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Attorneys for Plaintiff JANENE CARACAUS

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN DIEGO

JANENE CARACAUS, an individual, on
behalf of herself, and on behalf of all persons
similarly situated,

Plaintiff,

vs.

DANNY'S HOME HEALTHCARE, INC., a
California Corporation; and DOES 1-50,
Inclusive,

Defendants.

Case No. 37-2022-00020531-CU-OE-CTL

**[PROPOSED] ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS
AND PAGA ACTION SETTLEMENT**

Date: November 1, 2024

Time: 9:00am

Judge: Hon. James A. Mangione

Department: C-75

Trial Date: N/A

Action Filed: May 31, 2022

1 **TO ALL PARTIES AND THEIR RESPECTIVE COUNSEL OF RECORD:**

2 This matter having come before the Honorable James A. Mangione of the Superior Court of the
3 State of California, in and for the County of San Diego, at 9:00 a.m. on November 1, 2024, with the
4 attorneys from the JCL Law Firm, APC and Zakay Law Group, APLC as counsel for Plaintiff JANENE
5 CARACAUS (“Plaintiff”), and counsel from Akerman, LLP, appearing for Defendant DANNY’S
6 HOME HEALTHCARE, INC. The Court, having carefully considered the briefs, argument of counsel
7 and all the matters presented to the Court, and good cause appearing, hereby GRANTS Plaintiff’s
8 Motion for Preliminary Approval of Class and PAGA Action Settlement.

9 **IT IS HEREBY ORDERED:**

10 1. The Court preliminarily approves the Stipulation of Settlement of Class and PAGA Action
11 Claims and Release of Claims (“Settlement Agreement” or “Agreement”) a true and correct copy of
12 which is attached hereto as **Exhibit “1”**. This is based on the Court’s determination that the Settlement
13 Agreement is within the range of possible final approval, pursuant to the provisions of Section 382 of
14 the California Code of Civil Procedure and California Rules of Court, rule 3.769.

15 2. This Order incorporates by reference the definitions in the Agreement, and all terms
16 defined therein shall have the same meaning in this Order as set forth in the Agreement.

17 3. Subject to the terms of the Settlement Agreement, the Gross Settlement Amount that
18 Defendant shall pay is \$265,000.00. It appears to the Court on a preliminary basis that the settlement
19 amount and terms are fair, adequate, and reasonable as to all potential Class Members when balanced
20 against the probable outcome of further litigation relating to certification, liability, and damages issues.
21 It further appears that investigation and research have been conducted such that counsel for the Parties
22 are able to reasonably evaluate their respective positions. It further appears to the Court that settlement
23 at this time will avoid substantial additional costs by all Parties, as well as avoid the delay and risks that
24 would be presented by the further prosecution of the litigation. It further appears that the Settlement has
25 been reached as the result of intensive, serious, and non-collusive arms-length negotiations.

26 4. The Court preliminarily finds that the Settlement appears to be within the range of
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1 reasonableness of a settlement that could ultimately be given final approval by this Court. The Court has
2 reviewed the monetary recovery that is being granted as part of the Settlement and preliminarily finds
3 that the monetary settlement awards made available to the Class Members are fair, adequate, and
4 reasonable when balanced against the probable outcome of further litigation relating to certification,
5 liability, and damages issues.

6 5. The Agreement specifies for Attorneys' Fees awarded to Class Counsel in the amount of
7 up-to one-third of the Gross Settlement Amount for attorneys' fees, currently estimated to be \$88,333.33
8 **and** an award of Attorneys' Expenses up to \$25,000.00, and proposed Service Award to the Class
9 Representative, Janene Caracaus, in an amount not to exceed \$10,000.00. While these awards appear to
10 be within the range of reasonableness, the Court will not approve the Attorneys' Fees, Attorneys'
11 Expenses, or the Service Award, until the Final Approval Hearing. Class Counsel and the Class
12 Representative will be required to present evidence supporting these requests, including lodestar, prior
13 to final approval.
14

15 6. The Court recognizes that Plaintiff and Defendant stipulate and agree to certification of a
16 class for settlement purposes only. This stipulation will not be deemed admissible in this, or any other
17 proceeding should this Settlement not become final. For settlement purposes only, the Court
18 conditionally certifies the following Class:

19 All non-exempt employees who are or previously were employed by
20 Danny's Home Health Care, Inc., and performed worked in California
21 during the period between May 31, 2018, to August 1, 2024

22 7. The Court concludes that, for settlement purposes only, the Class meets the requirements
23 for certification under section 382 of the California Code of Civil Procedure in that: (a) the Class
24 Members are ascertainable and so numerous that joinder of all members of the Class Members is
25 impracticable; (b) common questions of law and fact predominate, and there is a well-defined
26 community of interest amongst the Class Members with respect to the subject matter of the litigation;
27 (c) the claims of the Class Representative are typical of the claims of the Class Members; (d) the Class
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1 Representative will fairly and adequately protect the interests of the Class Members; (e) a class action
2 is superior to other available methods for the efficient adjudication of this controversy; and (f) Class
3 Counsel are qualified to act as counsel for the Class Representative in her individual capacity and as the
4 representative of the Class Members.

5 8. The Court provisionally appoints Plaintiff Janene Caracaus as the representative of the
6 Class Members.

7 9. The Court provisionally appoints the attorneys of the JCL LAW FIRM, APC, and of
8 ZAKAY LAW GROUP, APLC, as Class Counsel for the Class Members.

9 10. The Court hereby approves, as to form and content, the proposed Notice Packet attached
10 to the Agreement as **Exhibit “A”**. The Court finds that the Notice Packet appears to fully, and accurately
11 inform the Class Members of all material elements of the proposed Settlement, including Class
12 Members’ right to be excluded from the Class by submitting a written request for exclusion, and of each
13 Class Member’s right and opportunity to object to the Settlement. The Court further finds that the
14 distribution of the Notice Packet substantially in the manner and form set forth in the Agreement and
15 this Order meets the requirements of due process, is the most reasonable notice under the circumstances,
16 and shall constitute due and sufficient notice to all persons entitled thereto. The Court orders the mailing
17 of the Notice Packet by first class mail, pursuant to the terms set forth in the Agreement.
18

19 11. The Court hereby appoints Apex Class Action LLC as the Settlement Administrator. No
20 later than 15 business days of this order, Defendant shall provide to the Settlement Administrator the
21 Class Data, including information regarding Class Members that Defendant will in good faith compile
22 from their records, including each Settlement Class Member’s full name; last known address; Social
23 Security Number; start dates and end dates of employment. No later than twenty-one (21) calendar days
24 after the entry of this order, the Settlement Administrator shall mail the Notice Packet to all identified,
25 potential Class Members via first class U.S. Mail using the most current mailing address information
26 available.

27 12. The Court hereby preliminarily approves the proposed procedure for exclusion from the
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1 Settlement of the Released Claims. Any Class Member may individually choose to opt out of and be
2 excluded from the Settlement of the Released Claims as provided in the Notice Packet by following the
3 instructions for requesting exclusion from the Settlement of the Released Claims that are set forth in the
4 Notice. All requests for exclusion must be postmarked or received by the Response Deadline which is
5 forty-five (45) calendar days after the date the Notice Packet is mailed to the Class Members or, in the
6 case of a re-mailed Notice, not more than fifteen (15) calendar days after the original Response Deadline.
7 Any such person who chooses to opt out of and be excluded from the Settlement of the Released Claims
8 will not be entitled to an Individual Settlement Payment under the Settlement and will not be bound by
9 the Settlement, or have any right to object, appeal or comment thereon. Class Members who have not
10 requested exclusion shall be bound by all determinations of the Court, the Agreement and Judgment. A
11 request for exclusion may only opt out that particular individual, and any attempt to affect an opt-out of
12 a group, class, or subclass of individuals is not permitted and will be deemed invalid.

13
14 13. Any Class Member who has not opted out may appear at the final approval hearing and
15 may object or express the Class Member's views regarding the Settlement and may present evidence and
16 file briefs or other papers that may be proper and relevant to the issues to be heard and determined by
17 the Court as provided in the Notice. Class Members will have forty-five (45) days from the date the
18 Settlement Administrator mails the Notice Packets to postmark their written objections to the Settlement
19 Administrator.

20 14. A final approval hearing shall be held before this Court on _____at
21 _____AM in Department C-75 of the San Diego County Superior Court to determine all necessary
22 matters concerning the Settlement, including: whether the proposed settlement of the Action on the
23 terms and conditions provided for in the Agreement is fair, adequate and reasonable and should be finally
24 approved by the Court; whether an Order Granting Final Approval should be entered herein; whether
25 the plan of allocation contained in the Agreement should be approved as fair, adequate and reasonable
26 to the Class Members; and to finally approve the Attorneys' Fees, Attorneys' Expenses, Service Award,
27 the PAGA Payment, and the Claims Administration Expenses. All papers in support of the motion for
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1 final approval and the motion for Attorneys' Fees, Attorneys' Expenses and Service Award shall be
2 filed with the Court and served on all counsel no later than sixteen (16) court days before the hearing.

3 15. Neither the Settlement nor any exhibit, document, or instrument delivered thereunder shall
4 be construed as a concession or admission by Defendant in any way, and shall not be used as evidence
5 of, or used against Defendant as, an admission or indication in any way, including with respect to any
6 claim of any liability, wrongdoing, fault or omission by Defendant or with respect to the truth of any
7 allegation asserted by any person. Whether or not the Settlement is finally approved, neither the
8 Settlement, nor any exhibit, document, statement, proceeding or conduct related to the Settlement, nor
9 any reports or accounts thereof, shall in any event be construed as, offered or admitted in evidence as,
10 received as or deemed to be evidence for any purpose adverse to the Defendant, including, but not
11 limited to, evidence of a presumption, concession, indication or admission by Defendant of any liability,
12 fault, wrongdoing, omission, concession or damage.

13
14 16. In the event the Settlement does not become effective in accordance with the terms of the
15 Agreement, or the Settlement is not finally approved, or is terminated, canceled, or fails to become
16 effective for any reason, this Order shall be rendered null and void and shall be vacated, and the Parties
17 shall revert to their respective positions as of before entering into the Agreement. In such an event, the
18 Court's orders regarding the Settlement, including this Preliminary Approval Order, shall not be used,
19 or referred to in litigation for any purpose. Nothing in this paragraph is intended to alter the terms of the
20 Settlement Agreement with respect to the effect of the Settlement Agreement if it is not approved.

21 17. The Court reserves the right to adjourn or continue the date of the final approval hearing
22 and all dates provided for in the Agreement without further notice to Class Members and retains
23 jurisdiction to consider all further applications arising out of or connected with the proposed Settlement.

24
25 IT IS SO ORDERED.

