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HEALTHCARE CENTER, LLC, WINDSOR PALMS
CARE CENTER OF ARTESIA; and MODERN HERO, LLC

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

MELVIN STAKELY, JR., an individual on
behalf of himself and all others similarly
situated,

Plaintiff,

vs.

WINDSOR PALMS CARE CENTER OF
ARTESIA, a business entity of unknown form;
WINDSOR TWIN PALMS HEALTHCARE
CENTER, LLC, a California limited liability
company; MODERN HERO, INC., a
California corporation, and DOES 1 through
50, inclusive,

Defendants.

Case No.: 21STCV10507

CLASS ACTION

Assigned for All Purposes To:

Hon. Carolyn B. Kuhl

Dept.: 12

**JOINT STIPULATION OF CLASS ACTION
SETTLEMENT**

Complaint Filed: March 17, 2021

First Amended Complaint: June 7, 2021

1 This Joint Stipulation of Class Action Settlement (“Settlement” or “Settlement
2 Agreement”) is made and entered into by and between Plaintiff MELVIN STAKELY, JR.
3 (“Plaintiff” or “Class Representative”), on behalf of himself and all others similarly situated, and
4 Defendant WINDSOR PALMS CARE CENTER OF ARTESIA, WINDSOR TWIN PALMS
5 HEALTHCARE CENTER, LLC, and MODERN HERO, INC. (collectively “Defendants”)
6 (collectively with Plaintiff, the “Parties”).

7 DEFINITIONS

8 The following definitions are applicable to this Settlement Agreement.

9 Definitions contained elsewhere in this Settlement Agreement will also be effective:

- 10 1. “Action” means *Melvin Stakely, Jr., et al. v. Windsor Palms Care Center of*
11 *Artesia., el al.*, Los Angeles County Superior Court, Case No. 21STCV10507.
- 12 2. “Aggrieved Employees” means all current and former non-exempt employees
13 who worked for Defendants in California at a time during the PAGA limitations which is at any
14 time between March 17, 2020 and the date of Preliminary Approval or such earlier date as
15 Defendants may hereafter designate pursuant to paragraph 60(b) of this Settlement Agreement.
- 16 3. “Attorneys’ Fees and Costs” means attorneys’ fees and costs approved by the
17 Court for Class Counsel’s litigation and resolution of this Action.
- 18 4. “Class Counsel” means David Yeremian & Associates, Inc. and United
19 Employees Law Group, P.C.
- 20 5. “Class List” means a complete list of all Class Members that Defendants will
21 diligently and in good faith compile from its records and provide to the Settlement
22 Administrator within ten (10) business days after notice to Defendants of Preliminary Approval
23 of this Settlement. The Class List will be formatted in Microsoft Office Excel and will include
24 the following information from Defendants’ records: each Class Member’s full name; last-
25 known mailing address; Social Security number; and dates of employment as a non-exempt
26 employee in California during the Class Period.
- 27 6. “Class Member(s)” or “Settlement Class” means all current and former non-
28 exempt employees who worked for Defendants in California at any time between March 17,

1 2017 and the date of Preliminary Approval or such earlier date as Defendants may hereafter
2 designate pursuant to paragraph 60(b) of this Settlement Agreement with the exception of any
3 person who submits a timely and valid request for exclusion.

4 7. “Class Period” means the period from March 17, 2017 to the date of
5 Preliminary Approval or such earlier date as Defendants may hereafter designate pursuant to
6 paragraph 60(b) of this Settlement Agreement.

7 8. “Class Representative Enhancement Payment” means the amount approved by
8 the Court to be paid to Plaintiff in recognition of his contributions to the Action on behalf of
9 Class Members and Aggrieved Employees.

10 9. “Court” means the Superior Court of California, County of Los Angeles.

11 10. “Defendants” means WINDSOR PALMS CARE CENTER OF ARTESIA,
12 WINDSOR TWIN PALMS HEALTHCARE CENTER, LLC, and MODERN HERO, INC.

13 11. “Effective Date” means: (a) the date of entry of the Court’s order granting final
14 approval of the Settlement Agreement and Judgment, if no objections have been filed or if an
15 objection was filed and later withdrawn; or (b) if an objection to the Settlement Agreement is
16 filed, then the date when the time expires to file an appeal of the Court’s grant of Final
17 Approval of the Settlement Agreement; or (c) if an objection is filed, as well as a timely Notice
18 of Appeal of the Court’s grant of Final Approval of the Settlement Agreement, then the date the
19 appeal is finally resolved, with the final approval unaffected.

20 12. “Individual Settlement Payment” means each Class Member’s share of the Net
21 Settlement Amount.

22 13. “Gross Settlement Amount” is the amount of Three Hundred Sixty-Five
23 Thousand Dollars and Zero Cents (\$365,000.00), which is the maximum amount to be paid by
24 Defendants pursuant to this Settlement Agreement. The Gross Settlement Amount includes all
25 Individual Settlement Payments to Class Members, the Class Representative Enhancement
26 Payment to Plaintiff, Attorneys’ Fees and Costs to Class Counsel, the Settlement
27 Administration Costs to the Settlement Administrator and the PAGA Payment as specified in
28 this Agreement. Defendants shall pay the employer’s share of payroll taxes due on the portion

1 of Settlement Payments allocated to wages separately and in addition to the Gross Settlement
2 Amount. The Parties agree that Defendants will have no obligation to pay any amount in
3 connection with this Settlement Agreement apart from the Gross Settlement Amount and the
4 employer's share of payroll taxes due on the portion of Settlement Payments allocated to
5 wages, and that none of the Gross Settlement Amount will revert to Defendants.

6 14. "Net Settlement Amount" means the Gross Settlement Amount, less the
7 Attorneys' Fees and Costs, Class Representative Enhancement Payments, Settlement
8 Administration Costs, and seventy-five percent (75%) of the PAGA Payment as specified in
9 this Agreement.

10 15. "Objection" means any written objection to this Settlement sent by a Class
11 Member to the Settlement Administrator as specified herein and in the Notice of Settlement.
12 An Objection to Settlement must be sent to the Settlement Administrator within the time
13 limitations set forth in this Stipulation.

14 16. "Notice of Class Action Settlement" means the notice of settlement, attached as
15 **Exhibit A**, to be mailed to all members of the Settlement Class upon Preliminary Approval.

16 17. "Notice Packet" means the Notice of Class Action Settlement attached as
17 **Exhibit A**, the Objection Form attached as **Exhibit B**, the Request for Exclusion Form attached
18 as **Exhibit C**, and the Dispute Form attached as **Exhibit D** to be mailed to all members of the
19 Settlement Class upon Preliminary Approval.

20 18. "PAGA" means the California Labor Code Private Attorneys General Act of
21 2004.

22 19. "PAGA Payment" means the payment made hereunder to the California Labor
23 and Workforce Development Agency and the Settlement Class Members for settlement of
24 claims for civil penalties under PAGA.

25 20. "PAGA Period" means the period from March 17, 2020 to the date of
26 Preliminary Approval or such earlier date as Defendants may hereafter designate pursuant to
27 paragraph 60(b) of this Settlement.

28 21. "Parties" means Plaintiff and Defendants collectively.

1 22. “Plaintiff” means MELVIN STAKELY, JR.

2 23. “Preliminary Approval” means the Court order granting preliminary approval of
3 the Settlement Agreement.

