

1 Carolyn Hunt Cottrell (SBN 166977)
Caroline N. Cohen (SBN 278154)
2 Scott L. Gordon (SBN 319872)
SCHNEIDER WALLACE
3 COTTRELL KONECKY LLP
2000 Powell Street, Suite 1400
4 Emeryville, California 94608
Tel: (415) 421-7100
5 Fax: (415) 421-7105
ccottrell@schneiderwallace.com
6 ccohen@schneiderwallace.com
sgordon@schneiderwallace.com

7 *Attorneys for Plaintiffs and Class Members*

ELECTRONICALLY FILED
Superior Court of California,
County of Tulare
02/08/2024
By: Vanessa Minguela,
Deputy Clerk

8
9 **SUPERIOR COURT OF CALIFORNIA**

10 **COUNTY OF TULARE**

11
12 LUCI GILLESPIE and ILEANA
13 SUASTEGUI, on behalf of themselves and all
others similarly situated,

14 Plaintiffs,

15 v.

16
17 PLUM HEALTHCARE GROUP, LLC, a
California limited liability company; and
18 DOES 1-100, inclusive,

19 Defendants.

Case No. VCU285376

**DECLARATION OF CAROLYN H.
COTTRELL IN SUPPORT OF
PLAINTIFFS' MOTION FOR
PRELIMINARY APPROVAL OF CLASS
AND PAGA ACTION SETTLEMENT**

Judge: Hon. Bret Hillman
Dept.: 7
Date: March 12, 2024
Time: 8:30 a.m.

Complaint Filed: December 17, 2020
Trial Date: None Set

1 which have been certified and/or settled as class actions includes: *Beissel v. Western Flyer Express,*
2 *LLC* (Case No. 5:21-cv-00903-R) (Western District of Oklahoma, November 3, 2023) (final approval
3 of Oklahoma class and FLSA collective action settlement for deceptive trade practices, unlawful sale
4 of business opportunities, and wage and hour claims on behalf of independent contractor truck
5 drivers); *Sishi, et al. v. Eskaton Properties Inc., et al.*, (Case No. RG21100764) (Alameda County
6 Superior Court, August 4, 2023) (final approval of California class and PAGA representative action
7 settlement); *Wright, et al. v. Frontier Management LLC, et al.*, (Case No. 2:19-cv-01767-JAM-CKD)
8 (Eastern District of California, March 13, 2023) (final approval of California, Illinois, Oregon, and
9 Washington class and FLSA collective action settlement); *Campos v. Extra Express (Cerritos) Inc.*,
10 (Case No. BC715057) (Los Angeles Superior Court, Jan. 18, 2023) (final approval of California law
11 wage and hour class action settlement alleging misclassification of short haul delivery drivers);
12 *Huddleston v. John Christner Trucking, LLC*, (Case No. 4:17-cv-00549-GKF-CDL) (Northern
13 District of Oklahoma, October 31, 2022) (final approval of California and Oklahoma class and FLSA
14 collective action settlement where Plaintiff obtained class certification on behalf of allegedly
15 misclassified truck drivers); *Tinaco v. Quik Stop Markets, Inc.* (Case No. RG20061119) (Alameda
16 County Superior Court, June 23, 2022) (final approval of a class action settlement for failure to pay
17 for all hours worked, failure to pay minimum and overtime wages, failure to provide meal and rest
18 breaks, waiting time penalties, and failure to provide itemized wage statements, under California law);
19 *Ramirez, et al. v. Rite Aid Corp., et al.*, (Case No. CV 20-3531-GW-SKx) (Central District of
20 California, May 19, 2022) (final approval of California class action and PAGA representative action
21 settlement); *Madrigal v. Mission Lakes Country Club, Inc.* (Case No. RIC2003428) (Riverside County
22 Superior Court, May 18, 2022) (final approval of California class action and PAGA representative
23 action); *Hazel v. Himage Solutions, Inc.* (Case No. RG20068159) (Alameda County Superior Court,
24 Nov. 2, 2021) (final approval of a California class action settlement for failure to pay for all hours
25 worked, failure to pay minimum and overtime wages, failure to provide meal and rest breaks, failure
26 to reimburse necessary business expenditures, waiting time penalties, and failure to provide itemized
27 wage statements); *Pine Manor Investors, LLC v. FPI Management, Inc.*, Case No. 34-2018-00237315
28 (Sacramento Super. Ct., Oct. 20, 2021) (final approval of a California class action settlement in action

1 that alleged improper billing for workers compensation charges by an apartment complex
2 management company); *Etcheverry v. Franciscan Health System*, Case No. 3:19-cv-05261-RJB-
3 MAT (W.D. Wash., Oct. 19, 2021) (final approval of hybrid Fair Labor Standards Act and
4 Washington class action); *Jean-Pierre v. J&L Cable TV Services, Inc.*, Case No. 1:18-cv-11499-MLW
5 (D. Mass., Aug. 31, 2021) (final approval of hybrid Fair Labor Standards Act and Massachusetts, New
6 Hampshire, Maine, and Pennsylvania class action); *Amaraut v. Sprint/United Management Co.*, Case
7 No. 19-cv-411-WQH-AHG (S.D. Cal, Aug. 5, 2021) (final approval of hybrid Fair Labor Standards
8 Act and Arizona, Colorado, New York, Ohio, and Washington Rule 23 action); *Diaz v. TAK*
9 *Communications CA, Inc.*, Case No. RG20064706 (Alameda Super. Ct., July 27, 2021) (final approval
10 of hybrid Fair Labor Standards Act and California class action); *Villafan v. Broadspectrum*
11 *Downstream Services, Inc.*, Case No. 3:18-cv-06741-LB (N.D. Cal. Apr. 9, 2021) (final approval of
12 class and collective action settlement for failure to pay minimum wages and overtime rates, failure to
13 provide meal and rest breaks, failure to reimburse business expenses, and failure to provide itemized
14 wage statements); *Jones v. Defendants, Inc.*, Case No. 3:17-cv-02229-EMC (N.D. Cal., June 1, 2020)
15 (final approval of hybrid Fair Labor Standards Act and California, Washington, Illinois, Minnesota,
16 Alaska, and Ohio class action settlement for failure to pay for all hours worked, failure to provide
17 meal and rest breaks, unreimbursed business expenses, waiting time penalties, and failure to provide
18 itemized wage statements); *El Pollo Loco Wage and Hour Cases*, Case No. JCCP 4957 (Orange Super.
19 Ct., January 31, 2020) (final approval of a class action settlement for failure to pay for all hours
20 worked, failure to provide meal and rest breaks, unreimbursed business expenses, waiting time
21 penalties, and failure to provide itemized wage statements, under California law); *Soto v. O.C.*
22 *Communications, Inc.*, Case No. 3:17-cv-00251-VC (N.D. Cal., Oct. 23, 2019) (final approval of a
23 hybrid Fair Labor Standards Act and California and Washington law Rule 23 action with joint
24 employer allegations); *Manni v. Eugene N. Gordon, Inc. d/b/a La-Z-Boy Furniture Galleries*, Case
25 No. 34-2017-00223592 (Sacramento Super. Ct.) (final approval of a class action settlement for failure
26 to pay for all hours worked, failure to pay minimum and overtime wages, failure to provide meal and
27 rest breaks, waiting time penalties, and failure to provide itemized wage statements, under California
28 law); *Van Liew v. North Star Emergency Services, Inc.*, Case No. RG17876878 (Alameda Super. Ct.)

1 (final approval of a class action settlement for failure to pay for all hours worked, failure to pay
2 minimum and overtime wages, failure to provide meal and rest breaks, failure to reimburse for
3 necessary business expenditures, waiting time penalties, and failure to provide itemized wage
4 statements, under federal law); *Asalati v. Intel Corp.*, Case No. 16cv302615 (Santa Clara Super. Ct.)
5 (final approval of a class and collective action settlement for failure to pay for all hours worked, failure
6 to pay overtime, failure to provide meal and rest breaks, failure to reimburse for necessary business
7 expenditures, failure to adhere to California record keeping requirements, waiting time penalties, and
8 failure to provide itemized wage statements, under federal and California law); *Harmon v. Diamond*
9 *Wireless, LLC*, Case No. 34-2012-00118898 (Sacramento Super. Ct.) (final approval of a class action
10 settlement for failure to pay wages free and clear, failure to pay overtime and minimum wages, failure
11 to provide meal and rest breaks, failure to pay full wages when due, failure to adhere to California
12 record keeping requirements, and failure to provide adequate seating, under California law); *Aguilar*
13 *v. Hall AG Enterprises, Inc.*, Case No. BCV-16-10994-DRL (Kern Super. Ct.) (final approval of a
14 class action settlement for failure to provide meal and rest periods, failure to compensate for all hours
15 worked, failure to pay minimum and overtime wages, waiting time penalties, failure to provide
16 itemized wage statements, and failure to pay undiscounted wages, under California law); *Viceral and*
17 *Krueger v. Mistras Group, Inc.*, Case No. 3:15-cv-02198-EMC) (N.D. Cal.) (final approval of a class
18 and collective action settlement for failure to compensate for all hours worked, including overtime,
19 under federal and California law); *Jeter-Polk v. Casual Male Store, LLC*, Case No. 5:14-CV-00891
20 (C.D. Cal.) (final approval of a class action settlement for failure to provide meal and rest periods,
21 failure to compensate for all hours worked, failure to pay overtime wages, unpaid wages and waiting
22 time penalties, and failure to provide itemized wage statements); *Meza v. S.S. Skikos, Inc.*, Case No.
23 15-cv-01889-TEH (N.D. Cal.) (final approval of class and collective action settlement for failure to
24 compensate for all hours worked, including overtime, under federal and California law, failure to
25 provide meal and rest breaks, failure to reimburse for necessary business uniforms, failure to pay full
26 wages upon termination to, and failure to provide accurate itemized wage statements); *Holmes v.*
27 *Xpress Global Systems, Inc.*, Case No. 34-2015-00180822 (Sacramento Super. Ct.) (final approval of
28 a class action settlement for failure to provide meal and rest breaks and failure to provide accurate

1 itemized wage statements); *Guilbaud v. Sprint Nextel Corp.*, Case No. 3:13-cv-04357-VC (N.D. Cal.)
2 (final approval of a class and collective action settlement for failure to compensate for all hours
3 worked, including overtime, failure to provide meal and rest breaks, failure to reimburse for necessary
4 business uniforms, failure to pay full wages upon termination to, and failure to provide accurate
5 itemized wage statements); *Molina v. Railworks Track Systems, Inc.*, Case No. BCV-15-10135 (Kern
6 Super. Ct.) (final approval of a class action settlement for failure to provide meal and rest breaks,
7 unpaid wages, unpaid overtime, off-the-clocker work, failure to pay full wages upon termination to,
8 and failure to provide accurate itemized wage statements); *Allen v. County of Monterey*, Case No.
9 5:13-cv-01659 (N.D. Cal.) (settlement between FLSA Plaintiffs and Defendant to provide relief to
10 affected employees); *Williams v. H&R Block Enterprises, Inc.*, Case No. RG08366506 (Alameda
11 Super. Ct.) (final approval of class and PAGA action on behalf of seasonal office managers, approving
12 approximately 34% of total funds to attorneys’ fees); among many others.