26 Dated: _____

27 JUDGE OF THE SUPERIOR COURT
28

EXHIBIT 1

1 **JCL LAW FIRM, APC**

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19 Attorneys for Plaintiff
20 JANENE CARACAUS

21 *[Additional Parties on Next Page]*

22 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

23 **IN AND FOR THE COUNTY OF SAN DIEGO**

24 JANENE CARACAUS, an individual, on
25 behalf of herself and on behalf of all persons
26 similarly situated,

27 Plaintiff,

28 v.

DANNY'S HOME HEALTH CARE INC., a
California Corporation; and DOES 1 through
50, Inclusive,

Defendants.

Case No.: 37-2022-00020531-CU-OE-CTL

[Action Filed May 31, 2022]

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

AKERMAN LLP

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Attorneys for Defendant

DANNY'S HOME HEALTH CARE, INC.

1 This Stipulation of Settlement of Class and PAGA Action and Release of Claims is entered
2 into by Plaintiff JANENE J. CARACAUS (“Plaintiff”), on behalf of herself and the Settlement Class,
3 and in her individual and representative capacity on behalf of the State of California and the
4 Aggrieved Employees, and Defendant DANNY’S HOME HEALTH CARE INC., a California
5 corporation (“Defendant”):

6 **I. DEFINITIONS**

- 7 A. “Action” shall mean the putative class action lawsuit designated *Caracaus v. Danny’s*
8 *Home Health Care, Inc.*, San Diego County Superior Court, Case No. 37-2022-
9 00020531-CU-OE-CTL, filed May 31, 2022.
- 10 B. “Administration Costs” shall mean the amount paid to the Settlement Administrator
11 from the Gross Settlement Amount for administering the Settlement pursuant to this
12 Agreement currently estimated not to exceed Five Thousand Four Hundred and
13 Ninety Dollars and Zero Cents (\$5,490.00).
- 14 C. “Aggrieved Employees” means all non-exempt employees who are or previously
15 were employed by Defendant and performed work in California during the period of
16 March 25, 2021, to August 1, 2024, (the “PAGA Period”).
- 17 D. “Agreement” or “Settlement Agreement” means this Stipulation of Settlement of
18 Class and PAGA Action and Release of Claims.
- 19 E. “Attorneys’ Expenses” means the award of expenses that the Court authorizes to be
20 paid to Class Counsel for the expenses they have incurred of up to Twenty-Five
21 Thousand Dollars and Zero Cents (\$25,000.00).
- 22 F. “Attorneys’ Fees” means the award of fees that the Court authorizes to be paid to
23 Class Counsel for the services they have rendered to Plaintiff and the Settlement
24 Class in the Action, currently not to exceed one-third of the Gross Settlement
25 Amount currently estimated to be Eighty Eight Thousand Three Hundred and Thirty
26 Three Dollars and Thirty Three Cents (\$88,333.33) out of Two Hundred Sixty Five
27 Thousand Dollars and Zero Cents (\$265,000.00). Attorneys’ fees will be divided
28 equally between Class Counsel as follows (50% to JCL Law Firm, APC, and 50%
to Zakay Law Group, APLC).

- 1 G. "Class Counsel" shall mean Jean-Claude Lapuyade, Esq. of JCL Law Firm, APC and
2 Shani Zakay of Zakay Law Group, APLC.
- 3 H. "Class Data" means information regarding Class Members currently in Defendant's
4 possession. It shall be formatted as a Microsoft Excel spreadsheet and shall include:
5 each Class Member's last known full name; last known mailing address; Social
6 Security Number; start dates and end dates of employment and Class Period
7 Workweeks and PAGA Pay Periods.
- 8 I. "Class Period" means the period between May 31, 2018, through August 1, 2024.
- 9 J. "Class Representative" shall mean Janene J. Caracaus.
- 10 K. "Court" means the Superior Court for the State of California, County of San Diego
11 currently presiding over the Action.
- 12 L. "Defendant" shall mean Danny's Home Health Care, Inc., a California corporation.
- 13 M. "Effective Date" means the date by when both of the following have occurred: (a) the
14 Court enters a Judgment on its Order Granting Final Approval of the Settlement; and
15 (b) the Judgment is final. The Judgment is final as of the latest of the following
16 occurrences: (a) if no participating Class Member objects to the Settlement, the day
17 the Court enters Judgment; (b) if one or more participating Class Members objects to
18 the Settlement, the day after the deadline for filing a notice of appeal from the
19 Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate
20 court affirms the Judgment and issues a remittitur.
- 21 N. "Final Approval" means the Court's order granting final approval of the Settlement.
- 22 O. "Final Approval Hearing" means the Court's hearing on the Motion for Final
23 Approval of the Settlement.
- 24 P. "Funding Date" shall mean the date the Gross Settlement Amount is fully funded by
25 Defendant in accord with the terms of this Agreement.
- 26 Q. "Gross Settlement Amount" means Two Hundred Sixty-Five Thousand Dollars and
27 Zero Cents (\$265,000.00) for payment of all claims, including payment of Settlement
28 Administration Expenses; Attorneys' Fees; Attorneys' Expenses; Service Award(s),
the PAGA Payment and all Class Member Settlement Payments. The Gross

1 Settlement Amount shall be all-in with no reversion to Defendant. The employer's
2 share of payroll taxes shall not be paid from the Gross Settlement Amount and shall
3 remain the sole responsibility of Defendant. Under no condition will Defendant be
4 required to pay more than the Gross Settlement Amount, except as provided in
5 Section III(A)(2) below. Any amounts not approved by the Court shall be added to
6 the Net Settlement Amount to be distributed to Settlement Class Members and shall
7 not be grounds to object to or terminate the Settlement.

8 R. "Individual Settlement Payments" means the amount payable from the Net Settlement
9 Amount to each Settlement Class Member and excludes any amounts distributed to
10 Aggrieved Employees pursuant to PAGA.

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

12 T. "Net Settlement Amount" or "NSA" means the Gross Settlement Amount, less
13 Attorneys' Fees and Attorneys' Expenses, the Service Award, PAGA Payment, and
14 Administration Costs.

15 U. "Notice Packet" means the Class Notice to be provided to the Class Members by the
16 Settlement Administrator in the form set forth as **Exhibit A** to this Agreement (other
17 than formatting changes to facilitate printing by the Settlement Administrator).

18 V. "Operative Complaint" shall mean the Conformed Complaint filed in San Diego
19 County Superior Court by Plaintiff on May 31, 2022.

20 W. "PAGA" means the California Labor Code Private Attorneys General Act of 2004,
21 Labor Code § 2698 *et seq.*

22 X. "PAGA Payment Ratio" means the respective Pay Periods during the PAGA Period
23 for each Aggrieved Employee divided by the total of the Pay Periods for all Aggrieved
24 Employees during the PAGA Period.

25 Y. "PAGA Pay Periods" for purposes of calculating the distribution of the Aggrieved
26 Employee Payment, as defined herein, means the number of pay periods of
27 employment during the PAGA Period that each Aggrieved Employee worked in
28 California.

- 1 Z. “PAGA Period” means the period beginning between March 25, 2021, to August 1,
2 2024.
- 3 AA. “PAGA Payment” shall mean Ten Thousand Dollars and Zero Cents (\$10,000.00) to
4 be allocated from the Gross Settlement Amount, with Twenty-Five Percent (25%) of
5 the payment going to the Aggrieved Employees (“Aggrieved Employee Payment”)
6 and Seventy-Five Percent (75%) of the payment going to the Labor and Workforce
7 Development Agency (“LWDA Payment”). The amount of the PAGA Penalties is
8 subject to Court approval pursuant to California Labor Code section 2699(l). Any
9 reallocation of the Gross Settlement Amount to increase the PAGA Penalties will not
10 constitute grounds by either party to void this Agreement, so long as the Gross
11 Settlement Amount remains the same.
- 12 BB. “Parties” means Plaintiff and Defendant, collectively, and “Party” shall mean either
13 Plaintiff or Defendant.
- 14 CC. “Payment Ratio” means the respective Workweeks for each Class Member divided
15 by the total Workweeks for all Class Members.
- 16 DD. “Plaintiff” shall mean Janene J. Caracaus.
- 17 EE. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of
18 the Settlement.
- 19 FF. “Preliminary Approval Order” means the proposed Order Granting Preliminary
20 Approval of the Class and PAGA Settlement.
- 21 GG. “QSF” means the Qualified Settlement Fund established, designated, and maintained
22 by the Settlement Administrator to fund the Gross Settlement Amount.
- 23 HH. “Released Class Claims” means all claims alleged, or reasonably could have been
24 alleged based on the facts alleged, in the operative complaint in the *Caracaus v.*
25 *Danny’s Home Health Care, Inc.*, 37-2022-00020531-CU-OE-CTL Action, including
26 (1) Unfair Competition (Bus. & Prof. Code §§ 17200 *et seq.*); (2) Failure to Pay
27 Minimum Wages (Labor Code §§ 1194, 1197 and 1197.1); (3) Failure to Pay
28 Overtime Wages (Labor Code §§ 510 *et seq.*); (4) Failure to Provide Required Meal
Periods (Labor Code §§ 226.7, 512 and the applicable Wage Order); (5) Failure to

1 Provide Required Rest Periods (Labor Code §§ 226.7, 512, 516 and the applicable
2 wage order); (6) Failure to Provide Accurate Itemized Statements (Labor Code § 226
3 and 226.2 *et seq.*); (7) Failure to Provide Wages When Due (Labor Code §§ 201, 202,
4 203, 204); (8) Failure to Reimburse Employees for Required Expenses (Labor Code
5 § 2802); and (9) Violation of the Private Attorneys General Act (Labor Code §§ 2698
6 *et seq.*), which occurred during the Class Period, and expressly excluding all other
7 claims, including claims for vested benefits, unemployment insurance, disability,
8 social security, worker's compensation, wrongful termination and class claims
9 outside of the Class Period.

10 II. "Released PAGA Claims" means all PAGA claims alleged in the operative complaint
11 in the *Caracaus v. Danny's Home Health Care, Inc.*, 37-2022-00020531-CU-OE-
12 CTL Action and Plaintiff's PAGA notice to the LWDA, including (1) Unfair
13 Competition (Bus. & Prof. Code §§ 17200 *et seq.*); (2) Failure to Pay Minimum
14 Wages (Labor Code §§ 1194, 1197 and 1197.1); (3) Failure to Pay Overtime Wages
15 (Labor Code §§ 510 *et seq.*); (4) Failure to Provide Required Meal Periods (Labor
16 Code §§ 226.7, 512 and the applicable Wage Order); (5) Failure to Provide Required
17 Rest Periods (Labor Code §§ 226.7, 512, 516 and the applicable wage order); (6)
18 Failure to Provide Accurate Itemized Statements (Labor Code § 226 and 226.2 *et*
19 *seq.*); (7) Failure to Provide Wages When Due (Labor Code §§ 201, 202, 203, 204);
20 (8) Failure to Reimburse Employees for Required Expenses (Labor Code § 2802);
21 and (9) Violation of the Private Attorneys General Act (Labor Code §§ 2698 *et seq.*),
22 which occurred during the PAGA Period, and expressly excluding all other claims,
23 including claims for vested benefits, unemployment insurance, disability, social
24 security, workers' compensation, wrongful termination, and PAGA claims outside of
25 the PAGA Period.

