Kane Moon (SBN 249834)
Allen Feghali (SBN 301080)
Jacquelyne VanEmmerik (SBN 339338)
MOON LAW GROUP, P.C.
725 South Figueroa Street, 31st Floor
Los Angeles, California 90017
Telephone: (213) 232-3128
Facsimile: (213) 232-3125
Email: kmoon@moonlawgroup.com
Email: afeghali@moonlawgroup.com
Email: jvanemmerik@moonlawgroup.com

Attorneys for Plaintiff, *Genesis Aguilar*

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

GENESIS AGUILAR, individually, and on behalf of all others similarly situated,

Plaintiff,

vs.

LEGACY HEALTHCARE CENTER, LLC, a limited liability company; and DOES 1 through 10, inclusive,

Defendants.

Case No.: 24STCV22000

[Honorable Laura A. Seigle, Department 17]

DECLARATION OF KANE MOON IN SUPPORT OF PLAINTIFF GENESIS AGUILAR'S MOTION FOR PRELIMINARY APPROVAL OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT AGREEMENT

[Filed with Plaintiff Genesis Aguilar's Notice of Motion and Motion for Preliminary Approval, Declaration of Plaintiff Genesis Aguilar, and [Proposed] Order]

PRELIMINARY APPROVAL HEARING
Date: September 11, 2025
Time: 9:00 a.m.
Dept: 17

Complaint Filed: August 28, 2024
Trial Date: Not Set

DECLARATION OF KANE MOON

I, KANE MOON, declare as follows:

1. I am admitted, in good standing, to practice as an attorney in the State of California and United States District Courts for the Central, Eastern, Northern, and Southern Districts of California. I have never been subject to discipline by the State Bar of California. I am Counsel of Record for Plaintiff Genesis Aguilar ("Plaintiff") and the putative Class. I am a fully qualified, adult resident of the State of California, and, if called as a witness in this Action, I would testify truthfully to the matters set forth herein. All of the matters set forth herein are within my personal knowledge, except those that are stated to be upon information and belief. As to such matters, I believe them to be true.

2. Plaintiff moves the Court for preliminary approval of the Joint Stipulation of Class and Representative Action Settlement Agreement ("*Settlement*") between Plaintiff and Defendant RG Legacy II, LLC, dba Pasadena Nursing Center ("Defendant") (Plaintiff and Defendant, the "Parties"). The Settlement, which was reached after extensive discovery and analysis, and an arm's-length mediation, satisfies the criteria for settlement approval under California law and provides for substantial payments to approximately seven hundred twenty-one Class Members. Plaintiff also moves the Court for certification of the putative Class and approval of the proposed Class Notice.

SUMMARY OF THE LITIGATION AND SETTLEMENT

Relevant Procedural History

3. On August 24, 2024, Plaintiff submitted to the Labor and Workforce Development Agency ("LWDA"), and sent via certified mail to Defendant, a Notice of California Labor Code ("Labor Code") Violations ("Notice") pursuant to Labor Code section 2699.3(a). (*Settlement*, ¶ 2.0.) A true and correct copy of the Notice is attached as **Exhibit 1**. On August 28, 2024, Plaintiff filed a Class Action Complaint against Defendant, which alleged eight causes of action for violation of the Labor Code and California Business and Professions Code. (*Id*. at ¶ 2.1.) On November 1, 2024, Plaintiff filed a First Amended Class and Representative Action Complaint against Defendant, which alleged a ninth individual and representative cause of action for violation of the Private Attorney's General Act ("PAGA"). (*Id*. at ¶ 2.2.) On January 14, 2025, Plaintiff filed a Second Amended Class and Representative Action Complaint ("operative Complaint") against Defendant, which alleged specific

damages for Plaintiff's individual causes of action. (*Settlement*, ¶ 2.3.) On February 18, 2025, Plaintiff filed an Amendment to Complaint, which identified the fictitiously designated DOE 1 Defendant as RG Legacy II, LLC dba Pasadena Nursing Center. (*Id.* at ¶ 2.4.)

4. On April 10, 2025, Plaintiff submitted to the LWDA, and sent via certified mail to Defendant, an Amended Notice of Labor Code Violations and PAGA Penalties. A true and correct copy of the Notice is attached as **Exhibit 2**. On June 30, 2025, the Parties attempted to resolve the Action through private mediation with experienced wage-and-hour class and representative action mediator, Michael Ludwig, Esq. (*Settlement*, ¶ 2.5.) A settlement in principle was reached the same day. (*Id.*) Before mediation, Plaintiff obtained, through informal discovery, a 100% sample of the time and corresponding payroll records of the Class, the employee handbook and policies in effect during the Class Period, and other data and documents. (*Id*. at ¶ 2.6.)

The Parties

5. Plaintiff worked for Defendant as an Activities Assistant from 2021 to 2023 and as an Activities Director from 2023 to 2024. (*Declaration of Plaintiff Genesis Aguilar* ["*Aguilar Decl.*"], ¶ 4.) Throughout her entire employment with Defendant, Plaintiff was classified as non-exempt; typically worked five days and forty hours per workweek; and was subjected to the same alleged unlawful labor practices as her coworkers. (*Id*. at ¶¶ 7-11.) Defendant is a limited liability company located in Pasadena, California, and is a nursing and rehabilitation center.

6. The Class includes all current and former non-exempt employees of Defendant who worked in the State of California from July 27, 2022, to June 30, 2025. (*Settlement*, ¶ 1.4.) The Aggrieved Employees include all current and former non-exempt employees of Defendant who worked in the State of California at any time from April 10, 2024, to June 30, 2025. (*Id*. at ¶ 1.3.)

Plaintiff's Claims

7. The operative Complaint alleges Defendant, on a class and representative basis, systematically: Failed to Pay Minimum Wages [Labor Code §§ 204, 1194, 1194.2, and 1197]; Failed to Pay Overtime Compensation [Labor Code §§ 1194 and 1198]; Failed to Provide Meal Periods [Labor Code §§ 226.7 and 512]; Failed to Authorize and Permit Rest Breaks [Labor Code § 226.7]; Failed to Indemnify Necessary Business Expenses [Labor Code § 2802]; Failed to Timely Pay Final

Wages at Termination [Labor Code §§ 201-203]; Failed to Provide Accurate Itemized Wage Statements [Labor Code § 226]; Engaged In Unfair Business Practices [Business and Professions Code §§ 17200, *et seq*.]; and Is Liable For Civil Penalties Under PAGA [Labor Code §§ 2699, *et seq*.].

<u>Defendant's Defenses</u>

8. 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 in the operative Complaint and Notice. (*Settlement*, ¶ 11.1.) First, Defendant asserts it complied with all compensation obligations, including by implementing policies and practices which prohibited and prevented off-the-clock work, and therefore, Plaintiff and other Class Members were paid all wages owed.

9. Second, Defendant asserts it complied with all meal period and rest break obligations, including by implementing schedules, policies, and supervisory practices that consistently resulted in Class Members taking timely, uninterrupted, off-duty, and full meal periods and rest breaks, and thus, Plaintiff and other Class Members were provided the opportunity to take all code-compliant meal periods and rest breaks to which they were entitled. Third, Defendant asserts it did not direct Class Members to make business-related purchases and that Class Members did not need to incur losses in direct discharge of their duties, and therefore, Plaintiff and other Class Members are not owed reimbursements for necessary business expenses. Fourth, Defendant asserts it did not willfully fail to pay any wages, and thus, Plaintiff and other Class Members are not owed waiting time penalties for wages untimely paid at termination. (*See Pedroza v. PetSmart, Inc.* (C.D. Cal. June 14, 2012) No. ED CV 11–298 GHK (DTBx), 2012 WL 9506073, *5.)

10. Fifth, Defendant asserts it complied with all wage statement requirements, and thus, Plaintiff and other Class Members suffered no actual damages or harm from inaccurate wage statements. (*See Angeles v. U.S. Airways, Inc.* (N.D. Cal. Feb. 19, 2013) No. C 12-05860 CRB, 2013 WL 622032, at *10 ["A plaintiff must adequately plead an injury arising from an employer's failure to provide full and accurate wage statements, and the omission of the required information alone is not sufficient"].) Sixth, Defendant denies further derivative liability on these bases, asserting it did not engage in unfair business practices and is not liable for civil penalties under PAGA. Last, Defendant

asserts Plaintiff's claims are individualized and denies that, for any purpose other than settlement, this Action is appropriate for class or representative treatment. (*Settlement*, ¶ 11.2.) These defenses are detailed in Paragraphs 40 through 46 herein.

Discovery and Analysis

11. In preparation for mediation, the Parties agreed to an informal exchange of data and documents. The exchange of data included, but was not limited to, the total number of putative Class Members and Aggrieved Employees, and the total number of Workweeks and Pay Periods worked by all putative Class Members and Aggrieved Employees during the Class and PAGA Periods. The exchange of documents included a one-hundred percent sample of the time and corresponding payroll records of the Class, the employee handbook and policies in effect during the Class Period, and other data and documents.

12. These exchanges enabled Class Counsel and their expert to analyze, among other information, the minimum, overtime, meal period premium, and rest break premium wages and reimbursements received by Class Members during the Class Period, and compare the same to the minimum, overtime, meal period premium, and rest break premium wages and reimbursements to which Class Members were entitled during the Class Period pursuant to the Labor Code. In turn, this enabled Class Counsel and their expert to determine the violation rates for each cause of action, and thus, Defendant's maximum monetary exposure. Defendant's maximum monetary exposure is detailed in Paragraph 45 herein.

13. On June 30, 2025, the Parties attempted to resolve the Action through private mediation with experienced wage-and-hour class and representative action mediator, Michael Ludwig, Esq. (*Settlement*, ¶ 2.5.) A settlement in principle was reached the same day. (*Id.*)

MATERIAL TERMS OF THE SETTLEMENT

14. The material terms of the Settlement are set out in the Parties' Joint Stipulation of Class and Representative Action Settlement Agreement. A true and correct copy of the Settlement is attached as **Exhibit 3**. Class Counsel submitted the Settlement to the LWDA on August 13, 2025. A true and correct copy of the LWDA case record of this Action is attached as **Exhibit 4**.

(a) "Administrator" means ILYM Group, Inc., the neutral entity the Parties have designated to administer the Settlement. (*Settlement*, ¶ 1.1.)

(b) "Administration Expenses Payment" means the court-approved amount allocated to the Administrator for reimbursement of its reasonable fees and expenses incurred to administer the Settlement, not to exceed $13,000.00. (*Id*. at ¶ 1.2.) A true and correct copy of ILYM Group Inc.'s bid to administer the Settlement is attached as **Exhibit 5**.

(c) Class Certification. The Parties stipulate to class certification for Settlement purposes only. (*Id*. at ¶ 11.2.)

(d) "Class Counsel Fees Payment" means the court-approved amount allocated to Class Counsel for reimbursement of their reasonable fees incurred to prosecute the Action, not to exceed one-third of the Gross Settlement Amount (*Id*. at ¶ 1.6.)

(e) "Class Counsel Expenses Payment" means the court-approved amount allocated to Class Counsel for reimbursement of their reasonable expenses incurred to prosecute the Action, not to exceed $17,000.00. (*Id*. at ¶ 1.7.) A true and correct copy of Class Counsel's expenses to-date is attached as **Exhibit 6**.

(f) "Class Notice" means the court-approved Notice of Class and Representative Action Settlement Agreement and Final Approval Hearing to be mailed to Class Members in English and Spanish, substantially in the form attached to the Settlement as **Exhibit A** and incorporated by reference into the Settlement. (*Id*. at ¶ 1.11.)

(g) "Class Representative Service Payment" means the court-approved payment allocated to the Class Representative for her service in support of the Action and General Release, not to exceed $7,500.00. (*Id*. at ¶ 1.14.)

(h) "Effective Date" means the date both of the following have occurred: (a) the Court enters a Judgment on its Final Approval Order; and (b) the Judgment is final. The Judgment is final on the latest of the following: (a) if no

Participating Class Member timely objects to the Settlement, the day the Court enters the Judgment; (b) if one or more Participating Class Members object(s) to the Settlement and does not withdraw his or her objection, the day after the deadline for filing a Notice of Appeal of the Judgment; or (c) if a timely Appeal of the Judgment is filed, the day after the appellate court affirms the Judgment and issues a Remittitur. (*Settlement*, ¶ 1.18.)

(i) Escalator Clause. It is estimated that there are 10,000 Workweeks during the Class Period. If the actual number of Workweeks during the Class Period exceeds 10,000 by more than 10%, Defendant shall have the option of (a) increasing the Gross Settlement Amount by the percentage increase in the number of Workweeks worked by the Class Members above 10% (e.g. if the number of Workweeks increases by 11%, the Gross Settlement Amount will increase by 1%); or (b) rolling back the Class and PAGA Periods to the date in which 10,000 Workweeks is met. **Defendant will be prepared to inform the Court of its selection at the Preliminary Approval Hearing. If Defendant exercises option (b), it will also be prepared to inform the Court of the Class Period end date at the Preliminary Approval Hearing.** (*Id*. at ¶ 7.0.)

(j) Funding of Gross Settlement Amount. The Gross Settlement Amount and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments shall be fully funded by transmission of such funds to the Administrator within thirty (30) calendar days of the Effective Date. (*Id*. at ¶ 4.0.)

(k) "Gross Settlement Amount" means $225,000.00, the total amount Defendant agrees to pay under the Settlement, except as provided in Paragraph 7.0. The Gross Settlement Amount will pay the Individual Class Payments, Individual PAGA Payments, LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Expenses Payment, Class Representative Service Payment, and Administration Expenses Payment. (*Id*. at ¶ 1.22.)

(l) "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount, calculated according to the number of Workweeks he or she worked during the Class Period. (*Id*. at ¶ 1.23.)

(m) "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 35% of the PAGA Penalties allocated pursuant to California Labor Code ("Labor Code") section 2699(m) and calculated according to the number of PAGA Pay Periods he or she worked during the PAGA Period. (*Id*. at ¶ 1.24.)

(n) "LWDA PAGA Payment" means the LWDA's 65% share of the PAGA Penalties, allocated pursuant to Labor Code section 2699(m). (*Settlement*, ¶ 1.26.)

(o) "Net Settlement Amount" means the Gross Settlement Amount less the following court-approved payments: Individual PAGA Payments, LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Expenses Payment, Class Representative Service Payment, and Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments. (*Settlement*, ¶ 1.27.)

(p) <u>Non-reversionary</u>. 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. (*Id*. at ¶ 3.0.) None of the Gross Settlement Amount will revert to Defendant. (*Id*.)

(q) "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount in settlement of the Released PAGA claims, not to exceed $15,000.00. (*Id*. at ¶ 1.34.)

(r) <u>Release by Participating Class Members:</u> All Participating Class Members fully and finally release and discharge the Released Parties from any and all claims, debts, liabilities, demands, obligations, penalties, guarantees, costs, expenses, attorney's fees, damages, actions or causes of action of whatever kind or nature, contingent or accrued, that were allegedly or that reasonably could have been alleged based on the facts alleged in the Action, as amended, that accrued in, or are related to the allegations in the Action, under federal, state, and/or local law. This release includes, without limitation, release of all claims alleged in the Action and under state law for alleged failure to pay minimum wages, failure to pay overtime, failure to provide meal periods, failure to authorize and permit rest breaks, failure to indemnify necessary business expenses, failure to pay all unpaid wages at termination, failure to provide accurate itemized wage statements, any violations of Business and Professions Code § 17200, *et seq.*, and statutory penalties based on the foregoing (collectively, the "Released Class Claims") (*Id*. at ¶ 5.1.)

1) The Released Class Claims exclude claims not permitted by law and are limited to claims arising during the Class Period. (*Settlement*, ¶ 5.1.1.)

(s) Release by Aggrieved Employees: All Aggrieved Employees fully and finally release and discharge the Released Parties from any and all claims for civil penalties, and attorneys' fees and costs, under PAGA that were alleged or that reasonably could have been alleged based on the facts alleged in the First Amended Class and Representative Action Complaint or PAGA Notice, including, but not limited to, failure to pay minimum wages, failure to pay overtime compensation, failure to provide meal periods, failure to authorize and permit rest breaks, failure to indemnify necessary business expenses, failure to pay all unpaid wages at termination, and failure to provide accurate itemized wage statements (collectively, "Released PAGA Claims"). (*Id*. at ¶ 5.2.)

1) The Released PAGA Claims are limited to claims arising during the PAGA Period. In light of the binding nature of a PAGA judgment on non-party employees under *Arias v. Sup. Ct.* (*Angelo Dairy*) (2009) 46 Cal.4th. 969 and *Cardenas v. McLane Foodservice, Inc.* (2011) 796

F.Supp.2d 1246, individuals otherwise meeting the definition of an Aggrieved Employee who are eligible to receive an Individual PAGA Payment shall be deemed to have released the Released PAGA Claims, regardless of whether their check for the Individual PAGA Payment is chased or not, and regardless of whether they are a Non-Participating Class Member. (*Id*. at ¶ 5.2.1.)

(t) "Released Parties" means Defendant and all of its present and former members, parent companies, subsidiaries, affiliates, joint venturers, and licensees, and all of their shareholders, officers, directors, employees, agents, servants, registered representatives, attorneys, insurers, successors and assigns, and any other persons acting under them. (*Id*. at ¶ 1.40.)

(u) "Response Deadline" means forty-five (45) calendar days from the date the Administrator mails the Class Notice to the Class and shall be the last date on which Class Members may: (a) mail a Request for Exclusion from the Settlement; or (b) mail an Objection to the Settlement. (*Id*. at ¶ 1.42.)