4 24. “Released Claims” means all causes of action and factual or legal theories that
5 were alleged in the operative complaints or that could have been alleged against Defendants
6 based on the facts contained in the operative complaints, including violations of California
7 Labor Code sections 201, 202, 203, 204, 226, 226(a), 226.3, 226.7, 245, 246, 510, 512, 558,
8 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, and 2699 *et seq.*,
9 California Code of Regulations, Title 8, section 11000 *et seq.*, and California Business &
10 Professions Code §§ 17200 to 17208, and the applicable IWC Wage Orders from the following
11 claims for relief: (a) failure to pay minimum, regular, or hourly wages, (b) failure to pay
12 overtime wages or accurate overtime wages, (c) failure to provide meal breaks and failure to
13 pay premium pay for missed meal breaks, (d) failure to provide rest breaks and failure to pay
14 premium pay for missed rest breaks, (e) failure to provide complete, accurate or properly
15 formatted wage statements, (f) failure to timely pay wages during employment or upon
16 separation, (g) failure to keep required payroll records, (h) unfair business practices that could
17 have been premised on the claims, causes of action or legal theories of relief described above or
18 any of the claims, causes of action or legal theories of relief pleaded in the operative complaint;
19 (i) all claims under the California Labor Code Private Attorneys General Act of 2004 that could
20 have been premised on the claims, causes of action or legal theories described above or any of
21 the claims, causes of action or legal theories of relief pleaded in the operative complaint; (j) any
22 other claims or penalties under the California Labor Code or other wage and hour laws pleaded
23 in the Action; and (k) all damages, penalties, interest and other amounts recoverable under said
24 claims, causes of action or legal theories of relief. The period of the Release shall extend to the
25 limits of the Class Period. The *res judicata* effect of the Judgment will be the same as that of
26 the Release. Defendants shall be entitled to a release of Released Claims which occurred during
27 the Class Period only during such time that the Settlement Class Member was classified as non-
28 exempt, and expressly excluding all other claims for vested benefits, wrongful termination,

1 unemployment insurance, disability, social security, workers' compensation, claims while
2 classified as exempt, and claims outside of the Class Period.

3 25. "Released Parties" means Defendants, and their past, present and/or future,
4 direct and/or indirect officers, directors, members, shareholder, employees, agents principals,
5 heirs, representatives, accountants, auditors, attorneys, consultants, insurers, reinsurers, and
6 each of their respective successors; and predecessors in interest, assigns, subsidiaries, affiliates,
7 and parents, if any.

8 26. "Request for Exclusion" means a timely written request by a Class Member to
9 be excluded from the Settlement. The Request for Exclusion must: (i) set forth the name,
10 address, telephone number of the Class Member requesting exclusion; (ii) be signed by the
11 Class Member; (iii) be returned to the Settlement Administrator; (iv) clearly state that the Class
12 Member does not wish to be included in the Settlement; and (v) be postmarked on or before the
13 Response Deadline.

14 27. "Response Deadline" means the deadline by which Class Members must
15 postmark to the Settlement Administrator Requests for Exclusion or Objections to the
16 Settlement. The Response Deadline will be forty-five (45) calendar days from the initial
17 mailing of the Notice of Class Action Settlement by the Settlement Administrator, unless the
18 45th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be
19 extended to the next day on which the U.S. Postal Service is open.

20 28. "Settlement Administrator" means CPT Group, Inc. or any other third-party
21 class action settlement administrator approved by the Parties and the Court for the purposes of
22 administering this Settlement. The Parties each represent that they do not have a financial
23 interest in the Settlement Administrator or otherwise have a relationship with the Settlement
24 Administrator that could create a conflict of interest.

25 29. "Settlement Administration Costs" includes all costs payable to the Settlement
26 Administrator for administering this Settlement, including, but not limited to, printing,
27 distributing, and tracking notice and other documents for this Settlement, tax reporting,
28 distributing all payments to be made pursuant to this Settlement, and providing necessary

1 reports and declarations, as requested by the Parties. After conference and consultation with the
2 Settlement Administrator, no more than Eleven Thousand Five Hundred Dollars and Zero Cents
3 (\$11,500) will be allocated to Settlement Administration.

4 30. “Workweeks” means the number of calendar weeks that the Class Member
5 worked as a non-exempt employee in California during the Class Period.

6 31. “Workweek Value” means the value of each compensable Workweek, as
7 determined by the formula set forth in herein.

8 **TERMS OF AGREEMENT**

9 Plaintiff, on behalf of himself and the Settlement Class, and Defendants agree as
10 follows:

11 32. Funding of the Gross Settlement Amount. Within 15 business days after the
12 Effective Date, Defendants will deposit the Gross Settlement Amount into a Qualified
13 Settlement Fund, with the Settlement Administrator. The Gross Settlement Amount will be used
14 to pay: (i) Individual Settlement Amounts; (ii) the Class Representative Enhancement Payment
15 to Plaintiff; (iii) Attorneys’ Fees and Costs; (iv) the PAGA Payment; and the (v) Settlement
16 Administration Costs.

17 33. Attorneys’ Fees and Costs. Class Counsel will seek an award of Attorneys’ Fees
18 and Costs of not more than One Hundred Twenty-One Thousand Six Hundred Sixty-Six
19 Dollars and Sixty-Seven Cents (\$121,666.67) in attorney’s fees and not more than Seventeen
20 Thousand Dollars and Zero Cents (\$17,000.00) in costs, and Defendants agree not to oppose
21 such application. All Attorneys’ Fees and Costs will be paid from the Gross Settlement Amount.
22 Plaintiff and Class Counsel will not have the right to revoke this Settlement in the event the
23 Court fails to approve the amount of Attorneys’ Fees and Costs sought by Class Counsel. Any
24 portion of the Attorneys’ Fees and Costs not awarded to Class Counsel will be added to the Net
25 Settlement Amount.

26 34. Class Representative Enhancement Payment. Plaintiff will apply to the Court for
27 a Class Representative Enhancement Payment of not more than Five Thousand Dollars and Zero
28 Cents (\$5,000.00) for his effort and work in prosecuting the Action on behalf of Class Members

1 and Aggrieved Employees and Defendants agree not to oppose such application. The Class
2 Representative Enhancement Payment, which will be paid from the Gross Settlement Amount,
3 will be in addition to Plaintiff's right to an Individual Settlement Payment pursuant to the
4 Settlement. Plaintiff will be solely and legally responsible to pay any and all applicable taxes on
5 the payments made pursuant to this paragraph and will hold Defendants harmless from any claim
6 or liability for taxes, penalties, or interest arising as a result of the payments. Plaintiff will not
7 have the right to revoke this Settlement in the event the Court fails to approve the amount sought
8 by Plaintiff as a Class Representative Enhancement Payment. Any portion of the Class
9 Representative Enhancement Payment not awarded to the Class Representative will be added to
10 the Net Settlement Amount.

11 35. Settlement Administration Costs. The Settlement Administrator will be paid for
12 the reasonable costs of administration of the Settlement and distribution of payments. These
13 costs, which will be paid from the Gross Settlement Amount, will include, *inter alia*, the
14 required tax reporting on the Individual Settlement Payments, the issuing of 1099 IRS Forms,
15 preparing and distributing Notices of Class Action Settlement, calculating and distributing all
16 payments to be made pursuant to the Settlement, and providing necessary reports and
17 declarations. Class Counsel obtained a "not to exceed" quote from the Settlement Administrator
18 to complete the administration for Eleven Thousand Five Hundred Dollars and Zero Cents
19 (\$11,500). The Settlement Administrator's "not to exceed" quote will represent the Settlement
20 Administrator's agreement that, based on the class size and distributions under the terms of this
21 Settlement, the costs for administration of the terms of this Settlement will not exceed the
22 specified amount. All of the Settlement Administration Costs shall be paid from the Gross
23 Settlement Amount upon completion of all duties required to be performed by the Settlement
24 Administrator under the terms of this Settlement, or as otherwise required by the Court, subject
25 to the "not to exceed" quote from the Settlement Administrator. The Settlement Administrator
26 will set up the Qualified Settlement Fund.

27 36. PAGA Payment. Ten Thousand Dollars and Zero Cents (\$10,000) shall be
28 allocated from the Gross Settlement Amount for settlement of claims for civil penalties under

1 PAGA. The Settlement Administrator shall pay seventy-five percent (75%) of such \$10,000
2 PAGA Payment, or \$7,500, to the LWDA. Twenty-five (25%) of the \$10,000 PAGA Payment,
3 or \$2,500, will be included in the Net Settlement Amount and distributed to Settlement Class
4 Members as described in this Agreement. Each Settlement Class Member's pro rata share of
5 that \$2,500 will be part of his or her Individual Settlement Payment.

6 37. Individual Settlement Payment Calculations. Individual Settlement Payments
7 will be calculated and apportioned from the Net Settlement Amount based on the number of
8 Workweeks a Class Member worked during the Class Period as a non-exempt employee in
9 California. Specific calculations of Individual Settlement Payments will be made as follows:

10 34(a). The Settlement Administrator will calculate the total number of
11 Workweeks worked by each Class Member as a non-exempt employee in California during the
12 Class Period and the aggregate total number of Workweeks worked by all Class Members as
13 non-exempt employees in California during the Class Period.