26 JJ. "Released Parties" shall mean Defendant and each of its former and present parent
27 entities, subsidiaries, "Affiliates", divisions, predecessors, insurers, successors and
28 assigns and their current and former employees, directors, officers, shareholders,
owners, members, agents, attorneys, insurers, predecessors, successors, assigns,

1 subsidiaries. For purposes of this Agreement, the term “Affiliates” means all persons
2 and entities directly or indirectly controlling, controlled by or under common control
3 with each Defendant where control may be by management authority, equity interest
4 or otherwise. The term “Affiliates” as defined herein, also specifically includes
5 predecessors of any of the foregoing persons and entities.

6 KK. “Opt Out / Objection Period” means the forty-five (45) days from the date the notice
7 is first mailed to Class members in which they can object to or exclude themselves
8 from the settlement.

9 LL. “Service Award” means an award in the amount of Ten Thousand Dollars and Zero
10 Cents (\$10,000.00) or in an amount that the Court authorizes to be paid to Plaintiff,
11 in addition to her Individual Settlement Payment and her Individual Aggrieved
12 Employee Payment, in recognition of her efforts and risks in assisting with the
13 prosecution of the Action. Plaintiff assumes full responsibility and liability for any
14 and all taxes owed on her Individual Service Award. In exchange for his service
15 award, Plaintiff will enter into a complete Section 1542 release and waiver of all
16 claims known and unknown, suspected or unsuspected as part of the long-form class
17 and PAGA settlement agreement.

18 MM. “Settlement” means the disposition of the Action pursuant to this Agreement and the
19 Judgment.

20 NN. “Settlement Administrator” means APEX Class Action LLC, 18 Technology Drive,
21 Ste. 164, Irvine, CA 92618; Tel: 1-800-355-0700; Fax: 1-949-878-3536. The
22 Settlement Administrator establishes, designates, and maintains, a QSF under Internal
23 Revenue Code section 468B and Treasury Regulation section 1.468B-1, into which
24 the amount of the Gross Settlement Amount is deposited for the purpose of resolving
25 the claims of Settlement Class Members. The Settlement Administrator shall maintain
26 the funds until distribution in an account(s) segregated from the assets of Defendant
27 and any person related to Defendant. ***All accrued interest shall be paid and***
28 ***distributed to the Settlement Class Members as part of their respective Individual***
Settlement Payment.

1 OO. “Settlement Class Members” or “Settlement Class” means all Class Members who
2 have not submitted a timely and valid request for exclusion as provided in this
3 Agreement.

4 PP. “Workweek” means any week during which a Class Member worked for Defendant
5 at least one day, during the Class Period in California.

6 **II. RECITALS**

7 A. On March 25, 2022, Plaintiff Janene Caracaus filed a Notice of Violations with the
8 Labor and Workforce Development Agency (LWDA) and served the same on
9 Defendant.

10 B. On May 31, 2022, Plaintiff Janene Caracaus filed the original Complaint, alleging
11 claims for: (1) Unfair Competition (Bus. & Prof. Code §§ 17200 *et seq.*); (2) Failure
12 to Pay Minimum Wages (Labor Code §§ 1194, 1197 and 1197.1); (3) Failure to Pay
13 Overtime Wages (Labor Code §§ 510 *et seq.*); (4) Failure to Provide Required Meal
14 Periods (Labor Code §§ 226.7, 512 and the applicable Wage Order); (5) Failure to
15 Provide Required Rest Periods (Labor Code §§ 226.7, 512, 516 and the applicable
16 wage order); (6) Failure to Provide Accurate Itemized Statements (Labor Code § 226
17 and 226.2 *et seq.*); (7) Failure to Provide Wages When Due (Labor Code §§ 201, 202,
18 203, 204); (8) Failure to Reimburse Employees for Required Expenses (Labor Code
19 § 2802); and (9) Violation of the Private Attorneys General Act (Labor Code §§ 2698
20 *et seq.*).

21 C. The Class Representative believes she has claims based on alleged violations of the
22 California Labor Code, and the Industrial Welfare Commission Wage Orders, and
23 that class certification is appropriate because the prerequisites for class certification
24 can be satisfied in the Action, and this action is manageable as a PAGA representative
25 action.

26 D. Defendant denies any liability or wrongdoing of any kind associated with the claims
27 alleged in the Action, disputes any wages, damages and penalties claimed by the Class
28 Representatives are owed, and further contends that, for any purpose other than
settlement, the Action is not appropriate for class or representative action treatment.

Defendant contends, among other things, that at all times it complied with the California Labor Code and the Industrial Welfare Commission Wage Orders.

E. The Class Representative is represented by Class Counsel. Class Counsel investigated the facts relevant to the Action, including conducting an independent investigation as to the allegations, reviewing documents and information exchanged through informal discovery, and reviewing documents and information provided by Defendant pursuant to informal requests for information to prepare for mediation. Defendant produced for the purpose of settlement negotiations certain employment data concerning the Settlement Class, which Class Counsel reviewed and analyzed with the assistance of an expert. Based on their own independent investigation and evaluation, Class Counsel are of the opinion that the Settlement with Defendant is fair, reasonable, and adequate, and is in the best interest of the Settlement Class considering all known facts and circumstances, including the risks of significant delay, defenses asserted by Defendant, uncertainties regarding class certification, and numerous potential appellate issues. Although it denies any liability, Defendant agrees to this Settlement solely to avoid the inconveniences and cost of further litigation. The Parties and their counsel have agreed to settle the claims on the terms set forth in this Agreement.

F. On June 26, 2023, the Parties participated in mediation presided over by the Honorable Steven R. Denton (Ret.), an experienced mediator of wage and hour class and PAGA actions. The mediation did not conclude with a settlement, however, the Parties continued settlement negotiations until an agreement was reached which was subsequently memorialized in the form of a Memorandum of Understanding.

G. This Agreement replaces and supersedes the Memorandum of Understanding and any other agreements, understandings, or representations between the Parties. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendant that the claims in the Action of Plaintiff or the Class Members have merit or that Defendant bears any liability to Plaintiff or the Class Members on those claims

1 or any other claims, or as an admission by Plaintiff that Defendant's defenses in the
2 Action have merit.

3 H. The Parties believe that the Settlement is fair, reasonable and adequate. The
4 Settlement was arrived at through arm's-length negotiations, taking into account all
5 relevant factors. The Parties recognize the uncertainty, risk, expense and delay
6 attendant to continuing the Action through trial and any appeal. Accordingly, the
7 Parties desire to settle, compromise and discharge all disputes and claims arising from
8 or relating to the Action fully, finally, and forever.

9 I. The Parties agree to certification of the Class for purposes of this Settlement only. If
10 for any reason the Court does not grant Preliminary Approval, Final Approval or enter
11 Judgment, such that the Settlement does not become effective, Defendant reserves the
12 right to contest certification of any class for any reason and Defendant reserves all
13 available defenses to the claims in the Action.

14 Based on these Recitals that are a part of this Agreement, the Parties agree as follows:

15 **III. TERMS OF AGREEMENT**

16 A. Settlement Consideration and Settlement Payments by Defendant.

17 1. Settlement Consideration. In full and complete settlement of the Action, and
18 in exchange for the releases set forth below, Defendant will pay the Gross
19 Settlement Amount of Two Hundred Sixty-Five Thousand Dollars and Zero
20 Cents (\$265,000.00). The Parties agree that this is a non-reversionary
21 Settlement and that no portion of the Gross Settlement Amount shall revert to
22 Defendants. Other than Defendant's share of employer payroll taxes and as
23 provided in Section III(A)2 below, Defendant shall not be required to pay
24 more than the Gross Settlement Amount.

25 2. Class Data. Defendant represented that as of February 16, 2024, the
26 Settlement Class was comprised of 113 Class Members who worked
27 approximately 6,547 Workweeks ("Workweeks") during the Class Period.
28 The Parties acknowledge and agree that this data (and other information
provided by Defendant for purposes of mediation) was relied on to extrapolate

1 and reach an arms-length negotiation of Plaintiff's claims in the *Caracas v.*
2 *Danny's Home Health Care, Inc.*, Action through the Class Period. Defendant
3 will provide a declaration under penalty of perjury confirming the number of
4 applicable Class Members and workweeks they worked during the applicable
5 Class Period one week prior to Plaintiff's deadline to file their motion for
6 preliminary approval of the settlement. Should the number of Workweeks
7 increase by more than 10% of what was represented during the Class Period,
8 the Gross Settlement Amount will increase proportionally for the number of
9 Workweeks over 110% of 6,547, for example, if the total workweeks in the
10 Class Period are 115% of 6,547, the Gross Settlement Amount shall increase
11 by 5%. If the total number of workweeks in the Class Period exceeds 20%,
12 the parties agree to meet and confer to determine whether Defendant shall
13 either pay the pro rata increase or adjust the closing data of the Class Period
14 to an earlier date that does not trigger the pro rata increase.

15 3. Workweek Calculation: The Settlement Administrator will calculate the
16 number of Workweeks worked by Class Members during the Class Period and
17 the amount to be paid to Class Members per Workweek based on information
18 to be provided by Defendant. The Workweeks will be calculated based on
19 Defendant's Workweek data and will be presumed to be correct unless a
20 particular Class Member timely proves otherwise to the Settlement
21 Administrator by credible written evidence. All Workweek disputes will be
22 resolved and decided by the Settlement Administrator, and the Settlement
23 Administrator's decision on all Workweek disputes will be final and non-
24 appealable.

25 4. Payments. Defendant will pay to the Settlement Administrator the Gross
26 Settlement Amount, including payment for all claims, payment of Settlement
27 Administration Expenses, Attorneys' Fees, Attorneys' Expenses, Service
28 Award, and PAGA Payment in 18 equal monthly installments (each payment

1 of \$14,722.22) with the initial payment due on Effective Date and every
2 payment thereafter will be due on the 1st of each month.

3 5. Defendant's Share of Payroll Taxes. Defendant's share of employer side
4 payroll taxes is in addition to the Gross Settlement Amount and shall be paid
5 together with the Gross Settlement Amount on the Funding Date.

