,000.00 and no more as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.2 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

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

3.2.1. To Plaintiffs: Class Representative Service Payments to the Class Representatives of not more than \$10,000.00 each (\$20,000 total) (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representatives are entitled to receive as Participating Class Members). Defendant will not oppose Plaintiffs' request for the Class Representative Service Payments that do not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiffs will seek Court approval for any Class Representative Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves Class Representative Service Payments less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payments using IRS Form 1099. Plaintiffs assume full responsibility and liability for employee taxes owed on the Class Representative Service Payments.

3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 35%, which is currently estimated to be \$78,750.00 and a Class Counsel Litigation

Expenses Payment of not more than \$12,000.00. Defendant will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel arising from any claim to any portion of any Class Counsel Fees Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment.

3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$7,750.00 except for a showing of good cause and as approved by the Court.

3.2.4. To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.

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

3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis. If there are any valid and timely requests for exclusion, the Settlement Administrator shall proportionately increase the Individual Settlement Payment for each participating Settlement Class Member according to the number of workweeks worked, so that the amount distributed to the Settlement Class equals 100% of the Net Settlement Amount.

3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount

of \$22,500.00 to be paid from the Gross Settlement Amount, with 65% (\$14,625.00) allocated to the LWDA PAGA Payment and 35% (\$7,875.00) allocated to the Individual PAGA Payments.

3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 35% share of PAGA Penalties \$7,875.00 by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. PAGA Payments shall be treated as 100% penalties.

3.2.5.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendant estimates there are 236 Class Members who collectively worked a total of 18,124 Workweeks, and 164 Aggrieved Employees who worked a total of 5,131 PAGA Pay Periods.

4.2. Class Data. Not later than 21 days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator's employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if they discover that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.3. Funding of Gross Settlement Amount. Defendant shall fund the Gross Settlement Amount (including any increase to the Gross Settlement Amount pursuant to the Escalator Clause), and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than 30 days after the Court grants final approval

4.4. Payments from the Gross Settlement Amount. Within 30 days after Defendant fully funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration

Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payments. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payments shall not precede disbursement of Individual Class Payments and Individual PAGA Payments. Any portion of the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment not awarded to Plaintiffs' Counsel and the Class Representative Service Payments not awarded to the Class Representatives will be available for distribution to Settlement Class Members as part of the Net Settlement Amount.

4.4.1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

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

4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when Defendant fully funds the entire

Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiffs, Class Members, and Class Counsel will release claims against all Released Parties as follows:

5.1. Plaintiffs' Release. Plaintiffs and their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the Class Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint and Plaintiffs' PAGA Notice ("Plaintiffs' Release.") Plaintiffs' Release does not extend to any claims or actions to enforce this Agreement, or to any claims that as a matter of law cannot be waived, including, but not limited to, for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agrees, nonetheless, that Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

5.1.1. Plaintiffs' Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiffs' Release, Plaintiffs expressly waive and relinquish the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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.

5.2. Release by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and that occurred or accrued at any time during the Class Period, including, any and all claims involving any alleged: (a) failure to pay premium overtime wages due; (b) failure to pay minimum wages; (c) failure to provide timely off duty meal periods; (d) failure to provide timely off duty rest periods; (e) failure to maintain records and provide accurate itemized wage statements; (f) failure to pay wages due upon termination; (g) failure to reimburse business expenses; (h) failure to provide uniforms and maintenance allowance; (i) failure to provide proper wages for alternative workweeks; (j) failure to make proper disclosure in violation of the FCRA; (k) unlawful deduction of wages; (l) failure to allow inspection of employment records and (m) unfair competition. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the

Class Period.

5.3. Release by Aggrieved Employees: All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint, and the PAGA Notice arising during the PAGA Period, including, any and all claims involving any alleged (a) failure to pay premium overtime wages due; (b) failure to pay minimum wages; (c) failure to provide timely off duty meal periods; (d) failure to provide timely off duty rest periods; (e) failure to maintain records and provide accurate itemized wage statements; (f) failure to pay wages due upon termination; (g) failure to reimburse business expenses; (h) failure to provide uniforms and maintenance allowance; (i) failure to provide proper wages for alternative workweeks; (j) failure to make proper disclosure in violation of the FCRA; (k) unlawful deduction of wages; and (l) failure to allow inspection of employment records.