14 34(b). To determine each Class Member's estimated "Individual Settlement
15 Payment," the Settlement Administrator will use the following formula: The Net Settlement
16 Amount will be divided by the aggregate total number of Workweeks, resulting in the
17 Workweek Value. Each Class Member's "Individual Settlement Payment" will be calculated by
18 multiplying each individual Class Member's total number of Workweeks by the Workweek
19 Value.

20 34(c). The entire Net Settlement Amount will be disbursed as Individual
21 Settlement Payments to Class Members. If there are any valid and timely Requests for
22 Exclusion from members of the Settlement Class, the Settlement Administrator shall
23 proportionately increase the Individual Settlement Payment for each Class Member according
24 to the number of Workweeks worked, so that the amount actually distributed to the Settlement
25 Class equals 100% of the Net Settlement Amount.

26 38. No Credit Toward Benefit Plans. The Individual Settlement Payments made to
27 Class Members under this Settlement, as well as any other payments made pursuant to this
28 Settlement, will not be utilized to calculate any additional benefits under any benefit plans to

1 which any Class Members may be eligible, including, but not limited to: (i) profit-sharing
2 plans, (ii) bonus plans, (iii) 401(k) plans, (iv) stock purchase plans, (v) vacation plans, (vi) sick
3 leave plans, (vii) PTO plans, and (viii) any other benefit plan. Rather, it is the Parties' intention
4 that this Settlement Agreement will not affect any rights, contributions, or amounts to which
5 any Class Members may be entitled under any benefit plans.

6 39. Settlement Administration Process. The Parties agree to cooperate in the
7 administration of the settlement and to make all reasonable efforts to control and minimize the
8 costs and expenses incurred in administration of the Settlement.

9 40. Delivery of the Class List. Within ten (10) business days of entry of the Court's
10 Order Granting Preliminary Approval, Defendants will provide the Class List to the Settlement
11 Administrator.

12 41. Notice by First-Class U.S. Mail. Within ten (10) days after receiving the Class
13 List from Defendants, the Settlement Administrator will mail a Notice Packet to all Class
14 Members via regular First-Class U.S. Mail, using the most current, known mailing addresses
15 identified in the Class List.

16 42. Confirmation of Contact Information in the Class List and Undeliverable
17 Notices. Prior to mailing, the Settlement Administrator will perform a search based on the
18 National Change of Address Database for information to update and correct for any known or
19 identifiable address changes. Any Notice Packets returned to the Settlement Administrator as
20 non-deliverable on or before the Response Deadline will be sent promptly via regular First-
21 Class U.S. Mail to the forwarding address affixed thereto and the Settlement Administrator will
22 indicate the date of such re-mailing on the Notice Packet. If no forwarding address is provided,
23 the Settlement Administrator will promptly attempt to determine the correct address using an
24 Accurant search/skip-trace and will then perform a single re-mailing.

25 43. Notices of Class Action Settlement. All Class Members will be mailed a Notice
26 of Class Action Settlement in the form attached as Exhibit A or as provided by Court order, an
27 Objection Form in the form attached as Exhibit B or as provided by Court order, a Request For
28 Exclusion Form in the form attached as Exhibit C or as provided by Court order, and a Dispute

1 Form in the form attached as Exhibit D or as provided by Court order.

2 44. Disputed Information on Notices of Class Action Settlement. Class Members
3 will have an opportunity to dispute the information provided in their Notices of Class Action
4 Settlement. Any Class Member wishing to dispute the information provided in their Class
5 Notice shall mail the Dispute Form to the Settlement Administrator by the Response Deadline.
6 To the extent Class Members dispute their employment dates or the number of Workweeks,
7 Class Members may produce evidence to the Settlement Administrator showing that such
8 information is inaccurate. The Settlement Administrator will advise the Parties of such dispute
9 and allow Defendants five (5) business days to respond with any additional information or
10 records. The Settlement Administrator may rely on Defendants' records without further
11 foundation to perform its calculus but must give fair weight to records provided by Class
12 Members. The Settlement Administrator will make a recommendation and the Class Member
13 may either accept it or reject it. Class Counsel shall file with the Court all disputes submitted by
14 Class Members, the evidence submitted, and the resolution of those disputes. The Court shall
15 have the right to review any decision made by the Settlement Administrator regarding a claim
16 dispute.

17 45. Requests for Exclusion. Any Class Member wishing to opt-out from the
18 Settlement Agreement must sign and return the Request for Exclusion Form, postmarked within
19 the Response Deadline to the Settlement Administrator. The postmark date will be the exclusive
20 means to determine whether a Request for Exclusion has been timely submitted. The Parties
21 and their counsel will not solicit or encourage any Class Member, directly or indirectly, to opt
22 out of the Settlement Agreement. More specifically, a Class Member may request to be
23 excluded from the effect of this Agreement, and any payment of amounts under this Agreement
24 by timely mailing a Request for Exclusion Form to the Settlement Administrator stating that the
25 Class Member wants to be excluded from this Action. The Class Member must include their
26 name, address, and signature on the Request for Exclusion Form. To be valid and timely, the
27 request to be excluded must be postmarked by the Response Deadline date that will be
28 specified in the Class Notice (no less than forty-five (45) days from the initial mailing of the

1 Class Notice by the Settlement Administrator). A Class Member who properly submits a valid
2 and timely request to be excluded from the Action will not receive any payment of any kind in
3 connection with this Agreement or this Action, will not be bound by or receive any benefit of
4 this Agreement, and will have no standing to object to the Settlement. Class Members who do
5 not timely request exclusion will be bound by the releases herein and receive an individual
6 settlement payment (“Participating Class Members”), and their request for exclusion will be
7 defective. A request for exclusion must be mailed to the Settlement Administrator at its address
8 to be provided in the Class Notice, and the Settlement Administrator will promptly transmit the
9 requests for exclusion to counsel for the parties. Class Counsel shall file with the Court all
10 requests for exclusion submitted by Class Members.

11 46. Defective Submissions. If a Class Member’s Request for Exclusion is defective
12 as to the requirements listed herein, that Class Member will be given an opportunity to cure the
13 defect(s). The Settlement Administrator will mail the Class Member a cure letter within three
14 (3) business days of receiving the defective submission to advise the Class Member that his or
15 her submission is defective and that the defect must be cured to render the Request for
16 Exclusion valid. The Class Member will have until the later of (i) the Response Deadline or (ii)
17 fifteen (15) calendar days from the date of the cure letter, whichever date is later, to postmark a
18 revised Request for Exclusion. If the revised Request for Exclusion is not postmarked within
19 that period, it will be deemed untimely.

20 47. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class
21 Member who does not affirmatively opt out of the Settlement Agreement by submitting a
22 timely and valid Request for Exclusion will be bound by all of its terms, including those
23 pertaining to the Released Claims, as well as any Judgment that may be entered by the Court if
24 it grants final approval of the Settlement.

25 48. Objection Procedures. Any Class Members wishing to object to the Settlement
26 must sign and return the Objection Form, postmarked within the Response Deadline to the
27 Settlement Administrator or by appearing at the hearing for Final Approval. The postmark date
28 will be the exclusive means to determine whether an Objection has been timely submitted. The

1 Class Member must include their name, address, and signature on the Objection Form. The
2 Class Member must also list the reasons for objecting to the Settlement. The Settlement
3 Administrator will promptly provide any objections to the parties' counsel upon receiving
4 them. Class Counsel shall file with the Court all objections submitted by Class Members.
5 Settlement Class Members may also have a right to have their objections heard at the Final
6 Approval/Settlement Fairness Hearing. Class Counsel will not represent any Class Members
7 with respect to any such Objections to this Settlement, and any Class Members who request
8 exclusion from the Settlement will not have standing to object to it.

9 49. Settlement Administrator Reports. The Settlement Administrator will provide
10 Defendants' counsel and Class Counsel a weekly report of the number of Class Members who
11 have submitted valid Requests for Exclusion, Objections, and disputes regarding Workweeks
12 calculations. Additionally, the Settlement Administrator will provide to counsel for both Parties
13 any updated reports regarding the administration of the Settlement Agreement as needed or
14 requested.