13 8. Nearly my entire legal career has been devoted to advocating for the rights of
14 individuals who have been subjected to illegal pay policies, discrimination, harassment, and
15 retaliation, and representing employees in wage and hour and discrimination class actions. I have
16 litigated hundreds of wage and hour, employment discrimination and civil-rights actions, and I
17 manage many of the firm’s current cases in these areas. I have had memberships with Public Justice,
18 the National Employment Lawyers Association, the California Employment Lawyers Association,
19 and the Consumer Attorneys of California. I served on the Board of Directors for the San Francisco
20 Trial Lawyers Association and co-chaired its Women’s Caucus. I was named one of the “Top Women
21 Litigators for 2010” by the Daily Journal. In 2012, I was nominated for Woman Trial Lawyer of the
22 Year by the Consumer Attorneys of California. I have been selected as a Super Lawyer every year
23 since 2014. I earned my bachelor’s degree from the University of California, and I am a graduate of
24 the University of the Pacific, McGeorge School of Law.

25 **BACKGROUND**

26 9. Plaintiffs contend that Defendant Plum Healthcare Group, LLC (“Plum”) operates a
27
28

1 system of skilled nursing facilities in the State of California.¹

2 10. Plaintiffs allege that chronic understaffing at the Facilities led to wage and hour
3 violations, such as non-exempt employees working during meal periods, rest breaks, and before and
4 after scheduled shift times, without compensation. On this basis, Plaintiffs brought claims against
5 Defendants for unpaid wages (including minimum wages and overtime), meal period violations, rest
6 break violations, unreimbursed expenses, waiting time penalties, wage statement penalties, and PAGA
7 penalties.

8 11. Plaintiffs allege that, even though the Facilities were each operated by separate LLCs
9 (the “Facility Entities”), that Plum exercised control over the non-exempt employees at the Facilities
10 as a joint employer and was liable for the wage and hour violations alleged.

11 12. Plaintiffs Gillespie and Suastegui filed this putative class action on December 14,
12 2020. The Parties engaged in extensive motion practice, as well as considerable formal and informal
13 discovery and meet and confer. Ultimately, the Parties conducted two mediation sessions with Jeffrey
14 Krivis on March 30, 2023 and on May 16, 2023. The mediations covered the instant class action, a
15 related class action, and six additional California Labor Code Private Attorneys General Act
16 (“PAGA”) actions (together, the “Actions”):

- 17 • *Luci Gillespie v. Flax Holdings, LLC d/b/a River Valley Care Center* (Sutter County
18 Superior Court, Case No. CVCS22-0001058)
- 19 • *Ileana Susategui v. Plum Healthcare Group, LLC* (Alameda County Superior Court, Case
20 No. RG21092158)
- 21 • *Luci Gillespie v. Flax Holdings, LLC d/b/a River Valley Care Center* (Alameda County
22 Superior Court, Case No. RG21093104)
- 23 • *Trevor Harding v. Plum Healthcare Group, LLC; Gladiolus Holdings, LLC d/b/a The*
24 *Pines at Placerville Healthcare Center* (Alameda County Superior Court, Case No.
25 RG21097877)
- 26 • *Esther Corona v. Jujube Holdings, LLC d/b/a Sunnyvale Post-Acute Center; Plum*

27 _____
28 ¹ Defendants dispute that Plum operates the facilities and further dispute that Plum is the employer
for facility employees or otherwise liable for the violations alleged.

1 *Healthcare Group, LLC* (Alameda County Superior Court, Case No. RG21111905)

- 2 • *Joselito Guerrero v. Douglas Fir Holdings, LLC d/b/a Huntington Valley Healthcare*
3 *Center; Plum Healthcare Group, LLC* (Alameda County Superior Court, Case No.
4 RG21111952)
- 5 • *Mildred Arriaga v. Olive Holdings, LLC d/b/a Aviara Healthcare Center; Plum*
6 *Healthcare Group, LLC* (Alameda County Superior Court, Case No. 22CV006835)

7 13. The mediations were productive and resulted in a settlement in principle of the eight
8 class and PAGA actions. After the May 16, 2023 mediation session, the Parties negotiated and drafted
9 the long-form settlement agreement in a multi-month process, which included a separate drafting
10 the process for the Class Notice (Exhibit B to the Settlement) and other attachments to the Settlement.
11 The proposed Settlement globally resolves the eight actions, and Plaintiffs now seek preliminary
12 approval in this Court.

13 14. The Gross Settlement Amount is \$10,000,000, which is fully non-revisionary. The
14 following will be paid from the Gross Settlement Amount: (1) the costs and expenses of the Settlement
15 Administrator, Atticus Administration LLC, currently estimated at \$83,000; (2) Service Awards of up
16 to \$10,000 for Plaintiffs Luci Gillespie, Ileana Suastegui, Trevor Harding, Esther Corona, and Mildred
17 Arriaga, and up to \$15,000 for Plaintiff Joselito Guerrero; (3) attorneys' fees of up to 35% of the
18 Gross Settlement Amount, or \$3,500,000, plus reimbursement of actual costs (currently estimated at
19 \$50,000) to Class Counsel; (4) the employer-side payroll taxes triggered by payment of the unpaid
20 wage portion of each Class Settlement Share; and (5) the PAGA Allocation of \$100,000. After these
21 deductions, an estimated Class Net Settlement Amount of approximately \$5,581,800 will be available
22 for distribution to Participating Class Members. The average net Class Settlement Share for each of
23 the approximately 8,478 proposed Class Members is approximately \$658.39. Additionally, Aggrieved
24 Employees (i.e., those employees eligible for the PAGA component of the Settlement) will receive a
25 share from the 25% employee portion of the PAGA Allocation

26 15. Moreover, the Equitable/Injunctive Components of the Settlement require specific
27 changes to operations at the Facilities. Among other changes, the Facilities and Facility Entities agree
28 to establish a "missed meal period log" and a "missed rest break log" where non-exempt employees

1 can readily report that that were not provided with a full, timely, uninterrupted, off-duty break. The
2 Facilities and Facility Entities also agree to ensure that their timekeeping and payroll systems duly
3 and timely pay non-exempt employees for all time that they record, with their hours of work readily
4 viewable in the timekeeping application. The Facilities will also provide required training for
5 management and supervisors on the California wage and hour laws as alleged in this case;
6 furthermore, management at the Facilities will orally read a notice to all current non-exempt
7 employees (i.e., at a team meeting or similar setting) that summarizes in plain language the wage and
8 hour laws and related protections and obligations, and will inform workers of the “missed meal period
9 log” and the “missed rest break log.”

10 16. This is a large and complex settlement that will provide crucial relief to thousands of
11 lower-wage workers at dozens of skilled nursing facilities across the State of California. It provides
12 strong monetary and equitable benefits for the Class Members, Aggrieved Employees, and the State
13 of California. Moreover, the Settlement will resolve at least eight cases pending in at least three courts,
14 and thereby will achieve significant judicial economy and the conservation of the resources of multiple
15 courts. The proposed Settlement satisfies all the criteria for preliminary approval under California law
16 and falls well within the range of reasonableness, and Plaintiffs respectfully submit that the Court
17 should grant the requested approvals.

18 **Parties**

19 17. The Plaintiffs in this action, as originally filed, are Luci Gillespie and Ileana Suastegui
20 and the Defendant is Plum Healthcare Group, LLC. Plaintiffs file a Consolidated Class and PAGA
21 Complaint (“Consolidated Complaint”) herewith, pursuant to an accompanying stipulation, which
22 consolidates the eight separate class and PAGA actions, inclusive of the six Plaintiffs and seven
23 Defendants, in this single proceeding.

24 18. Under Plaintiffs’ Consolidated Complaint, the six Plaintiffs are Luci Gillespie, Ileana
25 Suastegui, Trevor Harding, Esther Corona, Joselito Guerrero, and Mildred Arriaga, on behalf of
26 themselves and all others similarly situated (collectively, “Plaintiffs”). The seven defendants are Plum
27 Healthcare Group, LLC; Flax Holdings, LLC d/b/a River Valley Care Center; Gladiolus Holdings,
28 LLC d/b/a The Pines at Placerville Healthcare Center; Jujube Holdings, LLC d/b/a Sunnyvale Post-

1 Acute Center; Douglas Fir Holdings LLC d/b/a Huntington Valley Healthcare Center; Olive Holdings,
2 LLC d/b/a Aviara Healthcare Center; and Rosebud Holdings, LLC d/b/a Western Slope Health Center
3 (collectively, “Defendants”).

4 **Procedural History**

5 *The instant Action*

6 19. Plaintiffs Luci Gillespie and Ileana Suastegui filed a broad putative class action
7 complaint in this Court on December 17, 2020, to challenge Plum’s alleged non-compliant
8 employment practices and attendant violations of California law on a statewide basis.

9 20. Plum filed a Motion to Compel Arbitration and Stay Court Action, with respect to both
10 Plaintiffs, on March 26, 2021. The Court granted Plum’s motion on May 11, 2021 and ordered this
11 case stayed pending resolution of the arbitration proceedings.

12 21. Plaintiffs initiated their arbitration actions on July 19, 2021. As each arbitration
13 agreement required a different arbitral forum, Plaintiff Suastegui filed her arbitration demand with
14 AAA and Plaintiff Gillespie filed her arbitration demand with JAMS.

15 22. Plum’s former counsel (Procopio, Cory, Hargreaves & Savitch LLP) did not arrange
16 for the payment of required arbitration fees to AAA and JAMS, respectively. Plaintiffs Gillespie and
17 Suastegui filed a Motion to Vacate Order Compelling Arbitration, pursuant to Code of Civil Procedure
18 (“CCP”) sections 1281.97, *et seq.*, in Tulare County Superior Court on April 27, 2022, premised on
19 Plum’s alleged failure to timely pay required arbitration fees that AAA and JAMS billed in each
20 arbitration proceeding. After full briefing and argument, the Court granted Plaintiffs’ Motion to
21 Vacate Order Compelling Arbitration, as set forth in its Ruling on Motion to Set Aside Arbitration
22 Order, dated May 25, 2022.