6 B. Release by Settlement Class Members. Effective as of the Funding Date, in exchange
7 for the consideration set forth in this Agreement, Plaintiff and the Settlement Class
8 Members on behalf of themselves and their respective former and present
9 representatives, agents, attorneys, heirs, administrators, successors and assigns, release
10 and discharge the Released Parties from the Released Class Claims for the Class
11 Period.

12 C. Release by the Aggrieved Employees. Effective as of the Funding Date, in exchange
13 for the consideration set forth in this Agreement, the Plaintiff, the LWDA and the State
14 of California release and discharge the Released Parties from the Released PAGA
15 Claims for the PAGA Period. As a result of this release, the Aggrieved Employees on
16 behalf of themselves and their respective former and present representatives, agents,
17 attorneys, heirs, administrators, successors and assigns, shall be precluded from
18 bringing claims against Defendant for the Released PAGA Claims.

19 D. General Release by Plaintiff. In addition to the Settlement Class Members' Released
20 Claims and the Released PAGA Claims, effective as of the Funding Date, for the
21 consideration set forth in this Agreement, including without limitation the Service
22 Award, Plaintiff on behalf of herself and her respective former and present spouses,
23 representatives, agents, attorneys, heirs, administrators, successors and assigns, waive,
24 release, acquit and forever discharge the Released Parties from any and all claims,
25 whether known or unknown, which exist or may exist on any of the Plaintiff's behalf
26 as of the date of this Agreement, including without limitation any claims relating to or
27 arising from any aspect of her respective employment, or termination of employment
28 with Defendant, any and all tort claims, contract claims, wage claims, wrongful
termination claims, disability claims, benefit claims, public policy claims, retaliation

1 claims, statutory claims, personal injury claims, emotional distress claims, invasion of
2 privacy claims, defamation claims, fraud claims, quantum meruit claims, and any and
3 all claims arising under any federal, state or other governmental statute, law, regulation
4 or ordinance, including, without limitation claims for violation of the Fair Labor
5 Standards Act, the California Labor Code, the Wage Orders of California's Industrial
6 Welfare Commission, other state wage and hour laws, the Americans with Disabilities
7 Act, the Age Discrimination in Employment Act (ADEA), the Older Workers Benefits
8 Protection Act ("OWBPA"), The Older Worker's Adjustment and Retraining
9 Notification Act ("WARN"), 29 U.S.C. § 621, *et seq.*, the Employee Retirement
10 Income Security Act, Title VII of the Civil Rights Act of 1964, as amended ("Title
11 VII"), the Civil Rights Act of 1991, the Pregnant Workers Fairness Act ("PWFA"), the
12 the Federal and California Fair Employment and Housing Act, the California Family
13 Rights Act, the Family Medical Leave Act as amended ("FMLA"), California's
14 Whistleblower Protection Act, the Reconstruction Era Civil Rights Act of 1866, 42
15 USC §§ 1981-86, as amended, the Employee Retirement Income Security Act
16 ("ERISA") (other than claims with regard to vested benefits), Sections 503 and 504 of
17 the Rehabilitation Act of 1973, the Occupational Safety and Health Act ("OSHA"),
18 the Consolidated Omnibus Budget Reconciliation Act ("COBRA"), the National
19 Labor Relations Act ("NLRA"), the Genetic Information Nondiscrimination Act
20 ("GINA"), the Families First Coronavirus Relief Act ("FFCRA"), the Immigration
21 Reform and Control Act, the Corporate and Criminal Fraud Accountability Act of
22 2002, the Private Attorneys General Act, the Uniformed Services Employment and
23 Reemployment Rights Act, the Sarbanes-Oxley Act of 2002, the Fair Credit Reporting
24 Act, California Business & Professions Code Section 17200 *et seq.*, California Unruh
25 Civil Rights Act – Cal. Civ. Code § 51 *et seq.*, Statutory Provisions Regarding the
26 Confidentiality of AIDS Information – Cal. Health & Safety Code § 120775 *et seq.*,
27 California Confidentiality of Medical Information Act – Cal. Civ. Code § 56 *et seq.*,
28 California Parental Leave Law – Cal. Lab. Code § 230.7 *et seq.*, California Military
Personnel Bias Law – Cal. Mil. & Vet. Code § 394, The California Occupational

1 Safety and Health Act, as amended, and any applicable regulations thereunder, the
2 California Consumer Credit Reporting Agencies Act – Cal. Civ. Code § 1785 *et seq.*,
3 California Investigative Consumer Reporting Agencies Act – Cal. Civ. Code § 1786
4 *et seq.*, the California Consumer Privacy Act, the California Privacy Rights Act, those
5 provisions of the California Labor Code that lawfully may be released, and any and
6 all claims arising under any federal, state, local, or other governmental statute,
7 common law, regulation or ordinance: any and all waivable claims for unpaid wages
8 under any other state or local law; any and all waivable rights under the California
9 Constitution; any and all claims for damages of any kind whatsoever, including
10 without limitation compensatory, punitive, treble, liquidated and/or consequential
11 damages; any and all claims under any contract, whether express or implied,
12 conversion, promissory estoppel; any and all claims for unintentional or intentional
13 torts, invasion of privacy, defamation, slander, libel, assault, battery, false
14 imprisonment, emotional distress and pain and suffering; any and all claims for
15 violation of any statutory or administrative rules, regulations, ordinances or codes; and
16 any and all claims for attorneys’ fees, paralegals’ fees, costs, disbursements, wages,
17 leave, bonuses, benefits, vacation and/or the like. Plaintiff also waives and relinquishes
18 any and all claims, rights or benefits that she may have under California Civil Code §
19 1542, which provides as follows:

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

26 Thus, notwithstanding the provisions of section 1542, and to implement a full and
27 complete release and discharge of the Released Parties, Plaintiff expressly
28 acknowledges this Settlement Agreement is intended to include in its effect, without
limitation, all claims Plaintiff does not know or suspect to exist in Plaintiff’s favor at

1 the time of signing this Settlement Agreement, and that this Settlement Agreement
2 contemplates the extinguishment of any such claims. Plaintiff warrants that Plaintiff
3 has read this Settlement Agreement, including this waiver of California Civil Code
4 section 1542, and that Plaintiff has consulted with or had the opportunity to consult
5 with counsel of Plaintiff's choosing about this Settlement Agreement and specifically
6 about the waiver of section 1542, and that Plaintiff understands this Settlement
7 Agreement and the section 1542 waiver, and so Plaintiff freely and knowingly enters
8 into this Settlement Agreement. Plaintiff further acknowledges that Plaintiff later may
9 discover facts different from or in addition to those Plaintiff now knows or believes to
10 be true regarding the matters released or described in this Settlement Agreement, and
11 even so Plaintiff agrees that the releases and agreements contained in this Settlement
12 Agreement shall remain effective in all respects notwithstanding any later discovery
13 of any different or additional facts. Plaintiff expressly assumes any and all risk of any
14 mistake in connection with the true facts involved in the matters, disputes, or
15 controversies released or described in this Settlement Agreement or with regard to any
16 facts now unknown to Plaintiff relating thereto.

17 E. Conditions Precedent: This Settlement will become final and effective only upon the
18 occurrence of all of the following events:

- 19 1. The Court enters the Preliminary Approval Order;
- 20 2. The Court enters an Order Granting Final Approval of the Settlement and a
21 Judgment;
- 22 3. If an objector appears at the Final Approval Hearing, the time for appeal of
23 the Judgment and Order Granting Final Approval of Class Action Settlement
24 expires; or, if an appeal is timely filed, there is a final resolution of any appeal
25 from the Judgment and Order Granting Final Approval of Class Action
26 Settlement; and
- 27 4. Defendant fully funds the Gross Settlement Amount.

28 F. Nullification of Settlement Agreement. If this Settlement Agreement is not
preliminarily or finally approved by the Court and/or the LWDA, or if the appellate

1 court fails to approve the Settlement, or if the Settlement Agreement is otherwise
2 terminated, fails to become effective, or is reversed, withdrawn or modified by the
3 Court or an appellate court, or in any way prevents or prohibits Defendant from
4 obtaining a complete resolution of the Released Class Claims, the PAGA Released
5 Claims and/or the claims released by Plaintiff, or if Defendant fails to fully fund the
6 Gross Settlement Amount:

- 7 1. This Settlement Agreement shall be void *ab initio* and of no force or effect,
8 and shall not be admissible in any judicial, administrative or arbitral
9 proceeding for any purpose or with respect to any issue, substantive or
10 procedural, and the Parties shall be restored to their respective positions prior
11 to entering into the Settlement Agreement, and no party shall be bound by any
12 of the terms of the Settlement Agreement, including Defendant's obligation
13 to make payments to the Settlement Class Members, the Settlement
14 Administrator, the LWDA, Plaintiff or Class Counsel;
- 15 2. The conditional class certifications (obtained for any purpose) shall be void
16 *ab initio* and of no force or effect, and shall not be admissible in any judicial,
17 administrative or arbitral proceeding for any purpose or with respect to any
18 issue, substantive or procedural;
- 19 3. None of the Parties to this Settlement will be deemed to have waived any
20 claims, objections, defenses or arguments in the Action, including with respect
21 to the issue of class certification;
- 22 4. Defendant shall bear the sole responsibility for any reasonable cost to issue or
23 reissue any curative notice to the Settlement Class Members and all reasonable
24 Settlement Administration Costs incurred to the date of nullification.

25 G. Tax Liability. The Parties make no representations as to the tax treatment or legal effect
26 of the payments called for, and Class Members and/or Aggrieved Employees are not
27 relying on any statement or representation by the Parties in this regard. Class Members
28 and/or Aggrieved Employees understand and agree that they will be responsible for
the payment of any taxes and penalties assessed on the Individual Settlement Payments

1 and/or Aggrieved Employees' individual shares of the Aggrieved Employee Payment
2 described and will be solely responsible for any penalties or other obligations resulting
3 from their personal tax reporting of Individual Settlement Payments and/or Aggrieved
4 Employees' individual shares of the Aggrieved Employee Payment.

5 H. Circular 230 Disclaimer. Each Party to this Agreement (for purposes of this section,
6 the "acknowledging party" and each Party to this Agreement other than the
7 acknowledging party, an "other party") acknowledges and agrees that: (1) no provision
8 of this Agreement, and no written communication or disclosure between or among the
9 Parties or their attorneys and other advisers, is or was intended to be, nor shall any
10 such communication or disclosure constitute or be construed or be relied upon as, tax
11 advice within the meaning of United States Treasury Department circular 230 (31 CFR
12 part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his,
13 her or its own, independent legal and tax counsel for advice (including tax advice) in
14 connection with this Agreement, (b) has not entered into this Agreement based upon
15 the recommendation of any other Party or any attorney or advisor to any other Party,
16 and (c) is not entitled to rely upon any communication or disclosure by any attorney
17 or adviser to any other party to avoid any tax penalty that may be imposed on the
18 acknowledging party, and (3) no attorney or adviser to any other Party has imposed
19 any limitation that protects the confidentiality of any such attorney's or adviser's tax
20 strategies (regardless of whether such limitation is legally binding) upon disclosure by
21 the acknowledging party of the tax treatment or tax structure of any transaction,
22 including any transaction contemplated by this Agreement.