(v) <u>Tax Allocation</u>. Twenty percent (20%) of each Participating Class Member's Individual Class Payment will be allocated to the settlement of claims for wages. Eighty percent (80%) of each Participating Class Member's Individual Class Payment will be allocated to the settlement of claims for interest and penalties. (*Settlement*, ¶ 3.1.3.2.) One hundred percent (100%) of each Individual PAGA Payment will be allocated as penalties. (*Settlement*, ¶ 3.1.4.2.)

(w) <u>Unpaid Residue</u>. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, or for any Class Member whose envelope is returned and no forwarding address can be located for the Class Member after reasonable efforts have been made, 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 ("CCP") section 384(b). (*Id*. at ¶ 4.1.3.)

<u>THE SETTLEMENT MERITS PRELIMINARY APPROVAL</u>

15. The Settlement merits preliminary approval because it is fair and reasonable. The Settlement is fair and reasonable because it is the product of adversarial discussions and negotiations between the Parties; the terms reflect findings made after an exhaustive exchange of data and documents between the Parties; the terms are supported by an in-depth factual investigation and evaluation by Class Counsel and their expert, including an analysis of the time, payroll, and policy records produced by Defendant; and it subverts further litigation, and thus, the risk of delay, the risks involved in class certification, the challenge of succeeding on the merits even if the Class were certified, substantial litigation-related costs, and trial and appellate risk.

16. The Settlement is based on the following information derived from Defendant's production *prior to mediation* and from Defendant *at mediation*: there are approximately (a) seven hundred twenty-one Class Members who fall within the four-year statute of limitations period pursuant to California Business and Professions Code sections 17200, *et seq*. and worked 11,663 Workweeks during the Class Period; and (b) five hundred eight Aggrieved Employees who fall within the one-year statute of limitations period pursuant to Labor Code sections 2699, *et seq*. and worked 3,775 biweekly Pay Periods during the PAGA Period; and Class Members have a weighted average hourly rate of pay and average hourly regular rate of pay of $25.11 and 25.34, respectively.

Claim	Relevant Time Period	Rate	Number of Violations	Amount
Unpaid Wages (due to Off-the-Clock Work)	11,663 Workweeks	$25.11 Average Hourly Rate	5,339 Net Unpaid Hours	$151,455.00 (Based on actual, rather than average, minimum and overtime rates) ****$7,572.75**
Meal Period Violations	11,663 Workweeks	$25.34 Average Regular Rate	3,897 Unique Meal Break Violations	$538,505.00 (Based on actual, rather than average, regular

				rates) ***$107,701.00**
Rest Break Violations	11,663 Workweeks	$25.34 Average Regular Rate	22,306 Unique Rest Break Violations	$564,763.00 (Based on actual, rather than average, regular rates) ****$28,238.15**
Unreimbursed Business Expenses Violations	11,663 Workweeks	$22.00 Per Class Member Per Month	Violation Rate Based On Analysis Of Records By Expert	$76,032.00 ****$3,801.60**
Waiting Time Penalties	Based On Three-Year Statute Of Limitations	Penalty based on Labor Code section 203	Violation Rate Based On Analysis Of Records By Expert for 619 Terminated Class Members During The Three-Year Statute Of Limitations	$3,539,757.00 *****$106,192.71**
Inaccurate Wage Statements	Based On One-Year Statute Of Limitations	$100.00 / Pay Period	$100.00 / Pay Period for 506 Class Members During The One-Year Statute Of Limitations	$349,900.00 *****$10,497.00**
PAGA Civil Penalties	3,775 Pay Periods	$100.00 / Pay Period	$100.00 / Pay Period for 508 Class Members During The One-Year Statute Of Limitations	$377,750.00 *****$11,332.50**
Discounted Total				**$275,335.71**
Figures discounted based on a 20% probability of prevailing on class certification and the merits: (*) Figures discounted based on a 5% probability of prevailing on class certification and the merits: (**) Figures discounted based on a 3% probability of prevailing on class certification and the merits: (***)				

17. The unpaid wages claim is based on the allegation that Defendant failed to compensate Class Members for all off-the-clock hours worked: Throughout the Class Period, Class Members were required to undergo COVID-19 screenings that took *at least* five minutes and as long as ten minutes. Defendant also required Class Members to clock out for their respective scheduled meal periods, even if the Class Member did not take a meal period and immediately return to work. It is estimated that Class Members clocked out for lunch but continued working at least once per week. Defendant also required Class Members to wait in a one- to two-minute line to clock in and out for shifts and/or meal periods. Thus, Class Counsel and their expert assumed all Class Members worked approximately seven off-the-clock minutes per shift. At mediation, Defendant, nonetheless, contended that the COVID-19 screening did not take a full five minutes per employee per shift, rather

it took no more than two minutes. It also contended that Cleaners and Certified Nursing Assistants had disparate work experiences, thus any off-the-clock, meal period, and rest break assumptions made on behalf of the entire Class are, on that basis alone, not wholly representative. This was well taken, and therefore, Class Counsel reasonably discounted Defendant's estimated potential liability for this claim by ninety-five percent ($151,455.00 * 0.05). **My realistic damage estimate for this unpaid wages claim was, therefore, $7,572.75.**

18. The meal period claim is based on the allegation that Defendant failed to provide or maintain sufficient meal period policies or practices, such that Class Members were not always permitted or able to take meal periods and/or were sometimes subjected to late, short, and/or interrupted meal periods: The sample of time and corresponding payroll records of the Class establish that Defendant failed to provide Class Members with a timely and full first meal period in 84.7% of shifts and Defendant failed to provide Class Members with a timely and full second meal period in 0.8% of shifts. Also, 20.4% of all shifts greater than twelve hours did not have a recorded second meal period, and these meal periods were unwaivable. From this, as well as the average hourly regular rate of pay of Class Members, Class Counsel argued that Defendant had a maximum potential liability of $538,505.00. However, assuming all Class Members signed a valid meal period waiver, our expert determined Defendant committed 794 total unique meal period violations during the Class Period. Further, at mediation, Defendant argued that there were very few recorded meal period violations. Plaintiff responded, however, that 79.7% of meal periods were exactly thirty minutes, which is a sign of auto-deducting. Nevertheless, Defendant's defense was well taken, and thus, Class Counsel reasonably discounted Defendant's maximum potential liability for this claim by eighty percent ($538,505.00 * 0.20). Plaintiff, nonetheless, contended that the remainder of uncompensated violative meal periods were demonstrable on the face of the records, rendering it a viable and certifiable claim for a potential sub-Class of employees. **My realistic damage estimate for the meal period claim was, therefore, $107,701.00.**

19. The rest break claim is based on the allegation that Defendant failed to provide or maintain sufficient rest break policies or practices, such that Class Members were not informed that they were entitled to rest breaks not encouraged to take code-compliant rest breaks. Class Members

regularly did not take rest breaks and any breaks that were taken were shorter than ten minutes. The precise number of rest break violations could not be calculated because Defendant did not document when Class Members took their required rest breaks. Therefore, in preparation for mediation, Class Counsel assumed that Defendant had a fifty percent violation rate for shifts at least three- and one-half hours. Class Counsel and their data expert then estimated that, in light of the assumed violation rate; the fact that there was a total of 22,306 rest breaks among all Class Members during the Class Period; and the average hourly regular rate of pay for Class Members, Defendant had a maximum potential liability of $564,763.00. At mediation, Defendant admitted to having a rest break policy that only allowed for a single rest break, but contended it scheduled the first rest break, so all first rest breaks should be treated as compliant, and a vast majority of Class Members took all rest breaks. Defendant also argued that this claim is extremely individualized, thereby necessitating a substantial number of declarations among the hundreds of Class Members in order to successfully certify this claim, and even more, succeed on the merits. These defenses were well taken, and thus, Class Counsel discounted Defendant's maximum potential liability for this claim by ninety-five percent ($564,763.00 * 0.05). **My realistic damage estimate for the rest period claim was, therefore, $28,238.15.**

20. The unreimbursed business expense claim is based on the allegation that Defendant failed to reimburse Class Members for personal cellphone expenses incurred in direct discharge of their work duties and uniform expenses. Defendant required Class Members to use their personal cellphones to take pictures of patients. Further, most Class Members were required to wear scrubs, and full-time Class Members usually had five to ten sets of scrubs on rotation. An average set of scrubs costs between $40.00 and $80.00. However, the sample of time and corresponding payroll records show that Defendant did not reimburse Class Members for personal cellphone use or uniform expenses. Plaintiff, therefore, reasonably assumed that Class Members incurred $22.00 in personal business-related expenses each month. Based on this assumption, as well as the total number of Workweeks throughout the Class Period, Class Counsel and their expert estimated Class Members incurred a total of $76,032.00 in unreimbursed expenses. At mediation, Defendant, nonetheless, argued that scrubs are not a reimbursable business expense because, while employees were required

to wear them, they did not have to be a specific brand, color, or logo, and therefore, did not constitute a "uniform." This defense was well taken, and thus, Class Counsel reasonably discounted Defendant's maximum potential liability for this claim by ninety-five percent ($76,032.00 * 0.05). **My realistic damage estimate for the rest period claim was, therefore, $3,801.60.**

21. The derivative penalties, as indicated above, were calculated by taking into account the above claims and maximum liabilities; their respective formulae for calculation and statutes of limitations; the total number of Class Members who fall within their respective statutes of limitations; and the total number of Workweeks worked by all Class Members and PAGA Periods worked by all Aggrieved Employees. From this, Class Counsel and their expert determined that the maximum potential liability of Defendant for waiting time statutory penalties was $3,539,757.00; inaccurate wage statement statutory penalties was $349,900.00; PAGA civil penalties was $377,750.00; and Defendant's total maximum potential liability for all statutory and civil penalties was $4,267,407.00. Plaintiff, nonetheless, discounted such penalties in light of the defenses set out above and the reasonable discounts made to their underlying claims; the potential Due Process concerns that arise from putative awards relative in size; and to reach a fair and reasonable compromise with Defendant. For these reasons, Class Counsel discounted the potential liability by ninety-seven percent ($4,267,407.00* 0.03). **My realistic damage estimate for all derivative penalties was, therefore, $128,022.21.**

22. **The discounted claims and penalties aggregate to $275,335.71, which represents Defendant's realistic maximum liability**. The Gross Settlement Amount of $225,000.00, therefore, represents 81.72% of Defendant's realistic maximum liability. In turn, an estimate of the Net Settlement can be calculated to be $97,500.00[1] at this time. The Class is comprised of approximately seven hundred twenty-one Class Members. In result, each Participating Class Member is eligible to receive an average net benefit of $135.23. Considering Class Members' average hourly rate was $25.11, the average net benefit is approximately 5.39 hours of work.

[1] The Net Settlement Amount is the Gross Settlement Amount of $225,000.00, less the following maximum awards: $13,000.00 for a maximum Administration Expenses Payment; $17,000.00 for a maximum Class Counsel Expenses Payment; $75,000.00 for a maximum Class Counsel Fees Payment; $7,500.00 for a maximum Class Representative Service Payment; and $15,000.00 for the PAGA Penalties. (*Settlement*, ¶¶ 3.1, *et seq.*)

23. In light of the risks of litigation, the uncertainties involved in achieving class certification, the burdens of proof necessary to establish liability, the probability of an appeal of a favorable judgment, the legitimate controversy that exists as to each cause of action, the expense and time required to prove the amount of wages due to each Class Member, and the possibility that the Court could discretionarily decide not to impose civil penalties under PAGA, the Settlement is within the *ballpark* of reasonableness, and preliminary approval of the Settlement is appropriate. Further, in light of Plaintiff's legally and factually backed confidence in the merits of her claims and the fact that the issues were fairly contested, the Settlement is in the best interest of the Class.

THE CLASS COUNSEL FEES PAYMENT IS FAIR AND REASONABLE

24. The Class Counsel Fees Payment is fair and reasonable in light of Class Counsel's experience and qualifications and pursuant to the common fund doctrine:

My Experience And Qualifications

25. I received a Bachelor of Arts in History in 1998 from the University of California, Los Angeles, and a Juris Doctor from Loyola Marymount Law School in 2006. I became an Active Member of the State Bar of California in June 2007 and have been an Active Member in good standing continuously since. I have been selected to Super Lawyers each year from 2020 to 2025.

26. I co-founded Moon Law Group, P.C., formerly Moon & Yang, APC, in March 2010. For the past decade, I have built my practice to have an emphasis on employment and related civil litigation cases. In fact, my practice is focused almost exclusively on advocating for the rights of employees in wage-and-hour litigation through class and representative actions. The firm and its lawyers, including myself, have successfully settled hundreds of wage-and-hour cases; tried both bench and jury trials, representing both plaintiffs and defendants, in employment-related matters; and have been appointed lead or co-lead class counsel in numerous federal and state courts in California.

27. In addition to the present case, Moon Law Group, P.C. is presently class counsel for dozens of other putative wage-and-hour class and representative action lawsuits pending in various state and federal jurisdictions throughout California. The following is a list of some of our recent class action settlements that have received preliminary and final approval: *Mark Brulee, et al. v. DAL Global Services, LLC* (C.D. Cal. Dec. 20,2018) No. CV 17-6433 JVS(JCGx), 2018 WL 6616659

(class size approx. 2,650; lead counsel) (In approving my $650 hourly rate in that case, the Court found: "Class Counsel's declarations show that the attorneys are experienced and successful litigators." Other courts have approved the attorneys' current rates for the Moon Law Group, PC attorneys. (*Id*. at *10); *Sison v. Cha Hollywood Medical Center, L.P.*, LASC BC6441 29 (class size approx. 2,100; co-counsel); *Jones v. Fitness Alliance, LLC*, Riverside Superior Court PSC1404079 (class size approx. 1,000; lead counsel); *Gomez v. H Mart Companies, Inc.*, LASC BC671525 (class size approx. 2,500; co-counsel); *Montoya v. Golden 1 Credit Union*, Sacramento Superior Court 34-2018-00228252 (class size approx. 1,900; lead counsel); *Campa v. Bloomingdeals, Inc*., LASC BC700366 (class size approx. 1,500; lead counsel); *Black v. Mission Healthcare Services, Inc*., LASC 19STCV04602 (class size approx. 1,000; lead counsel); *Onofre v. Caitac Garment Processing, Inc*., LASC BC702283 (class size approx. 750; lead counsel); *Martinez v. Bail Hotline Bail Bonds, Inc.*, LASC BC700131 (class size approx. 173; lead counsel); *Jones v. Citiguard, Inc.*, LASC BC664890 (class size approx. 587; lead counsel); *Slaughter v. ACA Security Stems, LP*, LASC BC699137 (class size approx. 300; lead counsel); *Taylor v. Sherman's Delicatessen & Bakery, LLC*, LASC BC722765 (class size approx. 515; lead counsel); *Vertti v. Bagcraft Papercon III, LLC*, LASC 19STCV12729 (class size approx. 260; lead counsel); *Rodriguez v. Rossmoyne, Inc.,* LASC BC699137 (class size approx. 220; lead counsel); *Vargas v. AMS Paving, Inc*., LASC BC722767 (case size approx. 260; lead counsel); *Garcia v. Comfy U.S.A. Apparel, Inc.*, LASC BC709630 (class size approx. 210; lead counsel); *Lagos v. ThyssenKrupp Elevator Corporation*, LASC BC682972 ($750,000 for 79 Class Members; lead counsel); *Aparicio v. Lineage Logistics, LLC*, LASC BC722764 (class size approx. 155; lead counsel). This experience is helpful in assessing the reasonableness of settlements such as the one at issue here. From this experience, our firm, as Class Counsel, concluded that this lawsuit could not have been settled on better terms than provided under the present Settlement.

Allen Feghali's Experience And Qualifications

28. Allen Feghali is a partner at Moon Law Group, P.C. He received a Bachelor of Arts in Global and International Studies from the University of California, Santa Barbara in 2011, and a Juris Doctor from University of La Verne College of Law in 2014. Mr. Feghali became an Active Member of the State Bar of California in December 2014 and has been an Active Member in good standing

continuously since. He was selected by Super Lawyers as a "Southern California Rising Star" from 2020 to 2025.

29. Mr. Feghali began working at Moon Law Group, P.C. in May 2015, and his practice focuses on advocating for the rights of employees at the trial-court and appellate levels. Prior to approximately June 2018, with the exception of a handful of cases, his practice focused on individual Fair Employment Housing Act ("FEHA") and wrongful termination claims, as well as individual wage-and-hour claims. In June 2018, Mr. Feghali became heavily involved in the firm's class action practice.

30. During Mr. Feghali's tenure with Moon Law Group, P.C., he has played a critical role in obtaining outstanding results for employees who have been wronged by their employers. Mr. Feghali's litigation experience includes, but is not limited to:

(a) In March 2021, Mr. Feghali prepared the briefing in the matter of *Rivera, et al. v. Clearpath Federal Credit Union* (LASC No. 19STCV33504), which resulted in a certification order on all causes of action following contested briefing in a wage and hour class action.

(b) Mr. Feghali prepared the briefing in a contested class certification motion in the matter of *Dawson, et al. v. GoHealth, LLC, et al.* (No. CGC-19-577790), which was argued and taken under submission by the Court on February 3, 2022.

(c) Mr. Feghali prepared the briefing in a contested class certification motion in the matter of *Brown v. NTI-CA, Inc., et al.* (No. 21STCV04397), which is not currently scheduled for hearing.

(d) Mr. Feghali was part of a team that prepared the briefing in a contested class certification motion in the matter of *Thong, et al. v. Outlook Resources, Inc., et al*. (No. 19STCV44400), which was granted in part and denied in part in October 2022.