23 23. Thereafter, litigation resumed in this Court on a putative class basis, with Defendants
24 represented by new counsel from Fisher & Phillips, LLP.²

25 24. Plaintiffs Gillespie and Suastegui served formal requests for production of documents
26

27 ² Plum substituted Fisher & Phillips counsel into this case, and the other Actions, on or about May 5,
28 2022. The substitution followed Defendants loss of a crucial motion to strike Plaintiffs’ PAGA claims
in the PAGA actions (discussed *infra*) and Plaintiffs’ filing of the Motion to Vacate Order Compelling
Arbitration in this case.

1 and special interrogatories on August 26, 2022, and the Parties conferred extensively regarding Plum’s
2 responses to these requests.

3 25. Plaintiffs’ requests sought considerable documents and information, including, *inter*
4 *alia*, a variety of timekeeping, payroll, and scheduling records for the putative class members; policy
5 documents; documents relating to Plum’s involvement in complaints, investigations, reviews, and
6 audits of wage and hour issues for putative class members; contacts and agreements between Plum
7 and the facility LLCs; and entity formation documents. Plaintiffs’ requests were crafted to seek
8 general information regarding the putative class members as well as documents and information that
9 are probative of the joint employer claims of liability.

10 26. After the extensive meet and confer, Plum began to substantively respond to Plaintiffs’
11 discovery, including serving supplemental responses on February 13, 2023. At the time of mediation,
12 Plaintiffs were preparing a motion to compel further RFP and interrogatory responses.

13 *The additional Actions*

14 27. The seven other Actions are the six PAGA cases and the narrow Sutter County class
15 action. Each of the six total Plaintiffs in these Actions maintains a separate PAGA case against Plum
16 and/or facility LLCs in Alameda County Superior Court, and additionally, Plaintiff Gillespie
17 maintains the Sutter County class action, which is limited to a single Facility and associated Facility
18 Entity (Flax Holdings, LLC d/b/a River Valley Care Center (“Flax”)).

19 28. Plaintiff Suastegui filed the first of the PAGA actions on March 18, 2021, alleging
20 PAGA claims against Plum with respect to all of Plum’s current and former non-exempt employees
21 in California. Thus, the *Suastegui* PAGA action is the broadest of the PAGA cases in the sense that it
22 has the greatest scope of Labor Code violations and covers all non-exempt employees at Plum’s
23 facilities statewide. Plaintiff Gillespie filed the second PAGA action on March 25, 2021, alleging
24 PAGA claims against Flax Holdings, LLC d/b/a River Valley Care Center (“Flax”) with respect to all
25 of Flax’s current and former non-exempt employees. The *Gillespie* PAGA action is limited in scope
26 to River Valley Care Center.

27 29. Plaintiff Harding filed the third PAGA action on May 5, 2021, alleging PAGA claims
28 against Plum, Gladiolus Holdings, LLC d/b/a The Pines at Placerville Healthcare Center (“Gladiolus”)

1 and Rosebud Holdings, LLC d/b/a Western Slope Health Center (“Rosebud”). *Harding* incorporates
2 a joint employer theory and covers employees involved with patient care at Plum’s facilities statewide,
3 and in particular those employees at The Pines at Placerville Healthcare Center and Western Slope
4 Health Center.

5 30. Plaintiff Corona and Plaintiff Guerrero filed their PAGA actions on September 1, 2021.
6 *Corona* alleges PAGA claims against Plum and Jujube Holdings, LLC d/b/a Sunnyvale Post-Acute
7 Center, and also incorporates a joint employer theory and covers employees at Plum’s facilities
8 statewide, and in particular the employees at Sunnyvale Post-Acute Center. *Guerrero* alleges PAGA
9 claims against Plum and Douglas Fir Holdings, LLC d/b/a Huntington Valley Healthcare Center, and
10 again, incorporates a joint employer theory and covers employees at Plum’s facilities statewide, and
11 in particular the employees at Huntington Valley Healthcare Center. Plaintiff Arriaga filed the sixth
12 and final PAGA action on February 10, 2022, alleging PAGA claims against Plum and Olive
13 Holdings, LLC d/b/a Aviara Healthcare Center. *Arriaga*, like *Harding*, *Corona*, and *Guerrero*,
14 incorporates a joint employer theory and covers employees at Plum’s facilities statewide, and in
15 particular the employees at Aviara Healthcare Center.

16 31. The PAGA actions have been deemed related cases and are assigned to Judge Tara
17 Desautels (the cases were reassigned to Judge Desautels on December 29, 2023, but were previously
18 assigned to Judge Brad Seligman). Though their scope differs to some extent, these actions all contain
19 PAGA claims for violations with respect to hourly, non-exempt employees at Plum’s facilities in
20 California. Each action alleges PAGA claims for failure to authorize and permit compliant meal
21 breaks and rest periods; failure to compensate for all hours worked; failure to pay minimum wages;
22 failure to pay overtime compensation; and other violations.

23 32. The Parties also litigated extensive motion and discovery practice in the PAGA cases.

24 33. After initial discovery, Defendants filed motions to strike in each of the actions that
25 sought to challenge the PAGA claims on manageability and other grounds on November 8, 2021.
26 Defendants argued that the PAGA claims could not be manageably tried under *Wesson v. Staples the*
27 *Office Superstore, LLC* (2021) 68 Cal.App.5th 746—and that the alleged violations could not be tried
28 manageably across the Plum network and even as to single facilities. At the urging of Judge Brad

1 Seligman, the Parties stipulated to omnibus briefing for the oppositions and replies to Defendants’
2 motions to strike.

3 34. Plaintiffs’ opposition had a two-pronged overall theme. First, Plaintiffs argued that
4 Defendants’ motions were premature because Plaintiffs were entitled to discovery to develop
5 manageable theories of the litigation and an informed assessment of manageability. Second, Plaintiffs
6 articulated that their PAGA claims are amenable to common proof and efficient resolution by virtue
7 of Plum’s overarching, common control across its California facilities.

8 35. To substantiate this showing, Plaintiffs pointed to Plum’s own written policies, which
9 were implemented universally and created common employments conditions across the Facilities.
10 Plaintiffs also adduced statements of Plum’s former CEO, Cory Christensen, showing that Plum
11 operates a cohesive system with extensive involvement in the wages, hours, and working conditions
12 for facility employees. Plaintiffs argued that the PAGA claims are grounded in Plum’s central control
13 over staffing allocations, availability of relief workers, other operational policies, practices, and
14 procedures, and the overall work environment and facility operations. Plaintiffs maintained that,
15 together with the universal requirements of patient care and other operational realities that are ever
16 present in the skilled nursing setting, Plum sets in motion a series of Labor Code violations that may
17 be efficiently prosecuted and adjudicated on a representative basis.

18 36. The Court denied the motions to strike after extensive briefing and oral argument on
19 February 4, 2022. At the hearing, Judge Seligman instructed the Parties to proceed with discovery
20 with a focus on first developing evidence to support the joint employer claims of liability. Again,
21 shortly after Defendants’ loss on their motions to strike, Defendants replaced their prior counsel from
22 Procopio with their current counsel from Fisher & Phillips.

23 37. Plaintiffs propounded considerable discovery in the PAGA cases on April 8, 2022.
24 Plaintiffs served one set of “joint employer” discovery requests on Plum, consisting of 118 requests
25 for production of documents and 52 special interrogatories, which were intended by Plaintiffs to elicit
26 responses that apply to the joint employer claims across the actions. Also on April 8, 2022, Plaintiffs
27 served approximately 60 RFPs and approximately 19 to 23 SROGs for each of the five Plaintiffs
28 (Susategui, Gillespie, Harding, Corona, and Guerrero) that are specific to their particular actions.

1 Plaintiff Arriaga served 65 RFPs and 23 SROGs that are specific to the Arriaga action on May 13,
2 2022.

3 38. After several extensions, Defendants served objections (without substantive responses)
4 in June 2022.

5 39. The Parties engaged in extensive meet and confer in August and September 2022;
6 Defendants' counsel ultimately informed Plaintiffs' counsel that they intended to file motions to
7 compel arbitration on the basis of the United States Supreme Court's then-recent decision in *Viking*
8 *River Cruises, Inc. v. Moriana* (2022) 142 S.Ct. 1906, and maintained that formal discovery should
9 be stayed across all the actions.

10 40. *Viking River* was decided after the PAGA cases were filed—following the resolution
11 of Defendants' motions to strike the PAGA claims and in the midst of formal discovery. Plaintiffs'
12 counsel recognized that the Supreme Court's decision could potentially have marked impacts on the
13 nature and scope of these actions and were reasonable in prioritizing the resolution of the *Viking River*
14 motions.

15 41. Defendants moved to compel arbitration as to five of the six Plaintiffs—Plaintiffs
16 Susategui, Gillespie, Harding, Guerrero, and Arriaga—on November 1, 2022. Defendants withdrew
17 the *Arriaga* motion on December 19, 2022 and did not file a motion as to Plaintiff Corona. After full
18 briefing and argument, the Court denied Defendants' remaining motions in large part on January 13,
19 2023. The Court ruled that Defendants failed to prove that Plaintiff Guerrero had agreed to arbitration,
20 and moreover, denied the motion in its entirety as to Plaintiff Gillespie based on carveout language
21 for PAGA claims. Thus, four out of six actions were completely unscathed by Defendants' *Viking*
22 *River* motion practice. Even as to Plaintiffs Suastegui and Harding, the motion was granted only as to
23 the individual PAGA claims; Defendants' motion was denied as to Plaintiffs Suastegui and Harding's
24 representative PAGA claims, meaning that the cases could proceed in court as to the violations alleged
25 for all employees beyond Plaintiffs Suastegui and Harding.

26 42. Following the resolution of the *Viking River* motions, the Parties resumed discovery
27 practice. At the time of mediation, the Parties had tentatively agreed to an approach under which they
28 would prioritize the joint employer discovery as to the facilities where the Named Plaintiffs worked.

1 net PAGA Settlement Share for each of the approximately 1,402 Aggrieved Employees is
2 approximately \$17.83.

3 61. The proposed Settlement provides that Defendants will fund the Gross Settlement
4 Amount in three equal installments. The first installment will be due 90 days after the Effective Date,
5 the second installment will be due 180 days after the Effective Date, and the third and final installment
6 will be due 270 days after the Effective Date. (Settlement, ¶ III.E.10.) All payments under the
7 Settlement—to Participating Class Members, Aggrieved Employees, Plaintiffs, Class Counsel, the
8 LWDA, and the Settlement Administrator—will be made in three equal shares.

9 **Settlement Awards for Participating Class Members and Aggrieved Employees**

10 62. Participating Class Members (i.e., those Class Members who do not opt out of the
11 Settlement) and Aggrieved Employees are eligible for Class Settlement Shares and PAGA Settlement
12 Shares, respectively, under the Settlement. Class Members and Aggrieved Employees are not required
13 to submit an opt-in form or claim form in order to receive payment under the Settlement.