6. MOTION FOR PRELIMINARY APPROVAL. As soon as practicable after the execution of this Agreement, Plaintiffs' Counsel shall prepare and file a Motion for Preliminary Approval of the Settlement, such Motion for Preliminary Approval to be first sent to Defendant's counsel before filing with the Court.

6.1. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

7.1. Selection of Administrator. The Parties have jointly selected Phoenix Class Action Administration Solutions ("Phoenix") to serve as the Administrator and verified that, as a condition of appointment, Phoenix agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

1 7.4. Notice to Class Members.

2 7.4.1. No later than three (3) business days after receipt of the Class Data, the
3 Administrator shall notify Class Counsel that the list has been received and state the
4 number of Class Members, PAGA Members, Workweeks, and Pay Periods in the
5 Class Data.

6 7.4.2. Using best efforts to perform as soon as possible, and in no event later than
7 14 days after receiving the Class Data, the Administrator will send to all Class
8 Members identified in the Class Data, via first-class United States Postal Service
9 (“USPS”) mail, the Class Notice, substantially in the form attached to this
10 Agreement as **Exhibit 1**. The first page of the Class Notice shall prominently estimate
11 the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment
12 payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if
13 applicable) used to calculate these amounts. Before mailing Class Notices, the
14 Administrator shall update Class Member addresses using the National Change of
15 Address database.

16 7.4.3. Not later than 3 business days after the Administrator’s receipt of any
17 Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the
18 Class Notice using any forwarding address provided by the USPS. If the USPS does
19 not provide a forwarding address, the Administrator shall conduct a Class Member
20 Address Search, and re-mail the Class Notice to the most current address obtained.
21 The Administrator has no obligation to make further attempts to locate or send the
22 Class Notice to Class Members whose Class Notice is returned by the USPS a
23 second time.

24 7.4.4. The deadlines for Class Members’ written objections, Challenges to
25 Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an
26 additional 14 days beyond the 60 days otherwise provided in the Class Notice for all
27 Class Members whose notice is re-mailed. The Administrator will inform the Class
28 Member of the extended deadline with the re-mailed Class Notice.

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

7.5. Requests for Exclusion (Opt-Outs).

7.5.1. Class Members who wish to exclude themselves (opt-out of) the Class

1 Settlement must send the Administrator, by fax, email, or mail, a signed written
2 Request for Exclusion not later than 60 days after the Administrator mails the Class
3 Notice (plus an additional 14 days for Class Members whose Class Notice is re-
4 mailed). A Request for Exclusion is a letter from a Class Member or his/her
5 representative that reasonably communicates the Class Member's election to be
6 excluded from the Settlement and includes the Class Member's name, address and
7 email address or telephone number. To be valid, a Request for Exclusion must be
8 timely faxed, emailed, or postmarked by the Response Deadline.

9 7.5.2. The Administrator may not reject a Request for Exclusion as invalid
10 because it fails to contain all the information specified in the Class Notice. The
11 Administrator shall accept any Request for Exclusion as valid if the Administrator
12 can reasonably ascertain the identity of the person as a Class Member and the Class
13 Member's desire to be excluded. The Administrator's determination shall be final
14 and not appealable or otherwise susceptible to challenge. If the Administrator has
15 reason to question the authenticity of a Request for Exclusion, the Administrator may
16 demand additional proof of the Class Member's identity. The Administrator's
17 determination of authenticity shall be final and not appealable or otherwise
18 susceptible to challenge.

19 7.5.3. Every Class Member who does not submit a timely and valid Request for
20 Exclusion is deemed to be a Participating Class Member under this Agreement,
21 entitled to all benefits and bound by all terms and conditions of the Settlement,
22 including the Participating Class Members' Releases under Paragraphs 5.2 and 5.3 of
23 this Agreement, regardless whether the Participating Class Member actually receives
24 the Class Notice or objects to the Settlement.

25 7.5.4. Every Class Member who submits a valid and timely Request for
26 Exclusion is a Non-Participating Class Member and shall not receive an Individual
27 Class Payment or have the right to object to the class action components of the
28 Settlement. Because future PAGA claims are subject to claim preclusion upon entry
of the Judgment, Non-Participating Class Members who are Aggrieved Employees
are deemed to release the claims identified in Paragraph 5.3 of this Agreement and
are eligible for an Individual PAGA Payment.