(e) Mr. Feghali prepared the briefing which resulted in a remand order in the matter of *Andrade v. Rehrig Pacific Corp.* (C.D. Cal. April 22, 2020, No. CV

20-1448 FMP (RAOx)) 2020 WL 1934954, where Defendant removed a wage and hour class alleging that Plaintiff's claims were pre-empted by the Labor Management Relations Act.

(f) Mr. Feghali briefed, argued, and won the matter of *Lee, et al. v. The Christian Herald, U.S.A., Inc.* (Cal. Ct. App. Dec. 12, 2017, No. B266853) 2017 WL 6333905, at *1. There, the Court of Appeal reversed a dismissal of an individual defendant following the trial court's granting of a demurrer without leave to amend relating to alter ego allegations.

(g) Mr. Feghali prepared the briefing which resulted in a remand order in the matter of *Sotelo v. Belfor USA Group, Inc.* (C.D. Cal. Mar., 13, 2018, No. 2:17–cv–09056–RSWL–MRWx) 2018 WL 1352910. Defendants there sought to remove the case based on the inclusion of a "sham defendant," but the court agreed with Mr. Feghali's briefing which argued that the individual defendant, who was alleged to have harassed the plaintiff under FEHA, was a proper defendant.

(h) Mr. Feghali has been the lead counsel, or co-lead counsel, in individual cases that settled for $850,000.00, $375,000.00, and $250,000.00. In addition to the foregoing, Mr. Feghali has resolved or assisted in the resolution of approximately 100 cases which has resulted in millions of dollars of unpaid wages being returned to low-wage employees.

(i) Mr. Feghali was part of a team that prepared the briefing in a contested class certification motion in the matter of Hernandez v. CR Laurence, Inc., et al. (No. 20STCV32372), which was granted, in part, and denied, in part, in February 2024.

31. Since June 2018, Mr. Feghali's practice has shifted to almost exclusively representing employees in wage and hour class and representative actions. His fee has been approved by Courts throughout the state. He has participated as lead, or co-lead counsel, in the litigation and resolution of over 100 wage and hour class actions, including obtaining preliminary and final approval of

settlements. A selection of settled cases wherein Mr. Feghali served as lead or co-lead class counsel includes the following: *Barahona v. Methodist Hosp. of Cal*. (No. 20STCV09876) ($5,000,000); *Stanley Black & Decker Wage and Hour Cases* (No. JCCP5218) ($3,500,000); *Vazquez v. St. Mar 2.0 Inc.* (No. 37-2021-00042702-CU-OE-CTL) ($2,250,000); *Duncan v. Infineon Technologies Americas Corp*. (No. 21STCV16872) ($2,500,000); *Aquino v. Coast King Packing, LLC* (No. 21CV002448) ($2,300,000); *Martinez, et al. v. Curative LLC* (No. 21STCV20778) ($1,500,000); *Calderon v. Installed Building Products* (No. 37-2021-00035844-CU-OE-CTL) ($1,500,000); *Majdoub v. Argent Hotel Mgmt.* (No. CGC-20-582921) ($1,800,000); *Fuentes v. Covid Clinic, Inc*. (No. CIVSB2106806) ($1,526,317.57); *Rahman, et al. v. Gate Gourmet, Inc*. (No. 3:20-cv-03047) ($3,850,000); *Pagoulatos v. Coast Hills Credit Union* (No. 20CV02801) ($1,100,000); *Hammers v. Redwood Oil Co., Inc*. (No. SCV-269625) ($1,180,000); *Cuadras v. R.C. Wendt Painting, Inc*. (No. BC705964) ($1,400,000); *Zaragoza v. The Roman Catholic Bishop of Fresno* (No. 22CV-00282) ($1,500,000); *Garcia v. San Jose Water Co.* (22CV396328) ($1,200,000); *Garcia v. Tri-Valley Plastering, Inc*. (No. 22CECG00591) ($1,250,000); *Garcia v. Tapia Enter., Inc*. ($2,137,651 for 507 class members); *Cha v. Center Point, Inc*. (No. CIV2102081) ($1,000,000); *Sison v. Cha Hollywood Med. Ctr., L.P*. (No. BC644129) (2,137 class members); *Lagos v. ThyssenKrupp Elevator Corp.* (No. BC682972) ($750,000 for 79 class members); and *Montoya v. Golden 1 Credit Union* (No. 34-2018-00228252) ($1,250,000).

Jacquelyne VanEmmerik's Experience And Qualifications

32. Jacquelyne VanEmmerik is an associate at Moon Law Group, P.C. Ms. VanEmmerik received a Bachelor of Arts in Law, History, and Culture from the University of Southern California in 2017, and a Juris Doctor from the University of California, Davis School of Law in 2021. In law school, Ms. VanEmmerik served as a Judicial Extern for the Honorable Todd W. Eddins of the Supreme Court of Hawai'i and Senior Articles Editor of the Environmental Journal of Law and Policy.

33. Ms. VanEmmerik became an Active Member of the State Bar of California in November 2021 and has been an Active Member in good standing continuously since. Ms. VanEmmerik is also a member in good standing with the United States District Courts for the

Northern and Central Districts of California and the United States Court of Appeals for the Ninth Circuit, and was selected by Super Lawyers as a "Southern California Rising Star" in 2024 and 2025.

34. Ms. VanEmmerik is an associate attorney at Moon Law Group, P.C. and represents employees in all aspects of employment litigation, including wage-and-hour class and representative actions involving claims related to overtime and minimum wages, meal and rest break violations, improper wage statements, the California Private Attorneys General Act, and unfair business practices.

35. During her tenure with Moon Law Group, P.C., Ms. VanEmmerik has played a critical role in obtaining outstanding results for employees who have been wronged by their employers. Ms. VanEmmerik's litigation experience includes, but is not limited to:

(a) In June 2025, Ms. VanEmmerik briefed a Motion for Class Certification in the matter of *Rivera, et al. v. MTPDR, Inc. dba Jiffy Lube*, Case No. 22STCV06571, in the Los Angeles County Superior Court.

(b) From September 2021 to the present, Ms. VanEmmerik has participated in the litigation and/or resolution of approximately seventy wage-and-hour class and/or representative actions, including through successfully moving the Court for preliminary and final approval of settlements on the first attempt.

(c) In March 2023 and May 2024, respectively, Ms. VanEmmerik briefed a Motion for Class Certification in the matter of *Roland Tolentino v. Gillig, LLC*, Case No. RG20073930, in the Alameda County Superior Court, and an Appellant Brief matter of *Roland Tolentino v. Gillig, LLC*, Case No. 23-16182, in the Ninth Circuit Court of Appeals;

(d) In May 2023, Ms. VanEmmerik briefed, and prevailed on, an Opposition to Motion for Judgment on the Pleadings in the matter of *Rodrigo Gonzalez Guzman v. Wayne Provisions Co., Inc.*, Case No. 21STCV41124, Los Angeles County Superior Court, in which Defendant attempted to invalidate Plaintiff's standing to bring a representative claim under PAGA;

(e) In January 2022, Ms. VanEmmerik briefed, and prevailed on, an Opposition to

Demurrer in the matter of *Fernando Alquicira, et al. v. Sit N' Sleep, Inc., et al.*, Case No. 21STCV14594, Los Angeles County Superior Court, in which Defendant wrongfully sought an order of abatement or stay of proceedings pending final judgment of an unrelated matter; and

(f) In January 2022, Ms. VanEmmerik briefed, and prevailed on, an Opposition to Motion for Bifurcate and Sequence Discovery in the matter of *David Flores Valencia v. Wawona Packing Co., LLC*, Case No. 21CECG01163, Fresno County Superior Court, in which Defendant sought to subject Plaintiff to a preliminary trial to establish his status as an aggrieved employee before proceeding as a representative in his PAGA action.

Considerations Under The Common Fund Doctrine

36. I am informed and believe that the fee provision is reasonable. Not only is the fee percentage requested less than that charged by my office for most employment cases, but also, my office has invested significant time and resources into this case, with payment deferred to the end of the case, and then, of course, contingent on the outcome.

37. The risk to my office has been significant, particularly if we would not have been successful in pursuing this class action. In that case, we would have been left with no compensation for all the time taken in litigating this case. Indeed, I have taken on many class action cases that have resulted in thousands of attorney hours being expended and ultimately having the defendant company go bankrupt. The contingent risk in these types of cases is very real and occurs regularly. Furthermore, we were precluded from focusing on, or taking on, other cases which could have resulted in a larger, and less risky, monetary gain.

38. It is further estimated that my office will need to expend at least another fifty to one hundred hours to monitor the process leading up to final approval and payments made to the Class. My office also bears the risk of taking whatever actions are necessary if Defendant fails to pay.

39. Because most individuals cannot afford to pay for representation in litigation on an hourly basis, Moon Law Group, P.C. represents virtually all of its employment law clients on a contingency fee basis. Pursuant to this arrangement, we are not compensated for our time unless we

prevail at trial or successfully settle our clients' cases.

40. Moon Law Group, P.C. is taking the risk that we will not be reimbursed for our time unless our client settles or wins his case. For this reason, we cannot afford to represent an individual employee on a contingency basis if, at the end of our representation, all we are to receive is our regular hourly rate for services. It is essential that we recover more than our regular hourly rate when we win if we are to remain in practice and continue representing other individuals in civil rights employment disputes.

THE CLASS COUNSEL EXPENSES PAYMENT IS FAIR AND REASONABLE

41. The Class Counsel Expenses Payment is fair and reasonable because class counsel are entitled to recover the out-of-pocket litigation costs they reasonably incur in investigating, prosecuting, and settling a class and representative action, and the Class Counsel Expenses Payment reflects such costs. (*Staton v. Boeing Co.* (9th Cir. 2003) 327 F.3d 938, 974.) Here, Class Counsel has reasonably incurred $14,386.45 in litigation costs. Such costs were reasonably incurred because they were actually incurred and required to prosecute the Action. (*See* Exhibit 6.) For example, they include, but are not limited to, the complaint filing fee and mediation fee. (*Id*.) The complaint filing fee was required for Plaintiff to initiate this Action, and the mediation fee facilitated the Parties' settlement discussions, which ultimately led to the Settlement. (*Settlement*, ¶ 2.5.) The Parties have agreed to reimbursement of litigation costs not to exceed $17,000.00, and any un-awarded litigation costs shall become part of the Net Settlement Amount for allocation to Participating Class Members. (*Settlement*, ¶ 3.1.2.)

THE CLASS REPRESENTATIVE SERVICE PAYMENT IS FAIR AND REASONABLE

42. The Class Representative Service Payment is fair and reasonable, as named plaintiffs in class action lawsuits "are eligible for reasonable incentive payments to compensate them for the expense or risk they incur in conferring a benefit on other members of the class," and the Service Payment here is reasonable and compensate Plaintiff for the benefit she conferred on the Class. (*Munoz*, *supra*, 86 Cal.App.4th at 412; *Clark v. Am. Residential Servs. LLC* (2009) 175 Cal.App.4th 785, 806; *See In re Cont'l Ill. Sec. Litig*. (7th Cir. 1992) 962 F.2d 566, 571 ["Since without a named plaintiff there can be no class action, such compensation as may be necessary to induce him to

participate in the suit could be thought the equivalent of the lawyers' nonlegal but essential case-specific expenses, such as long-distance phone calls, which are reimbursable".].) Here, Participating Class Members will receive an average payment of $135.23, equating to approximately 5.39 hours of work, based on their average hourly rates. (*Moon Decl*., ¶ 45.) In addition to this monetary benefit, Plaintiff has likely effectuated lawful wage-and-hour policies and practices at Pasadena Nursing Center from which currently employed Class Members are deriving benefit in the form of proper pay and working conditions.

43. Plaintiff faces significant risk as the Class Representative in this Action. In particular, Plaintiff faces actual risk with her future employment, as putting herself on public record in an employment lawsuit has been proven to affect employees' prospects for future employment.

44. Plaintiff created the opportunity for Class Members to participate in a settlement that reimburses them for wage violations they may have never known about on their own or been willing to pursue on their own. If Class Members had each tried to pursue their legal remedies on their own, such would have resulted in each expending significant monetary resources and time, which were obviated by Plaintiff putting herself on the line on behalf of the other Class Members.

45. This Action would not have been possible without the aid of Plaintiff, who put significant time and effort into this litigation and placed herself at risk for the sake of the Class. The requested enhancement award for Plaintiff's service as Class Representative is a relatively small amount of money considering the time and effort she put into the litigation, in comparison to enhancements granted in other class actions, and in light of the significant benefits generated for the Class. The requested Class Representative Service Payment is, therefore, fair and reasonable.

Executed on August 13, 2025 at Los Angeles, California.

/s/ Kane Moon

Kane Moon, Esq.

EXHIBIT 1

MOON LAW GROUP, PC
ATTORNEYS AT LAW
WWW.MOONLAWGROUP.COM

725 S. FIGUEROA STREET., SUITE 3100
LOS ANGELES, CALIFORNIA 90017
TELEPHONE: (213) 232-3128
FACSIMILE: (213) 232-3125

Kane Moon, Esq.
kmoon@moonlawgroup.com

August 24, 2024

VIA ONLINE SUBMISSION
Labor & Workforce Development Agency
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612

VIA CERTIFIED MAIL
Legacy Healthcare Center, LLC
1570 Fair Oaks Avenue
Pasadena, CA 91003

Notice of Labor Code Violations and PAGA Penalties

Re: ***Genesis Aguilar v. Legacy Healthcare Center, LLC***

To Whom It May Concern:

Please be advised that my office has been retained by Genesis Aguilar ("Plaintiff") to pursue a Labor Code Private Attorney General Act (PAGA) representative action (Cal. Lab. Code §§ 2699, *et seq.*) against his former employer, Legacy Healthcare Center, LLC ("Defendant"). The purpose of this letter is to comply with PAGA and set forth the facts and theories of California Labor Code violations which we allege Defendant engaged in with respect to Plaintiff and all of Defendant's aggrieved employees.

Plaintiff wishes to pursue a PAGA representative action on behalf of Plaintiff as an aggrieved employee, on behalf of the State of California, and on behalf of all other current and former aggrieved employees who worked for Defendant in California at any time within the applicable statutory period (hereafter, the "Aggrieved Employees").

Plaintiff and the Aggrieved Employees of Defendant suffered the Labor Code violations described below.

Factual Background Regarding Plaintiff's Employment with Defendant

Defendant owns and operates an industry, business, and establishment within the State of California, including Los Angeles County. As such, Defendantis subject to the California Labor Code and the Wage Orders issued by the Industrial Welfare Commission ("IWC").

Plaintiff worked for Defendant as a activities director from approximately May 2021 to June 2024, primarily in Los Angeles County. Defendant classified Plaintiff as non-exempt from overtime. During the time period that Plaintiff was employed by Defendant, Plaintiff typically at least 5 days per week, and in excess of 8 hours each workday.

Throughout Plaintiff's employment, Defendant committed numerous labor code violations under state law. As discussed below, Plaintiff's experience working for Defendant was typical and illustrative.

Failure to Pay for All Hours Worked, Including Overtime

Under California law, an employer must pay for all hours worked by an employee. "Hours worked" is the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In addition, Labor Code § 510 provides that employees in California shall not be employed more than eight (8) hours in any workday or forty (40) hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

Labor Code §§ 1194 and 1198 also provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, Labor Code § 1198 states that the employment of an employee for longer hours than those fixed by the Industrial Welfare Commission is unlawful.

Throughout the statutory period, Defendants maintained a policy and practice of not paying Plaintiff and the Class for all hours worked, including all overtime wages. Throughout the statutory period, Plaintiff and the Class were required to work off-the-clock, and uncompensated. For example, Plaintiff and the Class were required to wait in line in order to clock into work, off the clock and uncompensated. Also, Plaintiff and the Class were often interrupted during meal breaks without compensation. Also throughout the statutory period, Plaintiff and the Class received nondiscretionary bonuses and other remuneration. However, Defendants failed to incorporate all remuneration when calculating the correct overtime rate of pay, meal break premium rate of pay, and sick day rate of pay, leading to underpayment.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, 1197.1, and 2699(f)(2) for failing to pay for all hours worked, including overtime.

<u>Failure to Provide Meal Periods</u>

Under California law, employers have an affirmative obligation to relieve employees of all duty in order to take their first 30-minute, duty-free meal periods no later than the start of sixth hour of work in a workday, and to allow employees to take their second 30-minute, duty-free meal period no later than the start of the eleventh hour of work in the workday. Further, employees are entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s).

Despite these legal requirements, Defendant wrongfully failed to provide Plaintiff and the Aggrieved Employees with legally compliant meal periods. Defendant regularly required Plaintiff and the Aggrieved Employees to work in excess of five consecutive hours a day without providing a 30-minute, continuous and uninterrupted, duty-free meal period for every five hours of work, or without compensating Plaintiff and the Aggrieved Employees for meal periods that were not provided by the end of the fifth hour of work or tenth hour of work. Defendant did not adequately inform Plaintiff and the Aggrieved Employees of their right to take a meal period by the end of the fifth hour of work, or, for shifts greater than 10 hours, by the end of the tenth hour of work. Moreover, Defendant did not have adequate written policies or practices providing meal periods for Plaintiff and the Aggrieved Employees, nor did Defendant have adequate policies or practices regarding the timing of meal periods. Defendant also did not have adequate policies or practices to verify whether Plaintiff and the Aggrieved Employees were taking their required meal periods. Accordingly, Defendant's policy and practice was to not provide meal periods to Plaintiff and the Aggrieved Employees in compliance with California law.

Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not provided with all required meal period(s). Defendant, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional wages to which they were entitled for meal periods and that were not provided.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, and 2699(f)(2) for failing to provide meal periods and pay meal period premium wages.