14 63. For purposes of the Settlement, the Class includes all current and former non-exempt
15 employees, allegedly employed in California by Plum Healthcare Group, LLC and/or the applicable
16 Facility Entity, who worked at any of the Facilities during the Class Period, was not subject to an
17 arbitration agreement, and did not release claims under a settlement in any of the Settled Cases.
18 (Settlement, ¶ II.C.) In turn, the Facilities are identified in Exhibit A to the Settlement and in Section
19 2 of the Class Notice, and the Settled Cases are identified in Paragraph 2.II of the Settlement and in
20 Section 3 of the Class Notice. The Class Period, which runs from December 17, 2016 through July
21 17, 2023, is defined at Paragraph 2.J of the Settlement.

22 64. Under the Settlement, the Aggrieved Employees include all current and former non-
23 exempt employees, allegedly employed in California by Plum Healthcare Group, LLC and/or the
24 applicable Facility Entity, who worked at any of the Facilities during the PAGA Period, was not
25 subject to an arbitration agreement, and did not release claims under a settlement in any of the Settled
26 Cases. (Settlement, ¶ II.B.) The PAGA Period, which runs from January 13, 2020 through the date of
27 preliminary approval of the Settlement, is defined at Paragraph 2.AA of the Settlement.

28 65. The Class Net Settlement Amount is to be allocated among and paid to Participating

1 Class Members based on Class Workweeks (the number of workweeks worked by the Participating
2 Class Member as a non-exempt employee at any Facility during the Class Period), in proportion to
3 the total Class Workweeks for all Participating Class Members. (Settlement, ¶ III.B.1.) Similarly, the
4 PAGA Net Settlement Amount is to be allocated among and paid to Aggrieved Employees based on
5 PAGA Pay Periods (the number of pay periods worked by the Aggrieved Employee as a non-exempt
6 employee at any Facility during the PAGA Period), in proportion to the total PAGA Pay Periods for
7 all Aggrieved Employees. (*Id.*)

8 66. 10% of each Class Settlement Share will be treated as a payment in settlement of
9 wages, and will be reduced by applicable payroll tax withholding and deductions and reported on
10 Form W-2. (Settlement, ¶ III.B.3.b.) The other 90% of each Class Settlement Share will be treated as
11 a payment in settlement of unreimbursed business expenses, liquidated damages, and penalties, will
12 not be reduced by applicable payroll tax withholding and deductions, and will be reported on Form
13 1099. (*Id.*) 100% of each PAGA Settlement Share will be treated as a payment in settlement of
14 penalties and will be reported on Form 1099. (Settlement, ¶ III.B.3.c.)

15 67. Again, Class Settlement Shares and PAGA Settlement Shares will be paid in equal
16 installments, approximately 90 days apart. Class Members and Aggrieved Employees will have 90
17 days to cash each check; if an individual does not cash his or her check in the first or second round of
18 payments, the payment will be reissued to him or her with the next round of checks. (Settlement, ¶
19 III.E.11.) If an individual does not cash his or her third check within the 90-day check void period,
20 the payment will be forfeited. At the conclusion of the 90-day check void period for the third round
21 of payments, the uncashed checks funds will be redistributed among Participating Class Members and
22 Aggrieved Employees that cashed their third check, on a *pro rata* basis, provided that the total amount
23 of uncashed checks equals or exceeds \$100,000. (*Id.*) Any uncashed checks from this second
24 distribution will be paid to the Parties' agreed upon *cy pres* recipient, Legal Aid at Work, subject to
25 the Court's approval. (*Id.*)

26 **Settlement Administration**

27 68. The Parties have agreed to retain Atticus Administration LLC ("Atticus") as the
28 Settlement Administrator. (Settlement, ¶¶ II.JJ, III.D.) Within 21 days after preliminary approval,

1 Defendants will provide the Settlement Administrator with the following information for each Class
2 Member and Aggrieved Employee: name, last known mailing address, last known email address,
3 Social Security number, number of Class Workweeks, and number of PAGA pay periods. (Settlement,
4 ¶ III.E.2.a.)

5 69. The Settlement Administrator will then send each Class Member and Aggrieved
6 Employee the Notice Packet via first class U.S. mail and email. (Settlement, ¶ III.E.2.b.) Prior to the
7 initial mailing, the Settlement Administrator will check the addresses through the National Change of
8 Address System. (*Id.*) The Settlement Administrator will make reasonable efforts to re-send Notice
9 Packets that are returned or non-deliverable. (*Id.*) If a Notice Packet is returned with no forwarding
10 address, the Settlement Administrator will promptly search for a current address using a skip trace
11 and remail the Notice Packet. (Settlement, ¶ III.E.2.d.) The Settlement Administrator will also create
12 and host a website for the Settlement, which will allow Class Members and Aggrieved Employees to
13 view the Class Notice, the Settlement, the preliminary and final approval papers, and the related orders
14 of the Court, and will additionally create a toll-free call center to field telephone inquiries from Class
15 Members and Aggrieved Employees during the notice and settlement administration periods.
16 (Settlement, ¶ III.E.2.c.)

17 70. Class Members will have 45 days after the date the Settlement Administrator first mails
18 the Notice Packet to submit objections to the Settlement, requests for exclusion, and disputes
19 regarding workweeks. (Settlement, ¶¶ III.E.3, III.E.4.) Aggrieved Employees may not opt out of the
20 PAGA component of the Settlement—if a Class Member who is also an Aggrieved Employee timely
21 and validly opts out of the Settlement by submitting an Exclusion Letter, he or she will still receive a
22 PAGA Settlement Share and will still release the PAGA Released Claims. (Settlement, ¶ III.E.3.b.)

23 71. If 10% or more of Class Members submit valid and timely opt-outs, Defendants shall
24 have the right, in their sole discretion, to unilaterally rescind the Settlement within 30 days after the
25 Settlement Administrator notifies the parties of the number of opt-outs. (Settlement, ¶ III.E.6.)

26 **Releases of Claims**

27 72. The Settlement provides separate, distinct releases for Participating Class Members
28 versus Aggrieved Employees. Broadly, the Participating Class Members release all individual wage

1 and hour claims that are or could have been alleged under state and federal law based on the facts of
2 the case (the “Class Released Claims”), while the LWDA and Aggrieved Employees release all PAGA
3 claims that are or could have been alleged based on the facts of the case (the “PAGA Released
4 Claims”). The separate releases allow for the release of PAGA claims by Class Members that opt out
5 of the Settlement. Additionally, Plaintiffs agree to a general release.

6 73. The releases take effect as of the Effective Date (i.e., the date by which the Settlement
7 is fully approved and there is no possibility for appellate review). (Settlement, ¶¶ III.F.2, II.O.) The
8 Class Released Claims include all claims and/or causes of action against Defendants and the Released
9 Parties during the Class Period, known or unknown, that are or could have been alleged based on the
10 facts alleged in the operative complaints and/or the notices of claims under the PAGA to the LWDA
11 in any of the Actions. (Settlement, ¶ II.K.) The PAGA Released Claims include all claims and/or
12 causes of action under the PAGA against Defendants and the Released Parties during the PAGA
13 Period, known or unknown, that are or could have been alleged based on the facts alleged in the
14 operative complaints and/or the notices of claims under the PAGA to the LWDA in any of the Actions.
15 (Settlement, ¶ II.BB.) Additionally, Plaintiffs will generally release claims provided that they are
16 awarded a Service Award by the Court. (Settlement, ¶ III.F.1.)

17 74. The Released Parties include Defendants, the Facilities, and the Facility Entities—
18 along with their parents, subsidiaries, and affiliated companies or entities, and their officers, directors,
19 employees, partners, shareholders and agents. As Plum was acquired by the Providence Group in
20 November 2021, the Released Parties include the Providence Group, Inc. and Providence
21 Administrative Consulting Services.

22 **Equitable/Injunctive Components**

23 75. The Equitable/Injunctive Components of the Settlement require the Facilities to make
24 meaningful operational and policy changes to promote compliance with California wage and hour
25 laws. These include (but are not limited to) the following:

- 26 • The Facilities and Facility Entities agree to not punish or discipline non-exempt
27 employees, or otherwise impose negative employment consequences, when they report
28 that (1) they were not provided with a compliant meal period or rest break, or (2) they were

- 1 required to work additional hours beyond their scheduled shift time and/or overtime hours.
- 2 • The Facilities and Facility Entities will establish a “missed meal period log” and a “missed
 - 3 rest break log” where non-exempt employees can readily report that that were not provided
 - 4 with a full, timely, uninterrupted, off-duty break.
 - 5 • The Facilities and Facility Entities agree to remedy any issues with their timekeeping and
 - 6 payroll systems so that non-exempt employees are duly and timely paid for all “on the
 - 7 clock” time that they record. All “on the clock” time must be readily viewable by non-
 - 8 exempt employees in the Workday application.
 - 9 • The Facilities will provide required training for management and supervisors on the
 - 10 California wage and hour laws as alleged in this case, and methods for compliance.
 - 11 • Management at the Facilities will orally read a notice to all current non-exempt employees
 - 12 (i.e., at a team meeting or similar setting) that summarizes in plain language the wage and
 - 13 hour laws and related protections and obligations, and will inform workers of the “missed
 - 14 meal period log” and the “missed rest break log.”

15 76. These changes will foster an improved working environment as to pay and break issues
16 for hourly employees at the Facilities, and Class Counsel respectfully submit that they are proud to
17 have achieved a rare wage and hour settlement that includes strong, meaningful equitable relief.

18 **PRELIMINARY APPROVAL OF THE SETTLEMENT IS APPROPRIATE**

19 77. With this Motion, the Parties request that the Court take the first step in the settlement
20 approval process and grant preliminary approval.

21 78. In this litigation, Class Counsel battled through several years of intense motion
22 practice, extensive discovery and related disputes, and comprehensive mediation with Jeffrey Krivis,
23 among the best wage and hour mediators in the state, to achieve an excellent eight-figure settlement
24 with strong equitable relief components in the face of a bevy of risks. Plaintiffs prevailed on several
25 key motions—notably, the motion to vacate the arbitration order in this case, and Plaintiffs’ defeat of
26 the motion to strike the PAGA claims of the Alameda County cases—and proceeded to highly
27 contentious discovery practice on the joint employer claims.

28 79. The skill Class Counsel brought to bear allowed the Actions to proceed to mediation

1 on a statewide basis, informed by extensive formal and informal discovery and investigation by Class
2 Counsel. The material terms of the Settlement were only agreed to by the Parties after two mediation
3 sessions with Mr. Krivis, followed by a lengthy drafting process for the long-form agreement.

4 80. The Settlement provides strong monetary and equitable relief, and after preliminary
5 approval and notice to the Class, Plaintiffs expect that there will be few (if any) objections. The
6 proposed Settlement is strongly entitled to a presumption of fairness in these circumstances.