7.6. Challenges to Calculation of Workweeks/PAGA Pay Periods. Each Class Member
shall have 60 days after the Administrator mails the Class Notice (plus an additional 14 days for
Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks
and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class
Member may challenge the allocation by communicating with the Administrator via fax, email
or mail. The Administrator must encourage the challenging Class Member to submit supporting
documentation. In the absence of any contrary documentation, the Administrator is entitled to
presume that the Workweeks/PAGA Pay Periods contained in the Class Notice are correct so
long as they are consistent with the Class Data. The Administrator's determination of each
Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable
or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all

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

7.7. Objections to Settlement.

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

7.7.2. Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 60 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

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

7.8. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

7.8.1. Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval Order, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Litigation Expenses Payment and Class Representative Service Payments, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

7.8.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; and (c) copies of all Requests for Exclusion from the Settlement submitted (whether valid or invalid).

7.8.3. Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally

the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

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

7.8.5. Administrator’s Declaration. Not later than 21 court days before the date by which Plaintiffs is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator’s declaration(s) in Court.

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

8. CLASS SIZE ESTIMATES and ESCALATOR CLAUSE. Based on its records, Defendant estimates that, as of the date of this Settlement Agreement, (1) there are 236 Class Members and 18,124 Total Workweeks during the Class period and (2) there were 164 Aggrieved Employees who worked 5,131 Pay Periods during the PAGA Period.

8.1 Escalator Clause: Defendant represents that there are approximately 16,500 workweeks worked by Class Members during the Class Period up until the date of mediation. If the number of Workweeks worked by Class Members during the Class Period until the date of mediation exceeds ten percent (10%) or more than 16,500 (i.e., more than 18,150 Workweeks) then Defendant agrees to increase the Gross Settlement Amount on a

proportional basis over the ten percent (10%) increase (i.e., if the number of Workweeks increases by eleven percent (11%) the Gross Settlement will increase by one percent (1%); or (b) the Class Period shall end as of the date the Workweeks within the Class Period reach 18,500 Workweeks, in lieu of paying an increase to the GSA. Under no other circumstances shall Defendant be required to pay more than the GSA plus any employer-side taxes except as provided for in this section. This is a material representation for Plaintiffs to enter into this Settlement.

9. DEFENDANT'S RIGHT TO WITHDRAW. If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% of the total of all Class Members, Defendant may, but is not obligated to, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than seven days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

10. MOTION FOR FINAL APPROVAL. Not later than 16 court days before the calendared Final Approval Hearing, Plaintiffs will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiffs shall provide drafts of these documents to Defense Counsel not later than seven days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

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

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

10.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

10.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

10.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payments or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

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

12. ADDITIONAL PROVISIONS.

12.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiffs reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

12.2 Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, Defendant and Defense Counsel separately agree that, until the Motion for Preliminary Approval of

Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiffs, Class Counsel, Defendant and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

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

12.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibit shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

12.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

12.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

12.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

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

are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

12.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

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

12.11 Applicable Law. All terms and conditions of this Agreement and its exhibit will be governed by and interpreted according to the internal laws of the State of California, without regard to conflict of law principles.

12.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

12.13 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during the Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

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

12.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

12.16 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

12.17 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiffs: Kevin A. Lipeles, Esq.
Thomas H. Schelly, Esq.
LIPELES LAW GROUP, APC
1060 Aviation Blvd, Suite 100
Hermosa Beach, California 90254

To Defendant: Antwane Mace (Bar No. 314793
LEVANGIE LONG LOORZ
2969 Prospect Park Drive, Suite 125
Rancho Cordova, California 95670

12.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement, shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

12.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. Upon the signing of this Agreement, the Parties further agree, that pursuant to CCP section 583.330, to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

**PLAINTIFF LATASHA MARIE
KNIGHTEN**

DATED: 6/08 ____, 2026


La Tasha Knighten (Jun 8, 2026 10:19:44 PDT)

LATASHA MARIE KNIGHTEN,
INDIVIDUALLY AND AS CLASS
REPRESENTATIVE

**PLAINTIFF MEGAN KATHLEEN
BERGER**

DATED: ____ ____, 2026

MEGAN KATHLEEN BERGER,
INDIVIDUALLY AND AS CLASS
REPRESENTATIVE

DATED: ____ ____, 2026

DEFENDANT:

THE PETALUMA PEOPLE SERVICES
CENTER

APPROVED AS TO FORM:

DATED: June 1, 2026

**CLASS COUNSEL:
LIPELES LAW GROUP, APC**



By:

Kevin A. Lipeles
Thomas H. Schelly
Jasmine Badawi
Attorneys for Plaintiffs
LATHASHA MARIE KNIGHTEN
AND MEGAN KATHLEEN BERGER

**PLAINTIFF LATASHA MARIE
KNIGHTEN**

DATED: ____, ____, 2026

LATASHA MARIE KNIGHTEN,
INDIVIDUALLY AND AS CLASS
REPRESENTATIVE

**PLAINTIFF MEGAN KATHLEEN
BERGER**

DATED: 06/03, 2026

Megan Berger Escoto
Megan Berger Escoto (Jun 3, 2026 16:44:04 PDT)

MEGAN KATHLEEN BERGER,
INDIVIDUALLY AND AS CLASS
REPRESENTATIVE

DATED: ____, ____, 2026

DEFENDANT:

THE PETALUMA PEOPLE SERVICES
CENTER

APPROVED AS TO FORM:

DATED: June 1, 2026

**CLASS COUNSEL:
LIPELES LAW GROUP, APC**

KL

By:

Kevin A. Lipeles
Thomas H. Schelly
Jasmine Badawi
Attorneys for Plaintiffs
LATHASHA MARIE KNIGHTEN
AND MEGAN KATHLEEN BERGER

**PLAINTIFF LATASHA MARIE
KNIGHTEN**

DATED: ____, ____, 2026

LATASHA MARIE KNIGHTEN,
INDIVIDUALLY AND AS CLASS
REPRESENTATIVE

**PLAINTIFF MEGAN KATHLEEN
BERGER**

DATED: ____, ____, 2026

MEGAN KATHLEEN BERGER,
INDIVIDUALLY AND AS CLASS
REPRESENTATIVE

DATED: June 5, 2026

DEFENDANT:



THE PETALUMA PEOPLE SERVICES
CENTER

APPROVED AS TO FORM:

DATED: ____, ____, 2026

**CLASS COUNSEL:
LIPELES LAW GROUP, APC**

By:

Kevin A. Lipeles
Thomas H. Schelly
Jasmine Badawi
Attorneys for Plaintiffs
LATHASHA MARIE KNIGHTEN
AND MEGAN KATHLEEN BERGER

1 DATED: June 5, 2026

COUNSEL FOR DEFENDANT:
LEVANGIE, LONG, LOORZ

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5 By: Antwane Mace
6 ANTWANE MACE
7 Attorneys for Defendant
8 THE PETALUMA PEOPLE
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Exhibit 1

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

***LaTasha Marie Knighten et al. v. The Petaluma People Services Center.,
Sonoma County Superior Court Case No. 24CV04614***

***The Superior Court for the State of California authorized this Notice. Read it carefully!
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.***

You may be eligible to receive money from an employee class action lawsuit (“**Action**”) against The Petaluma People Services Center, a California non-profit corporation, (“**Defendant**”) for alleged wage and hour violations. The Action was filed by two former employees of Defendant, LaTasha Marie Knighten and Megan Kathleen Berger (“**Plaintiffs**”) and seeks (1) payment of back wages and other relief for a class of hourly, non-exempt employees who worked for Defendant during the Class Period (August 6, 2020, through the date of preliminary approval) (“**Class Members**”); and (2) penalties under the California Private Attorneys General Act (“**PAGA**”) for all hourly employees who worked for Defendant during the PAGA Period (August 6, 2023 through the date of preliminary approval) (“**Aggrieved Employees**”).

The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendant to fund Individual Class Payments, and (2) a PAGA Settlement requiring Defendant to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency (“**LWDA**”).

Based on Defendant’s records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be \$ [insert pro-rata share of class payment] (less withholding) and your Individual PAGA Payment is estimated to be \$ [insert pro-rata share of PAGA payment]**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Defendant’s records, you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.)

The above estimates are based on Defendant’s records showing that **you worked [insert number] workweeks** during the Class Period and **you worked [insert number] PAGA Pay Periods** during the PAGA Period. If you believe that you worked more workweeks or PAGA Pay Periods during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiffs and Plaintiffs’ attorneys (“**Class Counsel**”). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendant.