<u>Failure to Authorize and Permit Rest Periods</u>

Employers are required by California law to authorize and permit breaks of 10 uninterrupted minutes for each four hours of work or major fraction of four hours (i.e. more than two hours). Thus, for example, if an employee's work time is 6 hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself a violation of California's rest break laws.

Defendant, however, wrongfully failed to authorize and permit Plaintiff and the Aggrieved Employees to take timely and duty-free rest periods. Defendant regularly required Plaintiff and the Aggrieved Employees to work in excess of four consecutive hours a day without Defendant authorizing and permitting them to take a 10 minute, continuous and uninterrupted, rest period for every four hours of work (or major fraction of four hours), or without compensating Plaintiff and the Aggrieved Employees for rest periods that were not authorized or permitted. Defendant did not adequately inform Plaintiff and the Aggrieved Employees of their right to take a rest period. Moreover, Defendant did not have adequate policies or practices permitting or authorizing rest periods for Plaintiff and the Aggrieved Employees, nor did Defendant have adequate policies or practices regarding the timing of rest periods. Defendant also did not have adequate policies or practices to verify whether Plaintiff and the Aggrieved Employees were taking their required rest periods. Further, Defendant did not maintain accurate records of employee work periods, and therefore Defendant cannot demonstrate that Plaintiff and the Aggrieved Employees took rest periods during the middle of each work period. Accordingly, Defendant's policy and practice was for Plaintiff and the Aggrieved Employees to work through rest periods and to not authorize or permit them to take any rest periods.

Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not authorized and permitted to take all required rest period(s). Defendant, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional wages to which they were entitled for rest periods and that they were not authorized and permitted to take.

As a result, Defendant are liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, and 2699(f)(2) for failing to authorize and permit rest periods and pay rest period premium wages.

Failure to Maintain Accurate Records of Hours Worked and Meal Periods

Plaintiff seeks penalties under Labor Code § 1174(d). Pursuant to Labor Code § 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable IWC Order § 7(A)(3), every employer shall keep time records showing when the employee begins and ends each work period. Meal periods and total hours worked daily shall also be recorded.

Defendant, however, failed to maintain accurate records of hours worked and all meal periods taken or missed by Plaintiff and the Aggrieved Employees.

Defendant's failure to provide and maintain records required by the Labor Code IWC Wage Orders deprived Plaintiff and the Aggrieved Employees the ability to know, understand and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Defendant's records. Therefore, Plaintiff and the Aggrieved Employees had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Defendant. As a direct result, Plaintiff and the Aggrieved Employees have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorney's fees in seeking to compel Defendant to fully perform its obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of Defendant's knowing failure to comply with the Labor Code and applicable IWC Wage Orders, Plaintiff and the Aggrieved Employees have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 1174.5 for failing to maintain accurate records of hours worked and meal periods.

Failure to Reimburse and Indemnify Expenses

California Labor Code § 2802 requires employers to reimburse employees for their necessary expenditures and losses incurred in direct consequence of the discharge of their duties or of their obedience to directions of the employer.

Throughout the statutory period, Defendant wrongfully required Plaintiff and the Aggrieved Employees to pay expenses that they incurred in direct discharge of their duties for Defendant without reimbursement, which included the purchase supplies, as well as the use of personal cellular telephones for work purposes. Plaintiff and the Aggrieved Employees incurred these substantial expenses as a direct result of performing their job duties for Defendant, and Defendant has failed to indemnify Plaintiff and the Aggrieved Employees for these employment-related expenses.

Failure to Pay All Accrued Vacation Wages at Termination

Labor Code § 227.3 requires employers to pay employees for all unused vested vacation time at their final rate of pay upon termination of their employment.

During the statutory period, Defendant maintained a policy and practice of failing to pay Plaintiff and the Aggrieved Employees the correct amount of vacation pay owed at the termination of employment. For instance, when Plaintiff's employment with Defendant terminated, he was owed vacation wages at his true final wage rate on his final paycheck from Defendant even though he had accrued unused vacation time. On information and belief, Defendant's failure to pay Plaintiff the correct amount of vacation pay was not a single, isolated incident, but was instead part of Defendant's policy and practice that applied to the Aggrieved Employees.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to pay all accrued vacation wages at termination.

Failure to Timely Pay All Wages at Termination

Labor Code §§ 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

Within the applicable statute of limitations, the employment of Plaintiff and many other Aggrieved Employees ended, i.e. was terminated by quitting or discharge, and the employment of others will be. However, during the relevant time period, Defendant failed, and continues to fail to pay Plaintiff and terminated Aggrieved Employees, without abatement, all wages required to be paid by Labor Code sections 201 and 202 either at the time of discharge, or within seventy-two (72) hours of their leaving Defendant's employ. These unpaid wages include wages for unpaid work time (including minimum and straight time wages), missed meal periods, and missed rest periods.

Defendant'sconduct violates Labor Code §§ 201 and 202.Labor Code § 203 provides that if an employer willfully fails to pay wages owed, in accordance with sections 201 and 202, then the wages of the employee shall continue as a penalty wage from the due date, and at the same rate until paid or until an action is commenced; but the wages shall not continue for more than thirty (30) days.

Accordingly, Plaintiff and the Aggrieved Employees are entitled to recover from Defendant their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up to 30 days maximum pursuant to Labor Code § 203.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to timely pay all wages at termination.

Failure to Furnish Accurate Itemized Wage Statements

Labor Code § 226(a) provides that every employer shall furnish each of his or her employees an accurate itemized wage statement in writing showing nine pieces of information, including: (1)

gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. An employee is presumed to suffer an injury if this information is missing. (Lab. Code § 226(e)(2)(B)(iii).)

The statute further provides: "An employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars ($50) for the initial pay period in which a violation occurs and one hundred dollars ($100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars ($4,000), and is entitled to an award of costs and reasonable attorney's fees." (Lab. Code § 226(e)(1).)

Defendant intentionally and willfully failed to provide employees with complete and accurate wage statements. The deficiencies include, among other things, the failure to correctly identify hourly rates, the failure to correctly list gross wages earned, and the failure to list the true net wages earned, including wages for meal periods that were not provided in accordance with California law, wages for rest periods that were not authorized and permitted to take in accordance with California law, and correct wages earned for all hours worked.

As a result of Defendant violating Labor Code § 226, Plaintiff and similarly Aggrieved Employees suffered injury and damage to their statutorily protected rights.

Accordingly, Plaintiff and similarly Aggrieved Employees are entitled to recover from Defendantthe greater of their actual damages caused by Defendant's failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding $4,000 dollars per employee.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 226.3 for failing to furnish accurate itemized wage statements.

Failure to Pay All Earned Wages Twice Per Month

Based on its failure to pay Plaintiff and the Aggrieved Employees for all wages as discussed above, Defendant also violated Labor Code § 204.

Labor Code § 204 requires employers to pay employees all earned wages two times per month. Throughout the statute of limitations period applicable to this cause of action, employees were entitled to be paid twice a month at their regular rates, including all meal period premium wages owed, rest period premium wages owed, and wages owed for hours worked. However, during all such times, Defendant systematically failed and refused to pay the employees all wages due, and failed to pay those wages twice a month, in that employees were not paid all wages for all meal periods not provided by Defendant, all wages for all rest periods not authorized and permitted by Defendant, and all wages for all hours worked. As a result, Defendant owes employees the legally required wages for unpaid wages, and Plaintiff and the Aggrieved Employees suffered damages in those amounts.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 210 for failing to pay all earned wages twice per month.

Action for Civil Penalties Under PAGA

In light of the above, Plaintiff alleges that Defendant violated the following provisions of the Labor Code with respect to the Aggrieved Employees:

1. Labor Code § 204, 510, 1194, 1197, and 1198 by failing to pay for all hours worked, including minimum wages, straight time wages and overtime wages;
2. Labor Code § 226.7, 512 and applicable Wage Orders by failing to provide meal periods;
3. Labor Code § 226.7 and applicable Wage Orders by failing to authorize and permit rest periods;
4. Labor Code § 1174.5 and applicable Wage Orders by failing to maintain accurate records of hours worked and meal periods taken or missed;
5. Labor Code § 2802 by failing to reimburse and indemnify employees for expenses and losses in the direct consequence and discharge of their duties;
6. Labor Code § 227.3 by failing to pay all vacation wages at termination;
7. Labor Code §§ 201 to 203 by willfully failing to pay all wages owed at termination;
8. Labor Code § 226 by failing to provide accurate itemized wage statements; and
9. Labor Code § 204 by failing to pay all earned wages two times per month.

Therefore, on behalf of all Aggrieved Employees, Plaintiff seeks applicable penalties related to the violations alleged above pursuant to the PAGA. These include, but are not limited to, penalties under Labor Code §§ 210, 226.3, 558, 1174.5, 1197.1, 2802, and 2699(f)(2).

Plaintiff has placed Defendant on notice by mailing a certified copy of this correspondence to its corporate address, as indicated on the first page.

Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

Sincerely,

MOON LAW GROUP, PC

Kane Moon, Esq.
Attorney at Law

EXHIBIT 2

MOON LAW GROUP, PC
ATTORNEYS AT LAW
WWW.MOONLAWGROUP.COM

725 S. FIGUEROA STREET., SUITE 3100
LOS ANGELES, CALIFORNIA 90017
TELEPHONE: (213) 232-3128
FACSIMILE: (213) 232-3125

Kane Moon, Esq.
kmoon@moonlawgroup.com

April 10, 2025

VIA ONLINE SUBMISSION
Labor & Workforce Development Agency
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612

VIA CERTIFIED MAIL
RG Legacy II, LLC dba Pasadena Nursing
Center
2049 Century Park East, Suite 2900
Los Angeles, CA 90067

Amended Notice of Labor Code Violations and PAGA Penalties

Re: ***Genesis Aguilar v. Legacy Healthcare Center, LLC***

To Whom It May Concern:

Please be advised that my office has been retained by Genesis Aguilar ("Plaintiff") to pursue a Labor Code Private Attorney General Act (PAGA) representative action (Cal. Lab. Code §§ 2699, *et seq.*) against her former employer, RG Legacy II, LLC dba Pasadena Nursing Center ("Defendant"). The purpose of this letter is to comply with PAGA and set forth the facts and theories of California Labor Code violations which we allege Defendant engaged in with respect to Plaintiff and all of Defendant's aggrieved employees.

Plaintiff wishes to pursue a PAGA representative action on behalf of Plaintiff as an aggrieved employee, on behalf of the State of California, and on behalf of all other current and former aggrieved employees who worked for Defendant in California at any time within the applicable statutory period (hereafter, the "Aggrieved Employees").

Plaintiff and the Aggrieved Employees of Defendant suffered the Labor Code violations described below.

Factual Background Regarding Plaintiff's Employment with Defendant

Defendant owns and operates an industry, business, and establishment within the State of California, including Los Angeles County. As such, Defendant is subject to the California Labor Code and the Wage Orders issued by the Industrial Welfare Commission ("IWC").

Plaintiff worked for Defendant as an activities director from approximately May 2021 to June 2024, primarily in Los Angeles County. Defendant classified Plaintiff as non-exempt from overtime. During the time period that Plaintiff was employed by Defendant, Plaintiff typically at least 5 days per week, and in excess of 8 hours each workday.

Throughout Plaintiff's employment, Defendant committed numerous labor code violations under state law. As discussed below, Plaintiff's experience working for Defendant was typical and illustrative.

<u>Failure to Pay for All Hours Worked, Including Overtime</u>

Under California law, an employer must pay for all hours worked by an employee. "Hours worked" is the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In addition, Labor Code § 510 provides that employees in California shall not be employed more than eight (8) hours in any workday or forty (40) hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

Labor Code §§ 1194 and 1198 also provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, Labor Code § 1198 states that the employment of an employee for longer hours than those fixed by the Industrial Welfare Commission is unlawful.

Throughout the statutory period, Defendants maintained a policy and practice of not paying Plaintiff and the Class for all hours worked, including all overtime wages. Throughout the statutory period, Plaintiff and the Class were required to work off-the-clock, and uncompensated. For example, Plaintiff and the Class were required to wait in line in order to clock into work, off the clock and uncompensated. Also, Plaintiff and the Class were often interrupted during meal breaks without compensation. Also throughout the statutory period, Plaintiff and the Class received nondiscretionary bonuses and other remuneration. However, Defendants failed to incorporate all remuneration when calculating the correct overtime rate of pay, meal break premium rate of pay, and sick day rate of pay, leading to underpayment.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, 1197.1, and 2699(f)(2) for failing to pay for all hours worked, including overtime.

<u>Failure to Provide Meal Periods</u>

Under California law, employers have an affirmative obligation to relieve employees of all duty in order to take their first 30-minute, duty-free meal periods no later than the start of sixth hour of work in a workday, and to allow employees to take their second 30-minute, duty-free meal period no later than the start of the eleventh hour of work in the workday. Further, employees are entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s).

Despite these legal requirements, Defendant wrongfully failed to provide Plaintiff and the Aggrieved Employees with legally compliant meal periods. Defendant regularly required Plaintiff and the Aggrieved Employees to work in excess of five consecutive hours a day without providing a 30-minute, continuous and uninterrupted, duty-free meal period for every five hours of work, or without compensating Plaintiff and the Aggrieved Employees for meal periods that were not provided by the end of the fifth hour of work or tenth hour of work. Defendant did not adequately inform Plaintiff and the Aggrieved Employees of their right to take a meal period by the end of the fifth hour of work, or, for shifts greater than 10 hours, by the end of the tenth hour of work. Moreover, Defendant did not have adequate written policies or practices providing meal periods for Plaintiff and the Aggrieved Employees, nor did Defendant have adequate policies or practices regarding the timing of meal periods. Defendant also did not have adequate policies or practices to verify whether Plaintiff and the Aggrieved Employees were taking their required meal periods. Accordingly, Defendant's policy and practice was to not provide meal periods to Plaintiff and the Aggrieved Employees in compliance with California law.

Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not provided with all required meal period(s). Defendant, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional wages to which they were entitled for meal periods and that were not provided.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, and 2699(f)(2) for failing to provide meal periods and pay meal period premium wages.

<u>Failure to Authorize and Permit Rest Periods</u>

Employers are required by California law to authorize and permit breaks of 10 uninterrupted minutes for each four hours of work or major fraction of four hours (i.e. more than two hours). Thus, for example, if an employee's work time is 6 hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself a violation of California's rest break laws.

Defendant, however, wrongfully failed to authorize and permit Plaintiff and the Aggrieved Employees to take timely and duty-free rest periods. Defendant regularly required Plaintiff and the Aggrieved Employees to work in excess of four consecutive hours a day without Defendant authorizing and permitting them to take a 10 minute, continuous and uninterrupted, rest period for every four hours of work (or major fraction of four hours), or without compensating Plaintiff and the Aggrieved Employees for rest periods that were not authorized or permitted. Defendant did not adequately inform Plaintiff and the Aggrieved Employees of their right to take a rest period. Moreover, Defendant did not have adequate policies or practices permitting or authorizing rest periods for Plaintiff and the Aggrieved Employees, nor did Defendant have adequate policies or practices regarding the timing of rest periods. Defendant also did not have adequate policies or practices to verify whether Plaintiff and the Aggrieved Employees were taking their required rest periods. Further, Defendant did not maintain accurate records of employee work periods, and therefore Defendant cannot demonstrate that Plaintiff and the Aggrieved Employees took rest periods during the middle of each work period. Accordingly, Defendant's policy and practice was for Plaintiff and the Aggrieved Employees to work through rest periods and to not authorize or permit them to take any rest periods.

Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not authorized and permitted to take all required rest period(s). Defendant, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional wages to which they were entitled for rest periods and that they were not authorized and permitted to take.

As a result, Defendant are liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, and 2699(f)(2) for failing to authorize and permit rest periods and pay rest period premium wages.

Failure to Maintain Accurate Records of Hours Worked and Meal Periods

Plaintiff seeks penalties under Labor Code § 1174(d). Pursuant to Labor Code § 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable IWC Order § 7(A)(3), every employer shall keep time records showing when the employee begins and ends each work period. Meal periods and total hours worked daily shall also be recorded.

Defendant, however, failed to maintain accurate records of hours worked and all meal periods taken or missed by Plaintiff and the Aggrieved Employees.

Defendant's failure to provide and maintain records required by the Labor Code IWC Wage Orders deprived Plaintiff and the Aggrieved Employees the ability to know, understand and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Defendant's records. Therefore, Plaintiff and the Aggrieved Employees had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Defendant. As a direct result, Plaintiff and the Aggrieved Employees have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorney's fees in seeking to compel Defendant to fully perform its obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of Defendant's knowing failure to comply with the Labor Code and applicable IWC Wage Orders, Plaintiff and the Aggrieved Employees have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 1174.5 for failing to maintain accurate records of hours worked and meal periods.

Failure to Reimburse and Indemnify Expenses

California Labor Code § 2802 requires employers to reimburse employees for their necessary expenditures and losses incurred in direct consequence of the discharge of their duties or of their obedience to directions of the employer.

Throughout the statutory period, Defendant wrongfully required Plaintiff and the Aggrieved Employees to pay expenses that they incurred in direct discharge of their duties for Defendant without reimbursement, which included the purchase supplies, as well as the use of personal cellular telephones for work purposes. Plaintiff and the Aggrieved Employees incurred these substantial expenses as a direct result of performing their job duties for Defendant, and Defendant has failed to indemnify Plaintiff and the Aggrieved Employees for these employment-related expenses.

Failure to Pay All Accrued Vacation Wages at Termination

Labor Code § 227.3 requires employers to pay employees for all unused vested vacation time at their final rate of pay upon termination of their employment.

