

1 **JUSTICE FOR WORKERS, P.C.**

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8
9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

10 **FOR THE COUNTY OF SONOMA**

11
12 DANIELLE MANLEY, an individual and on
behalf of all others similarly situated;

13 Plaintiff,

14 vs.

15 HANGER PROSTHETICS & ORTHOTICS
16 WEST, INC., a California corporation; and
DOES 1 through 50,

17 Defendants.

Case No.: 24CV05962

[Assigned for All Purposes to:
Hon. Jane Gaskell, Dept. 17]

**DECLARATION OF WILLIAM C. SUNG
IN SUPPORT OF MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

(Filed concurrently with Motion for
Preliminary Approval; Supporting
Declarations; and [Proposed] Order)

DATE: To Be Assigned

TIME: To Be Assigned

DEPT: 17

Action Filed: October 7, 2024

Trial Date: Not Set

1 I, William C. Sung, hereby declare as follows:

2 1. I am an attorney licensed to practice law in the state of California and have been
3 admitted to practice before this Court. I am an attorney with the law firm of Justice for Workers,
4 P.C., counsel of record for Plaintiff DANIELLE MANLEY (“Plaintiff”) in this action. I am lead
5 counsel for Plaintiff in this case and I have personal knowledge of the matters stated herein and if
6 called and sworn as a witness, I would and could competently testify under oath thereto.

7 **ATTORNEY QUALIFICATIONS**

8 2. My qualifications are as follow: I received my J.D. from the University of Southern
9 California Gould School of Law in 2011. During law school, I served as the Senior Content Editor
10 on the Southern California Law Review where I published the article: *Taking the Fight Back to Title*
11 *VII: A Case for Redefining “Because of Sex” to Include Gender Stereotypes, Sexual Orientation,*
12 *and Gender Identity*, Southern California Law Review, Volume 84:2 (Jan. 2011). During law
13 school, I also served as a judicial extern to U.S. Ninth Circuit Judge, Hon. Kim M. Wardlaw, and
14 U.S. Bankruptcy Court Judge, Hon. Ernest M. Robles; served as a law clerk to the General Counsel
15 of JM Eagle; and participated in the law school’s Employer Legal Advice Clinic.

16 3. After passing the California Bar in December 2011, I began practicing management-
17 side employment law at the Los Angeles office of Lewis Brisbois Bisgaard & Smith LLP. In 2013, I
18 began focusing my practice at Lewis Brisbois on representing employers in wage and hour class and
19 PAGA action lawsuits. In January 2017, I was elevated to the position of Partner and Vice Chair of
20 Lewis Brisbois’ Wage & Hour Class Action Practice Group. In November 2020, I was elevated as
21 the Co-Chair of Lewis Brisbois Wage & Hour Class Action Practice Group, becoming one of the
22 youngest attorneys to chair a practice group at the firm. In January 2022, I was voted in as an equity
23 partner, becoming one of the youngest equity partners and the third Asian-American equity partner
24 in the history of this 1,500-attorney firm. During my tenure as a wage and hour class action defense
25 attorney, I have represented employers in over 80 wage and hour class and/or PAGA action
26 lawsuits.

27 4. In July 2023, I joined Justice for Workers, P.C. (“JFW”) and began heading its
28 Complex Litigation Practice Group where I focus my practice on representing employees in wage

1 and hour class and PAGA action lawsuits. The following are cases in which I have received final
2 approval of class action settlement and I was appointed as class counsel: *Marcos Beltran v.*
3 *Fondomonte California LLC*, Riverside Superior Court Case No. CVRI2402849, final approval of
4 class/PAGA settlement granted on June 26, 2026; *Chelsey Richardson, et al. v. Telecare*
5 *Corporation*, Stanislaus County Superior Court Case No. CV-24-006292, final approval of
6 class/PAGA settlement granted on June 1, 2026; *Juan Carlos Castellanos v. MG Drywall*
7 *Construction, Inc.*, Los Angeles Superior Court Case No. 24STCV03488, final approval of
8 class/PAGA settlement granted on May 27, 2026; *Doris Nathan v. The Muller Company, LLC*, Los
9 Angeles Superior Court Case No. 23STCV24395, final approval of class/PAGA settlement granted
10 on April 30, 2026; *Cody Yandell v. Iron Delta Security*, Los Angeles Superior Court Case No.
11 24STCV07830, final approval of class/PAGA settlement granted on April 27, 2026; *Darcy Nuber v.*
12 *Fever Labs, Inc.*, Los Angeles Superior Court, Case No. 23STCV21796, final approval of
13 class/PAGA settlement granted on March 30, 2026; *Cesar Tate v. St. Distributing Co., LLC*, Los
14 Angeles Superior Court Case No. 23STCV22743, final approval of class/PAGA settlement granted
15 on February 11, 2026; *Andrew Carmona v. Western Holdings Group dba Los Angeles Property*
16 *Management Group*, Los Angeles Superior Court, Case No. 23STCV24028, final approval of
17 class/PAGA settlement granted on January 29, 2026; *Poul Bedri v. City of Hope National Medical*
18 *Center*, Los Angeles Superior Court, Case No. 23STCV23713, final approval of class/PAGA
19 settlement granted on January 28, 2026; *Irene Eunhee Ikuta v. TAKEE International, Inc.*, Los
20 Angeles Superior Court, Case No. 23STCV21120, final approval of class/PAGA settlement granted
21 on January 22, 2026; *Amourafina Burton v. Trove Recommerce, Inc.*, San Mateo Superior Court,
22 Case No. 23-CIV-06108, final approval of class/PAGA settlement granted on January 9, 2026;
23 *Shayne Werber v. Teleferic Barcelona*, Los Angeles Superior Court Case No. 23STCV25517, final
24 approval of class/PAGA settlement granted on December 17, 2025; *Linda Salazar Ayala v. Applied*
25 *Membranes, Inc.*, San Diego Superior Court Case No. 37-2023-00054420-CU-OE-CTL, final
26 approval of class/PAGA settlement granted on December 5, 2025; *Justin Le, et al. v. Dragonfly Tea*
27 *Bar LLC, et al.*, Los Angeles Superior Court Case No. 23STCV26247, final approval of
28 class/PAGA settlement granted on October 29 2025; *Ryan Lukman v. Safe Haven Security Services,*

1 *LLC*, Riverside County Superior Court, Case No. CVRI2400777, final approval of class/PAGA
2 settlement granted on October 1, 2025; *Amaya Nelson v. Clair Global Corp.*, Los Angeles Superior
3 Court, Case No. 24STCV14597, final approval of class/PAGA settlement granted on May 22, 2025;
4 *Jose Regalado v. United Markets*, Marin County Superior Court Case No. CV0001169, final
5 approval of class/PAGA settlement granted on August 29, 2025; *Mushfiquir Chowdhury v. CWT US,*
6 *LLC*, Los Angeles Superior Court Case No. 23STCV25373, final approval of class/PAGA
7 settlement granted on August 22, 2025; *Pedro Hernandez v. Edmund A. Gray Co.*, Los Angeles
8 Superior Court Case No. 24STCV04118, final approval of class/PAGA settlement granted on
9 August 19, 2025; *Alexis Bartram v. Lakeshore Learning Materials, LLC*, Los Angeles Superior
10 Court Case No. 23STCV21174, final approval of class/PAGA settlement granted on July 3, 2025;
11 *Randall Bachman v. Geodis Logistics LLC*, Riverside Superior Court, Case No. CVRI2400956,
12 final approval of class/PAGA settlement granted on June 25, 2025; *Eric Echeverria v. Fireclay Tile*
13 *Inc.*, San Benito Superior Court Case No. CU-23-00249, final approval of class/PAGA settlement
14 granted on May 7, 2025; *Norma Borquez v. Smart Metals Recycling LLC*, Yolo Superior Court Case
15 No. CV2024-0050, final approval of class/PAGA settlement granted on April 4, 2025; *Juan Hinojos*
16 *Campos v. Applied Technology Group, Inc.*, Kern Superior Court Case No. BCV-23-103067, final
17 approval of class/PAGA settlement granted on March 11, 2025; *Dennisha Lampkin v. Sunstates*
18 *Security, Inc.*, Riverside Superior Court Case No. CVRI2305600, final approval of class/PAGA
19 settlement granted on December 18, 2024.

20 5. Tiffany L. Luu, Esq.'s primary practice has been employment law throughout her
21 entire legal career. Ms. Luu handled a number of wage and hour matters, including individual
22 actions and class and/or PAGA actions, on behalf of plaintiffs and defendants. Ms. Luu received her
23 J.D., cum laude, along with her Master of Dispute Resolution, from the Pepperdine University Rick
24 J. Caruso School of Law in 2020. Ms. Luu practiced as a labor and employment associate for the
25 next 3 years representing employers in wage and hour class and/or PAGA actions, including at
26 Lewis Brisbois Bisgaard & Smith LLP and Fisher & Phillips LLP. In January 2024, Ms. Luu joined
27 JFW and as an associate in the Complex Litigation Practice Group, where she focuses her practice
28 on representing employees in wage and hour class and PAGA action lawsuits. Ms. Luu has been

1 appointed as class counsel in all of the class settlements referenced in Paragraph 4 above.

2 6. Joseph C. Ramli, Esq.'s primary practice has been employment law throughout his
3 entire legal career. Mr. Ramli received his J.D. from the Pepperdine University Rick J. Caruso
4 School of Law in 2021. Shortly after passing the California State Bar, Mr. Ramli practiced as a
5 labor and employment associate starting in March 2022 representing employers in wage and hour
6 class and/or PAGA actions, including at Lewis Brisbois Bisgaard & Smith LLP and O'Hagan Meyer
7 LLP. In January 2025, Mr. Ramli joined JFW and as an associate in the Complex Litigation Practice
8 Group, where he focuses his practice on representing employees in wage and hour class and PAGA
9 action lawsuits. Mr. Ramli has been appointed as class counsel in some of the class settlements
10 referenced in Paragraph 4 above.

11 7. As counsel for Plaintiff and the proposed Class, I have been intimately
12 involved in this case since its inception and I believe that the proposed class settlement is an
13 excellent result for the Class. Enclosed as **Exhibit 1** is a true and correct copy of the Parties' fully
14 executed Joint Stipulation of Class Action and PAGA Settlement and Release (the "Settlement" or
15 "Agreement"). The proposed Class Notice is attached to the Agreement as **Exhibit A**.

16 **THE PARTIES AND BRIEF PROCEDURAL HISTORY**

17 8. Defendant owns and operates prosthetic and orthotic care clinics in California.

18 9. On October 3, 2024, Plaintiff sent a notice letter under PAGA to the Labor and
19 Workforce Development Agency ("LWDA") and gave notice to Defendant. Enclosed as **Exhibit 2**
20 is a true and correct copy of PAGA Notice.

21 10. On October 7, 2024, Plaintiff filed the Class Action Complaint alleged claims for (1)
22 Minimum Wage Violations; (2) Overtime Wage Violations; (3) Meal Period Violations; (4) Rest
23 Period Violations; (5) Wage Statement Penalties; (6) Waiting Time Penalties; and (7) Unfair
24 Competition. On December 11, 2024, Plaintiff filed the operative First Amended Complaint
25 ("FAC") adding a cause of action for Civil Penalties Under PAGA against Defendant. Enclosed as
26 **Exhibit 3** is a true and correct copy of the FAC, which has been served on the LWDA.

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1 **PLAINTIFF’S CLAIMS AND DEFENDANTS’ DEFENSES**

2 11. **Unpaid Wages Due to Rounding.** Plaintiff alleged that Defendant unlawfully
3 rounded her clock in and out time punches, resulting in unpaid minimum and overtime wages.
4 Specifically, Plaintiff’s expert found approximately 60% of shifts were rounded against employees
5 and approximately 40% of shifts were rounded in employees’ favor or were neutral. Defendant
6 argued its rounding practices were lawful, since it was both neutral on its face and resulted, over
7 time, in employees being paid for all hours worked, and that multiple Courts of Appeal have found
8 rounding mechanisms to be lawful under similar circumstances.

9 12. **Unpaid Wages Due to Regular Rate of Pay Violations.** Regular rate of pay, which
10 can change from pay period to pay period, includes adjustments to the straight time rate, reflecting,
11 among other things, shift differentials and the per-hour value of any nonhourly compensation the
12 employee has earned.” Here, Plaintiff contended that Defendant failed to pay overtime wages, paid
13 sick leave wages, and meal period premiums at the regular rate by failing to correctly factor certain
14 incentive compensation, such as annual bonuses, into the regular rate. In response, Defendant
15 argued that it properly trued up the regular rate on incentives, that it used to manually calculate the
16 regular rate true up which sometimes resulted in overpayment, that any actual damages is minimum
17 because very few incentives at issue were paid to employees, and Plaintiff cannot certify a class
18 based on these defenses.

19 13. **Meal Period Violations.** Plaintiff claimed that Defendant sometimes failed to
20 provide Class Members with compliant meal breaks. In response, Defendant argued that it
21 maintained compliant meal period policies and practices throughout the Class Period and always
22 provided compliant meal periods in line with those policies. Defendant pointed to the fact that it
23 paid numerous meal period premiums as evidence of its superior meal period compliance practices
24 (1,986 meal period premiums paid, totaling \$55,731). As such, Defendant maintained that
25 Plaintiff’s meal period claim is not suited for class certification since individual inquiries would be
26 needed to assess which employees, if any, took non-compliant meal periods, how many meal
27 periods were non-compliant, and the reasons why a particular employee did not take a meal period
28 on a particular shift and a meal period premium was not paid.

1 14. **Rest Period Violations.** Plaintiff claimed that Defendant sometimes failed to
2 provide Class Members with compliant rest breaks. Defendant countered that it has maintained
3 compliant rest period policies and practices and provided compliant rest periods in line with those
4 policies. Defendant pointed to the fact that it paid many rest period premiums as evidence of its
5 superior rest period compliance practices (the payroll records showed 327 rest period premiums
6 paid, totaling \$10,275). Defendant further maintained that Plaintiff's rest period claim is not suited
7 for class certification since individual inquiries would be needed to assess which employees, if any,
8 took non-compliant rest periods, how many rest periods were non-compliant, and the reasons why a
9 particular employee did not take a rest period on a particular shift.

10 15. **Waiting Time and Wage Statement Penalties.** As a result of the unpaid wages and
11 meal period premium wages described above, Plaintiff contended that Defendant failed to comply
12 with its final pay obligations set forth in Labor Code §§ 201 to 203 to former employees and failed
13 to issue accurate itemized wage statements to Class Members as set forth in Labor Code § 226(a).
14 Thus, the claims for waiting time and wage statement penalties are derivative of the underlying
15 claims.

16 16. Defendant argued that it possessed strong, good faith defenses to Plaintiff's
17 underlying claims and these claims cannot meet the willfulness standard in Labor Code § 203 or the
18 knowing and intentional standard in Labor Code § 226(e). Notably, Defendant relied on the
19 California Supreme Court decision in *Naranjo v. Spectrum Security Services, Inc.* (2024) 15 Cal.5th
20 1056, 1065, which held that an employer's good-faith defenses precludes a "willfulness" finding
21 under Labor Code § 203 and a "knowing and intentional" finding under Labor Code § 226(e) for the
22 imposition of statutory penalties. Defendant further asserted that Plaintiff's waiting time and wage
23 statement penalty exposure was inflated as not every employee experienced the alleged Labor Code
24 violations.

25 17. **PAGA Civil Penalties.** Plaintiff further contended that, as a result of the foregoing
26 Labor Code violations, Defendant is liable for civil penalties under the PAGA. Since Plaintiff's
27 PAGA claims are derivative of Plaintiff's underlying wage claims, Defendant asserted the PAGA
28 claim would fail with those claims. Defendant further maintained that, given their good faith

1 defenses, this Court would exercise its discretion to substantially reduce any PAGA penalties if it
2 were to find Defendant liable for any of Plaintiff's claims.