15 50. Distribution and Timing of Payments. Within 20 days of the Effective Date, and
16 after Defendants have fully funded the Qualified Settlement Fund with the Gross Settlement
17 Amount, the Settlement Administrator will issue payments to: (i) all Class Members who have
18 not submitted a valid and timely Request for Exclusion, including any Class Member whose
19 notice was returned as undeliverable; (ii) Plaintiff; (iii) Class Counsel; and (iv) the LWDA. The
20 Settlement Administrator will also issue a payment to itself for Court-approved services
21 performed in connection with the Settlement. The Settlement Administrator will pay Individual
22 Settlement Payments from the Net Settlement Amount to all Participating Class Members. The
23 Settlement Administrator will do so by sending a check in the appropriate amount to the Class
24 Member at the address indicated in the list of Class Member names and addresses provided by
25 Defendants, or as subsequently determined by the Settlement Administrator to be correct.

26 51. Un-cashed Settlement Checks. Class Members will receive checks for their
27 Individual Settlement Payments. Checks will remain negotiable for 180 days ("Check-Cashing
28 Deadline"). Any check not cashed within 180 calendar days will be void. The money from the

1 uncashed checks shall be distributed by the Settlement Administrator, in accordance with
2 California Code of Civil Procedure section 384. Any amounts from the settlement checks that
3 remain uncashed and otherwise unclaimed shall be tendered to the State of California
4 Controller Unclaimed Property Fund.

5 52. Certification of Completion. Upon completion of administration of the
6 Settlement, the Settlement Administrator will provide a written declaration under oath to certify
7 such completion to the Court and counsel for all Parties.

8 53. Allocation of Individual Settlement Payments. All Individual Settlement
9 Payments will be allocated as follows: (a) ten percent as wages and (b) ninety percent as
10 penalties and interests. The Settlement Administrator will be responsible for issuing to
11 claimants a form W-2 for amounts deemed “wages” and an IRS Form 1099 for the portions
12 allocated to penalties.

13 54. Administration of Taxes by the Settlement Administrator. The Settlement
14 Administrator will be responsible for issuing to Plaintiff, Class Members, and Class Counsel
15 tax forms as may be required by law for all amounts paid pursuant to this Settlement. The
16 Settlement Administrator will also be responsible for withholding and forwarding all taxes and
17 penalties to the appropriate government authorities as may be required by law. The Settlement
18 Administrator will also be responsible for reporting to Defendants all amounts paid by the
19 Settlement Administrator to Class Members as wages.

20 55. Tax Liability. Defendants make no representation as to the tax treatment or
21 legal effect of the payments called for hereunder, and Plaintiff and Class Members are not
22 relying on any statement, representation, or calculation by Defendants or by the Settlement
23 Administrator in this regard. Plaintiff and Class Members understand and agree that they will
24 be solely responsible for the payment of any taxes and penalties assessed on the payments
25 described herein and will defend, indemnify, and hold Defendants free and harmless from and
26 against any claims resulting from treatment of such payments as non-taxable damages.

27 56. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR
28 PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY

1 TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER
2 PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS
3 AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN
4 OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR
5 WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE
6 CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN
7 THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31
8 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED
9 EXCLUSIVELY UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX
10 COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS
11 AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE
12 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO
13 ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY
14 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY
15 OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
16 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
17 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY
18 OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES (REGARDLESS OF
19 WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
20 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
21 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
22 AGREEMENT.

23 57. No Prior Assignments. The Parties and their counsel represent, covenant, and
24 warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported
25 to assign, transfer, or encumber to any person or entity any portion of any liability, claim,
26 demand, action, cause of action or right herein released and discharged.

27 58. Nullification of Settlement Agreement. In the event that: (i) the Court does not
28 finally approve the Settlement as provided herein; or (ii) the Settlement does not become final

1 for any other reason, then this Settlement Agreement, and any documents generated to bring it
2 into effect, will be null and void. Any order or judgment entered by the Court in furtherance of
3 this Settlement Agreement will likewise be treated as void from the beginning, it will be of no
4 force or effect whatsoever, it will not be referred to or used for any purpose whatsoever, and the
5 negotiation, terms and entry of it shall remain subject to the provisions of California Evidence
6 Code §§ 1119 and 1152.

7 Defendants deny all of the claims and allegations asserted in the Action (as defined
8 herein). Defendants have agreed to resolve this Action via this Stipulation, but to the extent this
9 Stipulation is deemed void or does not take effect, Defendants do not waive, but rather
10 expressly reserves, all rights to challenge all such claims and allegations in the Action upon all
11 procedural and factual grounds, including without limitation the ability to challenge suitability
12 for class treatment or representative adjudication on any grounds or to assert any and all
13 defenses or privileges. The Class Representative and their counsel agree that Defendants retain
14 and reserve these rights. In particular, the Class Representative and their counsel waive and
15 agree not to argue or to present any argument that Defendants would be estopped from
16 contesting class certification because it has entered into this Stipulation.

17 59. Tolerance of Opt-Outs. Defendants retain the right, in the exercise of their sole
18 discretion, to nullify the settlement within thirty (30) days after expiration of the opt out period, if
19 more than one hundred fifty (150) Class Members opt out of this settlement.

20 60. Escalator. This settlement is based on Defendants representation that there are
21 approximately 690 Class Members and approximately 40,000 employee workweeks encompassed
22 in the Class Period as of October 7, 2021. At the time of preliminary approval, if the number of
23 employee workweeks encompassed within the Class Period exceeds 40,000 by more than 12.5%,
24 then, at Defendants' election, either (a) the Gross Settlement Amount shall be increased in
25 proportion to the percentage increase in the number of workweeks encompassed in the Class
26 Period in excess of 12.5% or (b) the ending date of the Class Period shall be changed to an earlier
27 date as of which the number of employee workweeks encompassed within the Class Period does
28 not excess 40,000 by more than 12.5%.

1 61. Preliminary Approval Hearing. Plaintiff will obtain a hearing before the Court
2 to request the Preliminary Approval of the Settlement Agreement, and the entry of a
3 Preliminary Approval Order for: (i) conditional certification of the Settlement Class for
4 settlement purposes only, (ii) preliminary approval of the proposed Settlement Agreement, (iii)
5 setting a date for a Final Approval/Settlement Fairness Hearing. The Preliminary Approval
6 Order will provide for the Notice of Class Action Settlement to be sent to all Class Members as
7 specified herein. In conjunction with the Preliminary Approval hearing, Plaintiff will submit
8 this Settlement Agreement, which sets forth the terms of this Settlement, and will include the
9 proposed Notice of Class Action Settlement.

10 62. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of
11 the deadlines to postmark Requests for Exclusion or Objections to the Settlement Agreement,
12 and with the Court's permission, a Final Approval/Settlement Fairness Hearing will be
13 conducted to determine the Final Approval of the Settlement Agreement along with the
14 amounts properly payable for (i) Individual Settlement Payments; (ii) the Class Representative
15 Enhancement Payment; (iii) Attorneys' Fees and Costs; and (iv) all Settlement Administration
16 Costs. The Final Approval/Settlement Fairness Hearing will not be held earlier than thirty (30)
17 days after the Response Deadline. Class Counsel will be responsible for drafting all documents
18 necessary to obtain final approval. Class Counsel will also be responsible for drafting the
19 attorneys' fees and costs application to be heard at the final approval hearing.

20 63. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by
21 the Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present the
22 Judgment to the Court for its approval. After entry of the Judgment, the Court will have
23 continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement
24 of the terms of the Settlement, (ii) Settlement administration matters, and (iii) such post-
25 Judgment matters as may be appropriate under court rules or as set forth in this Settlement
26 Agreement.