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

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

claims and PAGA Period penalty claims against Defendant.

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

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

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendant that are covered by this Settlement, that is, Released Claims (defined below).
You Can Opt Out of the Class Settlement but not the PAGA Settlement The Opt-Out Deadline is [insert date]	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement. Written Objections must be submitted by [insert date].	All Class Members who do not opt-out (<i>"Participating Class Members"</i>) can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiffs who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiffs, but every dollar paid to Class Counsel and Plaintiffs reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiffs if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the [insert date] Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on [insert date]. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.

You Can Challenge the Calculation of Your Workweeks/Pay Periods. Written Challenges Must be Submitted by [insert date].	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many PAGA Pay Periods you worked at least one day during the PAGA Period, respectively. The number of Class Period Workweeks and number of PAGA Pay Periods you worked according to Defendant's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by [insert date]. See Section 4 of this Notice.
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1. WHAT IS THE ACTION ABOUT?

Plaintiffs are former employees of Defendant. The Action accuses Defendant of violating California labor laws by failing to pay overtime, failing to pay minimum wages, failing to pay wages due upon termination, failing to reimburse expenses, failing to provide uniforms and a maintenance allowance, failing to provide meal periods, failing to provide rest periods, failing to issue accurate itemized wage statements, failing to provide proper wages for alternative workweeks, failing to make proper disclosure in violation of the FCRA, unlawfully deducting wages and failing to allow inspection of employment records. Based on the same claims, Plaintiffs have also asserted a claim for unfair competition (Cal. Bus. & Prof. Code § 17200) and civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("**PAGA**"). Plaintiffs are represented by attorneys in the Action: Kevin A. Lipeles and Thomas H. Schelly, of Lipeles Law Group, APC ("**Class Counsel**").

Defendant strongly denies violating any laws or failing to pay any wages and contend they complied with all applicable laws.

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

So far, the Court has made no determination whether Defendant or Plaintiffs is correct on the merits. In the meantime, Plaintiffs and Defendant hired an experienced, neutral mediator in an effort to resolve the Action by negotiating to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement ("**Agreement**") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiffs and Defendant have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims. Plaintiffs and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendant has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

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

1. Defendant Will Pay \$225,000.00 as the Gross Settlement Amount ("**Gross Settlement**"). Defendant has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payments,

Class Counsel's attorneys' fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("**LWDA**"). Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than 30 days after the Court grants final approval.

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

A. Up to \$78,750.00 (35% of the Gross Settlement) to Class Counsel for attorneys' fees and up to \$12,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.

B. Up to \$7,750 to the Administrator for services administering the Settlement.

C. Up to \$22,500.00 for PAGA Penalties, allocated 65% to the LWDA PAGA Payment and 35% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

D. Up to \$10,000 to the named Plaintiffs LaTasha Marie Knighten and Megan Kathleen Berger (\$20,000 total) for service to the Action.

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

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

4. Taxes Owed on Payments to Class Members. Plaintiffs and Defendant are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages ("**Wage Portion**") and 80% to interest and penalties ("**Non-Wage Portion**"). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendant will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiffs and Defendant have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

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

Fund, you should consult the rules of the Fund for instructions on how to retrieve your money.

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [insert date], that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the [insert date] Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member's name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Defendant.

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

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

8. Administrator. The Court has appointed a neutral company, Phoenix Class Action Administration Solutions (the "**Administrator**"), to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 ("How Can I Get More Information?") of this Notice.

9. Participating Class Members' Release. After the Judgment is final and Defendant has fully funded the Gross Settlement and separately paid all employer payroll taxes), Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from (a) failure to pay premium overtime wages due; (b) failure to pay minimum wages; (c) failure to provide timely off duty meal periods; (d) failure to provide timely off duty rest periods; (e) failure to maintain records and provide accurate itemized wage statements; (f) failure to pay wages due upon termination; (g) failure to reimburse business expenses; (h) failure to provide uniforms and maintenance allowance; (i) failure to provide proper wages for alternative workweeks; (j) failure to make proper disclosure in violation of the FCRA; (k) unlawful deduction of wages; (l) failure to allow inspection of employment records and (m) unfair competition.