3 **DISCOVERY AND MEDIATION**

4 18. In connection with mediation, the Parties engaged in extensive informal discovery.
5 Defendant produced (1) class and PAGA demographic information including number of Class
6 Members and PAGA Members, workweek, and pay periods ; (2) time and payroll records for all
7 Class Members; (3) Defendant's relevant policy documents; and (4) Plaintiff's personnel records
8 and wage statements.

9 19. Plaintiff submits that Class Members' time and payroll records are statistically
10 significant and reliable. The timekeeping data and payroll data produced for mediation were
11 generated from uniform timekeeping and payroll systems, which allowed Class Counsel to
12 extrapolate their and their expert's findings with confidence. Class Members worked in similar job
13 positions and were subject to the same wage and hour policies and procedures. Given these
14 circumstances, the experiences of a subset of employees – the sampling – can be probative as to the
15 experiences of all Class Members

16 20. In preparation for mediation, Class Counsel worked with an expert data scientist with
17 prior class action litigation experience and conducted a comprehensive analysis and extrapolation of
18 the payroll and timekeeping data produced by Defendant to create a detailed exposure analysis for
19 all claims at issue. This discovery and analysis allowed the Parties to assess the merits and value of
20 Plaintiff's claims, the chances of certification of Plaintiff's claims, and Defendant's potential
21 defenses.

22 21. On February 5, 2026, the Parties participated in a full-day mediation with Kelly
23 Knight, Esq. a well-respected wage and hour class action mediator. During mediation, the Parties
24 vigorously debated their opposing legal positions, the likelihood of certification of Plaintiff's
25 claims, and the legal basis for the claims and defenses. The Parties reached a tentative class and
26 PAGA settlement at the mediation. During the months that followed, the Parties finalized the terms
27 of the Settlement and executed the Agreement now before the Court.

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22. The monetary terms of the Settlement are summarized below:

Gross Settlement Amount:	\$897,710.00
Minus Court-approved attorneys' fees:	\$299,236.67
Minus Court-approved verified costs (up to):	\$30,000.00
Minus Court-approved Service Payment:	\$10,000.00
Minus estimated settlement administration costs:	\$10,500.00
<u>Minus amount set aside as PAGA Payment:</u>	<u>\$50,000.00</u>
Net Settlement Amount:	\$497,973.33

23. According to Defendant, there are approximately 470 Class Members. Therefore, the average Settlement Payment from the Net Settlement Amount is projected to be approximately \$1,059.52. There are also approximately 422 PAGA Members during the PAGA Period who will each receive an average of approximately \$41.17 as PAGA Payments.

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24. The requested fee is fair compensation for undertaking complex, risky, expensive, and time-consuming litigation on a purely contingent fee basis. Class Counsel have incurred substantial attorneys' fees and costs conducting pre-filing investigation, analyzing Plaintiff's claims, conducting legal research, working with an expert to analyze Class Members' time and payroll records and create a comprehensive damages model, preparing for and attending mediation, negotiating and preparing the long-form Agreement, preparing this Motion, and otherwise litigating the case. Class Counsel expect to expend additional attorney time in attending the hearing on this Motion, overseeing the Class Notice process and fielding questions from Class Members, preparing the Final Approval papers, and attending the Final Approval hearing.

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25. Although Plaintiff maintains that Plaintiff's claims are meritorious, Plaintiff acknowledges that there were substantial risks and uncertainty in proceeding with litigation. As described above, Defendant presented multiple defenses to Plaintiff's claims, both on the merits and with respect to class certification. Although the Parties engaged in significant informal discovery prior to mediation, the Parties still had significant formal discovery to complete had the matter not been settled. This would have required the expenditure of substantial time and resources by both Parties that would have very likely spanned several years. Even if Plaintiff were to certify the classes, the Parties would incur considerably more attorneys' fees and costs through a possible

1 decertification motion, trial, and possible appeal. This Settlement avoids those risks and the
2 accompanying expense.

3 26. Plaintiff has not yet filed a motion for class certification, and as such, the extent to
4 which Plaintiff's proposed classes were certifiable is somewhat speculative. Absent settlement,
5 there was a risk that there would not be a certified class at the time of trial, or if there were, it would
6 consist of a significantly smaller group of employees than the proposed Class due to a narrowing of
7 the class definition in a Court order on a contested motion for class certification.

8 27. Unpaid Wages Due to Rounding. Plaintiff's expert found Defendant's maximum
9 exposure for unpaid minimum and overtime wages due to rounding to be approximately
10 \$134,965.00. As discussed above, Defendant argued that its rounding practice was neutral and
11 lawful and other appellate courts have found similar rounding practices to be lawful. Thus, Plaintiff
12 applied a 20% risk factor to Defendant's maximum exposure (i.e., maximum exposure X 80%) to
13 account for the risk of non-certification and for Defendant's defenses on the merits or failing to
14 recover the full amount sought to arrive at an estimated realistic recovery of approximately
15 \$107,972.00.

16 28. Unpaid Wages Due to Regular Rate. Plaintiff's expert found Defendant's maximum
17 exposure for unpaid overtime, meal period premiums, rest period premiums, and paid sick leave
18 wages due to its regular rate practices to be approximately \$123,620.00. As discussed above,
19 Defendant argued it properly trued up the regular rate, it sometimes overpaid due to its manual
20 practices, and Plaintiff cannot certify a class. Thus, Plaintiff applied a 20% risk factor to
21 Defendant's maximum exposure to account for the risk of non-certification and for Defendant's
22 defenses on the merits or failing to recover the full amount sought to arrive at an estimated realistic
23 recovery of approximately \$98,896.00.

24 29. Meal and Rest Period Premiums. Plaintiff's expert found an 8.9% meal period
25 violation rate (i.e., 8.9% of shifts had a non-compliant meal period punch), and after applying meal
26 period premiums paid, found Defendant's maximum exposure for meal period violations to be
27 approximately \$354,760.00. Any rest period violation would not be reflected in the records.
28 Estimating a 10% violation rate by shift, Plaintiff's expert found Defendant's maximum exposure

1 for rest period violations to be approximately \$576,309.50. As discussed above, Defendant argued
2 that it maintained compliant meal and rest period policies and practices throughout the Class Period
3 and always provided compliant meal and rest periods in line with those policies; that it paid
4 numerous meal and rest period premiums as evidence of its superior meal and rest period
5 compliance practices; and Plaintiff's meal and rest period claim is not suited for class certification
6 since individual inquiries predominated. Thus, Plaintiff applied a 60% risk factor to Defendant's
7 maximum exposure to account for the risk of non-certification and for Defendant's defenses on the
8 merits or failing to recover the full amount sought to arrive at an estimated realistic recovery of
9 approximately \$141,904.00 for meal period premiums and \$230,523.80 for rest period premiums.

10 30. Waiting Time Penalties: As a result of the regular rate violations described above,
11 Plaintiff contends that Defendant failed to comply with its final pay obligations set forth in Labor
12 Code §§ 201 to 203 to former employees. At 219 former employees, at an average hourly,
13 Plaintiff's expert found Defendant's maximum exposure for waiting time penalties is
14 \$1,468,006.00. Defendant presented several defenses, including that because it possessed good-faith
15 defenses to the underlying wage claims, any failure to pay wages was not "willful" as a matter of
16 law; Plaintiff's waiting time penalty exposure was grossly inflated as not every former employee
17 experienced the alleged Labor Code violations; and because the waiting time claim is derivative of
18 Plaintiff's underlying wage claims, Plaintiff would need to overcome Defendant's defenses, both as
19 to class certification and on the merits, as to the underlying claims. Thus, Plaintiff applied an 80%
20 risk factor to Defendant's maximum exposure to account for the risk of non-certification and for
21 Defendant's defenses on the merits or failing to recover the full amount sought to arrive at an
22 estimated realistic recovery of approximately \$293,601.20.

23 31. Wage Statement Penalties: Plaintiff alleged that Defendant is liable for wage
24 statement penalties as a result of unpaid wages. Those penalties are calculated as \$50 for each
25 "initial" violation and \$100 for each "subsequent" violation, with a maximum of \$4,000 per
26 employee. Lab. Code § 226(e). Plaintiff's expert found Defendant's maximum exposure for wage
27 statement penalties to be approximately \$1,131,500.00. As discussed above, Defendant presented
28 several defenses, most notably their assertion that because they possessed good-faith defenses to the

1 underlying claims for meal period violations and any failure to pay wages was not “knowing and
2 intentional” as a matter of law and because the wage statement claim is derivative of Plaintiff’s
3 underlying wage claims, Plaintiff would need to overcome Defendant’s defenses, both as to class
4 certification and on the merits, as to his underlying claims. Thus, Plaintiff applied an 80% risk
5 factor to Defendant’s maximum exposure to account for the risk of non-certification and for
6 Defendant’s defenses on the merits or failing to recover the full amount sought to arrive at an
7 estimated realistic recovery of approximately \$226,300.00.

8 32. PAGA Penalties: Assuming no stacking of penalties (i.e., the recovery of multiple
9 penalties per pay period), Plaintiff estimated a maximum total PAGA exposure of approximately
10 \$1,531,600 (\$100 initial penalty X 15,316 pay periods). However, these penalties derive from the
11 underlying wage and hour violations discussed above, which Defendant disputes vigorously.
12 Defendant also assert that the Court would drastically reduce any award of PAGA penalties as
13 “confiscatory.” Therefore, Plaintiff applied an 80% risk factor to maximum penalties to account for
14 the risk of losing on the merits and/or not recovering a PAGA penalty for each and every pay period
15 and for the possibility of this Court reducing penalties, to arrive at an estimated exposure of
16 approximately \$306,320.00.

17 33. Conclusion: Using these estimated figures for each of the claims described above,
18 Plaintiff predicted that the potential realistic recovery for the Class would be approximately
19 \$1,405,517.00. The proposed Settlement of \$897,710.00 represents approximately 63.87% of the
20 reasonably forecasted recovery for the Class. Preliminary approval is appropriate since the
21 Settlement will provide significant monetary relief to the Class, which is consistent with what Class
22 Counsel believes could have been recovered had the case proceeded through trial.

23 34. There is no conflict between my interests and the interests of the Class that I am
24 seeking to represent. I have demonstrated my ability to advocate for the interests of the Class by
25 initiating this litigation, undertaking extensive class discovery, negotiating the proposed Settlement
26 at mediation, seeking preliminary approval, and otherwise litigating this case. I also do not have any
27 conflict of interest with the Administrator.

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1 35. On July 30, 2026, I uploaded a copy of the Motion for Preliminary Approval, the
2 fully executed Agreement, supporting declarations, and Proposed Order to the LWDA's website.
3 Enclosed as **Exhibit 4** is a true and correct copy of the LWDA's filing confirmation.

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

6 Executed on July 30, 2026 at Los Angeles, California.

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10 William C. Sung
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EXHIBIT 1

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Attorneys for Defendant
HANGER PROSTHETICS & ORTHOTICS
WEST, INC.

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SONOMA

Case No. 24CV05962

DANIELLE MANLEY, an individual and
on behalf of all others similarly situated,

Plaintiff,

v.

HANGER PROSTHETICS & ORTHOTICS
WEST, INC., a California corporation; and
DOES 1 through 50,

Defendants.

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

1 This Joint Stipulation of Class Action and PAGA Settlement and Release is entered into
2 between Defendant HANGER PROSTHETICS & ORTHOTICS WEST, INC. (“Defendant”) and
3 Plaintiff DANIELLE MANLEY (“Named Plaintiff” or “Plaintiff”) in the Action (as defined below).

4 **DEFINITIONS**

5 1. **Action.** The “Action” means the class action complaint, as amended, and
6 charges, including the lawsuit entitled *Danielle Manley v. Hanger Prosthetics & Orthotics West, Inc.,*
7 *et al.*, Sonoma County Superior Court Case No. 24CV05962.

8 2. **Agreement.** “Agreement” shall refer to the instant Joint Stipulation of Class
9 Action and PAGA Settlement and Release.

10 3. **Class Counsel.** “Class Counsel” shall mean William C. Sung, Tiffany L. Luu,
11 and Joseph C. Ramli of JUSTICE FOR WORKERS, P.C. and/or any successor(s) thereof.

12 4. **Class Members, the Class, and Settlement Class Members.** “Class Members”
13 or “Class” shall mean: all current and former hourly-paid or non-exempt employees of Defendant who
14 worked for Defendant within the State of California at any time during the Class Period. The
15 “Settlement Class,” “Participating Class Members,” or “Settlement Class Members” means all Class
16 Members other than those who opt out (see paragraphs 20 and 56.d), as well as PAGA Members (see
17 paragraph 24).

18 5. **Class Notice.** “Class Notice” means the document mutually agreed upon by the
19 Parties and approved by the Court to be sent to the Class and PAGA Members in English and Spanish
20 following preliminary approval that includes the scope of release language for Settled Class Claims
21 and Settled PAGA Claims, notifies Class Members and PAGA Members of the Settlement, explains
22 the Settlement and Class Members’ options, including how Class Members may opt out or object to
23 the Settlement, and explains the facts and methods based on which the Class Member’s and PAGA
24 Members’ estimated settlement payments are calculated, substantially in the form attached hereto as
25 “**Exhibit A**”.

26 6. **Class Period.** “Class Period” means September 9, 2022, through the date of
27 preliminary approval, unless shortened at Defendant’s election in accordance with the Settlement
28 Agreement’s Escalator Clause (see paragraph 51.g).

1 7. The Court. The “Court” refers to the Sonoma County Superior Court or other
2 court or courts that will approve the Action, whether individually or together.

3 8. Day. “Day” or “days” refers to a calendar day(s) unless otherwise stated. If any
4 designated date or deadline falls on a weekend or holiday, the designated date or deadline will occur
5 on the next business day.

6 9. Defendant. “Defendant” means Defendant HANGER PROSTHETICS &
7 ORTHOTICS WEST, INC.

8 10. Effective Date. “Effective Date” of this Agreement means the first business
9 day following the last of the following occurrences: (i) if no Class Member timely and properly
10 intervenes, files a timely motion to vacate the Judgment under, or objects or otherwise challenges the
11 Settlement, then sixty-one (61) days following the date the Court enters an Order Granting Final
12 Approval, assuming no appeal is filed; or (ii) if a Class Member timely intervenes or files a motion to
13 vacate the Judgment, or objects or otherwise challenges the Settlement, and files a timely appeal, then
14 the date of final resolution of that appeal (including any requests for rehearing and/or petitions for
15 *certiorari*), resulting in final and complete judicial approval of the Settlement in its entirety, with no
16 further challenge to the Settlement being possible. Defendant shall deposit all sums necessary to fund
17 the Settlement after the Effective Date based on the schedule explained in paragraph 67 of this
18 Agreement. In the event an appeal, writ, motion challenging the judgment or other collateral attack is
19 made after the Effective Date, the funds shall not be distributed until all challenges are resolved in a
20 manner that upholds the Settlement in its entirety and shall be returned if the Agreement is not finally
21 and completely approved in all respects.

22 11. Exclusion Period. The “Exclusion Period” means the time period commencing
23 on the date the Class Notice is mailed to Class Members via First Class U.S. and ending sixty (60)
24 days later on the deadline to submit an Opt-Out Request or Objection.

25 12. Final Judgment. “Final Judgment” means the judgment entered and filed by
26 the Court that: (1) finally approves this Agreement and the Settlement and disposes all class issues
27 raised in this Action, bars through collateral estoppel and/or res judicata Settlement Class Members
28 from reasserting Settled Class Claims against Released Parties; (2) finally approves this Agreement

1 and the Settlement and disposes all PAGA issues and claims raised in this Action, bars through
2 collateral estoppel and/or res judicata PAGA Members from reasserting PAGA Claims against
3 Released Parties; and (3) awards and orders the payment of all required amounts pursuant to the terms
4 of this Agreement (approved Class Counsel's attorneys' fees and costs, Settlement Payments to Class
5 Members and PAGA Payments to PAGA Members, *etc.*). The Final Judgment will constitute a
6 binding and final resolution of any and all claims by the Named Plaintiff and all Settlement Class
7 Members as to all Settled Class Claims and all PAGA Members as to all Settled PAGA Claims as set
8 forth in this Agreement.