During the statutory period, Defendant maintained a policy and practice of failing to pay Plaintiff and the Aggrieved Employees the correct amount of vacation pay owed at the termination of employment. For instance, when Plaintiff's employment with Defendant terminated, she was owed vacation wages at her true final wage rate on her final paycheck from Defendant even though she had accrued unused vacation time. On information and belief, Defendant's failure to pay Plaintiff the correct amount of vacation pay was not a single, isolated incident, but was instead part of Defendant's policy and practice that applied to the Aggrieved Employees.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to pay all accrued vacation wages at termination.

Failure to Timely Pay All Wages at Termination

Labor Code §§ 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

Within the applicable statute of limitations, the employment of Plaintiff and many other Aggrieved Employees ended, i.e. was terminated by quitting or discharge, and the employment of others will be. However, during the relevant time period, Defendant failed, and continues to fail to pay Plaintiff and terminated Aggrieved Employees, without abatement, all wages required to be paid by Labor Code sections 201 and 202 either at the time of discharge, or within seventy-two (72) hours of their leaving Defendant's employ. These unpaid wages include wages for unpaid work time (including minimum and straight time wages), missed meal periods, and missed rest periods.

Defendant'sconduct violates Labor Code §§ 201 and 202.Labor Code § 203 provides that if an employer willfully fails to pay wages owed, in accordance with sections 201 and 202, then the wages of the employee shall continue as a penalty wage from the due date, and at the same rate until paid or until an action is commenced; but the wages shall not continue for more than thirty (30) days.

Accordingly, Plaintiff and the Aggrieved Employees are entitled to recover from Defendant their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up to 30 days maximum pursuant to Labor Code § 203.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to timely pay all wages at termination.

<u>Failure to Furnish Accurate Itemized Wage Statements</u>

Labor Code § 226(a) provides that every employer shall furnish each of his or her employees an accurate itemized wage statement in writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. An employee is presumed to suffer an injury if this information is missing. (Lab. Code § 226(e)(2)(B)(iii).)

The statute further provides: "An employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars ($50) for the initial pay period in which a violation occurs and one hundred dollars ($100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars ($4,000), and is entitled to an award of costs and reasonable attorney's fees." (Lab. Code § 226(e)(1).)

Defendant intentionally and willfully failed to provide employees with complete and accurate wage statements. The deficiencies include, among other things, the failure to correctly identify hourly rates, the failure to correctly list gross wages earned, and the failure to list the true net wages earned, including wages for meal periods that were not provided in accordance with California law, wages for rest periods that were not authorized and permitted to take in accordance with California law, and correct wages earned for all hours worked.

As a result of Defendant violating Labor Code § 226, Plaintiff and similarly Aggrieved Employees suffered injury and damage to their statutorily protected rights.

Accordingly, Plaintiff and similarly Aggrieved Employees are entitled to recover from Defendantthe greater of their actual damages caused by Defendant's failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding $4,000 dollars per employee.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 226.3 for failing to furnish accurate itemized wage statements.

Failure to Pay All Earned Wages Twice Per Month

Based on its failure to pay Plaintiff and the Aggrieved Employees for all wages as discussed above, Defendant also violated Labor Code § 204.

Labor Code § 204 requires employers to pay employees all earned wages two times per month. Throughout the statute of limitations period applicable to this cause of action, employees were entitled to be paid twice a month at their regular rates, including all meal period premium wages owed, rest period premium wages owed, and wages owed for hours worked. However, during all such times, Defendant systematically failed and refused to pay the employees all wages due, and failed to pay those wages twice a month, in that employees were not paid all wages for all meal periods not provided by Defendant, all wages for all rest periods not authorized and permitted by Defendant, and all wages for all hours worked. As a result, Defendant owes employees the legally required wages for unpaid wages, and Plaintiff and the Aggrieved Employees suffered damages in those amounts.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 210 for failing to pay all earned wages twice per month.

Action for Civil Penalties Under PAGA

In light of the above, Plaintiff alleges that Defendant violated the following provisions of the Labor Code with respect to the Aggrieved Employees:

1. Labor Code § 204, 510, 1194, 1197, and 1198 by failing to pay for all hours worked, including minimum wages, straight time wages and overtime wages;

2. Labor Code § 226.7, 512 and applicable Wage Orders by failing to provide meal periods;

3. Labor Code § 226.7 and applicable Wage Orders by failing to authorize and permit rest periods;

4. Labor Code § 1174.5 and applicable Wage Orders by failing to maintain accurate records of hours worked and meal periods taken or missed;

5. Labor Code § 2802 by failing to reimburse and indemnify employees for expenses and losses in the direct consequence and discharge of their duties;

6. Labor Code § 227.3 by failing to pay all vacation wages at termination;

7. Labor Code §§ 201 to 203 by willfully failing to pay all wages owed at termination;

8. Labor Code § 226 by failing to provide accurate itemized wage statements; and

9. Labor Code § 204 by failing to pay all earned wages two times per month.

Therefore, on behalf of all Aggrieved Employees, Plaintiff seeks applicable penalties related to the violations alleged above pursuant to the PAGA. These include, but are not limited to, penalties under Labor Code §§ 210, 226.3, 558, 1174.5, 1197.1, 2802, and 2699(f)(2).

Plaintiff has placed Defendant on notice by mailing a certified copy of this correspondence to its corporate address, as indicated on the first page.

Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

Sincerely,

MOON LAW GROUP, PC

Kane Moon, Esq.
Attorney at Law

EXHIBIT 3

Kane Moon (SBN 249834)
Allen Feghali (SBN 301080)
Jacquelyne VanEmmerik (SBN 399388)
MOON LAW GROUP, P.C.
725 South Figueroa Street, 31st Floor
Los Angeles, CA 90017
Telephone: (213) 232-3128
Facsimile: (213) 232-3125
Email: kmoon@moonlawgroup.com
Email: afeghali@moonlawgroup.com
Email: jvanemmerik@moonlawgroup.com

Attorneys for Plaintiff, *Genesis Aguilar*

José-Manuel de Castro (SBN 213769)
DE CASTRO LAW GROUP, P.C.
7590 North Glenoaks Boulevard, Suite 201
Los Angeles, California 91504
Telephone: (310) 270-9877
Email: jmdecastro@decastrolawgroup.com

Attorney for Defendant, RG Legacy II, LLC, *dba Pasadena Nursing Center*

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

GENESIS AGUILAR, individually, and on behalf of all others similarly situated, *Plaintiff*, vs. LEGACY HEALTHCARE CENTER, LLC, a limited liability company; and DOES 1 through 10, inclusive, *Defendants*.	Case No.: 24STCV22000 **JOINT STIPULATION OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT AGREEMENT** Complaint Filed: August 28, 2024

This Joint Stipulation of Class and Representative Action Settlement Agreement ("Settlement Agreement," "Settlement," or "Agreement") is made by and between Plaintiff Genesis Aguilar ("Plaintiff") and Defendant RG Legacy II, LLC, dba Pasadena Nursing Center ("Defendant") (Plaintiff and Defendant collectively, the "Parties," and individually "Party").

1. <u>DEFINITIONS.</u>

1.0. "Action" means *Aguilar, Genesis v. Legacy Healthcare Center, LLC, et al.*, Superior Court of the State of California, County of Los Angeles, Case No. 24STCV22000.

1.1. "Administrator" means ILYM Group, Inc., the neutral entity the Parties have designated to administer the Settlement.

1.2. "Administration Expenses Payment" means the court-approved amount allocated to the Administrator for reimbursement of its reasonable fees and expenses incurred to administer the Settlement, not to exceed $13,000.00.

1.3. "Aggrieved Employees" means all current and former non-exempt employees of Defendant who worked in the State of California from April 10, 2024, to June 30, 2025.

1.4. "Class" means all current and former non-exempt employees of Defendant who worked in the State of California from July 27, 2022, to June 30, 2025.

1.5. "Class Counsel" means Kane Moon, Allen Feghali, and Jacquelyne VanEmmerik of Moon Law Group, P.C.

1.6. "Class Counsel Fees Payment" means the court-approved amount allocated to Class Counsel for reimbursement of their reasonable fees incurred to prosecute the Action, not to exceed one-third of the Gross Settlement Amount.

1.7. "Class Counsel Expenses Payment" means the court-approved amount allocated to Class Counsel for reimbursement of their reasonable expenses incurred to prosecute the Action, not to exceed $17,000.00.

1.8. "Class Data" or "Class List" means Class Member identifying information in Defendant's possession, including the Class Member's name, last-known mailing address, last known telephone number, Social Security number, and total number of Workweeks and PAGA Pay Periods worked.

1.9. "Class Member" means 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.

1.10. "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 tracing, and direct contact by the Administrator with Class Members.

1.11. "Class Notice" means the court-approved Notice of Class and Representative Action Settlement and Final Approval Hearing to be mailed to Class Members in English and Spanish, substantially in the form attached to this Agreement as **Exhibit A** and incorporated by reference into this Agreement.

1.12. "Class Period" means the period from July 27, 2022, to June 30, 2025.

1.13. "Class Representative" means the named Plaintiff in the Action, Genesis Aguilar.

1.14. "Class Representative Service Payment" means the court-approved payment allocated to the Class Representative for her services in support of the Action and General Release, not to exceed $7,500.00.

1.15. "Court" means the Superior Court of the State of California, County of Los Angeles.

1.16. "Defendant" means the named Defendant in the Action, RG Legacy II, LLC, dba Pasadena Nursing Center.

1.17. "Defense Counsel" means José-Manuel de Castro of De Castro Law Group, P.C.

1.18. "Effective Date" means the date both of the following have occurred: (a) the Court enters a Judgment on its Final Approval Order; and (b) the Judgment is final. The Judgment is final on the latest of the following: (a) if no Participating Class Member timely objects to the Settlement, the day the Court enters the Judgment; (b) if one or more Participating Class Members object(s) to the Settlement and does not withdraw his or her Objection, the day after the deadline for filing a Notice of Appeal of the Judgment; or (c) if a timely Appeal of the Judgment is filed, the day after the appellate court affirms the Judgment and issues a Remittitur.

1.19. "Final Approval Order" means the Court's Order Granting Final Approval of the Settlement.

1.20. "Final Approval Hearing" means the Hearing on Plaintiff's Motion for Final Approval of the Settlement.

1.21. "Final Judgment" means the Judgment entered by the Court upon granting Final Approval of the Settlement.

1.22. "Gross Settlement Amount" means $225,000.00, the total amount Defendant agrees to pay under the Settlement, except as provided in Paragraph 7.0 below. The Gross Settlement Amount will pay the Individual Class Payments, Individual PAGA Payments, LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Expenses Payment, Class Representative Service Payment, and Administration Expenses Payment.

1.23. "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount, calculated according to the number of Workweeks he or she worked during the Class Period.

1.24. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 35% of the PAGA Penalties allocated pursuant to California Labor Code ("Labor Code") section 2699(m) and calculated according to the number of PAGA Pay Periods he or she worked during the PAGA Period.

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

1.26. "LWDA PAGA Payment" means the LWDA's 65% share of the PAGA Penalties, allocated pursuant to Labor Code section 2699(m).

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

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

1.29. "Objection" means a Class Member's written or verbal objection to a term of, or the terms of, the Settlement.

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

1.31. "PAGA Period" means the period from April 10, 2024, to June 30, 2025.

1.32. "PAGA" means the Private Attorneys General Act, Labor Code sections 2698, *et seq*.

1.33. "PAGA Notice" means Plaintiff's August 24, 2024 letter to the LWDA providing written notice pursuant to Labor Code section 2699.3(a).

1.34. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount in settlement of the Released PAGA claims, not to exceed $15,000.00.

1.35. "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion.

1.36. "Plaintiff" means the named Plaintiff in the Action, Genesis Aguilar.

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

1.38. "Released Class Claims" means the claims released as described in Paragraph 5.1.

1.39. "Released PAGA Claims" means the claims released as described in Paragraph 5.2.

1.40. "Released Parties" means Defendant and all of its present and former members, parent companies, subsidiaries, affiliates, joint venturers, and licensees, and all of their shareholders, officers, directors, employees, agents, servants, registered representatives, attorneys, insurers, successors and assigns, and any other persons acting under them.

1.41. "Request for Exclusion" means a Class Member's written request to be excluded from the Settlement.

1.42. "Response Deadline" means forty-five (45) calendar days from the date the Administrator mails the Class Notice to the Class and the last date on which Class

Members may: (a) mail a Request for Exclusion from the Settlement; or (b) mail an Objection to the Settlement. Class Members to whom a Class Notice is resent after having been returned undeliverable to the Administrator shall have an additional ten (10) calendar days beyond the Response Deadline to timely mail a Request for Exclusion or Objection.

1.43. "Workweek" means any workweek for which a Class Member worked for Defendant during the Class Period.

2. RECITALS.

2.0. On August 24, 2024, Plaintiff submitted to the LWDA, and sent via certified mail to Defendant Legacy Healthcare Center, LLC, a Notice of Labor Code Violations pursuant to Labor Code section 2699.3(a).

2.1. On August 28, 2024, Plaintiff filed a Class Action Complaint against Defendant Legacy Healthcare Center, LLC, which alleged eight individual and class causes of action for violation of the Labor Code and California Business and Professions Code.

2.2. On November 1, 2024, Plaintiff filed a First Amended Class and Representative Action Complaint against Defendant Legacy Healthcare Center, LLC, which alleged a ninth individual and representative cause of action for violation of the Private Attorneys General Act of 2004, *as modified*.

2.3. On January 14, 2024, Plaintiff filed a Second Amended Class and Representative Action Complaint against Defendant Legacy Healthcare Center, LLC, which alleged specific damages for Plaintiff's individual causes of action.

2.4. On February 18, 2025, Plaintiff filed an Amendment to Complaint, which identified the fictitiously designated DOE 1 Defendant as RG Legacy II, LLC dba Pasadena Nursing Center.

2.5. On June 30, 2025, the Parties attempted to resolve the Action through private mediation with experienced wage-and-hour class and representative action mediator, Michael Ludwig, Esq. A settlement in principle was reached the same day.

2.6. Before mediation, Plaintiff obtained through informal discovery, a 100% sample of the time and corresponding payroll records of the Class, the employee handbook and policies in effect during the Class Period, and other data and documents.

3. MONETARY TERMS.

3.0. Gross Settlement Amount. Except as otherwise provided by Paragraph 7.0 below, Defendant will pay $225,000.00 as the Gross Settlement Amount and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments, which shall be paid separately. Defendant has no obligation to pay the Gross Settlement Amount or any payroll taxes before the deadline stated in Paragraph 4.0 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.

3.1. 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 Order:

3.1.1. To Plaintiff: A Class Representative Service Payment to the Class Representative of not more than $7,500.00, in addition to the Individual Class and PAGA Payments the Class Representative is entitled to receive as a Participating Class Member and Aggrieved Employee. Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. Plaintiff and/or Class Counsel will file a Motion supporting the Class Representative Service Payment no later than sixteen (16) court days before the Final Approval Hearing. If the Court approves of a Class Representative Service Payment that is less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff shall be solely and legally responsible for paying any applicable taxes on this payment and shall hold Defendant harmless from any claim or liability for taxes, penalties, or interest arising as a result of the payment. Defendant makes no representations as to the tax treatment or legal effect of the payment called for herein, and Plaintiff is not relying on any statement or representation by Defendant or its counsel in this regard.

3.1.2. To Class Counsel: A Class Counsel Fees Payment not to exceed one-third of the Gross Settlement Amount, or $75,000.00, whichever is greater, and a Class Counsel Expenses Payment not to exceed $17,000.00. Defendant will not oppose Plaintiff's request for Class Counsel Fees and Class Counsel Expenses Payments that do not exceed these amounts. Plaintiff and/or Class Counsel will file a Motion supporting the Class Counsel Fees and Class Counsel Expenses Payments no later than sixteen (16) court days before the Final Approval Hearing. If the Court approves of Class Counsel Fees and/or Class Counsel Expenses Payments that are 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 or any other Plaintiff's Counsel arising from any claim to any portion of any Class Counsel Fees and/or Class Counsel Expenses Payments. The Administrator will pay the Class Counsel Fees and Class Counsel Expenses Payments using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees and Class Counsel Expenses Payments. Class Counsel hold Defendant harmless, and indemnify Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.1.3. To the Administrator: An Administration Expenses Payment of not more than $13,000.00, except for a showing of good cause and as approved by the Court. Plaintiff and/or Class Counsel will file a Motion supporting the Administration Expenses Payment no later than sixteen (16) court days before the Final Approval Hearing. If the Court approves of an Administration Expenses Payment that is less than the amount requested, or if the Administration

Expense Payment is less than the amount allocated under this Agreement, the Administrator will allocate the remainder to the Net Settlement Amount. To the extent the actual Administration Expenses Payment is greater than $13,000.00, such excess amount will be taken from the Gross Settlement Amount, subject to the Court's approval.

3.1.3.1. To Each Participating Class Member: The Administrator will calculate each Individual Class Payment 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. Non-Participating Class Members will not receive an Individual Class Payment. 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.

3.1.3.2. Tax Allocation of Individual Class Payments. Twenty percent (20%) of each Participating Class Member's Individual Class Payment will be allocated to the settlement of claims for wages (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 the 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 employee taxes owed on their Individual Class Payment.

3.1.4. To the LWDA and Aggrieved Employees: PAGA Penalties of not more than $15,000.00 to be paid from the Gross Settlement Amount, with sixty-five percent (65%) (i.e., $9,750.00) allocated to the LWDA PAGA Payment and thirty-five percent (35%) (i.e., $5,250.00) allocated to the Individual PAGA Payments.

3.1.4.1. To Each Aggrieved Employee: The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 35% share of PAGA Penalties by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods.