23 I. Preliminary Approval Motion. Class Counsel shall draft and file the motion for
24 preliminary approval within ninety (90) days or within the statutory timeframe as
25 determined by the Court's setting of the preliminary approval hearing, which shall
26 include this Settlement Agreement. Plaintiff will provide Defendant with a draft of the
27 Motion at least 3 business days prior to the filing of the Motion to give Defendant an
28 opportunity to propose changes or additions to the Motion.

1 J. Settlement Administrator. The Settlement Administrator shall be responsible for:
2 establishing and administering the QSF; calculating, processing and mailing payments
3 to the Class Representative, Class Counsel, LWDA and Class Members; printing and
4 mailing the Notice Packets to the Class Members as directed by the Court; receiving
5 and reporting the objections and requests for exclusion; calculating, deducting and
6 remitting all legally required taxes from Individual Settlement Payments and
7 distributing tax forms for the Wage Portion, the Penalties Portion and the Interest
8 Portion of the Individual Settlement Payments and/or Aggrieved Employees'
9 individual shares of the Aggrieved Employee Payment; processing and mailing tax
10 payments to the appropriate state and federal taxing authorities; providing
11 declaration(s) as necessary in support of preliminary and/or final approval of this
12 Settlement; and other tasks as the Parties mutually agree or the Court orders the
13 Settlement Administrator to perform. The Settlement Administrator shall keep the
14 Parties timely apprised of the performance of all Settlement Administrator
15 responsibilities by among other things, sending a weekly status report to the Parties'
16 counsel stating the date of the mailing, the of number of Elections Not to Participate
17 in Settlement it receives (including the numbers of valid and deficient), and number of
18 objections received. The Settlement Administrator shall provide Defendant through
19 their counsel of record, a written verification of its operative procedures for protecting
20 the security of Class Data, the amounts of insurance coverage for any data breach,
21 defalcation of funds or other misfeasance and the name(s) of the insurance companies
22 providing the foregoing insurance coverage.

23 K. Notice Procedure.

- 24 1. Class Data. No later than fifteen (15) business days after the Preliminary
25 Approval Date, Defendant shall provide the Settlement Administrator with the
26 Class Data for purposes of preparing and mailing Notice Packets to the Class
27 Members.
28 2. Notice Packets.

- 1 a) The Notice Packet shall contain the Notice of Class Action Settlement
2 in a form substantially similar to the form attached as **Exhibit A**. The
3 Notice of Class Action Settlement shall inform Class Members and
4 Aggrieved Employees that they need not do anything in order to
5 receive an Individual Settlement Payment and/or Aggrieved
6 Employees' individual shares of the Aggrieved Employee Payment
7 and to keep the Settlement Administrator apprised of their current
8 mailing address, to which the Individual Settlement Payments and/or
9 Aggrieved Employees' individual shares of the Aggrieved
10 Employment Payment will be mailed following the Funding Date. The
11 Notice of Class Action Settlement shall set forth the release to be given
12 by all members of the Class who do not request to be excluded from
13 the Settlement Class and/or Aggrieved Employees in exchange for an
14 Individual Settlement Payment and/or Aggrieved Employees'
15 individual shares of the Aggrieved Employment Payment, the number
16 of Workweeks worked by each Class Member during the Class Period
17 and PAGA Period, if any, and the estimated amount of their Individual
18 Settlement Payment if they do not request to be excluded from the
19 Settlement and each Aggrieved Employees' share of the Aggrieved
20 Employment Payment, if any. The Settlement Administrator shall use
21 the Class Data to determine Class Members' Workweeks and PAGA
22 Workweeks. The Notice will also advise the Aggrieved Employees
23 that they will release the Released PAGA Claims and will receive their
24 share of the Aggrieved Employee Payment regardless of whether they
25 request to be excluded from the Settlement.
- 26 b) The Notice Packet's mailing envelope shall include the following
27 language: "IMPORTANT LEGAL DOCUMENT - YOU MAY BE
28 ENTITLED TO PARTICIPATE IN A CLASS ACTION
SETTLEMENT; A PROMPT REPLY TO CORRECT YOUR

ADDRESS IS REQUIRED AS EXPLAINED IN THE ENCLOSED
NOTICE.”

3. Notice by First Class U.S. Mail. Upon receipt of the Class Data, the Settlement Administrator will perform a search based on the National Change of Address Database to update and correct any known or identifiable address changes. No later than twenty-one (21) calendar days after preliminary approval of the Settlement, the Settlement Administrator shall mail copies of the Notice Packet to all Class Members via regular First-Class U.S. Mail. The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Class Member. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Class Member.
4. Undeliverable Notices. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to any forwarding address provided. If no forwarding address is provided, the Settlement Administrator shall promptly attempt to determine a correct address by lawful use of skip-tracing, or other search using the name, address and/or Social Security number of the Class Member involved, and shall then perform a re-mailing, if another mailing address is identified by the Settlement Administrator. In addition, if any Notice Packets, which are addressed to Class Members who are currently employed by Defendant, are returned to the Settlement Administrator as non-delivered and no forwarding address is provided, the Settlement Administrator shall notify Defendant. Defendant will request that the currently employed Class Member provide a corrected address and transmit to the Settlement Administrator any corrected address provided by the Class Member. Class Members who received a re-mailed Notice Packet shall have their Response Deadline extended fifteen (15) days from the original Response Deadline.

- 1 5. Disputes Regarding Individual Settlement Payments. Class Members will
2 have the opportunity, should they disagree with Defendant's records regarding
3 the start and end dates of employment to provide documentation and/or an
4 explanation to show contrary dates. If there is a dispute, the Settlement
5 Administrator will consult with the Parties to determine whether an
6 adjustment is warranted. The Settlement Administrator shall determine the
7 eligibility for, and the amounts of, any Individual Settlement Payments under
8 the terms of this Agreement. The Settlement Administrator's determination
9 of the eligibility for and amount of any Individual Settlement Payment shall
10 be binding upon the Class Member and the Parties.
- 11 6. Disputes Regarding Administration of Settlement. Any disputes not resolved
12 by the Settlement Administrator concerning the administration of the
13 Settlement will be resolved by the Court under the laws of the State of
14 California. Before any such involvement of the Court, counsel for the Parties
15 will confer in good faith to resolve the disputes without the necessity of
16 involving the Court.
- 17 7. Exclusions. The Notice of Class Action Settlement contained in the Notice
18 Packet shall state that Class Members who wish to exclude themselves from
19 the Settlement must submit a written request for exclusion to the Settlement
20 Administrator by the Response Deadline. The written request for exclusion
21 must state that the Class Member wishes to exclude himself or herself from
22 the Settlement and (1) must contain the name, address, and the last four digits
23 of the Social Security number of the person requesting exclusion; (2) must be
24 signed by the Class Member; (3) must be postmarked or fax stamped by the
25 Response Deadline and returned to the Settlement Administrator at the
26 specified address or fax telephone number; and (4) contain a typewritten or
27 handwritten notice stating in substance that he or she wishes to be excluded
28 from the settlement of the class action lawsuit entitled *Caracaus v. Danny's*
Home Health Care, Inc., currently pending in Superior Court of San Diego,

Case No. 37-2022-00020531-CU-OE-CTL. The request for exclusion will not be valid if it is not timely submitted, if it is not signed by the Class Member, or if it does not contain the name and address and last four digits of the Social Security number of the Class Member. The date of the postmark on the mailing envelope or fax stamp on the request for exclusion shall be the exclusive means used to determine whether the request for exclusion was timely submitted. Any Class Member who submits a timely request for exclusion shall be excluded from the Settlement Class, will not be entitled to an Individual Settlement Payment and will not be otherwise bound by the terms of the Settlement or have any right to object, appeal or comment thereon. However, any Class Member that submits a timely request for exclusion that is also a member of the Aggrieved Employees will still receive his/her pro rata share of the PAGA Settlement, as specified below, and in consideration, will be bound by the Release by the Aggrieved Employees as set forth herein. Settlement Class Members who fail to submit a valid and timely request for exclusion on or before the Response Deadline shall be bound by all terms of the Settlement and any final judgment entered in this Action if the Settlement is approved by the Court. No later than twenty-one (21) calendar days after the Response Deadline, the Settlement Administrator shall provide counsel for the Parties with a final list of the Class Members who have timely submitted timely requests for exclusion. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage members of the Class to submit requests for exclusion from the Settlement.

8. Objections. The Notice of Class Action Settlement contained in the Notice Packet shall state that Class Members who wish to object to the Settlement may submit to the Settlement Administrator a written statement of objection (“Notice of Objection”) by the Response Deadline. The postmark date of mailing shall be deemed the exclusive means for determining that a Notice of Objection was served timely. The Notice of Objection, if in writing, must be

1 signed by the Settlement Class Member and state: (1) the case name and
2 number; (2) the name of the Settlement Class Member; (3) the address of the
3 Settlement Class Member; (4) the last four digits of the Settlement Class
4 Member's Social Security number; (5) the basis for the objection; and (6) if
5 the Settlement Class Member intends to appear at the Final
6 Approval/Settlement Fairness Hearing. Class Members who fail to make
7 objections in writing in the manner specified above may still make their
8 objections orally at the Final Approval/Settlement Fairness Hearing with the
9 Court's permission. Settlement Class Members will have a right to appear at
10 the Final Approval/Settlement Fairness Hearing to have their objections heard
11 by the Court regardless of whether they submitted a written objection. At no
12 time shall any of the Parties or their counsel seek to solicit or otherwise
13 encourage Class Members to file or serve written objections to the Settlement
14 or appeal from the Order and Final Judgment. Class Members who submit a
15 written request for exclusion may not object to the Settlement. Class Members
16 may not object to the PAGA Penalties.

17 L. Funding and Allocation of the Gross Settlement Amount. Defendant is required to pay
18 the Gross Settlement Amount plus any employer's share of payroll taxes as mandated
19 by law within the time specified hereinabove on the Funding Date.

20 1. Calculation of Individual Settlement Payments. Individual Settlement
21 Payments shall be paid from the Net Settlement Amount and shall be paid
22 pursuant to the formulas set forth herein. Using the Class Data, the Settlement
23 Administrator shall add up the total number of Workweeks for all Class
24 Members. The respective Workweeks for each Class Member will be divided
25 by the total Workweeks for all Class Members, resulting in the Payment Ratio
26 for each Class Member. Each Class Member's Payment Ratio will then be
27 multiplied by the Net Settlement Amount to calculate each Class Member's
28 estimated Individual Settlement Payments. Each Individual Settlement
Payment will be reduced by any legally mandated employee tax withholdings

(e.g., employee payroll taxes, etc.). Individual Settlement Payments for Class Members who submit valid and timely requests for exclusion will be redistributed to Settlement Class Members who do not submit valid and timely requests for exclusion on a pro rata basis based on their respective Class Payment Ratios.