9 13. Final Settlement Approval Hearing. "Final Settlement Approval Hearing"
10 means the hearing at which the Court shall consider the motion for final approval of this Settlement
11 and determine whether to fully and finally approve the fairness and reasonableness of this Settlement
12 and Agreement, and enter an order barring through collateral estoppel and/or res judicata Settlement
13 Class Members from asserting Settled Claims against Released Parties and all PAGA Members from
14 pursuing Settled PAGA Claims against Released Parties.

15 14. Funding Payments. "Funding Payments" means the payment(s) remitted to the
16 Settlement Administrator ("SA") by Defendant following Final Judgment and the Effective Date in
17 full and complete discharge of the entire monetary obligation of Defendant in an amount equal to the
18 GSA, which, as set forth herein, shall satisfy all outstanding and awarded Settlement Payments, PAGA
19 Payments, attorneys' fees and costs awarded to Class Counsel, the Named Plaintiff' enhancement
20 awards as awarded by the Court, outstanding payments to the SA as approved by the Court for
21 settlement administration costs, and the payment to the Labor Workforce Development Agency (or
22 "LWDA"), minus any amounts already paid under the Agreement.

23 15. Gross Settlement Amount or GSA. "Gross Settlement Amount" or "GSA"
24 means a maximum total payment of Eight Hundred Ninety-Seven Thousand Seven Hundred Ten
25 Dollars and Zero Cents (\$897,710.00), payable by Defendant under this Agreement.

26 16. Last Known Address. "Last Known Address" means the most recently
27 recorded mailing address for a Class Member and/or PAGA Member contained in Defendant's
28 records.

17. Named Plaintiff. “Named Plaintiff” means Plaintiff Danielle Manley.

18. Net Settlement Amount or “NSA”. “Net Settlement Amount” or “NSA” means the Gross Settlement Amount less the amounts deducted pursuant to paragraphs 50a through 50e of this Agreement, including deductions of attorneys’ fees and costs awarded to Class Counsel, the enhancement award to the Named Plaintiff, the payments to the LWDA and PAGA Members to resolve claims under the PAGA, and the costs awarded for settlement administration owed pursuant to this Agreement.

19. Objection. “Objection” means a written request, which a Class Member may submit no later than the last day of the Exclusion Period and in the form specified in paragraph 57 in order to object to the Settlement, or a personal appearance, or other appearance permitted by the Court, at the final approval hearing to object.

20. Opt-Out Request. “Opt-Out Request” must (1) contain the name, address, and telephone number of the person requesting exclusion; (2) be signed by the Class Member; (3) be postmarked within the Exclusion Period [60 days after mailing date] and returned to the Settlement Administrator at the specified address. (See paragraph 56.d and see **Exhibit “B”**)

21. Order of Final Approval or Order Granting Final Approval of Settlement. “Order of Final Approval” or “Order Granting Final Approval of Settlement” or “Final Approval” means the order issued in conjunction with the entry of the Final Judgment to be submitted by the Named Plaintiff together with the Motion for Final Approval of the Settlement for entry and filing by the Court as specified in this Settlement.

22. Parties. “Parties” shall mean Named Plaintiff, individually on behalf of herself and on behalf of all Class Members, PAGA Members and interests of the Labor Workforce Development Agency (“LWDA”), and Defendant.

23. PAGA Period. “PAGA Period” shall mean October 3, 2023, through the date of preliminary approval, unless shortened at Defendant’s election in accordance with the Settlement Agreement’s Escalator Clause (see paragraph 51.g).

1 24. PAGA Member. “PAGA Members” means: all current or former hourly-paid
2 or non-exempt employees of Defendant who worked for Defendant within the State of California at
3 any time during the PAGA Period.

4 25. PAGA Payment and PAGA Allocation. Of the GSA, \$50,000.00 shall be paid
5 for the PAGA claims. “PAGA Allocation” is the \$17,500.00 (*i.e.*, the 35% remainder after subtracting
6 the \$32,500.00 (65%) allocated to the LWDA from the \$50,000.00 total amount allocated to the PAGA
7 settlement) divided by the total number of PAGA Workweeks Worked credited to all PAGA Members.
8 Each PAGA Member’s PAGA Payment is equal to the PAGA Workweek Rate multiplied by his or
9 her individual PAGA Workweeks Worked pursuant to the records of Defendant.

10 26. PAGA Workweeks Worked. “PAGA Workweek Worked” means the number
11 of workweeks credited to a PAGA Member during the PAGA Period (for the Settled PAGA Claims),
12 as determined by Defendant’s records and as only subject to revision pursuant to this Agreement.

13 27. Preliminary Approval Order. “Preliminary Approval Order” is the Order
14 entered and filed by the Court that preliminarily approves the terms and conditions of this Agreement,
15 including approval of the Parties’ Agreement that specifies the content of notice and manner in which
16 notice will be provided to the Class and responded to by the Class, substantially in the form attached
17 hereto as “**Exhibit C**”.

18 28. Released Parties. “Released Parties” means Defendant and its respective
19 present and former parents, owners, subsidiaries, and any affiliated or related persons or entities and
20 each of their respective officers, directors, members, managers, employees, partners, shareholders,
21 attorneys and agents and any other successors, assigns, or legal representatives and any individuals or
22 entities working in concert with the foregoing.

23 29. Settlement. “Settlement” shall refer to the agreement of the Parties to settle the
24 claims as set forth and embodied in this Agreement.

25 30. Settlement Administrator. “Settlement Administrator,” “Administrator,” or
26 “SA” shall mean Phoenix Settlement Administrators or such other neutral administrator as chosen by
27 the Parties and approved by the Court (see paragraph 54a).
28

1 31. Settled Class Claims. “Settled Class Claims” means that, effective on the date
2 when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes
3 owed on the wage portion of the Settlement Payments, all Settlement Class Members, on behalf of
4 themselves and their respective former and present representatives, agents, attorneys, heirs,
5 administrators, successors, and assigns, release Released Parties from all claims, allegations and
6 assertions that were alleged, or reasonably could have been alleged, based on the facts, allegations,
7 assertions and claims in the operative First Amended Class and Representative Action Complaint
8 (“Complaint”), arising during the Class Period, including, (a) any and all claims involving any alleged
9 failure to pay minimum wages, contract wages, overtime, or other amounts of wages for failing to
10 compensate Plaintiff and Class Members for all wages earned and all hours worked (see Cal Labor
11 Code §§ 246, 510, 1194, 1197, 1198; IWC Wage Order No. 1-2001, §§ 3-4); (b) Failure to authorize
12 and permit or pay premium payments for rest periods (see Labor Code §§ 226.7, 512; IWC Wage
13 Order No. 1-2001, § 12); (d) Failure to provide meal periods or pay premium payments for meal
14 periods (see Labor Code §§ 226.7, 510, 512, 1194, 1197; IWC Wage Order No. 1-2001, § 11); (d)
15 Failure to provide accurate, itemized wage statements (see Labor Code § 226(a)); (e) failure to pay
16 wages due to discharged and quitting employees (see Labor Code §§ 201-203); (f) failure to pay sick
17 pay at the regular rate of pay (see Labor Code § 246); (g) unfair business practices (see Bus. and Prof.
18 Code § 17200, et seq.). Settlement Class Members do not release any other claims, including claims
19 for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act,
20 unemployment insurance, disability, social security, workers’ compensation, or claims based on facts
21 occurring outside the Class Period.

22 32. Settled PAGA Claims. “Settled PAGA Claims” means that, effective on the
23 date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll
24 taxes owed on the wage portion of the Settlement Payments, all PAGA Members and the LWDA and
25 interests held by the State of California are deemed to release, on behalf of themselves and their
26 respective former and present representatives, agents, attorneys, heirs, administrators, successors, and
27 assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably
28 could have been alleged, based on the PAGA Period facts stated in the operative Complaint in the

1 Action and the corresponding PAGA Notice, arising during the PAGA Period, including Labor Code
2 sections 201, 202, 203, 204, 226, 226.7, 246, 510, 512, 1194, 1197, and: (a) any and all claims
3 involving any alleged failure to pay minimum wage, contract wages, overtime, or other amounts of
4 wages for failing to compensate PAGA Members for all wages earned and all hours worked” (see Cal
5 Labor Code §§ 510, 1194, 1197, 1198; IWC Wage Order No. 1-2001, §§ 3-4); (b) Failure to authorize
6 and permit or pay premium payments for rest periods (see Labor Code §§ 226.7, 512; IWC Wage
7 Order No. 1-2001, § 12); (c) Failure to provide meal periods or pay premium payments for periods
8 (see Labor Code §§ 226.7, 510, 512, 1194, 1197; IWC Wage Order No. 1-2001, § 11); (d) Failure to
9 pay wages during employment (Labor Code § 204); (e) Failure to provide accurate, itemized wage
10 statements (see Labor Code § 226(a)); (f) failure to pay wages due to discharged and quitting
11 employees (see Labor Code §§ 201-203); and (g) failure to pay sick pay at the regular rate of pay (see
12 Labor Code § 246). “Settled PAGA Claims” includes all types of relief available for the above-
13 referenced claims under the PAGA.

14 33. Settlement Class/Settlement Class Member(s). “Settlement Class Member”
15 means all Class Members other than those who have timely and validly submitted Opt-Out Requests
16 and thereby excluded themselves from releasing Settled Class Claims from the Settlement.

17 34. Settlement Payment. “Settlement Payment” means a payment pursuant to a
18 Settlement Class Member’s pro rata allocation of the NSA as specified in paragraph 50.

19 35. Settlement Proceeds Distribution Deadline. “Settlement Proceeds Distribution
20 Deadline” means a date that is fourteen (14) days after the Funding Payment has been made by
21 Defendant to the SA based on the schedule explained in paragraph 60 of this Agreement.

22 36. Updated Address. “Updated Address” means a mailing address that was
23 updated by a reasonable address verification measure of the SA or by an updated mailing address
24 provided by the United States Postal Service for a Class Member or PAGA Member.

25 37. Workweek Rate. “Workweek Rate” for the Settled Class Claims shall mean the
26 amount yielded from dividing the Net Settlement Amount by the total of all Workweeks Worked
27 credited to all Settlement Class Members during the Class Period.
28

Each Settlement Class Member's settlement payment is equal to his or her individual Workweeks Worked during the Class Period and as weighed by job title(s) worked by him or her and multiplied by the Workweek Rate. Therefore, the amount of each Settlement Class Member's Individual Settlement Payment is tied to the number of Workweeks Worked that each Settlement Class Member worked for Defendant in the State of California in comparison to all Workweeks Worked by all Settlement Class Members in the State of California during the Class Period. Similarly, for the Settled PAGA Claims, "Workweek Rate" shall mean the amount yielded from dividing the PAGA Allocation by the total of all Workweeks Worked credited to all PAGA Members during the PAGA Period.

38. Workweeks Worked. A "Workweek Worked" means the number of calendar workweeks credited to a Class Member during the Class Period or PAGA Member during the PAGA Period (for the Settled PAGA Claims), as determined by Defendant's records and as only subject to revision pursuant to this Agreement.

RECITALS

39. On October 7, 2024, Named Plaintiff filed a complaint in the Sonoma County Superior Court, Case No. 24CV05962, with the following causes of action: (1-2) unpaid minimum, contract and overtime wages; (3) failure to provide meal periods and provide premiums; (4) failure to provide rest breaks and provide premiums; (5) wage statement penalties; (6) waiting time penalties; and (7) unfair competition. On December 11, 2024, Named Plaintiff filed the Complaint adding an eighth cause of action for penalties pursuant to the California Private Attorneys General Act ("PAGA").

40. Named Plaintiff submitted the LWDA letter on October 3, 2024, in case number LWDA-CM-1054380-24, alleging the same claims as the complaint.

41. Defendant filed an Answer to the Complaint and denied all allegations and claims asserted therein. Defendant denies that it engaged in any misconduct in connection with its wage-and-hour practices and that they have any liability or engaged in wrongdoing of any kind associated with the claims alleged in the Action, including any Settled PAGA Claims. Defendant further contends that it has complied at all times with both federal and state wage-and-hour laws, and

1 all other laws regulating the employer-employee relationship that relate to the employment of Named
2 Plaintiff and the Class and PAGA Members.

3 42. Defendant and Class Counsel, on behalf of Named Plaintiff and the Class and
4 aggrieved employees, attended mediation with Kelly Knight, Esq. on February 5, 2026. The Parties
5 hereto agree that the terms and conditions of this Agreement are the result of lengthy, intensive arms-
6 length negotiations between the Parties supervised by an experienced employment law mediator. The
7 Parties agree that the Agreement is entered into in good faith as to each Class Member and PAGA
8 Member and that the Settlement is fair, reasonable and adequate as to each Class Member and PAGA
9 Member.

10 43. Class Counsel is of the opinion that this Settlement is fair, reasonable, and
11 adequate, and in the best interest of the Class and PAGA Members and other relevant interests in light
12 of all known facts and circumstances, including the benefits conferred by the Settlement, the risk of
13 significant delay, the uncertainty and risk of the outcome of further litigation, the burdens of proof
14 necessary to establish liability, defenses asserted to the merits, including but not limited to the
15 affirmative defenses asserted as to Settlement Class Members, the risks of proceeding on any class
16 claims and PAGA claims, including class certification, the difficulties in establishing damages and
17 penalties, and the numerous potential appellate issues. While Defendant specifically denies any
18 liability or wrongdoing in the Action, Defendant has agreed to enter into this Settlement to avoid the
19 cost and business disruption associated with defending the Action. Defendant has claimed and
20 continues to claim that the Settled Class Claims and Settled PAGA Claims have no merit and do not
21 give rise to liability. This Agreement is a compromise of disputed claims. This Agreement, made and
22 entered into by and between the Named Plaintiff (on behalf of themselves and on behalf of the Class
23 Members and PAGA Members and interests of the LWDA) and Defendant, each with the assistance
24 of their respective counsel or attorneys of record, is intended to fully, finally, and forever settle,
25 compromise and discharge the Settled Class Claims and Settled PAGA Claims against the Released
26 Parties, subject to the terms and conditions set forth herein.

1 44. Because the Action is pleaded as both a class action and PAGA action, this
2 Settlement must receive preliminary and final approval by the Court. Accordingly, the Parties enter
3 into this Agreement on a conditional basis.

4 **TERMS AND CONDITIONS OF SETTLEMENT**

5 NOW THEREFORE, in consideration of the recitals listed above and the promises and
6 warranties set forth below, and intending to be legally bound and acknowledging the sufficiency of
7 the consideration and undertakings set forth herein, the Named Plaintiff, individually on behalf of
8 herself and on behalf of the Class Members and PAGA Members and LWDA interests, on the one
9 hand, and Defendant, on the other hand, agree that the Action shall be, and is finally and fully
10 compromised and settled on the following terms and conditions.

11 45. Non-Admission of Liability. The Parties enter into this Agreement to resolve
12 the dispute that has arisen between them and to avoid the burden, expense and risk of continued
13 litigation. In entering into this Agreement, Defendant does not admit, and specifically denies, that it
14 has: violated any federal, state, or local law; violated any regulations or guidelines promulgated
15 pursuant to any statute or any other applicable laws, regulations or legal requirements; breached any
16 contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in
17 any other unlawful conduct with respect to its employees or any other person or entity. Neither this
18 Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it or
19 proceedings, payouts or other events associated with it, shall be construed as an admission or
20 concession by Defendant of any such violation(s) or failure(s) to comply with any applicable law by
21 Defendant or any Released Parties. Except as necessary in a proceeding to approve, interpret or
22 enforce the terms of this Agreement, this Agreement and its terms and provisions shall not be offered
23 or received as evidence in any action or proceeding to establish any liability or admission on the part
24 of Defendant or to establish the existence of any condition constituting a violation of, or
25 noncompliance with, federal, state, local or other applicable law. In addition, as set forth in paragraph
26 68, the Parties intend this Settlement to be contingent upon the preliminary and Final Approval of this
27 Agreement; and in the event Final Approval of this Agreement is not obtained the Parties do not waive,
28 and instead expressly reserve, their respective rights to prosecute and defend this Action as if this

1 Agreement never existed in the event the Settlement is not fully and finally approved as set forth
2 herein. In the event that this Agreement is not approved by the Court, fails to become effective, or is
3 reversed, withdrawn or modified by the Court or any other court with jurisdiction over the Action, the
4 Agreement shall become null and void *ab initio* and shall have no bearing on, and shall not be
5 admissible in connection with, further proceedings in this Action, except that the Court may award
6 less than the amounts listed in paragraph 50a through 50e without impacting the validity and
7 enforceability of this Agreement and the Parties will be returned to their respective positions prior to
8 entering this Agreement.