7 **The Proposed Settlement is Well Within the Range of Fairness**

8 81. A preliminary review of the Settlement reveals the fairness of its terms. An estimated
9 Class Net Settlement Amount of approximately \$5,581,800 will be available for distribution to
10 Participating Class Members. The average net Class Settlement Share for each of the approximately
11 8,478 proposed Class Members is approximately \$658.39. Additionally, Aggrieved Employees (i.e.,
12 those employees eligible for the PAGA component of the Settlement) will receive an estimated
13 average recovery of \$17.83 per person from the 25% employee portion of the PAGA Allocation. This
14 result is not only within the reasonable standard, but Class Counsel believes it is exceptional when
15 considering the nature of Plaintiffs' claims and the difficulty and risks presented by continuing this
16 litigation.

17 82. To facilitate settlement negotiations, Class Counsel investigated the applicable law and
18 the facts in this case and extensively analyzed the potential damages that might be recovered following
19 the exchange of documents and information with Defendants.

20 83. Defendants provided formal and informal discovery showing the total number Class
21 Members, the number of current employee Class Members, the number of former employee Class
22 Members, the total number of Class workweeks and pay periods, and the average hourly rate of pay
23 for Class Members, as well as similar, separate information for Aggrieved Employees. Defendants
24 also produced a 5% sampling of timekeeping and payroll records for each of the Facilities at issue and
25 numerous other documents.

26 84. The data showed that, across all Actions, there were 8,478 Class Members that worked
27 a combined total of 355,196 workweeks at an average hourly rate of \$24.81, and 1,402 Aggrieved
28 Employees that worked a combined total of 47,944 pay periods at an average hourly rate of \$29.18.

1 85. Plaintiffs used this information, along with information and data gathered in in
 2 Plaintiffs' investigation, to perform a careful and extensive analysis of the effects of Defendants'
 3 compensation practices on Class Members' pay.

4 86. Applying these inputs and further data points to Defendants' compensation practices,
 5 Plaintiffs prepared a damages analysis that provided the estimated recovery for each cause of action.
 6 The input variables in the analysis can be adjusted to reflect differing assumptions for the level of
 7 violations that Plaintiffs may prove.

8 87. For purposes of the reasonable assessments provided here, Plaintiffs assumed that
 9 Plaintiffs and the Class fully certify and prevail on all claims and prove that they experienced wage
 10 and hour violations at the following rates, which vary depending on the type of employee and time
 11 period, i.e., pre-Covid, during the pandemic, and post-Covid:

<u>DAMAGES ASSUMPTIONS</u>	2016	2017	2018	2019	2020	2021	2022	2023
Off-the-clock work (hours per week)								
Patient care/housekeeping employees	0.5	0.5	0.5	0.5	1.0	1.0	1.0	0.5
Foodservice employees	1.0	1.0	1.0	1.0	1.5	1.5	1.5	1.0
Meal period violations (% of shifts)								
Patient care/housekeeping employees	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Foodservice employees	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Rest break violations (% of shifts)								
Patient care/housekeeping employees	0.65	0.65	0.65	0.65	0.65	0.65	0.65	0.65
Foodservice employees	0.65	0.65	0.65	0.65	0.65	0.65	0.65	0.65
Unreimbursed expenses (\$ per week)								
Patient care/housekeeping employees	\$10	\$10	\$10	\$10	\$30	\$30	\$30	\$20
Foodservice employees	\$20	\$20	\$20	\$20	\$30	\$30	\$30	\$20
PAGA Violations per Pay Period					3	3	3	3

12 88. With these assumptions, Plaintiffs and the Class are owed for unpaid time ranging from
 13 0.5 to 1.5 hours per week (depending on the type of employee and time period, i.e., pre-Covid, during
 14 the pandemic, and post-Covid), experienced meal period violations in 50% of shifts and rest break
 15 violations in 65% of shifts, and unreimbursed expenses ranging from \$10 to \$30 per week (again,
 16
 17
 18
 19
 20
 21
 22
 23
 24

1 depending on the type of employee and time period).

2 89. Based on these inputs and assumptions, Plaintiffs estimate the total damages for
3 substantive claims (i.e., minimum wage, overtime, meal and rest break, and unreimbursed expenses)
4 at approximately \$69,116,166. This total is comprised of \$11,025,312 for unpaid wage (minimum
5 wage and overtime) claims, \$22,031,032 for meal period claims, \$28,640,341 for rest break claims,
6 and \$7,419,481 for unreimbursed expenses.

7 90. Plaintiffs further estimated the further derivative penalties of \$33,583,534 for waiting
8 time penalties and \$9,332,127 and for wage statement penalties, and additionally, PAGA penalties of
9 \$11,234,761.

10 91. Plaintiffs' PAGA assessment assumes that three PAGA penalties of \$100 each are
11 "stacked" per pay period—one each for the fundamental substantive claims: unpaid wages, meal
12 periods and rest breaks, and unreimbursed expenses.

13 92. Adding together the exposure for substantive claims and derivative and PAGA claims
14 results in a total estimated exposure of \$123,266,589 for the entire litigation. This is the full, "soaking
15 wet" valuation for the entire scope of representative claims.

16 93. These figures provided benchmarks for Plaintiffs and Class Counsel to gauge
17 settlement offers, compared to a hypothetical maximum that assumes complete success on every claim
18 and overcoming each of Defendants' defenses. Accordingly, the Settlement was agreed upon
19 following an extensive review of the facts and law in this case.

20 94. The Gross Settlement Amount of \$10,000,000 is approximately 14.5% of Plaintiffs'
21 total estimated undiscounted exposure of approximately for the substantive Class claims, and
22 approximately 8.1% of Plaintiffs' total estimated undiscounted exposure of approximately for the
23 substantive Class, derivative, and PAGA Claims. This is a recovery that easily falls within the range
24 of reasonableness, particularly considering that Courts routinely approve settlements that provide a
25 fraction of the maximum potential recovery.

26 95. Lastly, the PAGA Allocation of \$100,000 is approximately 0.89% of Plaintiffs' total
27 estimated undiscounted exposure of approximately for the PAGA claims, which is within the range
28 of settlements previously approved in other California courts in hybrid class/PAGA settlements.

Risks of Litigation

1
2 96. The certain benefits of the Settlement must be considered in conjunction with the major
3 risks of continuing the Actions—many of which are unique to this to this litigation—which Class
4 Counsel carefully assessed.

5 97. Plaintiffs face an array of factual, evidentiary, and legal complications in pursuing
6 these claims, including Plum’s entity structure for the Facilities, Plum’s acquisition by Providence,
7 the nature of the off-the-clock violations at issue, and the hurdles of certification proceedings.

8 98. Plum’s entity structure, under which each Facility has a separate LLC that at least
9 nominally operates the Facility and employs the facility-level workers, poses risks and complications
10 that are fundamental to Plaintiffs’ case.

11 99. Plaintiffs’ investigation shows that personnel at both the Plum level, the Facility Entity
12 level, were involved in managerial decisions affecting the wages, hours, and working conditions for
13 non-exempt employees at the Facilities. For example, Class Counsel has developed information that
14 Plum was involved in hiring and termination decisions for particular facility-level employees, as well
15 as setting pay rates and labor budgeting. This exists against a backdrop where Plum created written
16 policies and other procedures that applied across the Facilities, as well as statements by Plum’s
17 leadership indicating that Plum operates a cohesive network of healthcare facilities with common
18 control and standardized operations.

19 100. While these facts are, of course, beneficial to Plaintiffs’ joint employer claim of
20 liability, they nevertheless highlight the legal risks and the evidentiary and factual complications of
21 pursuing this unique litigation. Under the California law framework, joint employer liability can exist
22 across multiple entities, but Plaintiffs will be required to establish that Plum controls the wages, hours,
23 or working conditions for the facility-level employees (or is otherwise liable for the wage and hour
24 violations alleged). Plaintiffs will be called on to make a showing of joint employer liability at the
25 class certification, merits, and potentially even the discovery phases of the proceedings, through a
26 comprehensive presentation of testimony and documentary evidence. Doing so for thousands of
27 employees, at various Facilities, will be no minor matter—this is a central, core risk to this litigation.

28 101. Moreover, this scenario poses serious risks and complications for Plaintiffs’ ability to

1 conduct discovery and develop evidence to build their case. In this context, key witnesses and
2 documentary evidence and records are disbursed between Plum and the Facility Entities. In contrast
3 to many wage and hour cases, Plaintiffs will not be able to obtain documents and records from single
4 source and will instead be forced to obtain these materials from Plum and dozens of Facility Entities.

5 102. Beyond these practical complications, Plum has and would continue to strenuously
6 resist discovery against it on the basis that it was *not* the employer of the Facility Employees. Thus,
7 Plaintiffs face serious risks and complications in their ability to develop evidence for the central joint
8 employer issue, and Plum will continue to attempt to stifle Plaintiffs' efforts to do so. To be sure, it is
9 a virtually certainty that Plum would oppose class certification and engage in dispositive motion
10 practice on the very basis that Plaintiffs lack sufficient evidence of joint employer liability. These
11 hurdles are fundamental to the case and would be in play even if the litigation was focused on the
12 employees at a single Facility.

13 103. While Plaintiffs are confident in their ability to ultimately show that Plum is the joint
14 employer of Plaintiffs and the facility-level employees, the issue would be bitterly disputed by Plum
15 at every phase. The issue was already raised in Plum's motions to strike the PAGA claims in the
16 Alameda County cases, and it would likely come up at each phase of future proceedings in all of the
17 Actions. It would require the Parties to delve into granular disputes regarding Plum's asserted control
18 over the wages, hours, and working conditions and to present an abundance of highly specific
19 evidence on various aspects of employee control in the healthcare setting.

20 104. If Plaintiffs are unable to establish joint employer liability, they would be limited in
21 their ability to obtain broader, statewide relief and to go after the deeper pockets of the larger entity.

22 105. Thus, the joint employer dispute poses core risks as to all the claims, including
23 Plaintiffs' ability to proceed on a representative basis, and renders this case different than many typical
24 wage and hour actions.

25 106. Plum's takeover by Providence imposes significant additional risks. The role of Plum
26 as a human resources service provider to the Facilities (its role according to Plum's rubric) has been
27 supplanted by Providence. There may naturally be a loss of access to witnesses and documents due to
28 turnover and changes in operations. Ostensibly, Providence may implement differing policies and

1 practices, which may tend to skew the testimony of employees and managers regarding prior practices
2 at issue in this litigation and would invariably complicate Plaintiffs' ability to make a cohesive
3 showing of uniform, common operations.

4 107. Moreover, there is the basic risk that the new ownership would attempt to liquidate
5 Plum and/or the Facility Entities and create a new entity structure, thereby inhibiting Plaintiffs' ability
6 to recover for the wage and hour violations and/or enforce any judgment obtained (even if the liability
7 flowed to successor entities).