2. Calculation of Individual Payments to the Aggrieved Employees. Using the Class Data, the Settlement Administrator shall add up the total number of PAGA Pay Periods for all Aggrieved Employees during the PAGA Period. The respective PAGA Pay Periods for each Aggrieved Employees will be divided by the total PAGA Pay Periods for all Aggrieved Employees, resulting in the “PAGA Payment Ratio” for each Aggrieved Employee. Each Aggrieved Employee’s PAGA Payment Ratio will then be multiplied by the Aggrieved Employee Payment to calculate each Aggrieved Employee’s estimated share of the Aggrieved Employee Payment.
3. Allocation of Individual Settlement Payments. For tax purposes, Individual Settlement Payments shall be allocated and treated as Twenty-Five Percent (25%) wages (“Wage Portion”) and Seventy-Five Percent (75%) penalties and pre-judgment interest (“Penalties and Interest Portion”). The Wage Portion of the Individual Settlement Payments shall be reported on IRS Form W-2 and the Penalties and Interest Portion of the Individual Settlement Payments shall be reported on IRS Form 1099 issued by the Settlement Agreement.
4. Allocation of Aggrieved Employee Payments. For tax purposes, Aggrieved Employee Settlement Payments shall be allocated and treated as 100% penalties and shall be reported on IRS Form 1099.
5. No Credit Toward Benefit Plans. The Individual Settlement Payments and individual shares of the PAGA Penalties made to Settlement Class Members and/or Aggrieved Employees under this Settlement Agreement, as well as any other payments made pursuant to this Settlement Agreement, will not be utilized to calculate any additional benefits under any benefit plans to which

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

7 6. All monies received by Settlement Class Members under the Settlement which
8 are attributable to wages shall constitute income to such Settlement Class
9 Members solely in the year in which such monies actually are received by the
10 Settlement Class Members. It is the intent of the Parties that Individual
11 Settlement Payments and individual shares of the PAGA Penalties provided for
12 in this Settlement agreement are the sole payments to be made by Defendant to
13 Settlement Class Members and/or Aggrieved Employees in connection with this
14 Settlement Agreement, with the exception of Plaintiff's Service Award, and that
15 the Settlement Class Members and/or Aggrieved Employees are not entitled to
16 any new or additional compensation or benefits as a result of having received the
17 Individual Settlement Payments and/or their shares of the Aggrieved Employee
18 Payment.

19 7. Mailing. Individual Settlement Payments and Aggrieved Employee Payments
20 shall be mailed by regular First-Class U.S. Mail to Settlement Class Members'
21 and/or Aggrieved Employees' last known mailing address no later than fifteen
22 (15) calendar days after the Funding Date.

23 8. Expiration. Any checks issued to Settlement Class Members and Aggrieved
24 Employees shall remain valid and negotiable for one hundred and eighty (180)
25 days from the date of their issuance. If a Settlement Class Member and/or
26 Aggrieved Employee does not cash his or her settlement check within Ninety
27 (90) days, the Settlement Administrator will send a letter to such persons,
28 advising that the check will expire after the 180th day, and invite the
Settlement Class Member and/or Aggrieved Employee to request reissuance

1 in the event the check was destroyed, lost or misplaced. In the event an
2 Individual Settlement Payment and/or Aggrieved Employees' individual
3 share of the PAGA Penalties check has not been cashed within one hundred
4 and eighty (180) days, all funds represented by such uncashed checks, plus
5 any interest accrued thereon, shall be paid to either a Cy Pres, in accordance
6 with California Code of Civil Procedure section 384, or the State Controller,
7 as agreed by the Parties as part of the long-form settlement agreement and/or
8 as required by the specific judge handling the pending matter.

- 9 9. Service Award. In addition to the Individual Settlement Payment as
10 Settlement Class Member and her individual share of the Aggrieved
11 Employee Payment, Plaintiff Janene Caracaus will apply to the Court for an
12 award of not more than Ten Thousand Dollars and Zero Cents (\$10,000.00),
13 as the Service Award. Defendant will not oppose a Service Award to Plaintiff
14 in the amount of Ten Thousand Dollars and Zero Cents (\$10,000.00). The
15 Settlement Administrator shall pay the Service Award, either in the amount
16 stated herein if approved by the Court or some other amount as approved by
17 the Court, to Plaintiff from the Gross Settlement Amount no later than fifteen
18 (15) calendar days after the Funding Date. Any portion of the requested
19 Service Award that is not awarded to the Class Representative shall be part of
20 the Net Settlement Amount and shall be distributed to Settlement Class
21 Members as provided in this Agreement. The Settlement Administrator shall
22 issue an IRS Form 1099 — MISC to Plaintiff for her Service Award. Plaintiff
23 shall be solely and legally responsible to pay any and all applicable taxes on
24 her Service Award and shall hold harmless the Released Parties from any
25 claim or liability for taxes, penalties, or interest arising as a result of the
26 Service Award. Approval of this Settlement shall not be conditioned on Court
27 approval of the requested amount of the Service Award. If the Court reduces
28 or does not approve the requested Service Award, Plaintiff shall not have the
right to revoke the Settlement, and it will remain binding.

10. Attorneys' Fees and Attorneys' Expenses. Defendant understands Class Counsel will file a motion for Attorneys' Fees not to exceed one-third of the Gross Settlement Amount currently estimated to be Eighty-Eight Thousand Three Hundred and Thirty Three Dollars and Thirty Three Cents (\$88,333.33) **and** Attorneys' Expenses supported by declaration not to exceed Twenty-Five Thousand Dollars (\$25,000.00.) Any awarded Attorneys' Fees and Attorneys' Expenses shall be paid from the Gross Settlement Amount. Any portion of the requested Attorneys' Fees and/or Attorneys' Expenses that are not awarded to Class Counsel shall be part of the Net Settlement Amount and shall be distributed to Settlement Class Members as provided in this Agreement. The Settlement Administrator shall allocate and pay the Attorneys' Fees to Class Counsel from the Gross Settlement Amount no later than fifteen (15) calendar days after the Funding Date. Class Counsel shall be solely and legally responsible to pay all applicable taxes on the payment made pursuant to this paragraph. The Settlement Administrator shall issue an IRS Form 1099 — MISC to Class Counsel for the payments made pursuant to this paragraph. In the event that the Court reduces or does not approve the requested Attorneys' Fees, Plaintiff and Class Counsel shall not have the right to revoke the Settlement, or to appeal such order, and the Settlement will remain binding. Released Parties shall have no liability to Class Counsel or any other Plaintiff's counsel arising from any claim to any portion of any Attorney's Fees and/or Attorney's Expenses. Class Counsel will hold Defendant harmless, and protect and indemnify Defendant, from any dispute or controversy regarding division or sharing of these payments.
11. PAGA Penalties. Ten-Thousand Dollars and Zero Cents (\$10,000.00) shall be allocated from the Gross Settlement Amount for settlement of claims for civil penalties under the Private Attorneys General Act of 2004 ("PAGA Penalties"). The Settlement Administrator shall pay seventy-five percent (75%) of the PAGA Penalties, which will be Seven Thousand Five Hundred

Dollars and Zero Cents (\$7,500.00), to the California Labor and Workforce Development Agency no later than fifteen (15) calendar days after the Effective Date (hereinafter “LWDA Payment”). Twenty-Five percent (25%) of the PAGA Penalties, which will be Two-Thousand Five Hundred Dollars and Zero Cents (\$2,500.00), will be distributed to the Aggrieved Employees as described in this Agreement (hereinafter “Aggrieved Employee Payment”). For purposes of distributing the PAGA Penalties to the Aggrieved Employees, each Aggrieved Employee shall receive their pro-rata share of the Aggrieved Employee Payment using the PAGA Payment Ratio as defined above.

12. Administration Costs. The Settlement Administrator shall be paid for the costs of administration of the Settlement from the Gross Settlement Amount. The estimate of the Administration Costs is Five-Thousand Four Hundred and Ninety Dollars and Zero Cents (\$5,490.00). The Settlement Administrator shall be paid the Administration Costs no later than fifteen (15) calendar days after the Effective Date.

M. Final Approval Motion. Class Counsel and Plaintiff shall use best efforts to file with the Court a Motion for Order Granting Final Approval and Entering Judgment, within twenty-eight (28) days following the expiration of the Response Deadline, which motion shall request final approval of the Settlement and a determination of the amounts payable for the Service Award, the Attorneys’ Fees and Attorneys’ Expenses, the PAGA Penalties, and the Administration Costs. Plaintiff will provide Defendant with a draft of the Motion at least three (3) business days prior to the filing of the Motion to give Defendant an opportunity to propose changes or additions to the Motion.

1. Declaration by Settlement Administrator. No later than seven (7) days after the Response Deadline, the Settlement Administrator shall submit a declaration in support of Plaintiff’s motion for final approval of this Settlement detailing the number of Notice Packets mailed and re-mailed to Class Members, the number of undeliverable Notice Packets, the number of

1 timely requests for exclusion, the number of objections received, the amount
2 of the average Individual Settlement Payment and highest Individual
3 Settlement Payment, the Administration Costs, and any other information as
4 the Parties mutually agree or the Court orders the Settlement Administrator to
5 provide.

6 2. Final Approval Order and Judgment. Class Counsel shall present an Order
7 Granting Final Approval of Class Action Settlement to the Court for its
8 approval, and Judgment thereon, at the time Class Counsel files the Motion
9 for Final Approval.

10 N. Review of Motions for Preliminary and Final Approval. Class Counsel will provide
11 an opportunity for Counsel for Defendant to review the Motions for Preliminary and
12 Final Approval, including the Order Granting Final Approval of Class Action
13 Settlement, and Judgment before filing with the Court. The Parties and their counsel
14 will cooperate with each other and use their best efforts to effect the Court's approval
15 of the Motions for Preliminary and Final Approval of the Settlement, and entry of
16 Judgment.

17 O. Cooperation. The Parties and their counsel will cooperate with each other and use
18 their best efforts to implement the Settlement.

19 P. Interim Stay of Proceedings. The Parties agree to stay all proceedings in the Action,
20 except such proceedings necessary to implement and complete the Settlement, pending
21 the Final Approval/Settlement Fairness Hearing to be conducted by the Court.

22 Q. Amendment or Modification. This Agreement may be amended or modified only by
23 a written instrument signed by counsel for all Parties or their successors-in-interest.