9 46. Stipulation for Class Certification. The Parties stipulate to the certification of
10 this Settlement Class for purposes of this Settlement only. If, however, the Settlement does not
11 become final for any reason, the Parties' Agreement shall become null and void *ab initio* and shall
12 have no bearing on, and shall not be admissible in connection with, whether class certification would
13 be appropriate in any other context in this Action.

14 47. Release of Settled Class Claims. As of the date when Defendant fully funds the
15 entire Gross Settlement Amount and funds all employer payroll taxes owed on the wage portion of the
16 Settlement Payments (as calculated by the Settlement Administrator as of that date), Named Plaintiff
17 and all Settlement Class Members hereby do and shall be deemed to have fully, finally, and forever
18 released, settled, compromised, relinquished and discharged any and all Settled Class Claims against
19 any and all Released Parties. The Settlement includes a release of all Settled Class Claims during the
20 Class Period by Settlement Class Members employed at any time during the Class Period.

21 a. The Parties agree for settlement purposes only that, because the Class
22 Members are so numerous, it is impossible or impracticable to have each Class Member execute this
23 Agreement. Accordingly, the Class Notice will advise all Class Members of the binding nature of the
24 release and such notice shall have the same force and effect as if the Agreement were executed by
25 each Class Member.

26 b. Named Plaintiff and Class Counsel represent, covenant, and warrant
27 that they have not directly or indirectly assigned, transferred, encumbered or purported to assign,
28

1 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause
2 of action, or rights herein released and discharged, except as set forth herein.

3 c. The Parties agree that this is a settlement of disputed claims not
4 involving undisputed wages, and that Labor Code Section 206.5 is therefore inapplicable.

5 48. Release of Settled PAGA Claims. As of the date when Defendant fully funds
6 the entire Gross Settlement Amount and funds all employer payroll taxes owed on the wage portion
7 of the Settlement Payments (as calculated by the Settlement Administrator as of that date), Named
8 Plaintiff and all PAGA Members hereby do and shall be deemed to have fully, finally, and forever
9 released, settled, compromised, relinquished and discharged any and all of the Released Parties of and
10 from any and all Settled PAGA Claims. The Settlement includes a release of all Settled PAGA Claims
11 during the PAGA Period by PAGA Members employed at any time during the PAGA Period.

12 49. Individual Releases of Claims. In addition to the releases made by the
13 Settlement Class Members and PAGA Members set forth in this Agreement, effective on the date
14 when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes
15 owed on the wage portion of the Settlement Payments (as calculated by the Settlement Administrator
16 as of that date), Named Plaintiff releases, as an individual and in addition to the Settled Class Claims
17 described above, all claims, whether known or unknown, under federal law or state law against the
18 Released Parties. The Parties understand and agree that Plaintiff is not, by way of this release, releasing
19 any claims which cannot be released as a matter of law. Notwithstanding the foregoing, Named
20 Plaintiff understands that this release includes unknown claims and that Named Plaintiff is, as a result,
21 waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

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

26 50. Settlement Payments and Calculation of Claims. Subject to final Court
27 approval and the conditions specified in this Agreement, and in consideration of the mutual covenants
28

1 and promises set forth herein, Defendant agrees to make a payment or payments as set forth herein
2 totaling an amount of, but not to exceed, \$897,710.00 (the “GSA”). Except for employer payroll taxes,
3 the GSA shall fully satisfy Defendant’s obligations for any and all payments, fees and costs identified
4 in the Agreement, including, but not limited to, any payments to be made to the Named Plaintiff,
5 Settlement Class Members, PAGA Members, the LWDA, Class Counsel’s attorneys’ fees and out-of-
6 pocket litigation expenses and costs, and settlement administration costs. No amount of the GSA shall
7 revert back to Defendant. The GSA shall not include employer payroll taxes attributed to the wage
8 portion of the settlement, which shall be paid separately from, and in addition to, the GSA. Other than
9 employer payroll taxes and except as provided in the Escalator Clause (see paragraph 51.g), in no
10 event shall Defendant be required to pay any amounts above the GSA under this Settlement and this
11 Agreement. The Parties agree, subject to Court approval, that the GSA shall be apportioned as follows:

12 a. Attorneys’ Fees. Class Counsel will apply to the Court for an award of
13 attorneys’ fees of no more than 1/3 of the GSA or \$299,236.67. The attorneys’ fees shall come from
14 and be deducted from the GSA and paid out as set forth herein. Defendant will not oppose such
15 application.

16 b. Attorneys’ Costs. Named Plaintiff and Class Counsel shall request
17 approval of payment of up to but not to exceed \$30,000.00 in attorneys’ costs, including any litigation
18 costs, which will be deducted from the GSA and paid out as set forth herein. Defendant will not
19 oppose such application. Attorneys’ fees as specified in the preceding paragraph and costs as specified
20 in this paragraph shall cover all claimed and unclaimed attorneys’ fees, attorneys’ costs and other
21 amounts payable or awardable against Defendant for Class Counsel’s work, effort or involvement in
22 the Actions and in carrying out the Agreement and includes any and all work, effort or involvement
23 to carry out the terms of the Agreement and as may be potentially or actually necessary or advisable
24 to defend the Agreement and/or Settlement through appeal, or collateral attack or in any other forum
25 or proceeding. These specified Attorneys’ Fees and Costs shall be the sole payment for attorneys’ fees
26 and costs and, otherwise, the Parties and Class Members and their counsel shall bear their own fees
27 and costs in connection with the Actions.
28

1 c. Administration Fees and Costs. Class Counsel will also apply to the
2 Court for approval of Settlement Administration costs in an amount estimated to be up to \$10,500.00,
3 which will be deducted from the GSA. Defendant will not oppose such application. Class Counsel
4 will specify the amount sought for such costs, up to the foregoing maximum, in Named Plaintiff
5 motions for preliminary and Final Approval of the Settlement.

6 d. Named Plaintiff's Enhancement and General Release Payment. Class
7 Counsel will apply to the Court for approval of an enhancement award in an amount not to exceed
8 \$10,000.00 to be paid to Named Plaintiff, from which fifty percent (50%) shall be deemed
9 consideration for a general release and from which fifty percent (50%) shall be for assuming the risks
10 associated with this litigation (including for assuming the risks in the PAGA case). Defendant will
11 not oppose such applications. The enhancement awards are included in, and shall be deducted from,
12 the GSA.

13 e. PAGA Allocation and Payments. Pursuant to California Labor Code
14 Section 2698, *et seq.*, the Parties designate \$50,000.00 of the GSA to resolve any PAGA claims
15 (including payment for Named Plaintiff's claims on their own behalf and on behalf of all PAGA
16 Members for penalties under the PAGA and payment to the LWDA).

17 i. Sixty five percent (65%) of that amount, or \$32,500.00, shall be
18 paid out of the GSA to the LWDA and the remainder to PAGA Members. In the event the LWDA
19 refuses to accept the above amount in full for all civil penalties to PAGA Members in connection with
20 the civil penalty claims alleged in this Action, or in the event the LWDA or anyone on its behalf
21 otherwise challenges the above allocation or the Settlement, the parties shall work in good faith to
22 revise the allocation so that it is accepted.

23 ii. The remaining \$17,500.00 shall be paid to PAGA Members by
24 multiplying the PAGA Workweek Rate by each individual PAGA Member's PAGA Workweeks
25 Worked.

26 f. NSA. The NSA will be the amount remaining after deducting the
27 amounts specified in paragraphs 50a through 50e above (but not deducting the amount in 50e.ii).
28

1 g. Escalator Clause: Based on its records, Defendant estimates that, as of
2 the date of the mediation, (1) there are 470 Class Members and 40,805 total Workweeks Worked
3 during the Class Period; and (2) there are 422 PAGA Members who worked 15,316 pay periods during
4 the PAGA Period. If the total Workweeks Worked during the Class Period ends up being 10% higher
5 than 40,805 Workweeks (i.e., 44,885 Workweeks), then Defendant shall have the option to either:
6 (1) deescalate the settlement so that the Class Period ends on the date that the Workweeks count totals
7 no more than 44,885 Workweeks and the PAGA Period will end on the same date; or (2) permit the
8 Gross Settlement Amount to be increased proportionally by the number of Workweeks in excess of
9 44,885 Workweeks (the "Escalator Clause"). For example, if the number of Workweeks Worked is
10 11% higher, the Gross Settlement Amount will increase by 1%. No later than four weeks prior to the
11 hearing on preliminary approval, Defendant shall verify the total number of Workweeks during the
12 Class Period through the date of the confirmation by either submitting a declaration to Class Counsel
13 stating the total number of Workweeks during the Class Period through the date of confirmation and
14 estimate through the hearing on preliminary approval or providing the number of Workweeks and/or
15 dates of employment of Class Members to the Administrator, who will calculate Workweeks. If the
16 Escalator Clause is triggered, no later than 14 days prior to the hearing on preliminary approval,
17 Defendant shall choose to either change the end date of the Class Period or increase the Gross
18 Settlement Amount in accordance with the Escalator Clause such that there is a certain end date for
19 the Class Period for preliminary approval.

20 h. Settlement Payments to Settlement Class Members. Only the following
21 individuals will receive Settlement Payments under the Settlement Agreement: (1) the Named Plaintiff
22 and (2) Settlement Class Members. Settlement Payments will be calculated as follows:

23 i. The NSA will be divided by the total Workweeks Worked by all
24 Settlement Class Members during the Class Period as reflected in Defendant's records. All Settlement
25 Class Members shall be paid an amount equal to their individual Workweeks Worked during the Class
26 Period, multiplied by the Workweek Rate. Workweeks Worked shall be determined by the SA based
27 on data to be provided by Defendant, as may be modified by the resolution of any challenges.
28

1 ii. The Parties agree that under no circumstances shall Defendant
2 be obligated to pay any amount under this Agreement to any Class Member other than Settlement
3 Class Members and PAGA Members. In addition, the Parties agree that in no event shall Defendant
4 be obligated to pay more than the GSA, except for the separate payment of employer taxes, as provided
5 above.

6 iii. The Parties acknowledge and agree that the formula used to
7 calculate Workweeks Worked, individual Settlement Payments, PAGA Workweeks Worked, and
8 PAGA Payments does not imply that all of the elements of damages covered by the release are not
9 being taken into account. The above formulas were devised as practical and logistical tools to simplify
10 the payment process.

11 51. No Credit Toward Benefit Plans. The Settlement Payments made to Settlement
12 Class Members and PAGA Payments made to PAGA Members under this Agreement shall not be
13 utilized to calculate any additional benefits under any benefit plans to which any Settlement Class
14 Members or Class Members or PAGA Members may be eligible, including, but not limited to profit-
15 sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO
16 plans, and any other benefit plan. Rather, it is the Parties' intention that this Agreement will not affect
17 any rights, contributions, or amounts to which any Settlement Class Members, Class Members and
18 PAGA Members may be entitled under any benefit plans.

19 52. Taxation of Settlement Proceeds. All Settlement Payments shall be paid in a
20 net amount after applicable employee state and federal tax withholdings, including payroll taxes, if
21 any, have been deducted.

22 a. The Parties agree that thirty-three percent (33%) will be allocated to
23 wages and W-2s shall be issued and thirty-four percent (34%) of the amount distributed to each
24 Settlement Class Member will be considered penalties and thirty-three percent (33%) shall be allocated
25 to interest and any other non-wage related amount, if any, and will be reported as such to each
26 Settlement Class Member on an IRS Form 1099. The PAGA Payments to PAGA Members will be
27 designated as payments for alleged penalties and other non-wage amounts.
28

1 b. The SA shall calculate, withhold from the Settlement Payments, and
2 remit to applicable governmental agencies sufficient amounts, if any, as may be owed by Settlement
3 Class Members for applicable employee taxes. The SA will issue appropriate tax forms, if required,
4 to each such Settlement Class Member consistent with the foregoing breakdown. The SA shall also
5 calculate and obtain from Defendant employer payroll taxes and remit to applicable governmental
6 agencies sufficient amounts, if any, as may be owed by employers for the wage portion of the
7 Settlement Payments.

8 c. All Parties represent that they have not received, and shall not rely on,
9 advice or representations from other parties or their agents, including Class Members and PAGA
10 Members, regarding the tax treatment of payments under federal, state, or local law. In this regard,
11 Defendant makes no representations regarding the taxability of the Settlement Payments and PAGA
12 Payments.

13 d. Class Counsel will be issued an IRS Form 1099 for any fees and costs
14 awarded by the Court pursuant to Paragraph 50. Except as provided in Paragraph 50, each Party shall
15 bear his, her or its own attorneys' fees, costs, and expenses incurred in the prosecution, defense, or
16 settlement of the Actions. Class Counsel agrees that any allocation of fees between or among each of
17 the Class Counsel or among the Class Counsel and any other attorney that may be representing Named
18 Plaintiff or the Class, if any, shall be the sole responsibility of Class Counsel. Each Party to this
19 Agreement (for purposes of this section, the "acknowledging party" and each Party to this Agreement
20 other than the acknowledging party, an "other party") acknowledges and agrees that no provision of
21 this Agreement, and no written or oral communication or disclosure or other representation by
22 Defendant and/or Released Parties is or was intended to be, nor shall be construed or be relied upon
23 as, tax advice, and Named Plaintiff, Class Members and PAGA Members shall not rely on Defendant
24 and/or Released Parties for any tax advice with respect to the Settlement of this Actions.

25 e. The Named Plaintiff will be issued IRS Form 1099s for any
26 enhancement awards approved by the Court pursuant to Paragraph 50. The enhancement awards
27 payable to the Named Plaintiff shall be in addition to the Settlement Payments and PAGA Payments
28 that they, as applicable, will receive.

1 53. Provisional Approval of Settlement. Named Plaintiff shall file a motion in the
2 Actions and take all other action to request that the Court enter the Preliminary Approval Order based
3 on an agreed-upon Settlement schedule, subject to Court approval:

4 a. Seeking class certification on the terms set forth in this Agreement
5 solely for purposes of class settlement;

6 b. Preliminarily approving the proposed Settlement and this Agreement,
7 including the payments to the Settlement Class Members, Class Counsel, the Named Plaintiff, PAGA
8 Members, the SA, and the LWDA;

9 c. Preliminarily approving the appointment of the Named Plaintiff as
10 representative of the Class for settlement purposes, if not otherwise accomplished by class
11 certification;

12 d. Preliminarily approving the appointment of counsel for Named Plaintiff
13 as Class Counsel;

14 e. Appointing and approving a SA as chosen by the Parties and approved
15 by the Court, to administer the notice, opt-out requests, objections and Settlement Payment and PAGA
16 Payment procedures required by this Agreement;

17 f. Approving the form of the Class Notice mutually agreed by the Parties;

18 g. Scheduling the Final Settlement Approval Hearing for consideration of
19 Final Approval of this Agreement;

20 h. Requiring that any Class Members who object to the Settlement
21 Agreement submit any objection to the SA postmarked by the end of the Exclusion Period or appear
22 in person or by other Court approved means at the Final Approval Hearing, and that the Parties be
23 given an opportunity to file written responses to any objection(s) with the Court;

24 i. Approving the procedure for Class Members to submit Opt-Out
25 Requests, and setting a date after which no Class Members shall be allowed to submit Opt-Out
26 Requests; and

27 j. Approving the procedure for Settlement Class Members to object to the
28 Settlement.