3.1.4.2. Tax Allocation of Individual PAGA Payments. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. One hundred percent (100%) of each Individual PAGA Payment will be allocated as penalties. If the Court approves PAGA Penalties 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.

4.0. Funding of Gross Settlement Amount. The Gross Settlement Amount and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments shall be fully funded by transmission of such funds to the Administrator within thirty (30) calendar days of the Effective Date.

4.1. Payments from the Gross Settlement Amount. No later than fourteen (14) calendar days after Defendant funds the entire Gross Settlement Amount, the Administrator shall mail checks for the Individual Class Payments, Individual PAGA Payments, LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Expenses Payment, Class Representative Service Payment, and Administration Expenses Payment. Disbursement of the Class Counsel Fees Payment, Class Counsel Expenses Payment, and Class Representative Service Payment shall not precede disbursement of the Individual Class

Payments and Individual PAGA Payments.

4.1.1. 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 with postage prepaid. Before mailing any checks, the Administrator must update the recipient's mailing addresses using the National Change of Address Database. The face of each check shall prominently state the date the check will be voided. Each check will be voided 180 days after the date of mailing ("void date"). The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Class Payments to all Participating Class Members, including those for whom a 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 and those for whom a Class Notice was returned undelivered. The Administrator may send Participating Class Members a single check combining the Individual Class Payment and Individual PAGA Payment.

4.1.2. No later than fourteen (14) calendar days after 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 for Class Members whose checks are returned undelivered without a USPS forwarding address. Thereafter, the Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. However, the Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced and who requests the replacement before the void date.

4.1.3. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, or for any Class Member whose envelope is returned and no forwarding address can be located for the Class Member after reasonable efforts have been made, 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 ("CCP") section 384(b).

4.1.4. 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. Rather, it is the Parties' intention that this Agreement will not affect any rights, contributions, or amounts to which any Class Members may be entitled under any benefit plans.

5. <u>RELEASES OF CLAIMS</u>. Effective on the date Defendant fully funds the entire Gross Settlement Amount and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments, Plaintiff, Participating Class Members, and Aggrieved Employees will release claims against all Released Parties as follows:

5.0. <u>Plaintiff's Release</u>. Plaintiff fully and finally releases and discharges the Released Parties from any and all charges, complaints, claims, and liabilities of any kind or nature whatsoever, known or unknown, suspected or unsuspected ("claim(s)") which Plaintiff, at any time heretofore, had or claimed to have or which Plaintiff may have or shall in the future claim to have, including, without limitation, any and all claims related or in any manner incidental to Plaintiff 's employment. Plaintiff understands she is releasing potentially unknown claims, and that Plaintiff may have limited knowledge with respect to some of the claims being released. Plaintiff acknowledges there is a risk that, after signing this agreement, Plaintiff may learn information that might have affected Plaintiff's decision to enter into this Agreement. Plaintiff assumes this risk and all other risks of any mistake in entering into this Agreement. Plaintiff agrees that this Agreement is fairly and knowingly made. Plaintiff represents and warrants that Plaintiff has all necessary authority to enter into this Agreement and that Plaintiff has not transferred any interest in any claims to any spouse or to any other third party.

5.0.1. The Parties understand the word "claim(s)" to include all actions, complaints, claims, and grievances, whether actual or potential, known or unknown, and specifically but not exclusively, all claims arising out of Plaintiff's employment with Defendant, including, but not limited to, any and all claims under the California Fair Employment and Housing Act, the Age Discrimination in Employment Act, Title VII or any other statute, rule or regulation relating to Plaintiff's employment with Defendant and under which Plaintiff has made a claim or could make a claim against Defendant (collectively, "Plaintiff's Released Claims"). Plaintiff's Released Claims shall not waive: (i) claims for unemployment or workers' compensation benefits; (ii) any vested rights Plaintiff has under ERISA-covered benefit plans as applicable on the date Plaintiff signs this Agreement, and/or claims concerning such rights; (iii) claims that may arise after Plaintiff signs this Agreement; or (iv) claims which cannot be released by private agreement.

5.1. <u>Release by Participating Class Members:</u> All Participating Class Members fully and finally release and discharge the Released Parties from any and all claims, debts, liabilities, demands, obligations, penalties, guarantees, costs, expenses, attorney's fees, damages, action or causes of action of whatever kind or nature, contingent or accrued, that were alleged or that reasonably could have been alleged based on the facts alleged in the Action, as amended, that accrued in, or are related to the allegations in the Action, under federal, state, and/or local law. This release includes, without limitation, release of all claims alleged in the Action and under state law for alleged failure to pay minimum wages, failure to pay overtime, failure to provide meal periods, failure to authorize and permit rest breaks, failure to indemnify necessary business expenses, failure to pay all unpaid wages at termination, failure to provide accurate itemized wage statements, any violations of Business and Professions Code § 17200, *et seq.*, and statutory penalties based on the foregoing (collectively, the "Released Class Claims").

5.1.1. The Released Class Claims exclude claims not permitted by law and are limited to claims arising during the Class Period.

5.2. Release by Aggrieved Employees: All Aggrieved Employees fully and finally release and discharge the Released Parties from any and all claims for civil penalties, and attorneys' fees and costs, under PAGA that were alleged or that reasonably could have been alleged based on the facts alleged in the First Amended Class and Representative Action Complaint or PAGA Notice, including, but not limited to, failure to pay minimum wages, failure to pay overtime compensation, failure to provide meal periods, failure to authorize and permit rest breaks, failure to indemnify necessary business expenses, failure to pay all unpaid wages at termination, and failure to provide accurate itemized wage statements (collectively, the "Released PAGA Claims").

5.2.1. The Released PAGA Claims are limited to claims arising during the PAGA Period. In light of the binding nature of a PAGA judgment on non-party employees under *Arias v. Sup. Ct.* (*Angelo Dairy*) (2009) 46 Cal.4th 969 and *Cardenas v. McLane Foodservice, Inc.* (2011) 796 F.Supp.2d 1246, individuals otherwise meeting the definition of an Aggrieved Employee who are eligible to receive an Individual PAGA Payment shall be deemed to have released the Released PAGA Claims, regardless of whether their check for the Individual PAGA Payment is cashed or not, and regardless of whether they are a Non-Participating Class Member.

6. SETTLEMENT ADMINISTRATION.

6.0. Selection of Administrator. The Parties have jointly selected ILYM Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, ILYM Group, Inc. agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for the Administration Expenses Payment. 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.

6.1. Class Data. No later than fourteen (14) calendar 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 the Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under the Settlement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers 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.

6.2. Notice of Receipt of Class Data. No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks, and PAGA Pay Periods in the Class Data.

6.3. Notice to Class Members. No later than fourteen (14) calendar days after receiving the Class Data from Defendant, the Administrator will send all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice in English and Spanish, substantially in the form attached to this Agreement as **Exhibit A**. The Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payments payable to the Class Member and/or Aggrieved Employee, and the number of Workweeks and PAGA Pay Periods used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

6.4. Remailing of Class Notice. No later than three (3) business days after its receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the

Class Notice using any forwarding address provided by USPS. If USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send the Class Notice to Class Members whose Class Notice is returned by USPS a second time.

6.4.1. The deadlines for Class Members' Objections, Challenges to Calculation of Workweeks and/or PAGA Pay Periods, and Requests for Exclusion will be extended an additional ten (10) calendar days beyond the forty-five (45) calendar days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

6.4.2. If the Administrator, Defendant, Defense Counsel, or Class Counsel are 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, to agree on whether to include them as Class Members. If the Parties agree, such person(s) 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 no later than ten (10) calendar days after receipt of the Class Notice, or the deadline in the Class Notice, whichever is later.

6.5. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review Requests for Exclusion on a rolling basis to ascertain their validity and timeliness. No later than five (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 the names and other identifying information of Class Members who have submitted Requests for Exclusion, regardless of whether the requests are valid and timely ("Exclusion List"); and copies of all Requests for Exclusion submitted, regardless of whether the requests are valid and timely.

6.6. Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that tally the number of Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion received (whether valid or invalid), Objections received, Challenges to Workweeks and/or PAGA Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must attach copies of all Requests for Exclusion and Objections received.

6.7. Administrator's Declaration. No later than seven (7) business days after the Response Deadline, the Administrator will provide Class Counsel and Defense Counsel a signed declaration suitable for filing in Court attesting to (i) its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of the Class Notice, (ii) the total number of Class Notices returned as undelivered, (iii) the total number of re-mailed Class Notices, (iv) its attempts to locate Class Members, (v) the total number of Requests for Exclusion received (valid or invalid), (vi) the total number of Objections received (valid or invalid), (vii) the total number of Participating Class Members and Workweeks, (viii) the total number of Aggrieved Employees and PAGA Pay Periods, and (ix) the lowest, average, and highest Individual Class Payment and Individual PAGA Payment. 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.

6.8. Final Report by Settlement Administrator. No later than fourteen (14) calendar days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with (i) a final report detailing its disbursements by employee identification number only of all payments made under this Agreement, and (ii) 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.

6.9. 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.

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

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

6.12. Class Members' Options.

6.12.1. Requests for Exclusion (Opt-Outs). Each Class Member shall have forty-five (45) calendar days after the Administrator mails the Class Notice (plus an additional ten (10) calendar days for Class Members whose Class Notice is re-mailed) to exclude themselves from the Settlement. A Class Member may exclude himself or herself from the Settlement by mailing a Request for Exclusion to the Administrator. The Request for Exclusion must be valid and timely. To be valid, the Request for Exclusion must (1) include the Class Member's full name, address, telephone number, and signature, and a written statement requesting to be excluded from the Settlement; (2) state the case name and number of the Action; and (3) be mailed to the specified physical address of the Administrator. To be timely, the Request for Exclusion must be postmarked no later than the Response Deadline. The postmark date will be the exclusive means of determining whether a Request for Exclusion has been timely submitted. A Class Member who does not submit a valid and timely

Request for Exclusion will be deemed a Participating Class Member and will be bound by all terms of the Settlement if it is granted Final Approval. If a Class Member's Request for Exclusion is timely but invalid, according to the requirements listed herein, that Class Member will be allowed to cure the defect(s). The Administrator will mail the Class Member a cure letter within three (3) business days of receiving the defective submission to advise the Class Member that his or her submission is defective and that the defect must be cured to render the Request for Exclusion valid. The Class Member will have until the later of (a) the Response Deadline or (b) ten (10) calendar days from the date of the cure letter, whichever date is later, to postmark the revised Request for Exclusion. The Administrator, Class Counsel, and Defense Counsel may attempt to resolve any Class Member disputes on the validity or timeliness of a Request for Exclusion. However, the Court has the final authority to make decisions consistent with the terms of this Agreement on the validity or timeliness of a Request for Exclusion. The Court's decision shall be final and not appealable or otherwise susceptible to challenge.

6.12.1.1. Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Release under Paragraph 5.1 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

6.12.1.2. Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in

Paragraph 5.2 of this Agreement and are eligible for an Individual PAGA Payment.

6.12.2. Challenges to Calculation of Workweeks. Each Class Member shall have forty-five (45) calendar days after the Administrator mails the Class Notice (plus an additional ten (10) calendar days for Class Members whose Class Notice is re-mailed) to challenge the number of Workweeks and/or PAGA Pay Periods allocated to the Class Member and/or Aggrieved Employee in the Class Notice. A Class Member and/or Aggrieved Employee may challenge the allocation by sending a Challenge to Calculation of Workweeks and/or Pay Periods to the Administrator. The Challenge to Calculation of Workweeks and/or Pay Periods must be timely. To be timely, the Challenge to Calculation of Workweeks and/or Pay Periods must be postmarked no later than the Response Deadline. The postmark date will be the exclusive means of determining whether a Challenge to Calculation of Workweeks and/or Pay Periods has been timely submitted. 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 contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator shall promptly provide copies of all Challenges to Calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel. The Administrator, Class Counsel, and Defense Counsel may attempt to resolve all Class Member challenges over the calculation of Workweeks and/or Pay Periods. However, the Court has the final authority to make decisions consistent with the terms of this Agreement on all Challenges to Calculation of Workweeks and/or Pay Periods. The Court's decision shall be final and not appealable or otherwise susceptible to challenge.

6.12.3. Objections to Settlement. Each Participating Class Members shall have forty-five (45) calendar days after the Administrator mails the Class Notice (plus an additional ten (10) calendar days for Class Members whose Class Notice is re-mailed) to 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 Expenses Payment and/or Class Representative Service Payment. Only Participating Class Members may send written Objections to the Administrator. A Participating Class Member may object to the Settlement by (1) appearing at the Final Approval Hearing and verbally objecting to the Settlement or any term thereof; and/or (2) sending a written Objection to the Administrator. The written Objection must be valid and timely. To be valid, the written Objection must (1) include the Class Member's full name, address, telephone number, and signature, the contact information for any attorney representing the objecting Class Member, if any, and the factual and legal bases for the Objection, including any supporting papers, briefs, written evidence, declarations, and/or other evidence; (2) state the case name and number of the Action; and (3) be mailed to the specified physical address of the Administrator. To be timely, the written Objection must be postmarked no later than the Response Deadline. The postmark date will be the exclusive means of determining whether a written Objection has been timely submitted. The Administrator, Class Counsel, and Defense Counsel may attempt to resolve any Class Member disputes on the validity or timeliness of a written Objection. However, the Court has the authority to make final decisions consistent with the terms of this Agreement on the validity or timeliness of a written Objection. The Court's decision shall be final and not appealable or otherwise susceptible to challenge.

7. <u>ESCALATOR CLAUSE</u>

7.0. It is estimated that there are 10,000 Workweeks during the Class Period. If the actual number of Workweeks during the Class Period exceeds 10,000 by more than 10%, Defendant shall have the option of (a) increasing the Gross Settlement Amount by the percentage increase in the number of Workweeks worked by the Class Members above 10% (e.g. if the number of Workweeks increases by 11%, the Gross Settlement Amount will increase by 1%); or (b) rolling back the Class and PAGA Periods to the date in which 10,000 Workweeks is met. Defendant shall be prepared to inform the Court of its selection at the Preliminary Approval Hearing. If Defendant exercises option (b), it shall also be prepared to inform the Court of the Class Period end date at the Preliminary Approval Hearing.

8. <u>DEFENDANT'S RIGHT TO WITHDRAW.</u>

8.0. If the number of valid and timely Requests for Exclusion exceeds fifteen percent (15%) of the total of all Class Members, Defendant may, but is not obligated to, elect to withdraw from the Settlement. If Defendant elects to withdraw from the Settlement, Defendant must meet and confer with Class Counsel no later than fourteen (14) calendar days after expiration of the Response Deadline, and Defendant will be responsible for paying all settlement administration expenses incurred to that point. Further, the Settlement shall be void ab initio, have no force or effect whatsoever, and neither Party will have any further obligation to perform under this Agreement, except as provided in this Paragraph.

9. <u>FINAL APPROVAL.</u>

9.0. <u>Motion for Final Approval</u>. No later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiff will file a Motion for Final Approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699(s)(2) and a [Proposed] Final Approval Order and Judgment.

9.1. <u>Response to Objections</u>. 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 (5) court days before the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

9.2. 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 Counsel Fees Payment, Class Counsel Expenses Payment, Class Representative Service Payment, and/or Administration Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this Paragraph.

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

9.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees and Class Counsel Expenses Payments set forth in this Agreement, the Parties, their respective counsel, and all Participating Class Members 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 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.

9.5. 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), the Parties shall 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 Payment 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.

9.6. Failure to Approve. If the Court does not approve, either preliminarily or finally, any material term or condition of the Settlement Agreement, or if the Court effects a material change, then this Agreement will be voidable and unenforceable, subject to the Parties' agreement to the contrary, and the costs of administration shall be split equally between the Plaintiff, on one side, and Defendant, on the other.

10. AMENDED JUDGMENT.

10.0. If any amended judgment is required under CCP section 384, the Parties will work together in good faith to jointly submit a proposed amended judgment.

11. ADDITIONAL PROVISIONS.

11.0. Entire Agreement. This Agreement and the attached **Exhibit A** constitute the entirety of the Parties' settlement terms.

11.1. No Admission of Liability. The Parties enter into this Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of continued litigation. In entering into this Agreement, Defendant does not admit, and specifically denies, it has violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations, or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct concerning their employees. Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an admission or concession by Defendant of any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this Agreement, this Agreement and its terms and provisions shall not be offered or received as evidence in any action or proceeding to establish any liability or admission on the part of Defendant or to establish the existence of any condition constituting a violation of, or a non-compliance with, federal, state, local or other applicable law. If Final Approval does not occur, the Parties agree that this Agreement is void, but remains protected by California Evidence Code section 1152.

11.2. Class Certification or Representative Manageability for Other Purposes. The Parties agree to stipulate to class certification only for purposes of the Settlement. If, for any reason, the Settlement is not approved, the stipulation to certification will be void. 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 reason, Defendant reserves all available defenses to the claims in the Action, Plaintiff reserves the right to move for class certification on any grounds available, and Plaintiff reserves the right to contest Defendant's defenses. The Settlement, this Agreement, and the 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.

11.3. No Press Releases/Advertisements. Neither Plaintiff nor Plaintiff's Counsel shall issue any press release or announcement of any kind related in any way to the Settlement. Plaintiff and Class Counsel agree to limit their statements regarding the terms of the Settlement, whether oral, written, or electronic (including the World Wide Web), to say the Class Action has been resolved and that Plaintiff and Class Counsel are satisfied with the Settlement terms. Nothing in this Section is intended to interfere with Class Counsel's duties and obligations to faithfully discharge their duties as Class Counsel, including but not limited to: (1) as required by law; (2) as required under the terms of the Settlement; and/or (3) as required under counsel's duties and responsibilities as Class Counsel. This Settlement shall not be advertised or mentioned on any source, including

Plaintiff's Counsel's personal or firm website.