24 R. Entire Agreement. This Agreement and any attached Exhibit constitutes the entire
25 Agreement among these Parties, and no oral or written representations, warranties or
26 inducements have been made to any Party concerning this Agreement or its Exhibit
27 other than the representations, warranties and covenants contained and memorialized
28 in this Agreement and its Exhibit.

- 1 S. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
2 represent they are expressly authorized by the Parties whom they represent to negotiate
3 this Agreement and to take all appropriate Action required or permitted to be taken by
4 such Parties pursuant to this Agreement to effectuate its terms, and to execute any other
5 documents required to effectuate the terms of this Agreement. The persons signing
6 this Agreement on behalf of Defendant represents and warrants that he/she is
7 authorized to sign this Agreement on behalf of Defendant. Plaintiff represents and
8 warrant that they are authorized to sign this Agreement and that they have not assigned
9 any claim, or part of a claim, covered by this Settlement to a third-party.
- 10 T. No Public Comment: The Parties and their counsel agree not to issue any press
11 releases, initiate any contact with the press, respond to any press inquiry or make any
12 public communication about the fact, amount or terms of the settlement, except
13 however that this does not prohibit disclosures required by law and/or within Plaintiff
14 and Plaintiff's counsel and expert, Defendant and Defendant's counsel and expert, and
15 those within Defendant's organization or financial advisors/accountants with a need to
16 know in order to approve or execute the terms of this Settlement Agreement.
- 17 U. Binding on Successors and Assigns. This Agreement shall be binding upon, and inure
18 to the benefit of, the successors or assigns of the Parties, as previously defined.
- 19 V. California Law Governs. All terms of this Agreement and the Exhibit and any disputes
20 shall be governed by and interpreted according to the laws of the State of California.
- 21 W. Execution in Counterparts. This Agreement may be executed in one or more
22 counterparts by facsimile, electronic signature, or email which for purposes of this
23 Agreement shall be accepted as original. All executed counterparts and each of them
24 will be deemed to be one and the same instrument. Any executed counterpart will be
25 admissible in evidence to prove the existence and contents of this Agreement.
- 26 X. This Settlement Is Fair, Adequate and Reasonable. The Parties believe this Settlement
27 is a fair, adequate and reasonable settlement of this Action and have arrived at this
28 Settlement after extensive arms-length negotiations, taking into account all relevant
factors, present and potential.

- 1 Y. Continuing Jurisdiction. The Parties agree that the San Diego County Superior Court
2 shall retain continuing jurisdiction over this case under CCP Section 664.6 to ensure
3 the continuing implementation of the provisions of this Settlement and that the time
4 within which to bring this Action to trial under CCP Section 583.310 shall be extended
5 from the date of the signing of the Memorandum of Understanding by all Parties until
6 the entry of the final approval order and judgment or if not entered, the date the
7 Memorandum of Understanding between the Parties shall no longer be of any force or
8 effect.
- 9 Z. Court Filings. The Parties agree not to object to any Court filings consistent with this
10 Agreement.
- 11 AA. Disputes. Any dispute between the Parties as to the remaining terms of the Settlement
12 Agreement shall be presented to the mediator for resolution and the mediator's
13 decision on all such disputes will be final and non-appealable.
- 14 BB. Invalidity of Any Provision. Before declaring any provision of this Agreement invalid,
15 the Court shall first attempt to construe the provisions valid to the fullest extent
16 possible consistent with applicable precedents so as to define all provisions of this
17 Agreement valid and enforceable.
- 18 CC. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class
19 certification for purposes of this settlement only.
- 20 DD. No Admissions by the Parties. Plaintiff has claimed and continues to claim that the
21 Released Claims have merit and give rise to liability on the part of Defendant.
22 Defendant claims that the Released Claims have no merit and do not give rise to
23 liability. This Agreement is a compromise of disputed claims. Nothing contained in
24 this Agreement and no documents referred to and no action taken to carry out this
25 Agreement may be construed or used as an admission by or against Defendant or
26 Plaintiff or Class Counsel as to the merits or lack thereof of the claims asserted. Other
27 than as may be specifically set forth herein, each Party shall be responsible for and
28 shall bear its/his own attorney's fees and costs.

EE. Use and Return of Class Data. Information provided to Class Counsel pursuant to California Evidence Code section 1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with mediation, or in connection with this Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than fifteen (15) days after the date when the Court discharges the Administrator's obligation to provide a declaration confirming the final pay out of all Settlement funds, Plaintiff, through Class Counsel and Class Counsel shall destroy, all paper and electronic versions of Class Data received from Defendant.

IT IS SO AGREED, FORM AND CONTENT, BY PLAINTIFF:

DATED: 09/20/2024


Janene J. Caracaus (Sep 20, 2024 08:55 MDT)
 Janene Caracaus

IS SO AGREED, FORM AND CONTENT, BY DEFENDANT:

DATED: 10/4/2024

Signed by:

6BF1ABE8A4C44A2...
 DANNY'S HOME HEALTH CARE, INC., a
 California Corporation
 Ziad Kassab
 Printed Name
 CEO
 Title

IT IS SO AGREED AS TO FORM BY COUNSEL:

DATED: 09/20/2024

JCL LAW FIRM, A.P.C.

By: 

Attorneys for Plaintiff and the Settlement Class Members

1
2 DATED: 09/20/2024

ZAKAY LAW GROUP, APLC

3
4 By: 

Attorneys for Plaintiff and the Settlement Class
Members

5
6
7 DATED: 10/04/2024

AKERMAN, LLP

8
9 By: 

Mishell Parreno Taylor, Esq.
Mojan Anari, Esq.

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12 Attorneys for Defendant
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EXHIBIT A

**NOTICE OF PENDENCY OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT
AND FINAL HEARING DATE**

(Caracaus v. Danny's Home Health Care, Inc., San Diego County Superior Court Case No. 37-2022-00020531-CU-OE-CTL)

**YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE
READ THIS NOTICE CAREFULLY.**

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing and Receive a Payment	To receive a cash payment from the Settlement, you do not have to do anything. Your estimated Individual Settlement Payment is: \$<<[REDACTED]>>. See the explanation below. After final approval by the Court, the payment will be mailed to you at the same address as this notice. If your address has changed, please notify the Settlement Administrator as explained below. In exchange for the settlement payment, you will release claims against the Defendant as detailed below.
Exclude Yourself	If you wish to exclude yourself from the Settlement, you must send a written request for exclusion to the Settlement Administrator as provided below. If you request exclusion, you will receive no money from the Settlement. Instructions are set forth below.
Object	You may write to the Court about why you believe the settlement should not be approved. Directions are provided below.

1. Why did I get this Notice?

A proposed class action settlement (the "Settlement") of this lawsuit pending in the Superior Court for the State of California, County of San Diego (the "Court") has been reached between Plaintiff Janene Caracaus ("Plaintiff") and Defendant Danny's Home Health Care, Inc. ("Defendant"). The Court has granted preliminary approval of the Settlement. **You may be entitled to receive money from this Settlement.**

You have received this Class Notice because you have been identified as a member of the Class, which is defined as:

All non-exempt employees who are or previously were employed by Danny's Home Health Care, Inc. ("Defendant") and performed work in California during the Class Period. The "Class Period" is the period of time running from May 31, 2018, to August 1, 2024.

This Class Notice explains the lawsuit, the Settlement, and your legal rights. It is important that you read this Notice carefully as your rights may be affected by the Settlement.

2. What is this class action lawsuit about?

On May 31, 2022, Plaintiff Janene Caracaus filed a Complaint against Defendant in the Superior Court of the State of California, County of San Diego, asserting causes of action for: (1) Unfair Competition (Bus. & Prof. Code §§ 17200 et seq.); (2) Failure to Pay Minimum Wages (Labor Code §§ 1194, 1197 and 1197.1); (3) Failure to Pay Overtime Wages (Labor Code §§ 510 et seq.); (4) Failure to Provide Required Meal Periods (Labor Code

§§ 226.7, 512 and the applicable Wage Order); (5) Failure to Provide Required Rest Periods (Labor Code §§ 226.7, 516 and the applicable wage order); (6) Failure to Provide Accurate Itemized Statements (Labor Code § 226 and 226.2 et seq.); (7) Failure to Provide Wages When Due (Labor Code §§ 201, 202, 203); (8) Failure to Reimburse Employees for Required Expenses (Labor Code § 2802); and (9) violation of the Private Attorneys General Act (Labor Code §§ 2698 et seq.).

Defendant expressly denies any liability or wrongdoing of any kind associated with the claims alleged in the Action, disputes any wages, damages and penalties claimed by the Class Representative, Class Member, or Aggrieved Employees are owed, and further contends that, for any purpose other than settlement, the Action is not appropriate for class or representative action treatment. Defendant contends, among other things, that at all times it complied with the California Labor Code and the Industrial Welfare Commission Wage Orders.

On June 26, 2023, the Parties participated in an all-day mediation with the Honorable Steve R. Denton (Ret.), a mediator of wage and hour class actions. At the mediation, the Parties were unable to reach a settlement, however, the Parties continued settlement negotiations and ultimately reached the present settlement. The Court granted preliminary approval of the Settlement on <<INSERT PRELIMINARY APPROVAL DATE>>. At that time, the Court also preliminarily approved the Plaintiff to serve as the Class Representative, and the law firms of JCL Law Firm, APC and Zakay Law Group, APLC to serve as Class Counsel.

3. What are the terms of the Settlement?

Gross Settlement Amount. Defendant has agreed to pay an amount of Two Hundred Sixty-Five Thousand Dollars and Zero Cents (\$265,000.00) (the “Gross Settlement Amount”) to fund the settlement. The Gross Settlement Amount includes the payment of all Settlement Shares to Participating Class Members, Class Counsel’s attorneys’ fees and costs, Settlement Administration Expenses, the PAGA Payment, and the Class Representative Service Award to the Plaintiff.

After the Judgment becomes Final, Defendant will pay the Gross Settlement Amount by depositing the money in 18 equal monthly installment payments with the Settlement Administrator. “Final” means the date the Judgment is no longer subject to appeal, or if an appeal is filed, the date the appeal process is completed, and the Judgment is affirmed.