Defendant shall not oppose Class Counsel's motions for preliminary approval and Final Approval of the Settlement so long as the motions and supporting papers are consistent with the terms of this Agreement. Class Counsel shall provide Defendant with an opportunity of 5 court days to review, and provide comments on the motions for preliminary and Final Approval of the Settlement before the motion and supporting papers are filed with the Court. The Parties will meet and confer and agree upon the wording of the settlement packages to be sent to Class Members, as well as the proposed orders for preliminary and Final Approval before filing. Failure of the Court to grant the Preliminary Approval Order will be grounds for the Parties to terminate the Settlement and the terms of the Agreement, except that the Parties must work in good faith to comply with any changes to the Settlement proposed by the Court to the extent the changes are acceptable by both Parties, and the Court may award less than the amounts listed in paragraph subparts 50a through 50d without impacting the validity and enforceability of this Agreement.

54. Notice Procedure.

a. Settlement Administrator. The Parties have selected Phoenix Settlement Administrators as the Settlement Administrator (or "SA") to distribute the Class Notice and the Settlement Payments and PAGA Payments and handle the tax reporting and field questions with a hotline. The SA (along with any of its agents) shall represent and warrant that it will: (a) provide reasonable and appropriate administrative, physical and technical safeguards for any personally identifiable information ("PII"), which it receives from Defendant; (b) not disclose the PII to Class Counsel, Named Plaintiff, any party or third parties, including agents or subcontractors, without Defendant's consent; (c) not disclose or otherwise use the PII other than to carry out its duties as set forth herein; (d) promptly provide Defendant with notice if PII is subject to unauthorized access, use, disclosure, modification, or destruction; and (e) continue to protect the PII upon termination of its services.

b. Class Member Data. Within thirty (30) days after filing of the executed Preliminary Approval Order, Defendant shall provide to the SA a list of Class Members and PAGA Members that identifies for each Class Member/PAGA Member, his/her Social Security number, last-known address, and the workweek numbers and other Class Member data confirming qualifying

1 Workweeks Worked and PAGA Workweeks Worked. Defendant agrees to consult with the SA as
2 required to provide the list in a format reasonably acceptable for the duties of the SA. The SA will
3 keep the list confidential, use it only for the purposes described herein, take adequate safeguards to
4 protect confidential or private information and return or certify the destruction of the information upon
5 completion of the Settlement Administration process.

6 55. Class Notice. The SA will send to each Class Member and PAGA Members
7 by First-Class U.S. Mail the Class Notice, which includes information on how Class Members may
8 opt out of or Object to the Settlement and a procedure by which a Class Member may challenge the
9 number of Workweeks Worked identified on his/her Class Notice. The Named Plaintiff will seek
10 approval of language in the Class Notice in the motion for preliminary approval and will seek
11 permission for the Parties in conjunction with the SA to be able to correct immaterial errors on these
12 forms or other mailed materials without approval from the Court, provided the changes do not alter
13 the preliminary approval by the Court.

14 a. Settlement Administrator Duties. Prior to mailing the Class Notice, the
15 SA will update the addresses for the Class Members and PAGA Members using the National Change
16 of Address database and other available resources deemed suitable by the SA. To the extent this
17 process yields a different address from the one supplied by Defendant (“Updated Address”), that
18 Updated Address shall replace the address supplied by Defendant (“Last Known Address”) and be
19 treated as the new Last Known Address for purposes of this Agreement and for subsequent mailings
20 in particular. The Settlement Administrator shall be permitted to provide notices and communicate
21 to the Class and PAGA Members in a format and statement to be provided to the Court, which Named
22 Plaintiff will submit in conjunction with the motion for preliminary approval and/or motion for Final
23 Approval.

24 b. Notice Procedure. Within seven (7) days after receipt of the above
25 information from Defendant, the SA shall send the Class Notice to each Class Member’s and PAGA
26 Member’s Last Known Address or Updated Address (if applicable) via First-Class U.S. mail.

27 c. Exclusion Period. Class Members will have sixty (60) days from the
28 postmark of the initial mailing of the Class Notice by the SA to submit by U.S. mail their Opt-Out

1 Requests, with proof of date of submission to be the postmark date of the completed Opt-Out Request.
2 Class Members will also have sixty (60) days to object to the Settlement by submitting a written
3 objection with the SA that sets forth the basis of the objection pursuant to paragraph 57, which the SA
4 shall submit to the Parties within 10 days after the end of the Exclusion Period, and Class Counsel
5 shall submit to the Court. Opt-Out Requests do not apply to the Settled PAGA Claims and will not
6 exclude PAGA Members from the release of Settled PAGA Claims.

7 d. SA Follow-up efforts.

8 i. The SA shall re-mail by First-Class U.S. mail the Class Notice
9 returned by the Post Office with a forwarding address, and shall re-mail by First-Class U.S. mail the
10 Class Notice to any Class Member/PAGA Member who personally provides an updated address to the
11 SA.

12 ii. In the event that the first mailing of the Class Notice to any Class
13 Member/PAGA Member is returned without a forwarding address, the SA will immediately perform
14 skip trace(s) if necessary using social security numbers provided by Defendant and National Change
15 of Address searches, as needed, to verify the accuracy of the addresses provided and will conduct a
16 second round of mailings of the Class Notice by First-Class U.S. mail within an agreed number of
17 days for those forms returned to sender. If no new information is ascertained by means of a skip trace,
18 or if the Class Notice is returned to SA after using an address obtained from a standard skip trace, the
19 SA will immediately perform a manual “in-depth skip trace” to locate a more recent or accurate
20 address. If an Updated Address is identified by this method, the SA will resend the Class Notice to
21 the Updated Address within three (3) days of identifying the Updated Address.

22 e. Documenting Communications. The SA shall date stamp documents it
23 receives, including Opt-Out Requests, Objections and any correspondences and documents from Class
24 Members/PAGA Member.

25 f. Settlement Administrator Declaration. At least ten (10) days prior to
26 the filing of the motion for final approval, the SA shall prepare, subject to Class Counsel’s/PAGA
27 Member’s and Defendant’s input and approval, a declaration setting forth the due diligence and proof
28 of mailing of the Class Notices, the results of the SA’s mailings, including tracing and re-mailing

1 efforts, and the Class Members' and PAGA Member's responses to those mailing and provide
2 additional information deemed necessary to approve the settlement.

3 g. SA Written Reports. Each week during the Exclusion Period, the SA
4 shall provide the Parties with a report listing the number of Class Members that submitted Opt-Out
5 Requests and Objections. Within seven (7) days of the close of the Exclusion Period, the SA will
6 provide a final report listing the number of Class Members who submitted Opt-Out Requests or
7 Objections.

8 h. SA Calculations of Settlement Payments. Within seven (7) days after
9 resolving all challenges made by Settlement Class Members, and following the Final Approval Order,
10 the SA shall provide to the Parties a report showing its calculation of all Settlement Payments to be
11 made to Settlement Class Members and PAGA Members. After receiving the SA's report, Class
12 Counsel and Defendant's counsel shall review the same to determine if the calculation of payments to
13 Settlement Class Members/PAGA Members is consistent with this Agreement, and shall notify the
14 SA if either counsel does not believe the calculation is consistent with the Agreement. After receipt
15 of comments from counsel, the SA shall finalize its calculation of Settlement Payments and PAGA
16 Payments, at least five (5) days prior to the distribution of such payments, and shall provide Class
17 Counsel and Defendant's Counsel with a final report listing the amount of all payments to be made to
18 each Settlement Class Member from the NSA and listing the amount of all payments to be made to
19 each PAGA Member from the amount allocated for PAGA Payments. The SA will also provide
20 information that is requested and approved by both Parties regarding its duties and other aspects of the
21 Settlement and that is necessary to carry out the terms of the Settlement.

22 56. Requirements for Recovery of Settlement Payments.

23 a. Class Members. No claim form is necessary to participate in the
24 Settlement. Unless a Class Member submits a valid and timely Opt-Out Request (as described in
25 paragraphs 14 and 56d and **Exhibit B**), a Class Member who takes no action will be a Settlement Class
26 Member, bound by the Judgment, and will receive a payment from the NSA. All Class Members
27 except for those who timely and validly opt out of the Settlement shall be bound by the release of
28 Settled Class Claims in this Agreement. All PAGA Members shall be bound by the release of Settled

1 PAGA Claims in this Agreement. At Defendant's option, checks in payment of amounts due to
2 Settlement Class Members under the Settlement may contain a brief statement of waiver of Settled
3 Class Claims as part of the endorsement language.

4 b. Late Submissions. The SA shall not accept as valid any Opt-Out
5 Request postmarked after the end of the Exclusion Period, absent agreement from both Parties or order
6 of the Court. It shall be presumed that, if an Opt-Out Request is not postmarked on or before the last
7 day of the Exclusion Period, the Class Member did not return the Opt-Out Request in a timely manner.

8 c. Challenges. Class Members will have the right to challenge the number
9 of Workweeks Worked allocated to them. The following challenge procedure will be established for
10 the Class Member to dispute information on which his/her payment amount is based: Challenges to
11 the number of Workweeks Worked shall be sent directly to the SA at the address indicated on the
12 Class Notice. A Class Member challenging the number of Workweeks Worked identified may also
13 submit documentary evidence in order to prove the number of Workweeks Worked during the Class
14 Period. Defendant shall have the right to respond to the challenge by any Settlement Class Member.
15 No challenge to the number of Workweeks Worked will be accepted unless sent by U.S. mail within
16 sixty (60) days from the initial mailing of the Class Notice by the SA, with proof of date of submission
17 to be the postmark date unless ordered by the Court. Additional time may be provided to a Class
18 Member only upon a showing of good cause and within an amount of time determined by the SA that
19 will not delay the distribution of Settlement Payments to other Class Members/PAGA Members and
20 in no event beyond the date of filing of the motion for final approval. The SA will inform Class
21 Counsel and Defendant's Counsel in writing of any timely filed challenges and will determine all such
22 disputes after consulting with the Parties regarding the number of Workweeks Worked. Challenges
23 will be resolved without hearing by the SA, who will make a decision based on Defendant's records
24 and any documents or other information presented by the Class Member making the challenge, Class
25 Counsel or Defendant. Subject to Court approval, the SA's determination is final and binding without
26 a right of appeal. The SA will inform the Parties of its final dispositions of all such challenges.

27 d. Opt-Out Procedure. Unless a Class Member timely opts out of the
28 Settlement described in this Agreement (**see Exhibit A**), he/she shall be bound by the terms and

1 conditions of this Agreement, and shall also be bound by the Final Judgment. A Class Member will
2 not be entitled to opt out of the Settlement established by this Agreement unless he or she submits to
3 the SA a request or notice of opting out via U.S. mail postmarked on or before the expiration of the
4 Exclusion Period. The request must be in writing on an Opt-Out Request and include the Class
5 Member's name, address, date, signature, to the notice that indicates he or she "opts out" of the
6 Settlement. Opt-Out Requests do not apply to the Settled PAGA Claims and will not exclude PAGA
7 Members from the release of Settled PAGA Claims.

8 i. Upon receipt of any Opt-Out Request within the Exclusion
9 Period, the SA shall review the request to verify the information contained therein, and confirm that
10 the request complies with the requirements of this Agreement.

11 ii. Any Class Member who fails to submit via U.S. mail a timely,
12 complete and valid Opt-Out Request shall be barred from opting out of this Agreement or the
13 Settlement. The SA shall not have the authority to extend the deadline for Class Members to file a
14 request to opt out of the Settlement absent agreement by both Parties.

15 iii. Class Members shall be permitted to rescind in writing their
16 request to opt out by submitting a written rescission statement to the SA no later than the Effective
17 Date and provided individual Settlement Payments can be recalculated to reflect the rescission.

18 iv. If more than five percent (5%) of the Class Members timely opt
19 out of the Settlement, Defendant shall have the sole and absolute discretion to withdraw from this
20 Agreement within ten (10) days after expiration of the Exclusion Period and written notice from the
21 SA of the final opt out rate. Defendant shall provide written notice of such withdrawal to Class
22 Counsel. In the event that Defendant elects to so withdraw, the withdrawal shall have the same effect
23 as a termination of this Agreement for failure to satisfy a condition of Settlement, and the Agreement
24 shall become null and void and have no further force or effect. In the event that Defendant exercises
25 this option, it will be solely responsible for the Settlement Administrator's costs.

26 57. Objections to Settlement. Any Settlement Class Member may object to the
27 Settlement. Any such objection may be submitted to the SA in writing on or before the close of the
28 Exclusion Period. Any such written Objection shall include: (1) the full name of the Settlement Class

1 Member; (2) address of the Settlement Class Member; (3) the basis for the objection; and (4) if the
2 Settlement Class Member intends to appear at the Final Approval Hearing. The Parties shall be
3 permitted to file responses to the Objection in addition to any motion for final approval documents.
4 Settlement Class Members may also appear at the Final Approval Hearing to object. At no time shall
5 any of the Parties or their counsel seek to solicit or otherwise encourage Settlement Class Members to
6 submit written objections to the Settlement or appeal from the Order granting final approval and/or
7 Final Judgment. Class Counsel shall not represent any Settlement Class Members with respect to any
8 such objections.

9 58. Final Fairness Hearing, Final Approval and Final Judgment.

10 a. Entry of Final Judgment. At the Final Approval Hearing, Named
11 Plaintiff will request, and Defendant will concur in said request, that the Court enter a Final Judgment.

12 b. Motion. Named Plaintiff will draft and file a motion for final approval
13 and for approval of any attorneys' fees and costs and enhancement award in conformity with any
14 requirements from the Court and will take other action to request the entry of Final Judgment in
15 accordance with this Agreement. The motion for final approval and corresponding paperwork will be
16 subject to input and approval from Defendant and the proposed judgment finally approving the
17 Settlement shall be subject to the input from and approval by Defendant, provided that Defendant shall
18 have 5 court days from receipt to provide such input. Defendant will concur in or not object to said
19 request that the Court enter Final Judgment finally approving this Agreement. In conjunction with the
20 motion for final approval, Class Counsel shall file a declaration from the SA confirming that the Class
21 Notice and related forms were mailed to all Class Members as required by this Agreement, as well as
22 any additional information Class Counsel, with the input and approval of Defendant, deems
23 appropriate to provide to the Court.

24 c. Objections. Before and/or at the Final Fairness Hearing, Named
25 Plaintiff and Defendant, through their counsel of record, may address any written objections from
26 Class Members or any concerns from Class Members who attend the hearing as well as any concerns
27 of the Court.
28

1 d. Order. Named Plaintiff will also draft and submit a proposed Order of
2 Final Approval and Final Judgment in the form that is consistent with this Agreement and subject to
3 prior review, revision and approval by Defendant. The Parties shall take all reasonable efforts to
4 secure entry of the Order of Final Approval and Final Judgment. If the Court rejects the Agreement,
5 fails to enter the Order of Final Approval, or fails to enter the Final Judgment, even after good faith
6 efforts by the Parties to meet and confer and remedy where agreement can be reached any perceived
7 deficiencies in the Settlement, this Agreement shall be void *ab initio*, and Defendant shall have no
8 obligation to make any payments under the Agreement, except for payments to the SA for services
9 performed up to that time. The Named Plaintiff will submit a proposed Order of Final Approval
10 subject to the review and approval of Defendant that will contain provisions:

11 i. Wherein the Court enters Final Judgment, finding that this
12 Agreement and Settlement is fair, just, equitable, reasonable, adequate and in the best interests of the
13 Class and was reached as a result of intensive, serious, and non-collusive arms-length negotiations and
14 was achieved with the aid of an experienced mediator and in good faith as to each Class Member;

15 ii. Affirms that each side will bear its own costs and fees (including
16 attorneys' fees), except as provided by the Agreement, and that Defendant shall not be required to pay
17 any amounts other than as set forth in the Agreement and the Order of Final Approval, and in no event
18 any amount above the GSA, except for employer payroll taxes;

19 iii. That confirms the certification of the Class for purposes of
20 Settlement;

21 iv. That finds that the Settlement Administration process as carried
22 out afforded adequate protections to Class Members, provided the best notice practicable, and satisfied
23 the requirements of law and due process;

24 v. That rejects any Objections to the Settlement;

25 vi. That approves the settlement of PAGA Claims consistent with
26 the Settlement;

27 vii. That retains Court jurisdiction after entry of judgment to oversee
28 administration and enforcement of the terms of the Agreement; and

viii. That requires the Parties to carry out the provisions of this Agreement.