11.4. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this Settlement is a fair, adequate, and reasonable settlement of the Action and have arrived at this Agreement after arm's-length negotiations and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement.

11.5. 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.

11.6. 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.

11.7. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff 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.

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

11.9. Waiver. No waiver of any condition or covenant contained in this Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such party of the same or any other condition, covenant, right, or remedy.

11.10. Cooperation. The Parties and their counsel will cooperate 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.

11.11. 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.

11.12. No Tax Advice. Neither Plaintiff, Class Counsel, Defendant, nor Defense Counsel is 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.

11.13. 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.

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

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

11.16. 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.

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

11.18. Use and Return of Class Data. Information provided to Class Counsel pursuant to Evidence Code section 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. No later than ninety (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, Plaintiff shall destroy, all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.

11.19. 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.

11.20. 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.

11.21. 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.

11.22. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement, intend that this Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law. Plaintiff, and not her representative(s), must personally execute this Agreement. An authorized officer of Defendant must execute this Agreement on behalf of Defendant. This Agreement shall become binding and enforceable pursuant to CCP section 664.6.

11.23. 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. The Parties further agree that upon the signing of this Agreement 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.

Signatures on the following page.

Plaintiff & Class Representative:

Dated: 8/1/2025 , 2025

By: Signed by: GA C59E8403AEC34B7...
Plaintiff, Genesis Aguilar

Plaintiff's Counsel:

Dated: 8/1/2025 , 2025

MOON LAW GROUP, P.C.

By: ______________________
Kane Moon
Allen Feghali
Jacquelyne VanEmmerik
Attorney for Plaintiff, Genesis Aguilar

Defendant:

Dated: , 2025

On behalf of Defendant, RG Legacy II, LLC, dba Pasadena Nursing Center

By: EZEQUIEL BERKOVICH
Print Name

____
Signature

PERATOR
Title

Defendant's Counsel:

Dated: , 2025

DE CASTRO LAW FIRM, P.C.

By: ______________________
José-Manuel de Castro
Attorney for Defendant, RG Legacy II, LLC, dba Pasadena Nursing Center

EXHIBIT A

NOTICE OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT

PLEASE READ THIS NOTICE

In the class and representative action entitled *Aguilar, Genesis v. Legacy Healthcare Center, LLC, et al.,* Superior Court of the State of California, County of Los Angeles, Case No. 24STCV22000 ("Action"), Plaintiff Genesis Aguilar ("Plaintiff") alleges Defendant RG Legacy II, LLC, dba Pasadena Nursing Center ("Defendant") violated the California Labor Code and California Business and Professions Code, and owes civil penalties to the Labor and Workforce Development Agency ("LWDA") and Aggrieved Employees (defined below) under the California Private Attorneys General Act ("PAGA"). Defendant denies any liability or wrongdoing of any kind and contends, among other things, that it complied at all times with the California Labor Code, the California Business and Professions Code, all Industrial Welfare Commission Wage Orders, and all applicable law.

However, in the interest of avoiding further litigation and the costs and uncertainties associated with further litigation, Plaintiff and Defendant have reached a Joint Stipulation of Class and Representative Action Settlement Agreement ("Settlement"), which has been preliminarily approved by the Court. By agreeing to the Settlement, Defendant in no way admits any violation of law and expressly denies any liability to Plaintiff or others.

You are subject to the terms of the Settlement because you have been identified by Defendant's records as a Class Member and/or Aggrieved Employee. "Class Members" means all current and former non-exempt employees of Defendant who worked in the State of California from July 27, 2022, to June 30, 2025 ("Class Period"). "Aggrieved Employees" means all current and former non-exempt employees of Defendant who worked in the State of California from April 10, 2024, to June 30, 2025 ("PAGA Period").

YOUR LEGAL RIGHTS AND OPTIONS WITH RESPECT TO THE SETTLEMENT	
Participate in the Settlement	If you want to participate in the Settlement, remain in the Class, and receive your Individual Class Payment and Individual PAGA Payment, **<u>then you do not need to do anything.</u>**
Exclude Yourself From the Settlement	If you do not want to participate in the Settlement or remain in the Class, **<u>then you need to follow the instructions in Section 6.</u>** If you exclude yourself from the Settlement, you will not receive your Individual Class Payment, and you will not release the Released Class Claims against the Released Parties (defined in Section 4, below). However, if the Settlement is approved by the Court and you are an Aggrieved Employee, you will receive your Individual PAGA Payment, and you will release the Released PAGA Claims, even if you exclude yourself from the Settlement.
Object to the Settlement	If you want to object to the terms of the Settlement but remain in the Class, **<u>then you need to follow the instructions in Section 7.</u>** If you object to the Settlement, you will still be bound by the terms of the Settlement if it is approved by the Court.

1. WHY DID I GET THIS NOTICE?

You have received this Notice because Defendant's records reflect that you are a Class Member and/or Aggrieved Employee (defined above). Because the Settlement, which has been preliminarily approved by the Court, affects Class Members' and Aggrieved Employees' legal rights, the Court ordered that this Notice be sent to you. This Notice provides you with information about (1) the Action, (2) the monetary terms of the Settlement, (3) your estimated Individual Class Payment, provided you do not request to be excluded from the Settlement, (4) your estimated Individual PAGA Payment, (5) the terms of the Settlement, including the claims that are being released, (6) how to participate in, exclude yourself from, or object to the Settlement, and (7) where to find additional information regarding the Action and Settlement.

2. WHAT IS THIS CASE ABOUT?

Plaintiff alleges Defendant (1) failed to pay Class Members minimum wages for all hours worked; (2) failed to pay Class Members overtime compensation; (3) failed to provide Class Members compliant meal periods or compensation in lieu thereof; (4) failed to provide Class Members compliant rest breaks or compensation in lieu thereof; (5) failed to reimburse Class Members for necessary business expenses they incurred in the direct discharge of their duties to Defendant; (6) failed to timely pay Class Members all compensation due upon their termination or resignation; (7) failed to provide Class Members accurate itemized wage statements; (8) engaged in unlawful business practices in violation of California Business and Professions Code sections 17200, *et seq*.; and/or (9) owes civil penalties under PAGA.

Defendant denies these allegations and maintains it fully complied with all applicable laws. Specifically, Defendant contends it paid all due minimum wages and overtime compensation; provided, permitted, and authorized Class Members to take all meal periods and rest breaks to which they were entitled; reimbursed Class Members for any necessary business expenses they incurred; provided Class Members with accurate wage statements; compensated Class Members for all wages upon their termination or resignation; did not perform any unlawful business acts under California Business and Professions Code sections 17200, *et seq*.; and does not owe civil penalties under PAGA. Defendant denies any liability or wrongdoing of any kind and contends, among other things, that it complied at all times with the California Labor Code, the California Business and Professions Code, all Industrial Welfare Commission Wage Orders, and all applicable law.

The Court has not ruled on the merits of the claims alleged by Plaintiff. By preliminarily approving the Settlement and issuing this Notice, the Court is not suggesting which side would win or lose the Action on the merits. Rather, the Court has determined only that there is sufficient evidence to determine, on a preliminary basis, that the proposed Settlement is fair, adequate, and reasonable. The final determination of this question will be made at the Final Approval Hearing. Defendant reserves the right, if for any reason the Settlement fails, to contest any factual or legal allegations, including to contest whether the Action should proceed as a class and/or representative action.

3. THE MONETARY TERMS OF THE SETTLEMENT AND CALCULATION OF YOUR INDIVIDUAL CLASS PAYMENT AND INDIVIDUAL PAGA PAYMENT

Without admitting any wrongdoing, and to avoid the business disruptions caused by litigating these claims, Defendant has agreed to pay a Gross Settlement Amount of $225,000.00 to settle the Action. The following amounts will be paid from the Gross Settlement Amount:

- An Administrator Expenses Payment not to exceed $13,000.00. for reimbursement of the Administrator's reasonable fees and expenses;
- A Class Representative Service Payment not to exceed $7,500.00 to the Class Representative for her services in support of the Action and General Release;
- PAGA Penalties in the amount of $15,000.00 allocated to the LWDA and Aggrieved Employees for the payment of civil penalties under PAGA;
- A Class Counsel Expenses Payment not to exceed $17,000.00 to Class Counsel for reimbursement of their reasonable expenses incurred to prosecute the Action; and
- A Class Counsel Fees Payment not to exceed $75,000.00 to Class Counsel for reimbursement of their reasonable fees incurred to prosecute the Action.

Net Settlement Amount: The amount remaining from the Gross Settlement Amount after the above deductions is called the "Net Settlement Amount." The Net Settlement Amount will be allocated to all Participating Class Members and calculated as follows:

1. The Administrator will determine the number of weeks for each Participating Class Member was engaged in any productive work activity for Defendant and were paid as a non-exempt employee, not including paid time off or leaves of absence, during the Class Period ("Workweeks");
2. The Administrator will determine the value of a single Workweek by dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members; and
3. Each Participating Class Member shall receive an Individual Class Payment equal to his or her Workweeks multiplied by the value of a single Workweek.

You have been credited with ___ Workweeks. Based on these Workweeks, your Individual Class Payment, before any applicable withholdings, is estimated to be $__________.

Individual PAGA Payment: A total of $15,000.00 of the Gross Settlement Amount has been allocated to PAGA Penalties. Of this amount, 65% (i.e., $9,750.00) will be paid to California's LWDA ("LWDA PAGA Payment"), and 35% (i.e., $5,250.00) ("Individual PAGA Payment") will be paid on a *pro rata* basis to Aggrieved Employees and calculated as follows:

1. The Administrator will determine the number of pay periods each Aggrieved Employee worked for Defendant for at least one day during the PAGA Period ("PAGA Pay Periods");
2. The Administrator will determine the value of a single PAGA Pay Period by dividing the Individual PAGA Payment by the total number of PAGA Pay Periods worked by all Aggrieved Employees; and
3. Each Aggrieved Employee shall receive an Individual PAGA Payment equal to his or her PAGA Pay Periods multiplied by the value of a single PAGA Pay Period.

You have been credited with ___ PAGA Pay Periods. Based on these PAGA Pay Periods, your Individual PAGA Payment is estimated to be $__________.

If you dispute the total number of Workweeks and/or PAGA Pay Periods that you have been credited with, you may challenge the allocation by sending a Challenge to the Calculation of Workweeks and/or Pay Periods to the Administrator ("Challenge"). Your Challenge should (1) contain your name, address, and telephone number and the case name and number of the Action (i.e., *Aguilar, Genesis v. Legacy Healthcare Center, LLC, et al.,* Superior Court of the State of California, County of Los Angeles, Case No. 24STCV22000); (2) clearly state the number of Workweeks and/or PAGA Pay Periods you believe is correct; and (3) attach any documentary evidence you have to prove the number of contended Workweeks and/or PAGA Pay Periods. Your Challenge must be postmarked on or before [Response Deadline] and returned to the Administrator at the following address:

[Administrator]
[contact info]

For tax purposes, twenty percent (20%) of each Individual Class Payment will be allocated to wages and subject to all applicable employee state and federal tax withholdings; and eighty percent (80%) of each Individual Class Payment will be considered penalties, liquidated damages, interest, and any other non-wage related payments. The amount allocated as wages will be reported on an IRS form W-2, and the remaining amount allocated as penalties, liquidated damages, interest, and other non-wage payments will be reported on an IRS form 1099. One hundred percent (100%) of each Individual PAGA Payment will be allocated as penalties and reported on an IRS form 1099.

In addition to the Gross Settlement Amount, Defendant will pay all employer-payroll taxes in connection with the portion of the Settlement allocated towards wages. Class Members are responsible for paying taxes on other amounts received. This Notice is not tax advice, and you should consult your tax advisor.

Checks will be valid for 180 days. After 180 days, checks will become void, and a stop payment will be placed on the uncashed checks. Settlement checks that are not cashed within 180 days of mailing, or are returned to the Administrator as undeliverable, will be cancelled, and the Administrator shall send the funds associated with uncashed checks to the California Controller's Unclaimed Property Fund in the name of the Class Member. Class Members who do not timely cash their checks should contact the Administrator to determine how they can obtain their payment. **Class Members will be bound by the Settlement even if they do not cash their settlement checks.**

4. WHAT AM I RELEASING AS A CLASS MEMBER UNDER THE SETTLEMENT?

As of the date Defendant fully funds the entire Gross Settlement Amount and all employer payroll taxes owed on the wage portions of the Individual Class Payments, all Class Members who do not opt out of the Settlement (*i.e.*, Participating Class Members), including Plaintiff, will fully and finally release and discharge the Released Parties from the Released Class Claims.

"Released Parties" means Defendant and all of its present and former members, parent companies, subsidiaries, affiliates, joint venturers, and licensees, and all of their shareholders, officers, directors, employees, agents, servants, registered representatives, attorneys, insurers, successors and assigns, and any other persons acting under them.

"Released Class Claims" means any and all claims, debts, liabilities, demands, obligations, penalties, guarantees, costs, expenses, attorney's fees, damages, action or causes of action of whatever kind or nature, contingent or accrued, that were alleged or that reasonably could have been alleged based on the facts alleged in the Action, as amended, that accrued in, or are related to the allegations in the Action, under federal, state, and/or local law. This release includes, without limitation, release of all claims alleged in the Action and under state law for alleged failure to pay minimum wages, failure to pay overtime, failure to provide meal periods, failure to authorize and permit rest breaks, failure to indemnify necessary business expenses, failure to pay all unpaid wages at termination, failure to provide accurate itemized wage statements, any violations of Business and Professions Code § 17200, *et seq.*, and statutory penalties based on the foregoing.

5. WHAT AM I RELEASING AS AN AGGRIEVED EMPLOYEE UNDER THE SETTLEMENT?

As of the date Defendant fully funds the entire Gross Settlement Amount and all employer payroll taxes owed on the wage portions of the Individual Class Payments, all Aggrieved Employees, including Plaintiff, will fully and finally release and discharge the Released Parties from the Released PAGA Claims. Released Parties are defined in Section 4 of this Notice, above.

"Released PAGA Claims" means any and all claims for civil penalties, and attorneys' fees and costs, under PAGA that were alleged or that reasonably could have been alleged based on the facts alleged in the First Amended Class and Representative Action Complaint or PAGA Notice, including, but not limited to, failure to pay minimum wages, failure to pay overtime compensation, failure to provide meal periods, failure to authorize and permit rest breaks, failure to indemnify necessary business expenses, failure to pay all unpaid wages at termination, and failure to provide accurate itemized wage statements.

AGGRIEVED EMPLOYEES CANNOT OPT-OUT OF THE PAGA SETTLEMENT OR THE RELEASE OF RELEASED PAGA CLAIMS, AND THEY WILL RECEIVE AN INDIVIDUAL PAGA PAYMENT EVEN IF THEY OPT-OUT OF THE CLASS SETTLEMENT.

6. WHAT IF I DO NOT WANT TO PARTICIPATE IN THE CLASS SETTLEMENT?

You have the right to request exclusion from the Settlement as a Class Member and with regard to the settlement of Released Class Claims, but you are not able to exclude yourself as an Aggrieved Employee. If you wish to exclude yourself from the release of Released Class Claims, you must mail a Request for Exclusion to the Administrator at the address listed in Section 3 of this Notice, above. The Request for Exclusion must be valid and timely. To be valid, the Request for Exclusion must (1) include your full name, address, telephone number, and signature, and a written statement requesting to be excluded from the Settlement; (2) state the case name and number of the Action (i.e., *Aguilar, Genesis v. Legacy Healthcare Center, LLC, et al.,* Superior Court of the State of California, County of Los Angeles, Case No. 24STCV22000); and (3) be mailed to the specified physical address of the Administrator. To be timely, the Request for Exclusion must be postmarked no later than the [Response Deadline]. The postmark date will be the exclusive means of determining whether a Request for Exclusion has been timely submitted. A Request for Exclusion form is attached to this Notice. You may complete and submit this form to exclude yourself from the Settlement. It is your responsibility to ensure the Administrator timely receives your Request for Exclusion. Unless you timely request to be excluded from the Settlement, you will be bound by the Final Judgment upon Final Approval.

Class Members who request to be excluded from the Settlement will NOT receive their Individual Class Payment and will not release any of the Released Class Claims. However, Class Members who are Aggrieved Employees will receive their Individual PAGA Payment and will release the Released PAGA Claims, regardless of whether they submit a Request for Exclusion.

7. WHAT IF I WANT TO OBJECT TO THIS SETTLEMENT?

You have the right to object to the Settlement or to any settlement term as a Participating Class Member. If you wish to object, you may (1) appear at the Final Approval Hearing and verbally object to the Settlement or any term thereof; and/or (2) send a written Objection to the Administrator at the address listed in Section 3 of this Notice, above. The written Objection must be valid and timely. To be valid, the written Objection must (1) include your full name, address, telephone number, and signature, the contact information for any attorney representing the objecting Class Member, if any, and the factual and legal bases for the Objection, including any and all supporting papers, briefs, written evidence, declarations, and/or other evidence; (2) state the case name and number of the Action (i.e., *Aguilar, Genesis v. Legacy Healthcare Center, LLC, et al.,* Superior Court of the State of California, County of Los Angeles, Case No. 24STCV22000); and (3) be mailed to the specified physical address of the Administrator. To be timely, the written Objection must be postmarked no later than the [Response Deadline]. The postmark date will be the exclusive means of determining whether a written Objection has been timely submitted.