27 64. General Release by Plaintiff. In consideration for the consideration set forth in
28 this Agreement, Plaintiff, for himself, his heirs, successors and assigns, does waive, release,

1 acquit and forever discharge the Released Parties, from any and all claims, actions, charges,
2 complaints, grievances and causes of action, of whatever nature, whether known or unknown,
3 which exist or may exist on Plaintiff's behalf as of the date of this Agreement, including but not
4 limited to any and all tort claims, contract claims, wage claims, wrongful termination claims,
5 disability claims, benefit claims, public policy claims, retaliation claims, statutory claims,
6 personal injury claims, emotional distress claims, invasion of privacy claims, defamation
7 claims, fraud claims, quantum meruit claims, and any and all claims arising under any federal,
8 state or other governmental statute, law, regulation or ordinance, including any claims arising
9 under the California Fair Employment and Housing Act (FEHA), the California Labor Code,
10 the Wage Orders of California's Industrial Welfare Commission, other state wage and hour
11 laws, the Americans with Disabilities Act, the Age Discrimination in Employment Act
12 (ADEA), the Employee Retirement Income Security Act, Title VII of the Civil Rights Act of
13 1964, the California Fair Employment and Housing Act, the California Family Rights Act, the
14 Family Medical Leave Act, California's Whistleblower Protection Act, California Business &
15 Professions Code Section 17200 et seq., and any and all claims arising under any federal, state
16 or other governmental statute, law, regulation or ordinance. Plaintiff hereby expressly waive
17 and relinquish any and all claims, rights, or benefits that they may have under California Civil
18 Code § 1542, which provides as follows:

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

26 Plaintiff may hereafter discover claims or facts in addition to, or different from, those
27 which they now know or believe to exist, but they expressly agree to fully, finally and forever
28 settle and release any and all claims against the Released Parties, known or unknown, suspected

1 or unsuspected, which exist or may exist against Released Parties at the time of execution of
2 this Agreement, including, but not limited to, any and all claims relating to or arising from
3 Plaintiff's employment with Defendants. The Parties further acknowledge, understand and
4 agree that this representation and commitment is essential to the Agreement and that this
5 Agreement would not have been entered into were it not for this representation and
6 commitment.

7 65. Release by All Settlement Class Members. Plaintiff and all Class Members who
8 do not submit a valid and timely Request for Exclusion, on behalf of himself or herself, his or
9 her heirs, descendants, dependents, executors, administrators, assigns, and successors, fully and
10 finally release and discharge the Released Parties from any and all of the Released Claims for
11 the entirety of the Class Period. This waiver and release will be final and binding on the
12 Effective Date and will have every preclusive effect permitted by law. Plaintiff and the
13 Settlement Class Members may hereafter discover facts or legal arguments in addition to or
14 different from those they now know or currently believe to be true with respect to the Released
15 Claims. Regardless, the discovery of new facts or legal arguments shall in no way limit the
16 scope or definition of the Released Claims, and by virtue of this Agreement, Plaintiff and the
17 Settlement Class Members shall be deemed to have, and by operation of the final judgment
18 approved by the Court, shall have, fully, finally, and forever settled and released all of the
19 Released Claims. The parties understand and specifically agree that the scope of the release
20 described in this Paragraph: is a material part of the consideration for this Agreement; was
21 critical in justifying the agreed upon economic value of this settlement and without it
22 Defendants would not have agreed to the consideration provided; and is narrowly drafted and
23 necessary to ensure that Defendants are obtaining peace of mind regarding the resolution of
24 claims that were or could have been alleged based on the facts, causes of action, and legal
25 theories contained in the operative complaint in the Action.

26 66. Exhibits Incorporated by Reference. The terms of this Settlement Agreement
27 include the terms set forth in any attached Exhibits, which are incorporated by reference as
28 though fully set forth herein. Any Exhibits to this Settlement Agreement are an integral part of

1 the Settlement.

2 67. Publicity Agreement. Plaintiff and Class Counsel agree not to disclose or
3 publicize the Settlement, including the fact of the Settlement, its terms or contents, and the
4 negotiations underlying the Settlement, in any manner or form, directly or indirectly, to any
5 person or entity, except potential class members and as shall be contractually required to
6 effectuate the terms of the Settlement. For the avoidance of doubt, this section means Plaintiff
7 and Class Counsel agree not to issue press releases, communicate with, or respond to any
8 media or publication entities, publish information in manner or form, whether printed or
9 electronic, on any medium or otherwise communicate, whether by print, video, recording or
10 any other medium, with any person or entity concerning the Settlement, including the fact of
11 the Settlement, its terms or contents and the negotiations underlying the Settlement, except as
12 shall be contractually required to effectuate the terms of the Settlement.

13 68. No Unalleged Claims. Except for those claims brought forth under *Melvin*
14 *Stakely, Jr., et al. v. Windsor Palms Care Center of Artesia, et al.*, Los Angeles County Superior
15 Court, Case No. 21STCV10507 to the extent they are not covered under the Released Claims,
16 Plaintiff and Class Counsel represent that they are not currently aware of any: (a) unalleged
17 claims in addition to, or different from, those which are finally and forever settled and released
18 against the Released Parties by this Settlement; and (b) unalleged facts or legal theories upon
19 which any claims or causes of action could be brought against Defendants, except such facts
20 and theories specifically alleged in the operative complaints in this Action. Plaintiff and
21 Plaintiff's Counsel will further represent that, other than the instant Action, they have no
22 current intention of asserting any other claims against Defendants in any judicial or
23 administrative forum. Plaintiff and Plaintiff's Counsel will further represent that they do not
24 currently know of or represent any persons who have expressed any interest in pursuing
25 litigation or seeking any recovery against Defendants. The Parties acknowledge, understand
26 and agree that the representations described in this paragraph are essential to the Settlement
27 Agreement and that this Settlement Agreement would not have been entered into were it not for
28 this representation.

1 69. Entire Agreement. This Settlement Agreement and any attached Exhibits
2 constitute the entirety of the Parties' settlement terms. No other prior or contemporaneous
3 written or oral agreements may be deemed binding on the Parties.

4 70. Amendment or Modification. This Settlement Agreement may be amended or
5 modified only by a written instrument signed by counsel for all Parties or their successors-in-
6 interest.

7 71. Binding on Successors and Assigns. This Settlement Agreement will be binding
8 upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously
9 defined.

10 72. California Law Governs. All terms of this Settlement Agreement and Exhibits
11 hereto will be governed by and interpreted according to the laws of the State of California.

12 73. Headings. The headings contained in this Settlement Agreement are for
13 convenience and reference purposes only and will not be given weight in its construction.

14 74. Execution and Counterparts. This Settlement Agreement is subject only to the
15 execution of all Parties. However, the Settlement may be executed in one or more counterparts.
16 All executed counterparts and each of them, including facsimile and scanned copies of the
17 signature page, will be deemed to be one and the same instrument provided that counsel for the
18 Parties will exchange among themselves original signed counterparts.

19 75. Acknowledgement that the Settlement is Fair and Reasonable. The Parties
20 believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action
21 and have arrived at this Settlement after arm's-length negotiations and in the context of
22 adversarial litigation, taking into account all relevant factors, present and potential. The Parties
23 further acknowledge that they are each represented by competent counsel and that they have
24 had an opportunity to consult with their counsel regarding the fairness and reasonableness of
25 this Settlement. In addition, the Mediator may execute a declaration supporting the Settlement
26 and the reasonableness of the Settlement and the Court may, in its discretion, contact the
27 Mediator to discuss the Settlement and whether or not the Settlement is objectively fair and
28 reasonable.

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

5 77. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate
6 to class certification for purposes of this Settlement only; except, however, that Plaintiff or
7 Class Counsel may appeal any reduction in Attorneys' Fees and Costs below the amount they
8 request from the Court, and either party may appeal any court order that materially alters the
9 Settlement Agreement's terms.

10 78. Non-Admission of Liability. The Parties enter into this Settlement to resolve the
11 dispute that has arisen between them and to avoid the burden, expense, and risk of continued
12 litigation. In entering into this Settlement, Defendants do not admit, and specifically deny, that
13 they violated any federal, state, or local law; violated any regulations or guidelines promulgated
14 pursuant to any statute or any other applicable laws, regulations or legal requirements; breached
15 any contract; violated or breached any duty; engaged in any misrepresentation or deception; or
16 engaged in any other unlawful conduct with respect to its employees. Neither this Settlement,
17 nor any of its terms or provisions, nor any of the negotiations connected with it, will be
18 construed as an admission or concession by Defendants of any such violations or failures to
19 comply with any applicable law. Except as necessary in a proceeding to enforce the terms of
20 this Settlement, this Settlement and its terms and provisions will not be offered or received as
21 evidence in any action or proceeding to establish any liability or admission on the part of
22 Defendants or to establish the existence of any condition constituting a violation of, or a non-
23 compliance with, federal, state, local or other applicable law.

24 The Parties understand and acknowledge that this Settlement Agreement constitutes a
25 compromise and settlement of disputed claims. No action taken by the Parties whether
26 previously or in connection with the negotiations or proceedings connected with the Settlement
27 or this Agreement shall be deemed or construed to be an admission of the truth or falsity of any
28 allegations, claims, or defenses heretofore made, or an acknowledgment or admission by any

1 party of any fact, fault, liability, or wrongdoing of any kind whatsoever.