Amounts to be Paid from the Gross Settlement Amount. The Settlement provides for certain payments to be made from the Gross Settlement Amount, which will be subject to final Court approval, and which will be deducted from the Gross Settlement Amount before settlement payments are made to Class Members, as follows:

- Settlement Administration Costs. Payment to the Settlement Administrator, estimated not to exceed Five Thousand Four Hundred and Ninety Dollars and Zero Cents (\$5,490.00) for expenses, including expenses of sending this Notice, processing opt-outs, and distributing settlement payments.
- Attorneys’ Fees and Costs. Payment to Class Counsel of Attorneys’ Fees of no more than 1/3 of the Gross Settlement Amount, currently estimated to be Eighty Three Thousand Three Hundred and Thirty Three Dollars and Thirty Three Cents (\$83,333.33) for the services they rendered to Plaintiff and the Settlement Class in the Action and Attorneys’ Costs of not more than Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00) for all expenses incurred as documented in Class Counsel’s billing records, both subject to Court approval. Class Counsel have been prosecuting the Action on behalf of Plaintiff and the Class on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses.
- Class Representative Service Award. Class Representative Service Award of up to Ten Thousand Dollars and Zero Cents (\$10,000.00) to Plaintiff Janene Caracaus, or such lesser amount as may be approved by

the Court, to compensate her for services on behalf of the Class in initiating and prosecuting the Action, and for the risks she undertook.

- **PAGA Payment.** A payment of Ten Thousand Dollars and Zero Cents (\$10,000.00) relating to Plaintiff and Aggrieved Employees' claim under the Private Attorneys General Act ("PAGA"), of which Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) will be paid to the State of California's Labor and Workforce Development Agency ("LWDA") and the remaining Two Thousand Five Hundred Dollars and Zero Cents (\$2,500.00) will be distributed to PAGA Employees as part of the Net PAGA Amount.
- **Calculation of Payments to Participating Class Members.** After all the above payments of the court-approved Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, the Class Representative Service Award, the LWDA Payment, and the Settlement Administration Expenses are deducted from the Gross Settlement Amount, the remaining portion, called the "Net Settlement Amount," shall be distributed to class members who do **not** request exclusion ("Participating Class Members"). The Settlement Share for each Participating Class Member will be split between the Class. Participating Class Members will be paid based on the number of workweeks worked during the Class Period. A "workweek" is defined as any seven (7) consecutive days beginning on Sunday and ending on Saturday, in which a Class member is employed by Defendant during the Class Period in California.
- **Calculation of Aggrieved Employees Payments to Aggrieved Employees.** The PAGA Payment shall be distributed to Aggrieved Employees irrespective of whether they exclude themselves or opt-out. The PAGA Payment will be divided by the total number of pay periods worked by all Aggrieved Employees during the PAGA Period, and then taking that number and multiplying it by the number of pay periods worked by each respective Aggrieved Employee during the PAGA Period. "Aggrieved Employee" means all non-exempt employees who are or previously were employed by Danny's Home Health Care, Inc. and performed work in California during the PAGA Period. The PAGA Period means the period between March 25, 2021, to August 1, 2024.

If the Settlement is approved by the Court, you will automatically be mailed a check for your Individual Settlement Payment to the same address as this Class Notice. You do not have to do anything to receive a payment. If your address has changed, you must contact the Settlement Administrator to inform them of your correct address to ensure you receive your payment.

Tax Matters. Twenty five percent (25%) of each Individual Settlement Payment is allocated to wages. Taxes are withheld from this amount, and each Settlement Class Member will be issued an Internal Revenue Service Form W-2 for such payment. Seventy five percent (75%) of each Individual Settlement Payment is allocated to interest, penalties, and other non-wage payments., and no taxes will be withheld, and each Participating Class Member will be issued an Internal Revenue Service Form 1099 for such payment. In addition, no taxes will be withheld from the PAGA Payment paid to Aggrieved Employees, and each Aggrieved Employee will be issued an Internal Revenue Service Form 1099 for such payment. Neither Class Counsel nor Defendant's counsel intend anything contained in this Settlement to constitute advice regarding taxes or taxability. You may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

No Credit Toward Benefit Plans. The Individual Settlement Payments and Aggrieved Employee Payments made to Settlement Class Members and/or Aggrieved Employees under this Settlement Agreement, as well as any other payments made pursuant to this Settlement Agreement, will not be utilized to calculate any additional benefits under any benefit plans to which any Class Members may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Class Members may be entitled under any benefit plans.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order granting final approval of the Settlement and entering judgment.

4. What Do I Release Under the Settlement?

Released Class Claims. Upon entry of final judgment and funding in full of the Gross Settlement Amount by Defendant, Plaintiff and the Participating Class Members shall release all Class Claims alleged or reasonably could have been alleged based on the facts alleged, in the operative complaint in the *Caracaus v. Danny's Home Health Care, Inc.*, 37-2022-00020531-CU-OE-CTL action which occurred during the Class Period and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and class claims outside of the Class Period.

Released PAGA Claims. Upon entry of final judgment and funding of the Gross Settlement Amount, Defendant shall be entitled to a release from the Aggrieved Employees of all PAGA claims alleged in the operative complaint in the *Caracaus v. Danny's Home Health Care, Inc.*, 37-2022-00020531-CU-OE-CTL matter and Plaintiff's PAGA notice to the LWDA which occurred during the PAGA Period, and expressly excluding all other claims, including claims for vested benefits, unemployment insurance, disability, social security, workers' compensation, wrongful termination, and PAGA claims outside of the PAGA Period.

This means that, if you do not timely and formally exclude yourself from the settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant about the legal issues resolved by this Settlement. It also means that all of the Court's orders in this Action will apply to you and legally bind you.

5. How much will my payment be?

Defendant's records reflect that you have <<____>> Workweeks worked during the Class Period (May 31, 2018, through August 1, 2024).

Based on this information, your estimated Settlement Share is <<____>>.

Defendant's records reflect that you have <<____>> pay periods worked during the PAGA Period (March 25, 2021, to August 1, 2024).

Based on this information, your estimated PAGA Payment Share is <<____>>.

If you wish to challenge the information set forth above, then you must submit a written, signed dispute challenging the information along with supporting documents, to the Settlement Administrator at the address provided in this Notice no later than _____ [forty-five (45) days after the Notice or fifteen (15) days after the re-mailed Notice].

6. How can I get a payment?

To get money from the settlement, you do not have to do anything. A check for your settlement payment will be mailed automatically to the same address as this Notice. If your address is incorrect or has changed, you must notify the Settlement Administrator. The Settlement Administrator is: Apex Class Action LLC.

The Court will hold a hearing on _____ to decide whether to finally approve the Settlement. If the Court approves the Settlement and there are no objections or appeals, payments will be mailed within a few

months after this hearing. If there are objections or appeals, resolving them can take time, perhaps more than a year. Please be patient. After entry of the Judgment, the Settlement Administrator will provide notice of the final judgment to the Class Members by posting a copy of the Judgment on the Settlement Administrator's website at www.apexclassaction.com.

7. What if I don't want to be a part of the Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or "opt out." **If you opt out, you will receive NO money from the Settlement, and you will not be bound by its terms, except as provided as follows.** Irrespective of whether you exclude yourself from the Settlement or "opt out," you will be bound by the PAGA Release, you will be deemed to have released the Released PAGA Claims, and you will receive a share of the PAGA Payment.

To opt out, you must submit to the Settlement Administrator, by First Class Mail, a written, signed and dated request for exclusion **postmarked no later than** _____. The address for the Settlement Administrator is Apex Class Action LLC, 18 Technology Drive, Suite 164, Irvine, CA 92618; Tel. (800) 355-0700. The request for exclusion must state in substance that the Class Member has read the Class Notice and that he or she wishes to be excluded from the settlement of the class action lawsuit entitled *Caracaus v. Danny's Home Health Care, Inc.*, currently pending in Superior Court of San Diego, Case No. 37-2022-00020531-CU-OE-CTL.. The request for exclusion must contain your name, address, signature and the last four digits of your Social Security Number for verification purposes. The request for exclusion must be signed by you. No other person may opt out for a member of the Class.

Written requests for exclusion that are postmarked **after** _____, or are incomplete or unsigned will be rejected, and those Class Members will remain bound by the Settlement and the release described above.

8. How do I tell the Court that I would like to challenge the Settlement?

Any Class Member who has not opted out and believes that the Settlement should not be finally approved by the Court for any reason, may object to the proposed Settlement. Objections may be in writing and state the Class Member's name, current address, telephone number, and describe why you believe the Settlement is unfair and whether you intend to appear at the final approval hearing. All written objections or other correspondence must also state the name and number of the case, which is *Caracaus v. Danny's Home Health Care, Inc., Superior Court of San Diego, Case No. 37-2022-00020531-CU-OE-CTL*. You may also object without submitting a written objection by appearing at the final approval hearing scheduled as described in Section 9 below.

To object to the Settlement, you cannot opt out. If the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Class Members who do not object. Any Class Member who does not object in the manner provided in this Class Notice shall have waived any objection to the Settlement, whether by appeal or otherwise.

Written objections must be delivered or mailed to the Settlement Administrator no later than _____. The address for the Settlement Administrator is 18 Technology Drive, Suite 164, Irvine, CA 92618; Tel: (800) 355-0700.

The addresses for the Parties' counsel are as follows:

Class Counsel:

Shani O. Zakay, Esq.
Zakay Law Group, APLC

Counsel for Defendants:

Mishell Parreno Taylor, Esq.
Mojan Anari, Esq.

5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
Tel: (619) 599-8292
Fax: (619) 599-8291
Email: shani@zakaylaw.com

Jean-Claude Lapuyade, Esq.
JCL Law Firm, APC
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
Tel: (619) 599-8292
Fax: (619) 599-8291
Email: jlapuyade@jcl-lawfirm.com

Akerman LLP
633 West Fifth Street, Suite 6400
Los Angeles, CA 90071
Tel: 213-688-9500
Fax: 213-627-6342
Email:
mishell.taylor@akerman.com
mojan.anari@akerman.com

9. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing at 00:00 AM/PM on _____, at the San Diego County Superior Court, Department XX, located at XXXXXX before Judge XXXX. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement. If there are objections, the Court will consider them. The Court will listen to people who have made a timely written request to speak at the hearing or who appear at the hearing to object. This hearing may be rescheduled by the Court without further notice to you. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

10. How do I get more information about the Settlement?

You may call the Settlement Administrator at 1-800-355-0700 or write to *Caracaus v. Danny's Home Health Care, Inc., Superior Court of San Diego, Case No. 37-2022-00020531-CU-OE-CTL*, Settlement Administrator, 18 Technology Drive, Suite 164, Irvine, CA 92618 c/o Apex Class Action LLC.

This notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may receive a copy of the Settlement Agreement, the Final Judgment or other Settlement documents by writing to JCL Law firm, APC, 5440 Morehouse Drive, Suite 3600, San Diego, CA 92121 or by visiting the Settlement Administrator's website at www.apexclassaction.com.

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

IMPORTANT:

- You must inform the Settlement Administrator of any change of address to ensure receipt of your settlement payment.
- Settlement checks will be null and void 180 days after issuance if not deposited or cashed. In such event, the Settlement Administrator shall pay all funds from such uncashed checks to the State Controller's Unclaimed Property Fund. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.