59. Post-Final Approval Requirements and Procedures. Following entry of the Court's Order Granting Final Approval of Settlement and Final Judgment, the Parties will act to assure the timely execution and fulfillment of all its provisions, including, but not limited to, the following:

a. Should an appeal be taken from the Final Approval of the Settlement, all Parties will support the Order of Final Approval and Final Judgment on appeal;

b. The Parties will assist the SA as needed or requested in the process of identifying and locating Settlement Class Members entitled to Settlement Payments from the NSA and PAGA Members entitled to PAGA Payments and assuring delivery of such payments;

c. Class Counsel will assist the SA as needed or requested in completing the distribution of any uncashed checks as directed by the Court; and

d. Class Counsel will certify to the Court completion of all payments required to be made by this Settlement Agreement.

60. Payment of Settlement. Defendant will deposit the Funding Payment into an account established by the SA within 30 days of the Effective Date. In the event an appeal, writ, motion challenging the judgment or other collateral attack is made, the funds shall not be distributed until the challenge or other collateral attack is resolved in a manner that upholds the settlement in its entirety. The remittance of the Funding Payment to the SA shall constitute full and complete discharge of the entire monetary obligation of Defendant under this Agreement. No Released Party shall have any further monetary obligation or liability to Class Counsel, Named Plaintiff, or Settlement Class Members under this Agreement after receipt by the SA of the Funding Payment.

a. The Parties agree that the Funding Payment will qualify as a settlement fund pursuant to the requirements of Section 468(B)(g) of the Internal Revenue Code of 1986, as amended, and Section 1.468B-1 *et seq.* of the income tax regulations. Furthermore, the SA is hereby designated as the "Administrator" of the qualified Settlement funds for purposes of Section 1.468B-2(k) of the income tax regulations. As such, all employee taxes imposed on the gross income of that settlement fund and any tax-related expenses arising from any income tax returns or other reporting

documents that may be required by the Internal Revenue Service or any state or local taxing body will be paid from the Funding Payment by the SA.

b. The distribution of Settlement Payments to Settlement Class Members shall occur no later than the Settlement Proceeds Distribution Deadline. The SA shall be deemed to have timely distributed Settlement Payments if it places said payment in the mail (First-Class U.S.). When the SA receives notice from Settlement Class Members that they have not received such Settlement Payments due to changes of address or other circumstances, the SA shall be deemed to have timely distributed those Settlement Payments if (after satisfying itself that the amounts have not been received or negotiated) it re-mails the payments to the updated addresses or provides for delivery by other reasonable methods requested by such Settlement Class Members, provided that any and all requests for re-mailing shall be actually received and acknowledged by the SA before the 150-day deadline referenced in paragraphs 61 and 62 or will be deemed ineffective, and have no effect and the original mailed amount shall be deemed timely distribution of the Settlement Payment. The SA shall mail all Settlement Payments by the Settlement Proceeds Distribution Deadline. To comply with California Rules of Court, rule 3.771, settlement checks may include the following language on the check: "A Court has approved settlement of the class action and PAGA representative actions and entered judgment for claims asserted in *Danielle Manley v. Hanger Prosthetics & Orthotics West, Inc., et al.*, Sonoma County Superior Court Case No. 24CV05962." No person shall have any claim against the SA, Defendant, Class Counsel, Defendant's counsel, or any other agent designated by Named Plaintiff or Defendant based upon the distribution of Settlement Payments made substantially in accordance with this Agreement or further orders of the Court.

c. The distribution of attorneys' fees, costs, and the Named Plaintiff's enhancement/general release awards shall occur no later than the payment date of the payment under the Settlement Proceeds Distribution Deadline. Under no circumstances shall the foregoing payments be made prior to the distribution of Settlement Payments to Settlement Class Members.

d. Upon Defendant's transfer of the Funding Payment and employer-side taxes to the SA, Defendant, the Released Parties, and Defendant's counsel shall have no further

monetary liability or financial responsibility to Class Counsel or to any vendors or third parties employed by the Named Plaintiff or Class Counsel in connection with the Actions.

e. Defendant shall not be obligated to make any payments contemplated by this Agreement unless and until the Court enters the Final Approval Order and Final Judgment, and after the Effective Date of the Agreement, and no amounts will be owed or payable until all appeals if taken or other collateral attacks have lapsed or have been favorably resolved in favor of the Settlement and no further challenge to the Settlement is possible.

61. Settlement Class Members who are sent Settlement Payments shall have one hundred fifty (150) days after mailing by the SA to cash their settlement checks.

62. If such Settlement Class Members do not cash their checks within that period, those checks will become void and a stop payment will be placed on the uncashed checks. Funds from settlement checks that are not cashed within one hundred and fifty (150) days of mailing shall, subject to Court approval, be distributed to the State Controller Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b) Settlement Class Members who fail to negotiate their check(s) in a timely fashion shall, like all Settlement Class Members who did not timely and validly opt out of the Settlement, remain subject to the terms of the Settlement and the Final Judgment. If the Court declines to permit a distribution to the Unclaimed Fund or the Unclaimed Fund refuses such funds, then the Parties, subject to Court approval, choose CASA (Court Appointed Special Advocates. See web url: <http://www.casaforchildren.org/site/c.mtJSJ7MPIsE/b.5301295/k.BE9A/Home.htm>.) as a *cy pres* beneficiary.

63. The SA shall keep Class Counsel and Defendant's counsel apprised of all distributions from the GSA. Upon completion of administration of the Settlement, the SA shall provide written certification of such completion to the Court, Class Counsel and Defendant's Counsel.

64. Binding Effect of Agreement on Settlement Class Members and PAGA Members. Subject to final Court approval, all Settlement Class Members and PAGA Members shall be bound by this Agreement, and Final Judgment shall be entered in the Actions. In addition, unless

1 the Class Member opts out of the Settlement described in this Agreement, he/she shall be bound by
2 the Court's Order of Final Approval and Final Judgment. As set forth more fully in paragraph 68, if
3 the Court does not enter an Order of Final Approval and Final Judgment granting Final Approval of
4 the Settlement, which becomes final, the Settlement shall become null and void, and its terms and all
5 documents setting out its terms shall be inadmissible in further litigation of this Actions or any other
6 case.

7 65. Non-Interference with Opt-Out Procedure. The Parties and their counsel agree
8 that they shall not seek to solicit or otherwise encourage Class Members to submit Opt-Out Requests
9 or objections to the Settlement or to appeal from the Final Judgment.

10 66. Waiver of Appeal. Subject to preliminary and Final Approval of this
11 Settlement, all Class Members, except those Class Members who make timely and valid objections
12 pursuant to the terms of this Agreement, expressly waive the right to appeal.

13 67. Preliminary Timeline for Completion of Settlement. The preliminary schedule
14 for notice, approval, and payment procedures carrying out this Settlement is set forth in the subsections
15 below. This schedule may be modified depending on whether and when the Court grants necessary
16 approvals and orders notice to the Class and PAGA Members, and sets further hearings. In the event
17 of such modification, the Parties shall cooperate in order to complete the Settlement procedures as
18 expeditiously as reasonably practicable.

- 19 a. Preliminary Approval Hearing as permitted by the Court;
- 20 b. Defendant to provide information described in paragraph 54 b (name,
21 address, dates of employment, etc.) no later than thirty (30) days after filing of the Preliminary
22 Approval Order;
- 23 c. The SA to mail the Class Notice by U.S. First Class mail to Class
24 Members and PAGA Members by approximately fourteen (14) days after receipt from Defendant of
25 the information described in the preceding subparagraph;
- 26 d. The SA to conduct trace/search efforts and send a follow up mailing, no
27 later than ten (10) days after initial mailing, to individuals whose Class Notice was returned as
28 undeliverable or whose listed address is found to be inaccurate or outdated;

e. Opt-Out Requests and Objections to the Settlement must be postmarked no later than sixty (60) days after the date of initial mailing of the Class Notice;

f. The SA will provide to the Parties, and to the Court as directed by the Parties, information regarding Opt-Out Requests and written objections or statements of intention to object to the Settlement received from Class Members within seven (7) days of the close of the Exclusion Period;

g. Class Counsel will file a timely motion for final approval of the Settlement and a separate application for award of attorneys' fees and costs and an enhancement award to the Named Plaintiff by the date set by the Court, or if no date is set, at least sixteen (16) court days prior to the scheduled Final Approval Hearing date;

h. The Parties will request a Final Approval Hearing before the Court within a reasonable time after the close of the Exclusion Period, or as soon thereafter as the Court will hear the Motion for Final Approval. After entry of the Final Approval Order and Judgment, Defendant shall remit the Funding Payment to the SA.

i. Settlement Payments to Settlement Class Members, including the Named Plaintiff, and payments to Class Counsel for litigation costs and expenses and awarded attorneys' fees, and the enhancement award to Named Plaintiff, and payment to the LWDA shall be made by the Settlement Proceeds Distribution Deadlines by mailing of checks by First Class U.S. mail or by wire (as to Class Counsel's payments only).

68. Automatic Voiding of Agreement if Settlement Not Finalized. If for any reason the Effective Date does not occur, the Settlement shall be null and void and the orders, judgment, and dismissal to be entered pursuant to this Agreement shall be vacated; and the Parties will be returned to the status quo prior to entering this Agreement with respect to the Actions, as if the Parties had never entered into this Agreement. In addition, in such event, the Agreement and all negotiations, court orders and proceedings relating thereto shall be without prejudice to the rights of any and all Parties hereto, and evidence relating to the Agreement and all negotiations shall not be admissible or discoverable in the Actions or otherwise in any other proceeding.

1 69. No Injunctive Relief. The Parties agree that the Settlement does not include
2 injunctive relief against Defendant or the Released Parties.

3 70. Confidentiality and Non-Disparagement.

4 a. Parties and their counsel will keep the Settlement confidential until
5 Plaintiff's filing of the Motion for Preliminary Approval, but the Parties will be able to disclose to the
6 Court, when and as necessary before said filing, that they have reached an agreement in principle,
7 subject to completion of a final Agreement and Court approval.

8 b. Following the Court's order granting the Parties' Motion for
9 Preliminary Approval, the Parties and their counsel agree to make no comments to the media or
10 otherwise publicize the terms of the settlement on any social media or websites, except that Class
11 Counsel may post on its firm website: "The Firm settled a class action with a health-related company
12 for \$897,710." This shall not restrict Class Counsel from responding to inquiries posed by Class
13 Members. Further, Class Counsel may include the case name, number, and settlement information in
14 declarations setting out their qualifications as class counsel.

15 c. Named Plaintiff and Class Counsel agree to maintain the confidentiality
16 of any documents produced, formally or informally, during the course of the Actions. Named Plaintiff
17 and Class Counsel agree to return to Defendant's counsel or destroy, at their option, any information
18 designated as confidential during the course of the Actions, including but not limited to any
19 information and/or documents provided to Class Counsel for purposes of mediation.

20 d. Defendant shall direct all inquiries by the Class to the SA, which shall
21 provide general information about the lawsuit, including responding to questions about the lawsuit, by
22 providing neutral information about the agreement consistent with the Agreement.

23 e. Defendant agrees it will adopt a neutral reporting policy regarding any
24 future employment inquiries related to Named Plaintiff. Thus, in the event that any potential or future
25 employers should inquire to Defendant's Human Resources department regarding Defendant's
26 employment of Named Plaintiff, they will be informed only of Named Plaintiff's dates of employment
27 with Defendant, job title(s) during her employment with Defendant, and starting and final rates of pay.
28

71. Invalidation of Agreement for Failure to Satisfy Conditions. The terms and provisions in ¶¶ 1 through 85 of this Agreement are not mere recitals, but are deemed to constitute contractual terms. The Court may allocate less to the Named Plaintiff, Class Counsel, and/or the LWDA than indicated in paragraph 50 without impacting the validity and enforceability of the Agreement. The Court may allocate less to the SA than indicated in paragraph 50 provided the actual amount spent by the SA is less than the maximum set forth in that Paragraph. Without limiting the generality of the foregoing, if this Agreement is terminated for failure to satisfy any material terms or material conditions of this Agreement:

a. Defendant shall not be obligated to create or maintain any type of settlement fund, and shall not be obligated to make any Settlement Payment to any Class Member, PAGA Member and/or any payment to Class Counsel or to the Named Plaintiff.

b. The Agreement and all negotiations, Court orders and proceedings relating thereto shall be without prejudice to the rights of the Named Plaintiff, PAGA Members, Class Members, and Defendant, each of whom shall be restored to their respective positions existing prior to the execution of this Agreement, and evidence relating to the Agreement and all negotiations shall not be discoverable or admissible in the Actions or any other litigation;

c. Defendant will not have waived, and instead expressly reserves, its right to challenge the continuing propriety of class certification for any purpose; and

d. To the extent one exists, the Preliminary Approval Order shall be vacated in its entirety and neither this Agreement, the Preliminary Approval Order, nor any other document in any way relating to any of the foregoing, shall be relied upon, referred to or used in any way for any purpose in connection with any further proceedings in this Action or any related action, including class certification proceedings.

72. Notices. All notices, requests, demands and other communications required or permitted to be given pursuant to this Agreement shall be in writing, and shall be delivered by First-Class U.S. mail to the attorneys listed in the caption above and the SA, with additional copies to be sent via electronic mail.

1 73. Modification in Writing. This Agreement may be altered, amended, modified
2 or waived, in whole or in part, only in a writing signed by counsel for the Parties and approved by the
3 Court, and supersedes any memorandum of understandings or prior agreement(s). This Agreement
4 may not be amended, altered, modified or waived, in whole or in part, orally. Any waiver of any
5 provision of this Agreement shall not constitute a waiver of any other provision of this Agreement
6 unless expressly so indicated.

7 74. Ongoing Cooperation. Named Plaintiff and Defendant, and each of their
8 respective counsel, shall cooperate in good faith to execute all documents and perform all acts
9 necessary and proper to effectuate and implement the terms of this Agreement, including but not
10 limited to drafting and submitting the Motions for Preliminary and Final Approval, and defending the
11 Agreement and Final Judgment against objections and appeals. Plaintiff shall, as necessary, properly
12 and completely take all steps, including but not limited to submitting any required documents to the
13 Labor Workforce Development Agency and take any other actions necessary to resolve the Released
14 PAGA Claims pursuant to this Agreement. The Parties to this Agreement shall use their best efforts,
15 including all efforts contemplated by this Agreement and any other efforts that may become necessary
16 by order of the Court or otherwise, to effectuate this Agreement and the terms set forth herein.

17 75. No Prior Assignments. The Parties hereto represent, covenant, and warrant that
18 they have not directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer,
19 or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action
20 or rights herein released and discharged except as set forth herein.

21 76. Binding on Successors. This Agreement shall be binding and shall inure to the
22 benefit of the Parties and their respective successors, assigns, executors, administrators, heirs and legal
23 representatives, including the Released Parties.

24 77. Entire Agreement. This Agreement constitutes the full, complete and entire
25 understanding, agreement and arrangement between Named Plaintiff and the Class Members/PAGA
26 Members on the one hand, and Defendant and Released Parties on the other hand, with respect to the
27 Settlement of the Actions and the Settled Class Claims against the Released Parties, including
28 Defendant. This Agreement supersedes any and all prior oral or written understandings, agreements

1 and arrangements between the Parties with respect to the Settlement of the Actions and the Settled
2 Class Claims against the Released Parties. Except those set forth and included expressly in this
3 Agreement, there are no other agreements, covenants, promises, representations or arrangements
4 between the Parties with respect to the Settlement of the Actions and the Settled Class Claims/Settled
5 PAGA Claims against the Released Parties. The Parties explicitly recognize California Civil Code
6 Section 1625 and California Code of Civil Procedure Section 1856(a), which provide that a written
7 agreement is to be construed according to its terms, and may not be varied or contradicted by extrinsic
8 evidence, and agree that no such extrinsic oral or written representations or terms shall modify, vary,
9 or contradict the terms of this Agreement.