2 Neither the Settlement, nor any act performed or document executed pursuant to or in
3 furtherance of the Settlement: (a) is or may be deemed to be, or may be used as, an admission
4 of, or evidence of, the validity of any claim made by the Plaintiff or Class Members, or of any
5 wrongdoing or liability of the Released Parties; or (b) is or may be deemed to be, or may be
6 used as, an admission of, or evidence of, any fault or omission of any of the Released Parties, in
7 the Action or in any proceeding in any court, administrative agency or other tribunal; or
8 construed as an admission by Plaintiff regarding the validity of any allegation or claim asserted
9 in this Action or that Plaintiff has waived any allegation or claim asserted in the Action.

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

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

20 81. Representation By Counsel. The Parties acknowledge that they have been
21 represented by counsel throughout all negotiations that preceded the execution of this
22 Settlement, and that this Settlement has been executed with the consent and advice of counsel.
23 Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the
24 Settlement Agreement.

25 82. All Terms Subject to Final Court Approval. All amounts and procedures
26 described in this Settlement Agreement herein will be subject to final Court approval.

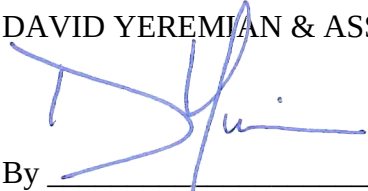
27 83. Cooperation and Execution of Necessary Documents. All Parties will cooperate
28 in good faith and execute all documents to the extent reasonably necessary to effectuate the

terms of this Settlement Agreement.

84. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Settlement will be fully enforceable and binding on all parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

SO AGREED AND STIPULATED.

DATED: November 8, 2021

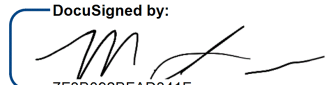
DAVID YEREMIAN & ASSOCIATES, INC.

By _____
David Yeremian
Natalie Haritoonian
Attorneys for Plaintiff MELVIN
STAKELY, JR and all others similarly situated

DATED: November __, 2021

DE CASTRO LAW GROUP, P.C.

By _____
Jose-Manuel A. de Castro
David G. Larmore
Lori V. Minassian
Attorneys for Defendants WINDSOR PALMS
CARE CENTER OF ARTESIA, WINDSOR
TWIN PALMS HEALTHCARE CENTER,
LLC, and MODERN HERO, INC.

DATED: November 2, 2021

DocuSigned by:

By _____
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Plaintiff Melvin Stakely, Jr.

1 terms of this Settlement Agreement.

2 84. Binding Agreement. The Parties warrant that they understand and have full
3 authority to enter into this Settlement, and further intend that this Settlement will be fully
4 enforceable and binding on all parties, and agree that it will be admissible and subject to
5 disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality
6 provisions that otherwise might apply under federal or state law.

7 **SO AGREED AND STIPULATED.**

8
9 DATED: November __, 2021

DAVID YEREMIAN & ASSOCIATES, INC.

10
11 By _____
12 David Yeremian
13 Natalie Haritonian
14 Attorneys for Plaintiff MELVIN
15 STAKELY, JR and all others similarly situated

16 DATED: November 3, 2021

DE CASTRO LAW GROUP, P.C.

17
18 
19 By _____
20 Jose-Manuel A. de Castro
21 David G. Larmore
22 Lori V. Minassian
23 Attorneys for Defendants WINDSOR PALMS
24 CARE CENTER OF ARTESIA, WINDSOR
25 TWIN PALMS HEALTHCARE CENTER,
26 LLC, and MODERN HERO, INC.

27 DATED: November __, 2021

28 By _____
Plaintiff Melvin Stakely, Jr.

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DATED: November 3, 2021

WINDSOR PALMS CARE CENTER OF
ARTESIA, WINDSOR TWIN PALMS
HEALTHCARE CENTER, LLC, and
MODERN HERO, INC.

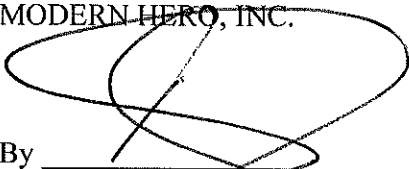
By 
Name: _____
Title: General Counsel

EXHIBIT A

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

Melvin Stakely, Jr., et al. vs. Windsor Palms Care Center of Artesia, et al., Case No. 21STCV10507

As a current or former non-exempt employee of Windsor Palms Care Center of Artesia, Windsor Twin Palms Healthcare Center, LLC, and Modern Hero, Inc. who worked in California, you may be entitled to receive money from a class action settlement.

Admin ID: <<Admin ID>>

<<Name>>

<<Address1>>

<<Address2>>

<<City>>, <<State>> <<Zip Code>>

Please provide current address (if different) here:

The Los Angeles County Superior Court has authorized this Class Notice. This is not a solicitation from a lawyer.

IF YOU ARE A CURRENT OR FORMER NON-EXEMPT EMPLOYEE OF WINDSOR PALMS CARE CENTER OF ARTESIA, WINDSOR TWIM PALMS HEALTHCARE CENTER, LLC, AND MODERN HERO, INC. WHO WORKED IN CALIFORNIA AT ANY TIME SINCE MARCH 17, 2017, YOU MAY BE ENTITLED TO RECEIVE MONEY FROM A CLASS ACTION SETTLEMENT.

- A proposed settlement of \$365,000.00 (the “Gross Settlement Amount”) will be used to pay claims to: current and former non-exempt employees of Windsor Palms Care Center of Artesia, Windsor Twin Palms Healthcare Center, LLC, and Modern Hero, Inc. who worked in California from March 17, 2017 through the date the Court grants preliminary approval of this settlement, or an earlier date as of which the total number of employee workweeks covered by the settlement reaches an agreed-upon maximum (such periods of time, the “Class Period” and such employees, the “Class Members”).
- The settlement resolves a lawsuit entitled *Melvin Stakely Jr., et al. vs. Windsor Palms Care Center of Artesia., et al.*, Case No. 21STCV10507 (the “Lawsuit”) over whether Windsor Palms Care Center of Artesia, Windsor Twin Palms Healthcare Center, LLC, and Modern Hero, Inc. properly paid employees for all hours worked, provided employees meal and rest periods, and other legal consequences that would follow from not doing so, provided accurate wage statements, paid all wages upon termination, timely paid all wages, and kept required payroll records. This settlement avoids the costs and risks from continuing the Lawsuit, pays money to persons like you, and releases Windsor Palms Care Center of Artesia, Windsor Twin Palms Healthcare Center, LLC, and Modern Hero, Inc.
- The Court has not made a determination of the validity of the claims in the Lawsuit. Windsor Palms Care Center of Artesia, Windsor Twin Palms Healthcare Center, LLC, and Modern Hero, Inc. deny any and all liability arising from any of the claims and contends that at all relevant times it properly compensated all employees and fully complied with all applicable laws.
- Class Members will receive a payment based on the number of workweeks worked, rounded up to the nearest full workweek, during the Class Period.
- **PLEASE READ THIS CLASS NOTICE CAREFULLY. YOUR LEGAL RIGHTS ARE AFFECTED BY IT.**

You worked a total number of <<Work Weeks>> during the Class Period.

Based on your workweeks it is expected that your gross settlement payment before payroll taxes is approximately <<EstISP>>

Each settlement payment will be allocated as follows for tax purposes: ten percent as wages, to be reported on an IRS W-2, and which will be reduced for the Class Member's share of taxes and withholdings; and ninety percent as interest, penalties, and liquidated damages, which portion shall be reported on an IRS Form 1099, and which will not be subject to reduction for taxes and withholdings.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

DO NOTHING	If you do not do anything, you will receive a payment and give up your legal rights to pursue claims released by the settlement of the Lawsuit. If the Court grants final approval of the Settlement, the Administrator will mail your check to the address on file for you. You will have 180 days to cash the check. If you do not cash the check, the money will revert to the State of California Controller Unclaimed Property Fund, but you will still be deemed to have released your claims.
OPT OUT	If you opt out, you will not receive any payment and will retain your legal rights to pursue claims that would otherwise be released by the settlement of the Lawsuit. You may opt out by following the procedures set forth below.
OBJECT TO THE SETTLEMENT	If you do not opt out, you may write to the Settlement Administrator, CPT Group, Inc., about why you do not like the settlement and they will forward your concerns to counsel which will then be provided to the Court. You may object by following the procedures set forth below.
OBJECT TO THE WORKWEEK CALCULATION	If you believe that you worked a different amount of workweeks than identified above, you may object to that calculation by following the procedures set forth below.
ATTEND A HEARING	You have the right to attend a fairness hearing that will be conducted by the Court, but you are not required to attend. Regardless of whether you timely file and serve a written objection, you may ask to speak about your objection at the hearing. You can also send a letter to the Settlement Administrator, CPT Group, Inc., providing notice of your intention to appear and speak at the hearing.