Filing an objection will ***not*** exclude you from the Settlement. If the Court grants Final Approval of the Settlement, you will still receive an Individual Class Payment, and you will be barred from pursuing the Released Class Claims. **Do not file both an Objection and Opt-Out Request. You may file one or neither**. If you file neither, then you will be automatically included in the Settlement and do not need to take any further action to receive a payment.

8. WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?

The Final Approval Hearing is scheduled to take place on ____________, at ____ a.m. in the Superior Court of the State of California, County of Los Angeles, Department 17, located at 312 North Spring Street, California 90012. Participating Class Members may appear in Court (or hire an attorney to appear in Court) to offer comments and/or present verbal objections at the Final Approval Hearing.

9. WHO ARE THE ATTORNEYS?

Attorneys for Plaintiff and the Class:	Attorneys for Defendant:
Kane Moon Allen Feghali Jacquelyne VanEmmerik	José-Manuel de Castro **DE CASTRO LAW GROUP, P.C.** 7590 North Glenoaks Boulevard, Suite 201

MOON LAW GROUP, P.C. 725 South Figueroa Street, 31st Floor Los Angeles, California 90017 Telephone: (213) 232-3128	Los Angeles, California 91504 Telephone: (310) 270-9877

The Court has permitted, for purposes of settlement, the Attorneys for Plaintiff and the Class to represent the Participating Class Members. Other than the Class Counsel Fees Payment and Class Counsel Expenses Payment approved by the Court and to be paid out of the Gross Settlement Amount, you will not be charged for their services.

10. SHOULD I GET MY OWN LAWYER?

You do not need to get your own lawyer. If you want your own lawyer to speak for you or appear in Court, you have the right to hire one, but you will have to pay for that lawyer yourself.

11. FURTHER INFORMATION

The foregoing is only a summary of the Settlement. For the precise terms and conditions of the Settlement and other important case documents, please see the Settlement available at www.____________.com, by contacting Class Counsel at the address or telephone number provided in Section 9, above.

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT.

REQUEST FOR EXCLUSION FORM

I, ________________________________, wish to be excluded from the Settlement of Class claims in *Aguilar, Genesis v. Legacy Healthcare Center, LLC, et al.,* Superior Court of the State of California, County of Los Angeles, Case No. 24STCV22000.

____
Full Name (Printed)

________________________________ ________________ ___________________
Address City State and Zip Code

____
Telephone Number

____
Signature

[Note: (1) This Request for Exclusion Form *does not* exclude you from the Settlement of PAGA claims, and (2) this Request for Exclusion Form *must* be mailed to the following physical address of the Administrator on or before [Response Deadline]]:

[Administrator]
[contact info]

EXHIBIT 4

EXHIBIT 5

ILYM | GROUP, Inc.
CLASS ACTION ADMINISTRATION

Case Name: Aguilar v. Legacy Healthcare

Monday, July 28, 2025

Requesting Attorney:
Jacquelyne VanEmmerik, Esq.
Moon Law Group, PC
jvanemmerik@moonlawgroup.com
213.757.9833

ILYM Group Contact:
Lisa Mullins
ILYM Group, Inc.
Lisa@ilymgroup.com
714.878.8836

Estimate For Administrative Solutions: Class & PAGA

KEY ASSUMPTIONS	
Total Number of Class Members	720
Estimated Percentage of Remails	15%
Certified Spanish Translation	Yes
ILYM Group Static Website	Yes
Case Duration (Years)	1

Summary of ILYM Group, Inc.'s Fees & Expenses

Case Startup:	$650.00
Project Management:	$3,570.00
Notification & Mailing:	$2,019.80
Distribution (Includes EIN, Bank Acct * /QSF Setup):	$3,695.20
Case Conclusion:	$1,015.00

Estimated ILYM Fees & Expenses: $10,950.00

ILYM | GROUP, Inc.
CLASS ACTION ADMINISTRATION

Case Name: Aguilar v. Legacy Healthcare

Monday, July 28, 2025

Requesting Attorney's Name: Jacquelyne VanEmmerik, Esq.

Activity	Rate Type	Unit Cost	Volume	Amount
CASE STARTUP				
Initial Setup - Import and Formatting of Data*	Hourly	$150.00	2	$300.00
Programming of Class Database	Hourly	$175.00	2	$350.00
			Subtotal	**$650.00**

**ILYM assumes that data will be in a standard format. Client will be notified immediately if not in standard format to correct data or ILYM can convert to standard format @ $150.00 per hour.*

Activity	Rate Type	Unit Cost	Volume	Amount
PROJECT MANAGEMENT				
Project Manager (Case notification and maintenance)	Hourly	$120.00	5	$600.00
Staff Hours for Processing Returned Mail	Hourly	$70.00	2	$140.00
Staff Hours for Processing Opt-Outs, Disputes & Objection(s)	Hourly	$70.00	2	$140.00
Report Processing	Hourly	$70.00	2	$140.00
Certified Spanish Translation	Flat Fee	$1,250.00	1	$1,250.00
ILYM Group Static Website	Flat Fee	$750.00	1	$750.00
NCOA	Flat Rate	$250.00	1	$250.00
Toll Free Customer Service Representative	Flat Fee	$300.00	1	$300.00
Weekly Reports	Flat Rate	$750.00	1	Waived
			Subtotal	**$3,570.00**

Activity	Rate Type	Unit Cost	Volume	Amount
NOTIFICATION & MAIILING				
Fulfillment of Notice, English & Spanish	Per Piece	$1.50	720	$1,080.00
USPS First Class Postage	Per Piece	$0.80	720	$576.00
Re-Mails (Forward/Skip trace Undeliverables)	Per Piece	$2.00	86	$172.80
Storage, Photocopies, Deliveries	Flat Fee	$191.00	1	$191.00
			Subtotal	**$2,019.80**

ILYM | GROUP, Inc.
CLASS ACTION ADMINISTRATION

Case Name: Aguilar v. Legacy Healthcare

Monday, July 28, 2025

Requesting Attorney's Name: Jacquelyne VanEmmerik, Esq.

Activity	Rate Type	Unit Cost	Volume	Amount
DISTRIBUTION (Includes EIN, Bank Acct * /QSF Setup)				
Distribution Setup & Management	Hourly	$150.00	2	$300.00
Account Reconciliation & Distribution Reporting	Hourly	$125.00	2	$250.00
Check, Stub & Release for 1st Distribution - Print & Mail (W2/1099)	Per Check	$1.00	720	$720.00
USPS First Class Postage	Per Piece	$0.65	720	$468.00
Re-Mails (Forward/Skip trace Undeliverables up to 10%)	Per Piece	$1.50	65	$97.20
Preparation of Taxes	Hourly	$120.00	3	$360.00
Annual Filing of Tax Return	Per Year	$1,500.00	1	$1,500.00

**Additional Bank fees may apply*

Subtotal **$3,695.20**

CASE CONCLUSION				
Data Manager Final Reporting	Hourly	$100.00	1	$100.00
Project Manager Final Reporting	Hourly	$120.00	2	$240.00
Process Unclaimed Funds	Flat Fee	$550.00	1	$550.00
Declaration	Hourly	$125.00	1	$125.00

Subtotal **$1,015.00**

Estimated ILYM Fees & Expenses: **$10,950.00**

ILYM Group's Terms and Conditions

All services to be provided by ILYM Group, Inc. (hereinafter, "ILYM") to Client shall be subject to the following terms and conditions:

Services: Subject to the terms hereof, ILYM agrees to provide the Client with Administration Services (hereinafter, "services") as specified in the Proposal provided to Client to which these Terms and Conditions are attached. The estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make provision for any services or class members/size not delineated in the request for proposal or stipulations. Such services do not in any way constitute legal services or advice. ILYM is performing its services as an Independent Contractor and neither it nor its employees shall be deemed to be employees of the Client.

Mailing and Data Conversion: ILYM's database administration assumes the Client will provide complete data that includes all information required to send notifications and complete the administration process. Data must be provided in a complete, consistent, standardized electronic format. ILYM's standard format is Microsoft Excel, however, ILYM may accept other formats at its discretion. Further developments or enhancements to non-standardized data will be billed to Client by ILYM on a time and materials basis, according to ILYM's Standard Rates.

Charges for Services: Charges to the Client for services shall be on a time and materials basis at our prevailing rates, as the same may change from time to time. Any fee estimates set forth in the proposal are estimates only, based on information provided by Client to ILYM. Actual fees charged by ILYM to Client may be greater or less than such estimate, and Client shall be responsible for the payment of all such charges and expenses in accordance with Section 5 hereof. Charges incurred related to resolving post distribution withholdings and related corrective files due to voids and re-issues of payments and related correspondence with state and federal taxing authorities will not be charged to the Client to the extent that funds are received from the taxing authorities offset these charges. ILYM may derive financial benefits from financial institutions in connection with the deposit and investment of settlement funds with such institutions, including without limitation, discounts on eligible banking services and fees, and loans at favorable rates.

Indemnification: Client will indemnify and hold ILYM (and the officers, employees, affiliates and agents harmless against any Losses incurred by ILYM, arising out of, in connection with, or related to (i) any breach of the terms by Client; (ii) the processing and handling of any payment by ILYM in accordance with Client's instructions, including without limitation, the imposition of any stop payment or void payment on any check or the wrongful dishonor of a check by ILYM pursuant to Clients instructions.

Payment of Charges: ILYM reserves the right to request payment of postage charges and 50% of the final administration charges at the start of the case. ILYM bills are due upon receipt unless otherwise negotiated and agreed to with the Client. In the event settlement terms provide that ILYM is to be paid out of the Settlement Fund, ILYM will request that Counsel endeavor to make alternate payment arrangements for ILYM charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the Settlement Account is funded by, or no later than the time of disbursement. Decisions of the court and actions of the parties, including disapproval or withdrawal of a settlement, do not affect the Client's liability to ILYM for payment of services. Services are not provided on a contingency fee basis.

Confidentiality: ILYM maintain reasonable and appropriate security measures and safeguards to protect the security and confidentiality of Client data provided to ILYM by Client in connection herewith. Should ILYM ever be notified of any judicial order or other proceedings in which a third party seeks to obtain access to the confidential data created by or for the Client, ILYM will promptly notify the Client, unless prohibited by applicable law. The Client shall have the option to (1) provide legal representation at the Client's expense to avoid such access or (2) promptly reimburse ILYM for any of its costs, including attorneys' fees, reasonably incurred in avoiding, attempting to avoid or providing such access and not paid by the entity seeking the data. If ILYM is required, pursuant to a court order, to produce documents, disclose data, or otherwise act in contravention of the obligations imposed by this Agreement, or otherwise, with respect to maintaining the confidentiality, proprietary nature and secrecy of the produced documents or disclosed data, ILYM will not be liable for breach of said obligation.

Data Rights: ILYM does not convey nor does the Client obtain any right in the programs, system data, or materials utilized or provided by ILYM in the ordinary course of business in the performance of this Agreement.

Document Retention: Unless directed otherwise in writing by Client, ILYM will destroy undeliverable mail on the effective date of the settlement or the date that the disposition of the case is no longer subject to appeal or review, whichever is later. ILYM will maintain claim forms and other correspondence for one year after final distribution of funds or benefits, or until the date that the disposition of the case is no longer subject to appeal or review, whichever is later.

Limitation of damages: ILYM is not responsible to the Client for any special, consequential or incidental damages incurred by Client. Any liability of ILYM to the Client shall not exceed the total amount billed to the Client for the particular services that give rise to any loss.

Termination: The services to be provided under this Agreement may be terminated, at will by the Client upon at least 30 calendar days' prior written notice to ILYM. The Client's obligation to pay for services or projects in progress at the time of notice of withdrawal shall continue throughout that 30 day period. ILYM may terminate this Agreement (i) with 10 calendar days' prior written notice, if the Client is not current in payment of charges or (ii) in any event, upon at least 3 months' prior written notice to the Client.

Notice: Any notice required or permitted hereunder shall be in writing and shall be delivered personally, or sent by registered mail, postage prepaid, or overnight courier service to the responsible officer or principal of ILYM or the Client, as applicable, and shall be deemed given when so delivered personally, or, if mailed, five days after the date of deposit in United States mail, or, if sent by courier, one business day after delivery to such courier service.

Force Majeure: To the extent performance by ILYM of any of its obligations hereunder is substantially prevented by reason of any act of God or by reason of any other matter beyond ILYM's reasonable control, then such performance shall be excused and this Agreement, at ILYM's option, be deemed suspended during the continuation of such condition and for a reasonable time thereafter.

Waiver of Rights: No failure or delay on the part of a party in exercising any right hereunder will operate as a waiver of, or impair, any such right. No single or partial exercise of any such right will preclude any other or further exercise thereof or the exercise of any other right. No waiver of any such right will be effective unless given in a signed writing.

Jurisdiction: The parties hereto submit to the jurisdiction of the Court of the applicable case for purposes of any suit, action or proceeding to enforce any provision of, or based on any right arising out of, this Agreement. The parties hereto hereby waive any objection to the laying of venue of any such suit, action or proceeding in the Court.

Entire Agreement: These terms and conditions and the proposal embody the entire agreement between the parties with respect to the subject matter hereof, and cancels and supersedes all prior negotiations, representations, and agreements related thereto, either written or oral, except to the extent they are expressly incorporated herein. No changes in, additions to, or waivers of, the terms and conditions set forth herein will be binding upon any party, unless approved in writing by such party's authorized representative.

EXHIBIT 6

Activities Export

08/06/2025
5:41 PM

Date	Type	Description	Matter	User	Qty	Rate ($)	Non-billable ($)	Billable ($)
07/10/2025	$	Berger Consulting Group - Wire Payment KM Unbilled	02762-Aguilar Aguilar v. Legacy Health Care Center (RL)	Support Account	1.00	$5,040.00	-	$5,040.00
07/01/2025	$	Case Anywhere Unbilled	02762-Aguilar Aguilar v. Legacy Health Care Center (RL)	Support Account	1.00	$59.00	-	$59.00
06/02/2025	$	Case Anywhere Unbilled	02762-Aguilar Aguilar v. Legacy Health Care Center (RL)	Support Account	1.00	$59.00	-	$59.00
05/02/2025	$	Case Anywhere Unbilled	02762-Aguilar Aguilar v. Legacy Health Care Center (RL)	Support Account	1.00	$34.73	-	$34.73
04/25/2025	$	Journal - Notice Unbilled	02762-Aguilar Aguilar v. Legacy Health Care Center (RL)	Support Account	1.00	$11.76	-	$11.76
04/24/2025	$	Michael Ludwig Mediator Aguilar v. Legacy Healthcare Center Unbilled	02762-Aguilar Aguilar v. Legacy Health Care Center (RL)	Kane Moon	1.00	$7,000.00	-	$7,000.00
04/16/2025	$	Journal - Joint Status Unbilled	02762-Aguilar Aguilar v. Legacy Health Care Center (RL)	Support Account	1.00	$11.76	-	$11.76
03/24/2025	$	Journal - NAR Unbilled	02762-Aguilar Aguilar v. Legacy Health Care Center (RL)	Support Account	1.00	$11.76	-	$11.76
03/24/2025	$	Journal - POS of Summons Unbilled	02762-Aguilar Aguilar v. Legacy Health Care Center (RL)	Support Account	1.00	$11.76	-	$11.76
							$0.00 0.00h	**$14,386.45** 0.00h

Activities Export

Date	Type	Description	Matter	User	Qty	Rate ($)	Non-billable ($)	Billable ($)
03/24/2025	$	Journal - Notice Unbilled	02762-Aguilar Aguilar v. Legacy Health Care Center (RL)	Support Account	1.00	$11.76	-	$11.76
03/21/2025	$	ACE - Service of Process Unbilled	02762-Aguilar Aguilar v. Legacy Health Care Center (RL)	Support Account	1.00	$270.25	-	$270.25
02/28/2025	$	Journal - Plt's ISC Unbilled	02762-Aguilar Aguilar v. Legacy Health Care Center (RL)	Support Account	1.00	$11.76	-	$11.76
02/11/2025	$	Journal - Notice of Ruling Unbilled	02762-Aguilar Aguilar v. Legacy Health Care Center (RL)	Support Account	1.00	$11.76	-	$11.76
02/11/2025	$	Journal - Notice of Ruling Unbilled	02762-Aguilar Aguilar v. Legacy Health Care Center (RL)	Support Account	1.00	$11.76	-	$11.76
01/14/2025	$	Journal - SAC Unbilled	02762-Aguilar Aguilar v. Legacy Health Care Center (RL)	Support Account	1.00	$11.76	-	$11.76
12/30/2024	$	Journal - ISC Statement Unbilled	02762-Aguilar Aguilar v. Legacy Health Care Center (RL)	Support Account	1.00	$11.76	-	$11.76
09/20/2024	$	ACE - Service of Process Unbilled	02762-Aguilar Aguilar v. Legacy Health Care Center (RL)	Support Account	1.00	$246.15	-	$246.15
09/06/2024	$	LASC Unbilled	02762-Aguilar Aguilar v. Legacy Health Care Center (RL)	Support Account	1.00	$3.00	-	$3.00
							$0.00 0.00h	**$14,386.45** 0.00h

Activities Export

Date	Type	Description	Matter	User	Qty	Rate ($)	Non-billable ($)	Billable ($)
08/28/2024	$	Journal - Complaint Unbilled	02762-Aguilar Aguilar v. Legacy Health Care Center (RL)	Support Account	1.00	$1,481.72	-	$1,481.72
08/25/2024	$	LWDA Fee Unbilled	02762-Aguilar Aguilar v. Legacy Health Care Center (RL)	Support Account	1.00	$75.00	-	$75.00
							$0.00 0.00h	**$14,386.45** 0.00h