8 108. Plaintiffs would face other significant risks if the litigation were to proceed to trial.
9 The wage and hour claims at issue are highly dependent on employee testimony and, to the extent
10 available, indirect documentary evidence of the wage and hour violations alleged. For example, there
11 is lack of direct records of the off-the-clock work alleged, as the time was not logged, and Plaintiffs
12 would be reliant on indirect evidence, such as timestamped activities that may have left a "paper trail"
13 in the various electronic systems used by Defendants. Plaintiffs are largely dependent on obtaining
14 credible testimony from employees that may be unwilling to testify and obtuse, indirect records of
15 work activities that pose difficulties for review and analysis.

16 109. Again, these issues would arise at both the merits and certification stages. Plaintiffs'
17 motion for class certification would require extensive investigation and outreach efforts by Class
18 Counsel to obtain supporting evidence and would be vigorously contested by Defendants with
19 significant risk that the motion would be denied. In the experience of Class Counsel, putative class
20 actions for off-the-clock claims have traditionally been difficult to certify.

21 110. Plaintiffs' theory of off-the-clock work is based in large part on indirect pressures to
22 work unpaid time, driven by insufficient staffing and the obligations of providing sufficient patient
23 care, food, nourishment, and living conditions in the long-term care setting. Such pressures may be
24 found to vary from worker to worker or location to location. Plaintiffs would face considerable risk
25 that the Court would find that individual issues predominate over common questions of law and fact.
26 Indeed, not only would such an outcome doom the Class claims, and could pose significant challenges
27 for litigating the PAGA claims.

28 111. Even assuming that the motion is granted, Plaintiffs would then have to establish class-

1 wide liability—inclusive of joint employer liability as to Plum—and prove up various issues regarding
2 damages and penalties. Proving liability and damages issues would also be complicated by any
3 individualized differences in wage and hour experiences across the Class, and would be vigorously
4 disputed by Defendants. Plaintiffs and Class Counsel would be confronted with a lack of direct
5 documentary evidence regarding off-the-clock time, break violations, and unreimbursed expenses and
6 again, their showing on joint employer liability would be strenuously attacked by Plum.

7 112. Obtaining class certification, establishing liability, and proving damages would take
8 many months, and would necessitate expert witness testimony and significant additional resources.

9 113. Given the broad scope and magnitude of risks, Class Counsel concluded that a
10 settlement that provides a material percentage of Plaintiff’s full “soaking wet” damages estimate
11 would be a beneficial and just result for the Class. The proposed Settlement achieves this result, and
12 further, provides major equitable relief.

13 114. In light of the challenges that Plaintiffs would likely face, the proposed Settlement is
14 extremely reasonable. In contrast to the risk and uncertainty of continued litigation, the Settlement
15 will yield a prompt, certain, and substantial recovery for Class Members. Such a result will benefit
16 the Parties and the court system.

17 **SERVICE AWARDS**

18 115. Plaintiffs seek reasonable Service Awards from the Gross Settlement Amount. Under
19 the terms of the Settlement, Plaintiffs will seek service awards of \$10,000 each for Plaintiffs Gillespie,
20 Suastegui, Harding, Corona, and Arriaga, and \$15,000 for Plaintiff Guerrero. (Settlement, ¶ III.C.1.)
21 The \$65,000 total amount of the Service Awards represents just 0.65% of the Gross Settlement
22 Amount.

23 116. These amounts are reasonable, particularly given the length of time the Actions have
24 been in litigation and the importance of the monetary and equitable relief achieved.

25 117. Plaintiffs have contributed numerous hours of their own time and efforts over a period
26 of three years in pursuing the Class and PAGA claims, and have subjected themselves to considerable
27 risk with regards to future employment opportunities.

28 118. Given that detailed information regarding operations at the Facilities is not publicly

1 available, inclusive of the role of Plum in the work setting, Class Counsel required significant
2 participation and assistance by Plaintiffs to provide an understanding of the work and the wage and
3 hour violations at issue. As noted above, the alleged off-the-clock time, work during breaks, and
4 unreimbursed expenses were not formally logged or tracked, and thus, Class Counsel did not have a
5 direct, easily accessible methodology for developing an understanding of violation rates.

6 119. Among their many contributions, Plaintiffs worked closely with Class Counsel to
7 develop realistic estimates of the amount and frequency of the wage and hour violations at the
8 Facilities, which provided inputs that drove Plaintiffs' damages analyses.

9 120. Plaintiffs had discussions with Class Counsel, worked with Class Counsel to review
10 facts and answer questions, assisted Class Counsel in their mediation efforts, and remained apprised
11 of the case since they elected to become named Plaintiffs.

12 121. Moreover, Plaintiffs took the significant risk of coming forward to represent the
13 interests of their fellow employees. They filed the Actions to improve the working environment for
14 workers at the Facilities, but in doing so, subjected themselves to considerable risk with regards to
15 having their names in the public forum. Plaintiffs' participation in this litigation is discernible from a
16 simple background check and even via simple Google searches—this poses serious risks that their
17 service as wage and hour plaintiffs will be discerned by potential employers and negatively impact
18 future employment opportunities.

19 122. The requested service awards are reasonable considering the efforts Plaintiffs made
20 and the risks they took in prosecuting the Actions to obtain the Settlement.

21 **ATTORNEYS' FEES AND COSTS**

22 123. Plaintiffs seek reasonable attorneys' fees and costs from the Gross Settlement Amount.
23 Under the terms of the Settlement, Class Counsel may seek up to 35% of the Gross Settlement
24 Amount, or \$3,500,000, and actual costs (currently estimated at \$50,000). The requested Class
25 Counsel Fees and Expenses Payment are reasonable compensation for the excellent monetary
26 recovery and equitable relief achieved.

27 124. In this case, there was no guarantee of compensation or reimbursement. Rather, Class
28 Counsel has undertaken all the risks of this litigation on a completely contingent fee basis. The

1 inherent risk of proving liability and damages on a class-wide basis and Defendants’ representation
2 by skillful counsel confront Class Counsel with the prospect of recovering nothing or close to nothing
3 for their commitment to and investment in the case.

4 125. Nevertheless, Plaintiffs and Class Counsel have committed themselves to developing
5 and pressing Plaintiffs’ legal claims to enforce the employees’ rights and maximize the Class
6 recovery—as reflected by Class Counsel’s perseverance and skill in prevailing through several years
7 of intensive motion practice across the Actions, which allowed this broad, statewide Settlement to
8 become a reality.

9 126. Attorneys who litigate on a wholly or partially contingent basis expect to receive
10 significantly higher effective hourly rates in cases where compensation is contingent on success,
11 particularly in hard-fought cases where, like in the case at bar, the result is uncertain. This does not
12 result in any windfall or undue bonus. In the legal marketplace, a lawyer who assumes a significant
13 financial risk on behalf of a client rightfully expects that his or her compensation will be significantly
14 greater than if no risk was involved (i.e., if the client paid the bill monthly), and that the greater the
15 risk, the greater the “enhancement.” Adjusting court-awarded fees upward in contingent fee cases to
16 reflect the risk of recovering no compensation whatsoever for hundreds of hours of labor simply
17 makes those fee awards consistent with the legal marketplace, and in so doing, helps to ensure that
18 meritorious cases will be brought to enforce important public interest policies and that clients who
19 have meritorious claims will be better able to obtain qualified counsel.

20 127. This commitment and the risks involved are precisely the reasons for multipliers in
21 contingency fee cases. The requested attorneys’ fees reflect a reasonable multiplier when compared
22 to Class Counsel’s lodestar amount, currently estimated to be approximately \$1,500,000 across the
23 Actions. This amount would only increase with preparation and attendance at the preliminary and
24 final approval hearings, further communications with Class Members during the notice process, and
25 Settlement administration and oversight.

26 128. As Class Members will receive a significant payment if the Settlement is approved,
27 Class Counsel seeks a reasonable fee award for their efforts and the risk they have assumed.

28 129. Class Counsel also seek reimbursement of their actual costs. These expenses were

1 reasonable, were necessary to the prosecution, and are customarily billed to fee-paying clients.

2 130. The requested attorneys' fees and costs are reasonable compensation for the excellent
3 result achieved and should be preliminarily approved.

4 **CLASS CERTIFICATION FOR SETTLEMENT PURPOSES**

5 131. Plaintiffs contend that class treatment for settlement purposes is warranted based on
6 Defendants' common course of conduct. The benefits and efficiencies of this proposed Settlement,
7 when compared to continued litigation of this case on either a class basis or through multiple
8 individual suits, further justify certification of the proposed Class.

9 132. Plaintiffs have defined the Class according to objective criteria.

10 133. The Class Members are easily identifiable and can be easily located from Defendants'
11 records.

12 134. Plaintiffs satisfy the numerosity element as well with 8,478 putative Class Members,
13 which renders the Class so large as to make joinder impracticable.

14 135. Defendants' class-wide policies and procedures raise common issues of law and fact
15 that are applicable to the claims of Plaintiffs and Class Members.

16 136. Plaintiffs' investigation shows that Plum created written policies and other procedures
17 that applied across the Facilities in a cohesive network of healthcare facilities with common control
18 and standardized operations. Class Counsel has further developed information that Plum was involved
19 in employment decisions for Class Members, as well as setting pay rates and labor budgeting. Across
20 all the Facilities, the Class Members are subject to the obligations of providing sufficient patient care,
21 food, nourishment, and living conditions in the long-term care setting.

22 137. Plaintiffs allege that the Class Members experience common types of wage and hour
23 violations, driven by uniform policies and procedures, uniform insufficient staffing, and the
24 obligations of the healthcare setting. These commonalities provide the cohesion necessary for
25 certification of the Class.

26 138. Here, Plaintiffs contend that they, like other Class Members, were subject to
27 Defendants' policies and procedures described above, and suffered damages from the alleged wage
28 and hour violations that emanated as a result.

1 139. Plaintiffs also assert that the Class Members were subjected to the same illegal
2 practices and policies to which Plaintiffs were subjected and the Class claims are based on the same
3 legal theory as Plaintiffs' individual claims.

4 140. Plaintiffs contend that their interests are exactly in line with those of the Class,
5 Plaintiffs have agreed to prosecute this case as named Plaintiffs with the interests of the Class in mind
6 and understand their responsibilities, and there are no conflicts between Plaintiffs and the proposed
7 Class.

8 141. Furthermore, Plaintiffs are represented by counsel with extensive experience in class
9 action and employment litigation, including wage and hour class actions, and who do not have any
10 conflict with the Class.

11 **NOTICE OF SETTLEMENT**

12 142. The proposed Class Notice is clear and straightforward, and provides information on
13 the case, the meaning and nature of the proposed Settlement, its terms and provisions, and the rights
14 of the Class Members to participate, opt out, and object. It describes the monetary awards that the
15 Settlement will provide to Class Members, how the awards were calculated, and the Class release. It
16 also provides the date, time, and location of the Final Approval Hearing, and the identity and contact
17 information for Class Counsel.