IMPORTANT INFORMATION ABOUT THE PROPOSED SETTLEMENT

1. Why did I get this Class Notice?

You were sent this Class Notice because you have a right to know about the proposed settlement in the Lawsuit and about all of your options before the Court rules on whether to finally approve the settlement. If the Court approves the settlement, and after any objections and appeals are resolved, a "Settlement Administrator" appointed by the Court will make the payments that the settlement allows. This Class Notice explains the Lawsuit, the proposed settlement, your legal rights, and what benefits are available and how to receive them.

The Court in charge of this case is the Los Angeles County Superior Court. The person who sued is called "Plaintiff" and the organizations they sued are called "Defendants."

2. What is the Lawsuit about?

The Representative Plaintiff, Melvin Stakely Jr., sued Windsor Palms Care Center of Artesia, Windsor Twin Palms Healthcare Center, LLC, and Modern Hero, Inc., regarding allegations that they violated of the California Labor Code, the California Business and Professions Code, including causes of action for: (1) Failure to Pay Minimum Wages; (2) Failure to Pay Wages and Overtime Under Labor Code § 510; (3) Meal Period Liability Under Labor Code § 226.7; (4) Rest-Break Liability Under Labor Code § 226.7; (5) Violation of Labor Code § 226(a); (6) Violation of Labor Code § 203; (7) Violation of Labor Code § 204; (8) Failure to Keep Required Payroll Records Under Labor Code §§ 1174 and 1174.5; (9) Violation of Business & Professions Code § 17200, *et seq.*; and (10) Penalties Pursuant to Labor Code § 2698, *et seq.*

3. Why is there a settlement?

The parties disagree on the probable outcome of the case with respect to liability, damages, and how much money could be recovered if the Representative Plaintiff won at trial. There has been no trial in this case and the Court has not decided in favor of the Representative Plaintiff or Windsor Palms Care Center of Artesia, Windsor Twin Palms Healthcare Center, LLC, and Modern Hero, Inc. Instead, both sides recognize the risks, expenses, and disruption associated with continued litigation and they have therefore chosen to resolve their differences by entering into a settlement. By doing so, the parties can avoid the cost of a trial. The parties entered into this settlement after arms-length negotiations while using the services of an experienced and neutral mediator. The Representative Plaintiff and Class Counsel believe that the proposed settlement is fair and reasonable and is in the best interest of the Class Members.

4. What should I do?

You can do nothing, and if you are entitled to a payment you will be paid. Be mindful, however, that if this Class Notice reaches you and the address where you now live is different, you need to contact the Settlement Administrator and provide updated information so that any future correspondence or the settlement check itself reaches you and is not returned as an address unknown.

5. How much will my payment be?

After all fees, costs, and offsets are taken as set forth under Section IV of the parties' Joint Stipulation of Class Settlement (which is available for review), the remainder will be used to pay Class Members a pro-rata payment based on the number of workweeks each Class Member worked during the Class Period.

Under the proposed Settlement, Windsor Palms Care Center of Artesia, Windsor Twin Palms Healthcare Center, LLC, and Modern Hero, Inc. will pay \$365,000 to fully and finally resolve all claims in the Action (the "Gross Settlement Amount"). The amount to be distributed to Class Members who do not exclude themselves from the settlement (the "Net Settlement Amount") will be the Gross Settlement Amount, minus the following amounts: (a) Settlement Administration Costs, which shall not exceed \$11,500; (b) enhancement payments to the Plaintiff not to exceed \$5,000 for her work and efforts in prosecuting this case; (c) Class Counsel's attorney's fees not to exceed one-third of the Gross Settlement Amount, or \$121,666.67; (d) reimbursement of Class Counsel's actual litigation costs and expenses in an amount not to exceed \$17,000; and (e) payment of \$7,500 to the Labor and Workforce Development Agency for its share of the penalties under the PAGA ("LWDA Payment"). The attorneys' fees, litigation costs and expenses, enhancement payment, Settlement Administration Costs, and LWDA Payment are all subject to Court approval. The Net Settlement Amount will be used to pay Class Members a pro-rata payment based on the number of workweeks each Class Member worked during the Class Period.

If you do not dispute your workweek calculation, and do not opt out of the settlement, you will be bound by the settlement and receive a settlement payment. **In other words, you do not need to take any action to receive a settlement payment.**

6. When would I get my payment?

The Court will hold a hearing on **[ENTER DATE AND TIME]** to decide whether to approve the proposed settlement. If the Court approves the settlement and anyone objects, there may be appeals. It is always uncertain when these objections and appeals can be resolved, and resolving them can take time. To check on the progress of the settlement, call the Settlement Administrator at **1-XX-XXX-XXXX**, or contact Class Counsel (see below for Class Counsel's contact information.). *Please be patient.*

7. What am I releasing?

Upon the Court's final approval of the settlement, and except as to such rights or claims as may be created by the settlement, Plaintiffs and Class Members who have not effectively opted-out of the settlement as described below, fully release Rapid Manufacturing, and their past, present and/or future, direct and/or indirect, officers, directors, shareholder, employees, agents, principals, heirs, representatives, accountants, auditors, attorneys, consultants, insurers, and their respective successors; and predecessors in interest, assigns, subsidiaries, affiliates, and parents if any, without limitation ("Released Parties") of all causes of action and factual or legal theories that were alleged in the operative complaints or that could have been alleged against Defendant based on the facts contained in the operative complaints, including all of the following claims for relief: (a) failure to pay minimum, regular, or hourly wages, (b) failure to pay overtime wages or accurate overtime wages, (c) failure to provide meal breaks and failure to pay premium pay for missed meal breaks, (d) failure to provide rest breaks and failure to pay premium pay for missed rest breaks, (e) failure to provide complete, accurate or properly formatted wage statements, (f) failure to timely pay wages during employment or upon separation, (g) failure to maintain accurate records, (h) unfair business practices that could have been premised on the claims, causes of action or legal theories of relief described above or any of the claims, causes of action or legal theories of relief pleaded in the operative complaint; (i) all claims under the California Labor Code Private Attorneys General Act of 2004 that could have been premised on the claims, causes of action or legal theories described above or any of the claims, causes of action or legal theories of relief pleaded in the operative complaint; (j) any other claims or penalties under the California Labor Code or other wage and hour laws pleaded in the Action; and (k) all damages, penalties, interest and other amounts recoverable under said claims, causes of action or legal theories of relief. The time period covered by this release March 17, 2017 through the date the Court grants preliminary approval of this settlement (or an earlier date as of which the the total number of employee workweeks covered by the settlement reaches an agreed-upon maximum).

8. How can I opt out of this settlement?

You can opt out of this settlement and retain your rights. You will have 45 days from the date of mailing of this Class Notice to opt out of this settlement. To do so, you must fill out the Request for Exclusion Form with your name, address, and signature. You must sign and return the Request for Exclusion Form and it must be mailed to the Settlement Administrator, CPT Group, Inc., _____, California _____ and be postmarked no later than **[ENTER DATE]**, or it will not be considered and you will be bound by the settlement.

9. Do I have a lawyer in this case?

The Court has appointed David Yeremian of DAVID YEREMIAN & ASSOCIATES, INC., 535 N. Brand Blvd., Suite 705, Glendale, California 91203, telephone 818-230-8380 and Walter Haines of UNITED EMPLOYEES LAW GROUP, P.C., 5500 Bolsa Ave. Suite 201, Huntington Beach, California 92649, telephone 310-652-2242 to represent you and other Class Members in the Lawsuit. These lawyers are called Class Counsel. They will be compensated

from the Total Settlement Amount as discussed in this Class Notice. If you want to be represented by your own lawyer, you may hire one at your own expense.