10 78. Execution in Counterparts. This Agreement may be signed in one or more
11 counterparts. A facsimile, scanned shall be treated as an original signature for all purposes. All
12 executed copies of this Agreement, and photocopies thereof (including facsimile or email copies of
13 the signature pages), shall have the same force and effect and shall be as legally binding and
14 enforceable as the original. Parties shall execute by hand with “wet” signatures.

15 79. Captions. The captions and section numbers in this Agreement are inserted for
16 the reader’s convenience, and in no way define, limit, construe, or describe the scope or intent of the
17 provisions of this Agreement.

18 80. Governing Law. This Agreement shall be interpreted, construed, enforced, and
19 administered in accordance with the laws of the State of California, without regard to conflict of law
20 rules.

21 81. Reservation of Jurisdiction. Notwithstanding the entry and filing of Final
22 Judgment, the Court shall retain jurisdiction under Section 664.6 of the Code of Civil Procedure and
23 Rule 3.769, Cal. Rules of Court, for purposes of interpreting and enforcing the terms of this
24 Agreement.

25 82. Mutual Preparation. The Parties have had a full opportunity to negotiate the
26 terms and conditions of this Agreement. Accordingly, this Agreement shall not be construed more
27 strictly against one Party than another merely by virtue of the fact that it may have been prepared by
28

counsel for one of the Parties, it being recognized that, because of the arms-length negotiations between the Parties, all Parties have contributed to the preparation of this Agreement.

83. Warranties and Representations. With respect to themselves, each of the Parties to this Agreement and/or their agents or counsel represent, covenant and warrant that (a) they have full power and authority to enter into and consummate all transactions contemplated by this Agreement and have duly authorized the execution, delivery and performance of this Agreement, and (b) the person executing this Agreement has the full right, power and authority to enter into this Agreement on behalf of the Party for whom he/she has executed this Agreement, and the full right, power and authority to execute any and all necessary instruments in connection herewith, and to fully bind such Party to the terms and obligations of this Agreement, except that the Parties understand that the Named Plaintiff and Class Counsel only have the power to bind Class Members to the extent this Agreement is approved by the Court.

84. Representation by Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Agreement, and that this Agreement has been executed with the consent and advice of counsel. Further, the Named Plaintiff and Class Counsel warrant and represent that there are no liens on the Agreement, and that after entry by the Court of the Final Judgment, Defendant, through the SA, may distribute funds to Settlement Class Members, PAGA Members, Class Counsel, and the Named Plaintiff as provided by this Agreement.

85. Authorization by Named Plaintiff. Named Plaintiff authorize Class Counsel to sign this Agreement and further agree not to request to be excluded from the Class and not to object to any terms of this Agreement. Any such Opt-Out Request or objection shall therefore be void and of no force or effect.

IT IS SO AGREED:

1 Dated: 06/18/2026, 2026



2
3 DANIELLE MANLEY Named Plaintiff/Class and
4 PAGA Representative

5 Dated: 07/13/, 2026

6 HANGER PROSTHETICS & ORTHOTICS
7 WEST, INC.

8 By: Thomas E Hartman
9 Its: Senior Vice President & General Counsel

10 **AGREED AS TO FORM AND CONTENT:**

11 Dated: June 18, 2026

12 
13 William C. Sung
14 Tiffany L. Luu
15 Joseph C. Ramli
16 JUSTICE FOR WORKERS P.C
17 Attorneys for Plaintiff DANIELLE MANLEY

18 **APPROVED AS TO FORM ONLY:**

19 Dated: July 13, 2026

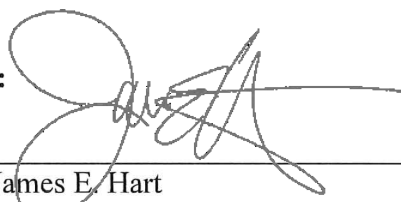
20 
21 James E. Hart
22 LITTLER MENDELSON, PC
23 Attorneys for Defendant HANGER PROSTHETICS &
24 ORTHOTICS WEST, INC.

EXHIBIT A

Sonoma County Superior Court
Danielle Manley v. Hanger Prosthetics & Orthotics West, Inc., et al.

Case No. 24CV05962

**NOTICE OF PROPOSED CLASS AND REPRESENTATIVE
ACTION SETTLEMENT**

To: All current and former hourly-paid or non-exempt employees of Defendant Hanger Prosthetics & Orthotics West, Inc. (“Defendant”) who worked for Defendant within the State of California at any time from September 9, 2022 until **[DATE OF PRELIMINARY APPROVAL UNLESS ESCALATOR CLAUSE CHANGES END OF CLASS PERIOD]**.

PLEASE READ THIS NOTICE CAREFULLY AS IT MAY AFFECT YOUR LEGAL RIGHTS

WHY DID I GET THIS NOTICE?

You have received this Notice because the records of Defendant Hanger Prosthetics & Orthotics West, Inc. (“Defendant”) reflect that you are or may be a class member in a pending class and representative action entitled *Danielle Manley v. Hanger Prosthetics & Orthotics West, Inc., et al.*, Sonoma County Superior Court Case No. 24CV05962 (the “Action”), and you may be entitled to money from the settlement of that Action.

This Notice is court approved and informs you of the terms of the agreement of the Parties to settle the claims as set forth and embodied in a Joint Stipulation of Class Action and PAGA Settlement and Release (“Settlement” or “Agreement”). This Notice explains what steps you may take to participate in, object to, or exclude yourself from the Settlement.

WHAT IS THIS ACTION ABOUT?

The Action was filed on October 7, 2024 by Plaintiff Danielle Manley (“Named Plaintiff”), on behalf of herself and other similarly situated current and former employees of Defendant. On December 11, 2024, Named Plaintiff filed a First Amended Complaint. The Action, as amended, pleads class allegation claims against Defendant for: unpaid minimum, contract and overtime wages; failure to provide meal periods and provide premiums; failure to provide rest breaks and provide premiums; wage statement penalties; waiting time penalties; unfair competition; and civil penalties pursuant to the California Private Attorneys General Act (“PAGA”). Named Plaintiff seeks to recover various damages and costs and penalties, including unpaid wages, restitution (including under California Business and Professions

Code section 17200 *et seq.*), interest, penalties (including under PAGA), and attorneys' fees and costs. A copy of the Complaint is on file with the Court.

Defendant denies all of the claims and contentions alleged by Named Plaintiff. Defendant believes strongly that it has multiple valid defenses to the claims and that its employees have been properly paid and treated in accordance with the law. Absent the Settlement, Defendant would contest vigorously the lawsuit. By agreeing to this Settlement, Defendant is not admitting that they have any liability. Named Plaintiff believes he would prevail on the claims that are subject to the Settlement.

After engaging in formal and informal discovery and an all-day mediation before an experienced mediator, Kelly Knight, Esq., and follow up negotiations, the Parties agreed to the Settlement, which was preliminarily approved by the trial court in the Action ("Court") on [REDACTED]. Named Plaintiff and Class Counsel support the Settlement.

Neither the Court nor any other fact finder has decided whether the claims brought by the Named Plaintiff or Defendant's defenses are meritorious. By approving the Settlement and issuing this Notice, the Court is not suggesting which side would win or lose this case if it went to trial. Rather, the Court has determined only that there is sufficient evidence to suggest that the proposed Settlement might be fair, adequate, and reasonable and any final determination of those issues will be made at the final hearing. Defendant reserves the right, if for any reason the Settlement fails, to contest any factual or legal allegations in the Action and whether this Action should proceed as a class action.

WHAT IS A CLASS ACTION?

In a class action lawsuit, one or more persons sue on behalf of other people who have similar claims. Plaintiff Danielle Manley is the Class Representative or Named Plaintiff in the Action, and has asserted claims on behalf of herself and the class. Defendant Hanger Prosthetics & Orthotics West, Inc. is the Defendant. A class action allows one court to resolve all of the issues in a lawsuit for all the class members who do not choose to exclude themselves from the class.

A class member is bound by the determination or judgment entered in the case, whether the class wins or loses, and may not file his or her own lawsuit on the same claims that were decided in the class action.

WHO IS INCLUDED IN THE SETTLEMENT CLASS?

The Settlement Class includes: all current and former hourly-paid or non-exempt employees of Defendant who worked for Defendant within the State of California at any time during the Class Period ("Class Members"), with the Class Period defined as September 9, 2022 through [the date of preliminary approval, unless shortened at Defendant's election in accordance with the Settlement Agreement's escalator clause], other than those who opt out (as discussed below). This group individually and collectively will be referred to as "Class Members."

WHAT ARE THE TERMS OF THE CLASS SETTLEMENT?

Defendant will pay a maximum "Gross Settlement Amount" in the amount of \$897,710.00 in exchange for the release by Settlement Class Members of Settled Claims (defined below) against it and Released

Parties (defined below); final judgment on the Action; and the other terms set forth in the Settlement. Subject to Court approval, the Gross Settlement Amount will be allocated as follows:

- Settlement Payments: \$ [REDACTED] shall be allocated to Settlement Class Members and referred to in this notice as the “Net Settlement Amount” or “NSA.” Settlement Class Members who do not request to be excluded from the Settlement will receive a pro-rata share of the Net Settlement Amount automatically, which will be referred to in this notice as the “Settlement Payments.”
 - The Settlement Payments will be calculated by dividing the number of workweeks reflected in Defendant’s records for you during the Class Period by the total workweeks worked by all Settlement Class Members during the Class Period as reflected in Defendant’s records. Workweeks worked shall be determined by the Settlement Administrator based on data to be provided by Defendant, as may be modified by the Settlement Administrator’s or Court’s resolution of any challenges.
 - Your estimated Settlement Payment \$ [REDACTED]. The actual amount you may receive may be different and will depend on a number of factors.
 - Your Settlement Payment will be allocated as 33% as wages and 67% as interest and penalties. The wage portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendant will separately pay employer payroll taxes it owes on the wage Portion. The remaining portion will be reported on IRS 1099 Forms.

Settlement Class Members who do not request to be excluded from the Settlement will be forever barred from pursuing the Settled Class Claims against Defendant and any other Released Parties.

- Enhancement Payment: Named Plaintiff will request an award not to exceed \$10,000.00 in recognition of her work in this Action on behalf of the Class and a general release of all of her individual claims.
- Attorney’s Fees and Expenses Payment: Class Counsel (listed below) will seek a total amount of money not to exceed \$299,236.67 to be paid in accordance with the Settlement for any and all attorney’s fees and no more than \$30,000.00 in costs and expenses relating to the Action.
- Settlement Administration: The cost of settlement administration will not exceed \$10,500.00, which pays for tasks such as translating and mailing this Notice, mailing checks and tax forms, reporting to the parties and the Court, and tracking submitted requests for exclusions.
- PAGA Penalty Payment: Pursuant to California Labor Code Section 2698 *et seq.*, known as the Private Attorney General Act or “PAGA”, the Parties designate \$50,000.00 of the Gross Settlement Amount as payment for Plaintiff’s claims on her own behalf and on behalf of all employees for penalties under the PAGA. Defendant shall pay sixty-five percent (65%) of that amount, or \$32,500.00, to California’s Labor & Workforce Development Agency (“LWDA”). The remainder of \$17,500.00 shall be divided among PAGA Members, who will not be able to opt out or exclude yourself from this portion of the settlement.
 - PAGA Members are all current and former hourly-paid or non-exempt employees of Defendant who worked for Defendant within the State of California at any time during the PAGA Period, with the PAGA Period defined as October 3, 2023 through [the date

of preliminary approval, unless shortened at Defendant's election in accordance with the Settlement Agreement's escalator clause].

- The PAGA Payments will be calculated by dividing the number of workweeks reflected in Defendant records for you during the PAGA Period by the total workweeks worked by all PAGA Members during the PAGA Period as reflected in Defendant's records. Workweeks worked shall be determined by the Settlement Administrator based on data to be provided by Defendant, as may be modified by the Settlement Administrator's or Court's resolution of any challenges.
- Your estimated PAGA Payment \$ [REDACTED]. The actual amount you may receive may be different and will depend on a number of factors. If no amount is stated for your PAGA Payment, then according to Defendant's records, you are not eligible for a PAGA Payment under the Settlement because you did not work for Defendant during the PAGA Period in the State of California. Any PAGA Payment will be reported on IRS 1099 Forms.

Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement Amount not more than 30 days after the Judgment entered by the Court becomes final. The Judgment will be final on the 61st day after the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

WHAT AM I RELEASING UNDER THE SETTLEMENT?

Unless you timely exclude yourself from the class (as discussed below), you on behalf of yourself and your respective heirs, executors, administrators, personal representatives, successors and assigns irrevocably and unconditionally forever and fully release (and covenant not to sue or otherwise pursue claims, whether known or unknown, against) any and all Released Parties from any and all Settled Class Claims.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the class settlement but who are also PAGA Members will remain eligible for PAGA Payments and will give up their right to assert Settled PAGA Claims.

"Released Parties" means Defendant and its respective present and former parents, owners, subsidiaries, and any affiliated or related persons or entities and each of their respective officers, directors, members, managers, employees, partners, shareholders, attorneys and agents and any other successors, assigns, or legal representatives and any individuals or entities working in concert with the foregoing.

"Settled Class Claims" means that, effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the wage portion of the Settlement Payments, all Settlement Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims, allegations and assertions that were alleged, or reasonably could have been alleged, based on the facts, allegations, assertions and claims in the operative Complaint, arising during the Class Period, including, (a)-(b) any and all claims involving any alleged failure to pay minimum wages, contract wages, overtime, or other amounts of wages for failing to compensate Plaintiff and Class Members for all wages earned and all hours worked (see Cal Labor Code §§ 246, 510, 1194, 1197, 1198; IWC Wage Order No. 1-2001, §§ 3-4); (c) Failure to authorize and permit or pay premium payments for

rest periods (see Labor Code §§ 226.7, 512; IWC Wage Order No. 1-2001, § 12); (d) Failure to provide meal periods or pay premium payments for meal periods (see Labor Code §§ 226.7, 510, 512, 1194, 1197; IWC Wage Order No. 1-2001, § 11); (e) Failure to provide accurate, itemized wage statements (see Labor Code § 226(a)); (f) failure to pay wages due to discharged and quitting employees (see Labor Code §§ 201-203); (g) failure to pay sick pay at the regular rate of pay (see Labor Code § 246); (h) unfair business practices (see Bus. and Prof. Code § 17200, et seq.). Settlement Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

“Settled PAGA Claims” means that, effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the wage portion of the Settlement Payments, all PAGA Members and the LWDA and interests held by the State of California are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the operative Complaint in the Action and the corresponding PAGA Notice, arising during the PAGA Period, including Labor Code sections 201, 202, 203, 204, 226, 226.7, 246, 510, 512, 1194, 1197, and: (a)-(b) any and all claims involving any alleged failure to pay minimum wage, contract wages, overtime, or other amounts of wages for failing to compensate PAGA Members for all wages earned and all hours worked (see Cal Labor Code §§ 510, 1194, 1197, 1198; IWC Wage Order No. 1-2001, §§ 3-4); (c) Failure to authorize and permit or pay premium payments for rest periods (see Labor Code §§ 226.7, 512; IWC Wage Order No. 1-2001, § 12); (d) Failure to provide meal periods or pay premium payments for periods (see Labor Code §§ 226.7, 510, 512, 1194, 1197; IWC Wage Order No. 1-2001, § 11); (e) Failure to pay wages during employment (Labor Code § 204); (f) Failure to provide accurate, itemized wage statements (see Labor Code § 226(a)); (g) failure to pay wages due to discharged and quitting employees (see Labor Code §§ 201-203); and (h) failure to pay sick pay at the regular rate of pay (see Labor Code § 246).

WHAT DO I NEED TO DO TO RECEIVE AN INDIVIDUAL SETTLEMENT ALLOCATION?

To receive your Settlement Payment and PAGA Payment (if applicable), you do not need to do anything. You must, however, notify the Settlement Administrator of any change in your name, mailing address and/or telephone number. It is your responsibility to keep the Settlement Administrator informed of any such change, as your Settlement Payments will be mailed to the address on file.