Except as set forth in Section 5.3 of the Settlement Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

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

All Participating and Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint, and the PAGA Notice arising during the PAGA Period, including, any and all claims involving any alleged (a) failure to pay premium overtime wages due; (b) failure to pay minimum wages; (c) failure to provide timely off duty meal periods; (d) failure to provide timely off duty rest periods; (e) failure to maintain records and provide accurate itemized wage statements; (f) failure to pay wages due upon termination; (g) failure to reimburse business expenses; (h) failure to provide uniforms and maintenance allowance; (i) failure to provide proper wages for alternative workweeks; (j) failure to make proper disclosure in violation of the FCRA; (k) unlawful deduction of wages; and (l) failure to allow inspection of employment records.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$7,875.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.
3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendant's records, are stated in the first page of this Notice. You have until **[insert date]** to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 ("How Can I Get More Information?") of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The

Administrator will accept Defendant's calculation of Workweeks and/or Pay Periods based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

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

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

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

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request to be excluded. Be sure to personally sign your request, identify the Action as *LaTasha Marie Knighten et al. v. The Petaluma People Services Center* (Sonoma County Superior Court Case No. 24CV04614), and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). **The Administrator must be sent your request to be excluded by [insert date], or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiffs and Defendant are asking the Court to approve. At least 16 days before the [insert date] Final Approval Hearing, Class Counsel and/or Plaintiffs will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiffs are requesting as Class Representative Service Awards. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website XXXX or the Court's website at <https://sonoma.courts.ca.gov/online-services/case-portal>

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or

1 Plaintiffs are too high or too low. **The deadline for sending written objections to the**
2 **Administrator is [insert date].** Be sure to tell the Administrator what you object to, why you object,
3 and any facts that support your objection. Make sure you identify the Action *LaTasha Marie*
4 *Knighten et al. v. The Petaluma People Services Center* (Sonoma County Superior Court Case No.
5 24CV04614) and include your name, current address, telephone number, and approximate dates of
6 employment for Defendant, and sign the objection. Section 9 of this Notice has the Administrator's
7 contact information.

8 Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your
9 own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell
10 the Court what you object to, why you object, and any facts that support your objection. See Section
11 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

12 **8. CAN I ATTEND THE FINAL APPROVAL HEARING?**

13 You can, but don't have to, attend the Final Approval Hearing on [insert date] at [insert time] in
14 Department 19 of the Sonoma County Superior Court, located at 3055 Cleveland Avenue, Santa Rosa,
15 CA 95403. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and
16 how much of the Gross Settlement will be paid to Class Counsel, Plaintiffs, and the Administrator. The
17 Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision.
18 You can attend (or hire a lawyer to attend) either personally or virtually via ZoomgovMeeting
19 (<https://sonoma.courts.ca.gov/online-services/court-calendars/civil-calendar>) Check the Court's website
20 for the most current information.

21 It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's
22 website XXXX beforehand or contact Class Counsel to verify the date and time of the Final Approval
23 Hearing.

24 **9. HOW CAN I GET MORE INFORMATION?**

25 The Agreement sets forth everything Defendant and Plaintiffs have promised to do under the proposed
26 Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is
27 to go to the Administrators's website at XXXX. You can also telephone or send an email to Class Counsel
28 or the Administrator using the contact information listed below, or consult the Superior Court website by
going to <https://sonoma.courts.ca.gov/online-services/case-portal> and entering the Case Number for the
Action, Case No. 24CV04614.

29 **DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT** 30 **THE SETTLEMENT.**

31 Class Counsel:

32 LIPELES LAW GROUP, APC
33 Kevin A. Lipeles, Esq. (kevin@kallaw.com)
34 Thomas H. Schelly, Esq. (thomas@kallaw.com)
35 1060 Aviation Blvd., Suite 100
36 Hermosa Beach, California 90254
37 Telephone: (310) 322-2211

38 Settlement Administrator:

Phoenix Settlement Administrators

Mailing Address: P.O. Box 7208
Orange, CA 92863
Telephone: (800) 523-5773
Email: info@phoenixclassaction.com

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void, you should consult the California Controller's Unclaimed Property Fund (https://www.sco.ca.gov/search_upd.html) for instructions on how to retrieve the funds.

11. WHAT IF I CHANGE MY ADDRESS?

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