10. How will the lawyers be paid?

Class Counsel will ask the Court to award them fees up to one-third of the Gross Settlement Amount. Class Counsel will also ask the Court to award them costs incurred in connection with the Lawsuit. The Court may choose to award less than the amount requested by Class Counsel.

11. How do I tell the Court that I do not like the settlement?

You can ask the Court to deny approval by filing an objection. You cannot ask the Court to order a larger settlement; the Court can only approve or deny the settlement. If the Court denies the settlement, no settlement payments will be sent out and the Lawsuit will continue. If that is what you want to happen, you must object.

You may object to the proposed settlement in writing. You will have 45 days from the date of mailing of this Class Notice to object to this settlement in writing. To do so, you must fill out the Objection Form with your name, address, and signature. You must also state your reasons for objecting to the settlement. You must sign and return the Objection Form and it must be mailed out to the Settlement Administrator, CPT Group, Inc., _____, California _____, and be filed or postmarked on or before **[ENTER DATE]**. You may also appear at the Final Approval Hearing, either in person or through your own attorney. If you appear through your own attorney, you are responsible for paying that attorney.

12. How do I dispute my workweek calculation?

To the extent you would like to dispute your employment dates or the number of workweeks with which you have been credited, you must mail the Dispute Form to the Settlement Administrator, CPT Group, Inc., _____, California _____, and postmarked on or before **[ENTER DATE]**. You may produce evidence to the Settlement Administrator showing that such information is inaccurate. Windsor Palms Care Center of Artesia, Windsor Twin Palms Healthcare Center, LLC, and Modern Hero, Inc. may respond with any additional information or records. The Settlement Administrator may rely on Windsor Palms Care Center of Artesia, Windsor Twin Palms Healthcare Center, LLC, and Modern Hero, Inc.'s records without further foundation to perform its calculus but must give fair weight to records provided by you. The Settlement Administrator will make a recommendation and you may either accept it or reject it.

13. When and where will the Court decide whether to approve the settlement?

The Court will hold a fairness hearing on **[ENTER DATE AND TIME]** at the Los Angeles County Superior Court, Department 12, 312 North Spring Street, Los Angeles, California 90012. At this hearing, the Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections and they have been properly lodged, the Court will consider them. The Court will also listen to people who have asked to speak at the hearing. The Court may also decide how much to pay to Class Counsel. At or after the hearing, the Court will decide whether to approve the settlement. We do not know how long this decision will take.

14. Do I have to come to the hearing?

No. Class Counsel will answer any questions that the Court may have. But, you are welcome to come at your own expense. If you sent an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not required.

15. May I speak at the hearing?

You may ask the Court for permission to speak at the fairness hearing. To do so, you must send a letter stating that it is your "Notice of Intention to Appear" in the settlement. Be sure to include your name, address, and telephone number. Your Notice of Intention to Appear must be postmarked no later than **[ENTER DATE]**, and be sent to the Settlement Administrator, CPT Group, Inc., at the address listed above.

16. What happens if I do nothing at all?

You will participate in the settlement and receive payment. You will be bound by the release as set forth herein.

GETTING MORE INFORMATION

This Class Notice summarizes the proposed settlement. You may call or contact Class Counsel or the Settlement Administrator if you would like more information about the case. You may call **1-XXX-XXX-XXXX** or write the Settlement Administrator, CPT Group, Inc., located at _____, California _____.

You can also access the Los Angeles Superior Court Case Information Portal at <http://www.lacourt.org/casesummary/Ui/index.aspx>, or by visiting the Clerk's Office at the Los Angeles County Superior Court, located 312 North Spring Street, Los Angeles, California 90012, between 8:30 a.m. and 4:30 p.m., Monday through Friday, excluding Court holidays.

The Settlement Administrator has also setup a website which has links to this Class Notice and other documents related to the proposed settlement, including the Joint Stipulation of Class Settlement. The website is: **[ENTER WEBSITE URL]**.

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

EXHIBIT B

OBJECTION FORM

MELVIN STAKELY JR. vs. WINDSOR PALMS CARE CENTER OF ARTESIA, ET AL.
Los Angeles County Superior Court, Case No. 21STCV1050720

**TO OBJECT TO THE SETTLEMENT, YOU MUST FILL OUT, SIGN, AND RETURN
THIS FORM, POSTMARKED ON OR BEFORE **INSERT DATE**, 2021, TO CPT
GROUP, INC. AT **INSERT ADDRESS**].**

IDENTIFYING INFORMATION

Please verify and/or complete any missing identifying information:

[NAME] Former Names (if any):
[ADDRESS LINE 1] _____
[ADDRESS LINE 2] _____
[TELEPHONE NUMBER] _____

**THIS FORM IS TO BE USED ONLY IF YOU WANT TO OBJECT TO THE PROPOSED
SETTLEMENT.**

I object to the settlement for the following reasons:

(Attach additional pages if necessary.)

Signed on _____, 2021

Signature: _____

EXHIBIT C

REQUEST FOR EXCLUSION FORM

MELVIN STAKELY JR. vs. WINDSOR PALMS CARE CENTER OF ARTESIA, ET AL.
Los Angeles County Superior Court, Case No. 21STCV1050720

**TO EXCLUDE YOURSELF FROM THE SETTLEMENT, YOU MUST SIGN AND
RETURN THIS FORM, POSTMARKED ON OR BEFORE **INSERT DATE**, 2021, TO
CPT GROUP, INC. AT **INSERT ADDRESS**.**

IDENTIFYING INFORMATION

Please verify and/or complete any missing identifying information:

[NAME] Former Names (if any):
[ADDRESS LINE 1] _____
[ADDRESS LINE 2] _____
[TELEPHONE NUMBER] _____

**THIS FORM IS TO BE USED ONLY IF YOU DO NOT WANT TO PARTICIPATE IN THE
PROPOSED SETTLEMENT. IF YOU WANT TO RECEIVE A SETTLEMENT PAYMENT, DO
NOT SUBMIT THIS FORM.**

**[] By checking the box to the left, and signing and completing the below, I agree to the following:
I do not want to participate in the settlement in *Melvin Stakely Jr. vs. Windsor Palms Care Center of
Artesia, et al.*, Los Angeles County Superior Court, Case No. 21STCV10507. I understand by not
participating and excluding myself from the settlement, that I will not receive any money from the
settlement.**

Executed on _____, 2021

Signature: _____

EXHIBIT D

DISPUTE FORM

MELVIN STAKELY JR. vs. WINDSOR PALMS CARE CENTER OF ARTESIA, ET AL.
Los Angeles County Superior Court, Case No. 21STCV1050720

IDENTIFYING INFORMATION

Please verify and/or complete any missing identifying information:

[NAME] _____ Former Names (if any): _____
[ADDRESS LINE 1] _____
[ADDRESS LINE 2] _____
[TELEPHONE NUMBER] _____

Your estimated settlement amount (shown below) is based on your workweeks worked during the Class Period. Your estimated settlement amount is a proportion of the total number of workweeks worked by all Class Members.

Class Period:	Covered Period Start Date – Covered Period End Date
Workweeks	«Workweeks»
Estimated Settlement Amount:	«Estimated Amount»

Your actual settlement amount may be higher or lower based on the number of Class Members who opt-out, the Court's rulings related to fees, costs, incentive payments, and other factors. Unless you believe that any information above is inaccurate, you do not need to do anything to receive your settlement amount.

DO NOT fill out the portion below or return this form UNLESS you believe any of the information above is NOT accurate or your address is incorrect. If you would like to dispute the above information, please sign and date the below, and mail it to the Settlement Administrator along with supporting evidence or information on or before **Response Date**.

OPTION TO DISPUTE

☐ I wish to dispute the number of workweeks I worked in the Class Period. I believe that I worked _____ workweeks for Windsor Palms Care Center of Artesia, et al. (or its predecessors) during the Class Period. I have enclosed documentation substantiating my dispute. I understand that by submitting this dispute, the Settlement Administrator will review the Defendant's records and make a determination based on those records and the records I submit.

Sign your name here

Date

Print your name here

Date

YOU MUST MAIL THIS DISPUTE FORM BY _____, 2021 TO THE FOLLOWING ADDRESS OR FAX:

c/o CPT Group, Inc.