18 143. The proposed Class Notice also fulfills the requirement of neutrality in class notices.

19 144. Based on the foregoing, the Class Notice complies with the standards of fairness,
20 completeness, and neutrality required of a settlement class notice disseminated under authority of the
21 Court.

22 I declare under penalty of perjury under the laws of the State of California that the foregoing
23 is true and correct. Executed on February 8, 2024, at Emeryville, California.


24 
25 _____
26 Carolyn H. Cottrell
27
28

Exhibit 1

SETTLEMENT AGREEMENT

This Settlement Agreement (this “Settlement” or “Agreement”) is made by and between plaintiffs Luci Gillespie, Ileana Suastegui, Trevor Harding, Esther Corona, Joselito Guerrero, and Mildred Arriaga (collectively, “Plaintiffs”), and defendants Plum Healthcare Group, LLC, Flax Holdings, LLC d/b/a River Valley Care Center, Gladiolus Holdings, LLC d/b/a The Pines at Placerville Healthcare Center, Jujube Holdings, LLC d/b/a Sunnyvale Post-Acute Center, Douglas Fir Holdings, LLC d/b/a Huntington Valley Healthcare Center, Olive Holdings, LLC d/b/a Aviara Healthcare Center; and Rosebud Holdings, LLC dba Western Slope Health Center (collectively, “Defendants”). Plaintiffs and Defendants collectively are referred to in this Agreement as the “Parties.”

I. RECITALS

- A. On December 14, 2020, Plaintiff Luci Gillespie submitted to the Labor and Workforce Development Agency of the State of California (the “LWDA”) notices of claims under the California Labor Code Private Attorneys General Act, California Labor Code section 2698, *et seq.*, (“PAGA”) against Plum Healthcare Group, LLC and Flax Holdings, LLC d/b/a River Valley Care Center.
- B. On December 14, 2020, Plaintiff Ileana Suastegui submitted to the LWDA a notice of claims under the PAGA against Plum Healthcare Group, LLC.
- C. On December 14, 2020, Plaintiff Luci Gillespie filed a putative class action entitled “*LUCI GILLESPIE, on behalf of herself and all others similarly situated vs. RIVER VALLEY CARE CENTER; FLAX HOLDINGS, LLC; and DOES 1 through 100, inclusive*” and assigned the Case No. CVCS20-0002128, in Sutter County Superior Court (the “Sutter class action”). The original complaint in the Sutter class action asserted claims on an individual and putative class basis against River Valley Care Center and Flax Holdings, LLC for alleged violations of California wage and hour laws.
- D. On December 17, 2020, Plaintiffs Luci Gillespie and Ileana Suastegui filed a putative class action entitled “*LUCI GILLESPIE, on behalf of herself and all others similarly situated; ILEANA SUASTEGUI, on behalf of herself and all others similarly situated vs. PLUM HEALTHCARE GROUP, LLC; and DOES 1 through 100, inclusive*” and assigned the Case No. VCU285376, in Tulare County Superior Court (the “Tulare class action”). The complaint in the Tulare class action asserts claims on an individual and putative class basis against Plum Healthcare Group, LLC for alleged violations of California wage and hour laws.
- E. On February 25, 2021, Plaintiff Trevor Harding submitted to the LWDA a notice of claims under the PAGA against Plum Healthcare Group, LLC, Gladiolus Holdings, LLC d/b/a The Pines at Placerville Healthcare Center, and Western Slope Health Center.
- F. On March 18, 2021, Plaintiff Ileana Suastegui filed a PAGA action entitled “*ILEANA SUASTEGUI, on behalf of the State of California and Aggrieved Employees vs. PLUM HEALTHCARE GROUP, LLC*” and assigned the Case No.

RG21092158, in Alameda County Superior Court (the “Suastegui PAGA action”). The complaint in the Suastegui PAGA action asserts claims on PAGA basis against Plum Healthcare Group, LLC for alleged violations of California wage and hour laws.

- G. On March 25, 2021, Plaintiff Luci Gillespie filed a PAGA action entitled “*LUCI GILLESPIE, on behalf of the State of California and Aggrieved Employees vs. FLAXHOLDINGS, LLC d/b/a RIVER VALLEY CARE CENTER*” and assigned the Case No. RG21093104, in Alameda County Superior Court (the “Gillespie PAGA action”). The complaint in the Gillespie PAGA action asserts claims on PAGA basis against Flax Holdings, LLC d/b/a River Valley Care Center for alleged violations of California wage and hour laws.
- H. On March 26, 2021, Plum Healthcare Group, LLC filed a Motion to Compel Arbitration and Stay Court Action, with respect to both Plaintiffs, in the Tulare class action.
- I. On March 26, 2021, Flax Holdings, LLC d/b/a River Valley Care Center filed a Motion to Compel Arbitration and Stay Court Action in the Sutter class action.
- J. On April 21, 2021, Plaintiff Esther Corona submitted to the LWDA a notice of claims under the PAGA against Jujube Holdings, LLC d/b/a Sunnyvale Post-Acute Center and Plum Healthcare Group, LLC.
- K. On April 21, 2021, Plaintiff Joselito Guerrero submitted to the LWDA a notice of claims under the PAGA against Douglas Fir Holdings, LLC d/b/a Huntington Valley Healthcare Center and Plum Healthcare Group, LLC.
- L. On May 5, 2021, Plaintiff Trevor Harding filed a PAGA action entitled “*TREVOR HARDING, on behalf of the State of California, and Aggrieved Employees vs. PLUMHEALTHCARE GROUP, LLC; GLADIOLUS HOLDINGS, LLC d/b/a THE PINES AT PLACERVILLE HEALTHCARE CENTER; ROSEBUD HOLDINGS, LLC d/b/a WESTERN SLOPE HEALTH CENTER; and DOES 1-100, inclusive*” and assigned the Case No. RG21097877, in Alameda County Superior Court (the “Harding PAGA action”). The complaint in the Harding PAGA action asserts claims on PAGA basis against Plum Healthcare Group, LLC, Gladiolus Holdings, LLC d/b/a The Pines at Placerville Healthcare Center, and Rosebud Holdings, LLC d/b/a Western Slope Health Center for alleged violations of California wage and hour laws.
- M. On May 11, 2021, after full briefing and a hearing, Judge Bret Hillman of Tulare County Superior Court granted the Motion to Compel Arbitration and Stay Court Action filed by Plum Healthcare Group, LLC and ordered the Tulare class action stayed pending resolution of the arbitration proceedings.
- N. On May 14, 2021, Judge Perry Parker of Sutter County Superior Court granted the Parties’ Stipulation to Submit Individual Claims to Binding Arbitration and to Dismiss Class Action Without Prejudice, to which the Parties agreed to resolve the Motion to Compel Arbitration and Stay Court Action filed by Flax Holdings, LLC

d/b/a River Valley Care Center. The Court ordered Plaintiff Luci Gillespie's individual claims against Flax Holdings, LLC d/b/a River Valley Care Center to arbitration and dismissed the Sutter class action without prejudice.

- O. On July 19, 2021, Plaintiff Ileana Suastegui filed her arbitration demand with AAA, naming Plum Healthcare Group, LLC and Spruce Holdings, LLC as Respondents.
- P. On July 19, 2021, Plaintiff Luci Gillespie filed her arbitration demand with JAMS, naming Plum Healthcare Group, LLC and Flax Holdings, LLC d/b/a River Valley Care Center as Respondents.
- Q. On September 1, 2021, Plaintiff Esther Corona filed a PAGA action entitled "*ESTHER CORONA, on behalf of herself, the State of California, and Aggrieved Employees vs. JUJUBE HOLDINGS, LLC d/b/a SUNNYVALE POST-ACUTE CENTER; PLUM HEALTHCARE GROUP, LLC*" and assigned the Case No. RG2111905, in Alameda County Superior Court (the "Corona PAGA action"). The complaint in the Corona PAGA action asserts claims on PAGA basis against Jujube Holdings, LLC d/b/a Sunnyvale Post-Acute Center and Plum Healthcare Group, LLC for alleged violations of California wage and hour laws.
- R. On September 1, 2021, Plaintiff Joselito Guerrero filed a PAGA action entitled "*JOSELITO GUERRERO, on behalf of himself, the State of California, and Aggrieved Employees vs. DOUGLAS FIR HOLDINGS, LLC d/b/a HUNTINGTON VALLEY HEALTHCARE CENTER; PLUM HEALTHCARE GROUP, LLC*" and assigned the Case No. RG2111952, in Alameda County Superior Court (the "Guerrero PAGA action"). The complaint in the Guerrero PAGA action asserts claims on PAGA basis against Douglas Fir Holdings, LLC d/b/a Huntington Valley Healthcare Center and Plum Healthcare Group, LLC for alleged violations of California wage and hour laws.
- S. On November 1, 2021, Plaintiff Mildred Arriaga submitted to the LWDA a notice of claims under the PAGA against Olive Holdings, LLC d/b/a Aviara Healthcare Center and Plum Healthcare Group, LLC.
- T. On November 8, 2021, Defendants filed motions to strike the PAGA claims, that sought to challenge the PAGA claims on manageability and other grounds, in the Suastegui PAGA action, Gillespie PAGA action, Harding PAGA action, Corona PAGA action, and Guerrero PAGA action.
- U. On February 4, 2022, after full briefing and a hearing, Judge Brad Seligman of Alameda County Superior Court denied the motions to strike the PAGA claims in the Suastegui PAGA action, Gillespie PAGA action, Corona PAGA action, and Guerrero PAGA action. Judge Seligman granted in part and denied in part the motion to strike in the Harding PAGA action, striking Plaintiff Harding's PAGA claims against Rosebud Holdings, LLC on statute of limitations grounds.
- V. On February 10, 2022, Plaintiff Mildred Arriaga filed a PAGA action entitled "*Mildred Arriaga, on behalf of the State of California, and Aggrieved Employees vs. PLUMHEALTHCARE GROUP, LLC; OLIVE HOLDINGS, LLC d/b/a AVIARA*

HEALTHCARE CENTER; and DOES 1-100, inclusive” and assigned the Case No. 22CV006835, in Alameda County Superior Court (the “Arriaga PAGA action”). The complaint in the Arriaga PAGA action asserts claims on PAGA basis against Olive Holdings, LLC d/b/a Aviara Healthcare Center and Plum Healthcare Group, LLC for alleged violations of California wage and hour laws.