Once you receive your Settlement Payments, you shall have One Hundred and Fifty (150) calendar days after mailing by the Settlement Administrator to cash your Settlement checks. If you do not cash your check within that period, your check will become void and a stop payment will be placed on the uncashed checks. Settlement checks that are not cashed within One Hundred and Fifty (150) days of mailing shall be delivered to the State Controller's Office Unclaimed Wage Fund or as otherwise directed by the Court.

Neither Defendant, nor any Released Party offers tax advice regarding this Settlement. You may consider contacting an accountant and/or tax attorney to determine the appropriate amount of taxes that should be paid on your Settlement Payments. Payments awarded to you will not form the basis for

additional contributions to or benefits under any benefit plans, policies or bonus programs that may exist and/or be offered to you through, by or in conjunction with Defendants or any other Released Party.

WHAT IF I DON'T WANT TO PARTICIPATE IN THIS SETTLEMENT?

You have the right to request exclusion from the class portion of the Settlement . To do so, you must fill out and submit Opt Out Form included in this packet to the Settlement Administrator at the following address: [REDACTED]. To be valid, the opt out form must be: (1) filled out by you; (2) signed by you; and (3) postmarked by [60 days after mailing date] and returned to the Settlement Administrator at the specified address. Unless you timely request to be excluded from the Settlement, you will be bound by the judgment upon final approval of the Settlement, and you will be barred from pursuing the Settled Class Claims. The Opt Out form will not impact your inclusion in the PAGA portion of the Settlement and/or release of Settled PAGA Claims.

If you timely request to be excluded from the class portion of the Settlement, you will not receive any Settlement Payment but you will still receive a PAGA Payment, if you are eligible. Class Counsel will not represent your interests if you request to be excluded.

WHAT IF I WANT TO OBJECT TO THIS SETTLEMENT?

Any Settlement Class Member (that is, Class Member who has not asked to be excluded from the Settlement) may object to the Settlement. If you object to the Settlement, you may, but you are not required to, appear at the hearing where the Court will make a final decision whether or not to approve the Settlement (“Final Approval Hearing”). Your objection will be valid so long as you submit a written objection as set forth below or appear at the Final Approval Hearing. The Final Approval Hearing is scheduled to take place on [REDACTED], 2026, at [REDACTED] a.m. in Department 17 of the Sonoma County Superior Court, located at the address below. The hearing may be continued (moved to another date) without further notice to you.

If you wish to object, you may submit a written objection to the Settlement Administrator at the following address: [REDACTED]. To be valid, the written objection must be signed by the Class Member and state: (1) the full name of the Class Member; (2) the dates of employment of the Settlement Class Member; (3) the basis for the objection; and (4) if the Class Member intends to appear at the Final Approval Hearing. A Class Member who wishes to object in writing must submit his or her objection to the Settlement Administrator no later than [60 days after mailing date]. The Parties shall be permitted to file responses to the objection in addition to any motion for final approval documents.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection.

CLASS COUNSEL [FULL INFO]	DEFENDANTS’ COUNSEL JAMES E. HART, ESQ. IAN G. ROBERTSON, ESQ.
---	---

	LITTLER MENDELSON, P.C. 18565 Jamboree Road Suite 800 Irvine, CA 92612
	THE COURT [COURT, DEPT., ADDRESS]

The Court has decided that the law firms listed above under “CLASS COUNSEL” are qualified to represent the Settlement Class Members. However, you have the right to retain your own attorney, at your own expense, to submit an objection or appear on your behalf at the Final Approval Hearing.

Submitting an objection will *not* exclude you from the Settlement. If the Court grants final approval of the Settlement, you will still have the right to receive a Settlement Payment and will be barred from pursuing the Settled Claims. Do not submit both an objection and request for exclusion. If you submit both a request for exclusion and an objection, you will be excluded from the class and the objection will not be considered, and you will remain part of the PAGA settlement if you are a PAGA Member.

WHAT HAPPENS IF I DO NOT EXCLUDE MYSELF FROM THIS SETTLEMENT?

The Settlement, if finally approved by the Court, will bind all Settlement Class Members who do not request to be excluded from the Settlement and PAGA Members whether or not they receive or timely cash their Settlement Payments. Final approval of the Settlement will bar any Settlement Class Member who does not request to be excluded from the Settlement from hereafter initiating a lawsuit or proceeding regarding any Settled Class Claims and PAGA Members from pursuing Settled PAGA Claims. The Agreement on file with the Court contains additional details about the scope of the release.

WHAT IF I WANT TO CHALLENGE THE AMOUNTS ALLOCATED TO ME?

The above estimates are based on Defendant’s records showing that **you worked INSERT workweeks** during the Class Period, and **you worked INSERT workweeks** during the PAGA Period. You have until **INSERT** to challenge the number of Class workweeks and/or PAGA workweeks credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail.

You would need to support any such challenge by sending copies of pay stubs or other records. The Settlement Administrator will accept Defendant’s calculation of workweeks based on Defendant’s records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals, as the documents will not be returned to you. The Settlement Administrator will resolve workweek challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant’s counsel. The Administrator’s decision is final. You cannot appeal or otherwise challenge its final decision.

FURTHER INFORMATION

The foregoing is only a summary of the Settlement. The Settlement, pleadings and all other records of this litigation may be examined and copied any time during regular office hours in the Clerk's Office of the Sonoma County Superior Court, listed above as "THE COURT." In addition, you may obtain these records on the Court's website at <https://sonoma.courts.ca.gov/online-services/case-portal> by clicking "Access the Portal," then "Accept," then "Smart Search," then by entering the case number and then "Submit." You will need to accept the terms of the Information Disclaimer, and proceed to enter the case number listed at the top of this Notice and the security code provided on the webpage.

If you have any questions about the Settlement, you can contact Class Counsel, whose contact information is listed above in "CLASS COUNSEL" or the Settlement Administrator at:

[List claims administrator information].

You may seek the advice and guidance of your own attorney at your own expense.

***PLEASE DO NOT TELEPHONE OR CONTACT THE COURT FOR INFORMATION
REGARDING THIS SETTLEMENT.***

EXHIBIT B

Sonoma County Superior Court
Danielle Manley v. Hanger Prosthetics & Orthotics West, Inc., et al.
Case No. 24CV05962

OPT OUT FORM

**ONLY USE THIS FORM IF YOU DO NOT WANT TO BE
PART OF THE SETTLEMENT CLASS**

Note: IF YOU REQUEST TO BE EXCLUDED (I.E. “OPT OUT” OF) THE SETTLEMENT, YOU WILL NOT RECEIVE ANY MONEY FROM THE PROPOSED SETTLEMENT.

You may Opt Out of the proposed Settlement by signing, completing and mailing this Opt Out Form to the address below.

I, (Type or Print Name) _____,

hereby elect to be excluded from the settlement class in the above-referenced case. I understand that by requesting to be excluded I will not receive any benefit from the Settlement for the class action claims, but this will not exclude me or otherwise impact my inclusion in the PAGA Settlement as explained in the class notice I received.

Signature: _____

Dated: _____

Any Other Names Used While Employed by Hanger Prosthetics & Orthotics West, Inc.:

Address: _____

City, State and ZIP Code: _____

Telephone No.: _____

Please mail this Opt-Out Form to the Claims Administrator at the address listed below. The address of the Claims Administrator is:

[List claims administrator information]

Deadline: Your completed Opt Out Form must be postmarked by [INSERT DATE] in order for you to be excluded from the settlement class.

EXHIBIT C

1 **JUSTICE FOR WORKERS, P.C.**

2 William C. Sung, SB# 280792

3 william@justiceforworkers.com

4 Tiffany L. Luu, SB # 335127

5 tluu@justiceforworkers.com

6 9575 Bolsa Avenue

7 Westminister, CA 92683

8 Telephone: 323-922-2000

9 Facsimile: 323-922-2000

10 Attorneys for Plaintiff

11 DANIELLE MANLEY

12 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

13 **COUNTY OF SONOMA**

14 DANIELLE MANLEY, an individual and on
15 behalf of all others similarly situated,

16 Plaintiff,

17 v.

18 HANGER PROSTHETICS & ORTHOTICS
19 WEST, INC., a California corporation; and
20 DOES 1 through 50,

21 Defendants.

Case No. 24CV05962

22 **[PROPOSED] ORDER GRANTING**
23 **MOTION FOR PRELIMINARY**
24 **APPROVAL OF CLASS ACTION AND**
25 **PAGA SETTLEMENT**

1 Having considered the Parties' Joint Stipulation of Class Action and PAGA Settlement and
2 Release (the "Settlement" or "Agreement"), the Memorandum of Points and Authorities in Support of
3 the Unopposed Motion for Preliminary Approval of Class Action Settlement, the documents submitted
4 in support of the motion, and all supporting legal authorities and documents,

5 IT IS HEREBY ORDERED:

6 1. The Court grants preliminary approval of the Settlement based upon the terms set forth
7 in the Settlement. The Settlement appears to be fair, adequate and reasonable to the Class. Based on
8 a review of the papers submitted by Plaintiff DANIELLE MANLEY ("Named Plaintiff"), the Court
9 finds that the Settlement is the result of arms-length negotiations conducted after Class Counsel had
10 adequately investigated the claims and become familiar with the strengths and weaknesses of the
11 claims. For purposes of this Order, the Court adopts and incorporates all definitions set forth in the
12 Settlement. The assistance of an experienced mediator in the settlement process supports the Court's
13 conclusion that the Settlement is non-collusive.

14 2. For settlement purposes only, the Court conditionally certifies the following class:

15 All current and former hourly-paid or non-exempt employees of
16 Defendant who worked for Defendant within the State of California at
17 any time during the Class Period ("Class Members"), with the Class
18 Period defined as September 9, 2022 through [the date of preliminary
approval, unless shortened at Defendant's election in accordance with
the Settlement Agreement's escalator clause] ("Class Period").

19 3. The settlement of class-action related claims and settlement of claims under the Private
20 Attorney General Act ("PAGA") set forth in the Settlement between Plaintiff and Defendant
21 HANGER PROSTHETICS & ORTHOTICS WEST, INC. ("Defendant") is preliminarily approved as
22 it appears to be proper, to fall within the range of a fair, reasonable and adequate settlement, and to be
23 presumptively valid, subject only to any objections that may be raised at the Final Approval Hearing.

24 4. For settlement purposes only, the Court appoints Named Plaintiff as Class
25 Representative and Named Plaintiff's counsel, William C. Sung, Tiffany L. Luu, and Joseph C. Ramli
26 of JUSTICE FOR WORKERS, P.C., as Class Counsel.

27 5. The Court approves Phoenix Settlement Administrators to act as the Settlement
28 Administrator.

1 6. The Court approves, as to form and content, the Notice of Proposed Class and
2 Representative Action Settlement (the “Class Notice”) attached as **Exhibit “A”** to the Settlement, and
3 finds that the Class Notice satisfies the requirements of California Rule of Court, rules 3.766 and
4 3.769, subd. (f), and fairly apprises the Class Members of the terms of the final approval hearing date,
5 the proposed settlement terms and of their options, including: (a) the nature of the action, the definition
6 of the Class, the identity of Class Counsel, and the essential terms of the Settlement; (b) Named
7 Plaintiff’s and Class Counsel’s applications for the class representative’s enhancement award, and
8 Class Counsel’s request for attorneys’ fees and litigation costs; (c) a formula used to determine the
9 Class Member’s estimated payment; (d) Settlement Class Members’ rights to appear through counsel
10 if they desire; (e) how to object to the Settlement or submit an opt-out request if a Class Member
11 wishes to do so; and (f) how to obtain additional information regarding the action and the Settlement.

12 7. The Court approves the procedure for Class Members to participate in, request
13 exclusion from or object to, and preserve appeal rights as set forth in the Settlement and the Class
14 Notice.

15 8. The Court finds that the deadlines and method set forth in the Settlement for the mailing
16 of the Notice meet the requirements of due process, provide the best notice practicable under the
17 circumstances, constitute due and sufficient notice to all persons entitled to notice, and otherwise
18 satisfy the requirements of California law and due process.

19 9. Defendants are directed to provide the Settlement Administrator, not later than thirty
20 (30) days after the Preliminary Approval Date, an electronic database containing Class Member Data,
21 as set forth in the Stipulation of Settlement.

22 10. The Court directs the Settlement Administrator obtain the number of workweeks
23 credited for each Class Member and PAGA Member and other information as necessary, perform
24 address verification measures and mail the Class Notice by first class mail to the Settlement Class
25 Members receiving the data and to otherwise carry out the Settlement according to the terms of the
26 Settlement Agreement and in conformity with this Order. The Parties are also ordered to carry out the
27 Settlement according to the terms of the Settlement Agreement.

28 11. All Class Members shall be deemed to participate in the Settlement, although any Class

1 Member who wishes to comment on or object to the Settlement or who elects not to participate in the
2 Settlement has until sixty (60) days after the mailing of the Class Notice to submit his or her written
3 objection or Request to be Excluded, pursuant to the procedures set forth in the Class Notice.

4 12. The Court preliminarily approves the handling of unclaimed funds set forth in the
5 Stipulation of Settlement as set forth in the Agreement.

6 13. In light of the binding nature of a PAGA judgment or settlement on non-party
7 employees pursuant to *Arias v. Superior Ct. (Dairy)*, 46 Cal. 4th 969, 985-986 (2009), and *Cardenas*
8 *v. McLane Foodservice, Inc.*, 2011 WL 379413 at *3 (C.D. Cal. Jan. 31, 6 2011), PAGA Members
9 (whether or not they are settlement Class Members) shall receive their pro rata portion of the 35% of
10 the PAGA Payment and will have been deemed to have fully released the PAGA Settled Claims. Even
11 if the PAGA Member opts out of the Settlement, PAGA Members cannot opt out of receiving their
12 pro rata portion of the 35% of the PAGA Payment.

13 14. A final approval hearing shall be held in this Court on [REDACTED] at
14 [REDACTED] a.m./p.m. to determine (1) whether the proposed settlement is fair, reasonable, and
15 adequate and should be finally approved by the Court; (2) the amount of attorneys' fees and costs to
16 award to Class Counsel; and (3) the amount of service awards to the Class Representatives. The Court
17 may continue or adjourn the final approval hearing without further notice to the Class Notice.

18 15. Neither this Order, the Settlement, nor any document referred to therein, nor any action
19 taken to carry out the settlement embodied in the Settlement may be construed as, or may be used as
20 an admission by or against Defendants or any of the other Released Parties (as that term is defined in
21 the Settlement) of any fault, wrongdoing or liability whatsoever. The entering into or carrying out of
22 the Settlement, and any negotiations or proceedings related thereto, shall not in any event be construed
23 as, or deemed to be evidence of, an admission or concession with regard to the denials or defenses by
24 Defendant or any of the other Released Parties and shall not be offered in evidence in any action or
25 proceeding against Defendants or any of the Released Parties in any court, administrative agency or
26 other tribunal for any purpose whatsoever other than to enforce the provisions of this Order, the
27 Stipulation of Settlement, or any related agreement or release.

28 16. The Court may, for good cause shown, extend any of the deadlines set forth in this
Order.

1 17. Pending further order of this Court, all proceedings in this matter except those
2 contemplated herein and in the Settlement are stayed and suspended until further order of this Court.
3 Pending the Final Fairness and Approval Hearing, Plaintiffs and the Class Members are hereby
4 enjoined from prosecuting the Released Claims against Defendants or the Released Parties.

5 18. The Court recognizes that certification under this Order is for settlement purposes only,
6 and shall not constitute or be construed as a finding by the Court, or an admission on the part of
7 Defendant or any of the Released Parties, of any fault or commission with respect to any claim or that
8 this action is appropriate for class treatment for litigation purposes. Entry of this Order is without
9 prejudice to the rights of Defendant or any of the Released Parties to oppose class certification in this
10 action, should the proposed Settlement not be granted final approval.

11 19. In the event that the Stipulation of Settlement does not receive final approval or the
12 Effective Date of the Settlement does not occur, this Order shall be rendered null and void and shall
13 be vacated.

14 Date: _____

15 HON. MICHELLE WILLIAMS
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EXHIBIT 2

EXHIBIT 3

EXHIBIT 4