- W. On April 27, 2022, Plaintiffs Luci Gillespie and Ileana Suastegui filed a Motion to Vacate Order Compelling Arbitration, pursuant to California Code of Civil Procedure sections 1281.97, *et seq.*, in Tulare County Superior Court, which sought to reinstate the Tulare class action in court based on the alleged failure by the Respondents to timely pay the required arbitration fees and costs.
- X. On May 25, 2022, after full briefing and a hearing, Judge Bret Hillman of Tulare County Superior Court granted the Motion to Vacate Order Compelling Arbitration filed by Plaintiffs Luci Gillespie and Ileana Suastegui and set aside the prior order compelling the Tulare class action to arbitration.
- Y. On June 14, 2022 Plaintiff Gillespie refiled the Sutter class action following the Court’s vacating its order to compel arbitration in the Tulare class action, alleging that the claims related back to the date that the original complaint was filed in the Sutter class action (December 14, 2020).
- Z. On August 10, 2022, pursuant to the Court’s instructions in the Tulare class action, the Parties agreed to attend a mediation session with Jeffrey Krivis, a highly respected mediator of wage and hour actions.
- AA. On November 1, 2022, Defendants moved to compel arbitration in the Susategui PAGA action, Gillespie PAGA action, Harding PAGA action, Guerrero PAGA action, and Arriaga PAGA action, on the basis of the decision of the United States Supreme Court in *Viking River Cruises, Inc. v. Moriana* (2022) 142 S.Ct. 1906.
- BB. On December 19, 2022, Defendants withdrew the motion to compel arbitration filed in the Arriaga PAGA action.
- CC. On January 13, 2023, after full briefing and a hearing, Judge Brad Seligman of Alameda County Superior Court denied in entirety the motions to compel arbitration filed in the Gillespie PAGA action and the Guerrero PAGA action. Judge Seligman granted in part and denied in part the motions to compel arbitration filed in the Susategui PAGA action and Harding PAGA action, compelling the individual PAGA claims while allowing the representative PAGA claims to proceed in Court.
- DD. On March 14, 2023, Defendants Plum Healthcare Group, LLC, Gladiolus Holdings, LLC dba The Pines At Placerville Healthcare Center; and Rosebud Holdings, LLC dba Western Slope Health Center filed notices of appeal to seek appellate review of the order granting in part and denying in part the motion to compel arbitration in the Susategui PAGA action and Harding PAGA action.

- EE. On March 30, 2023, the Parties participated in a mediation session with Jeffrey Krivis. At the March 30, 2023 session, the Parties agreed, with the assistance of the mediator, to negotiate a class and PAGA settlement on a statewide basis as to all of the facilities allegedly at issue in California as alleged in all Actions, pursuant to an agreed upon scope determined by prior settlements and arbitration agreements. The Parties agreed that Defendants would produce informal mediation discovery showing the number of facilities, number of employees, number of workweeks, and other data points and records for the employees within the agreed upon scope. The Parties further agreed to conduct a second mediation session with Mr. Krivis on May 16, 2023, and that Defendants would produce the agreed-upon informal mediation discovery prior to the second session.
- FF. Defendants produced informal mediation discovery ahead of the second session that showed that, across all of these actions, there were 37 facilities; 8,478 putative class members that worked a combined total of 355,196 workweeks; and 1,402 alleged aggrieved (PAGA) employees that worked a combined total of 47,944 pay periods. Defendants maintain that these figures include only those employees that did not execute arbitration agreements and did not release claims in a prior settlement.
- GG. On May 16, 2023, the Parties participated in the second mediation with Mr. Krivis. During the mediation, each side, represented by its respective counsel, recognized the substantial risk of an adverse result in the litigation, and agreed to settle all claims made in the Tulare class action, Sutter class action, Susategui PAGA action, Gillespie PAGA action, Harding PAGA action, Corona PAGA action, Guerrero PAGA action, and Arriaga PAGA action, for the employees that did not execute arbitration agreements and did not release claims in a prior settlement.
- HH. After the May 16, 2023 mediation, the Parties and their counsel signed a Term Sheet that contains the broad terms of the settlement. The Parties then drafted this long-form Agreement, which formalizes the Term Sheet.
- II. It is the Parties' intention that, subject to the terms set forth in Section III.J, this long-form Agreement covers the same scope of employees as the scope of employees encompassed in the mediation data produced by Defendants—37 facilities; 8,478 putative class members that worked a combined total of 355,196 workweeks; and 1,402 alleged aggrieved (PAGA) employees that worked a combined total of 47,944 pay periods. Furthermore, it is the Parties intention that, subject to this scope, this Agreement fully resolves the Tulare class action, Sutter class action, Susategui PAGA action, Gillespie PAGA action, Harding PAGA action, Corona PAGA action, Guerrero PAGA action, and Arriaga PAGA action.
- JJ. 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 any of the Defendants that any of Plaintiffs' claims in the Tulare class action, Sutter class action, Susategui PAGA action, Gillespie PAGA action, Harding PAGA action, Corona PAGA action, Guerrero PAGA action, and/or Arriaga PAGA action have merit or that it has any liability to Plaintiffs, putative class members, or alleged

aggrieved employees on any of those claims, or as an admission by Plaintiffs that Defendants' defenses have merit.

Based on these Recitals, the Parties agree as follows:

II. DEFINITIONS

In addition to other terms defined in this Agreement, the terms below have the following meaning in this Agreement:

A. "Actions" means the following cases, collectively:

i. Luci Gillespie and Ileana Suastegui v. Plum Healthcare Group, LLC (Tulare County Superior Court, Case No. VCU285376) (the "Tulare class action")

ii. Ileana Suastegui v. Plum Healthcare Group, LLC (Alameda County Superior Court, Case No. RG21092158) (the "Suastegui PAGA action")

iii. Luci Gillespie v. Flax Holdings, LLC d/b/a River Valley Care Center (Alameda County Superior Court, Case No. RG21093104) (the "Gillespie PAGA action")

iv. Trevor Harding v. Plum Healthcare Group, LLC; Gladiolus Holdings, LLC d/b/a The Pines at Placerville Healthcare Center (Alameda County Superior Court, Case No. RG21097877) (the "Harding PAGA action")

v. Esther Corona v. Jujube Holdings, LLC d/b/a Sunnyvale Post-Acute Center; Plum Healthcare Group, LLC (Alameda County Superior Court, Case No. RG21111905) (the "Corona PAGA action")

vi. Joselito Guerrero v. Douglas Fir Holdings, LLC d/b/a Huntington Valley Healthcare Center; Plum Healthcare Group, LLC (Alameda County Superior Court, Case No. RG21111952) (the "Guerrero PAGA action")

vii. Mildred Arriaga v. Olive Holdings, LLC d/b/a Aviara Healthcare Center; Plum Healthcare Group, LLC (Alameda County Superior Court, Case No. 22CV006835) (the "Arriaga PAGA action")

viii. Luci Gillespie v. Flax Holdings, LLC d/b/a River Valley Care Center (Sutter County Superior Court, Case No. CVCS22-0001058) (the "Sutter class action")

B. "Aggrieved Employees" means all current and former non-exempt employees, allegedly employed in California by Plum Healthcare Group, LLC and/or the applicable Facility Entity, who worked at any of the Facilities during the PAGA Period, was not subject to an arbitration agreement, and did not release claims under a settlement in any of the Settled Cases

C. "Class" means all current and former non-exempt employees, allegedly employed in California by Plum Healthcare Group, LLC and/or the applicable Facility Entity,

who worked at any of the Facilities during the Class Period, was not subject to an arbitration agreement, and did not release claims under a settlement in any of the Settled Cases.

- D. “Class Counsel” means Carolyn Hunt Cottrell, Caroline N. Cohen, and Scott L. Gordon of Schneider Wallace Cottrell Konecky LLP and Edwin Aiwarzian of Lawyers for Justice, PC.
- E. “Class Counsel Fees and Expenses Payment” means the amount awarded to Class Counsel by the Court to compensate them for the services they have rendered and will render to Plaintiffs, the Class, the State of California, and Aggrieved Employees, and any expenses they have incurred, in connection with the Actions, including their pre-filing investigation, their commencement of the Actions, and all related litigation activities, this Settlement, and all post-Settlement administration and compliance procedures.
- F. “Class Members” means all members of the Class.
- G. “Class Net Settlement Amount” means the amount from the Gross Settlement Amount that is available for distribution as Class Settlement Shares to Class Members; the Class Net Settlement Amount equals the Gross Settlement Amount minus (a) the PAGA Allocation; (b) the Service Awards; (c) the Class Counsel Fees and Expenses Payment; (d) the Settlement Administrator’s fees and expenses; and (e) the employer-side payroll taxes and withholding.
- H. “Class Notice” means the Notice of Class Action Settlement and Final Approval Hearing as evidenced by Exhibit B to this Agreement and incorporated by reference into this Agreement.
- I. “Class Notice Packet” means the Class Notice (Exhibit B to this Agreement) and the Notice of Estimated Settlement Award (Exhibit C to this Agreement).
- J. “Class Period” means the period of time from December 17, 2016 through the date of preliminary approval of the Settlement or July 17, 2023, whichever is earlier.
- K. “Class Released Claims” means any and all any and all demands, rights, liabilities, claims, and/or causes of action against Defendants and the Released Parties during the class period, known or unknown, that are or could have been alleged based on the facts alleged in the operative complaints and/or the notices of claims under the PAGA to the LWDA in any of the Actions. The Class Released Claims include, but are not limited to, claims that any of the Released Parties failed to pay for all hours worked (including, but not limited to, any and all claims related to “off the clock work”); pay minimum wages or overtime compensation; provide compliant meal and rest periods (including but not limited to, providing short, skipped, late, or otherwise deficient meal and rest breaks); reimburse or indemnify employees for necessary business expenses; provide accurate itemized wage statements; and pay all wages due to discharged and quitting employees. The Class Released Claims include, but are not limited to, such claims brought under California Labor Code sections 201, 202, 203, 204, 205, 226, 226.3, 226.7, 256, 510, 512, 1174(d),

1182.11, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2802; California Business and Professions Code sections 17200-17208; the Industrial Welfare Commission Wage Orders; and the Fair Labor Standards Act (“FLSA”), 29 U.S.C. § 201 *et seq.* Such claims include claims for wages, statutory penalties, civil penalties, or other relief under the California Labor Code and any other related state or municipal law, relief from unfair competition under California Business and Professions Code section 17200 *et seq.*; attorneys’ fees and costs; and interest.

- L. “Class Settlement Share” means the portion of the Class Net Settlement Amount allocable to each Class Member as provided by this Agreement.
- M. “Defendants” means, collectively, Plum Healthcare Group, LLC; Flax Holdings, LLC d/b/a River Valley Care Center; Gladiolus Holdings, LLC d/b/a The Pines at Placerville Healthcare Center; Jujube Holdings, LLC d/b/a Sunnyvale Post-Acute Center; Douglas Fir Holdings, LLC d/b/a Huntington Valley Healthcare Center; Rosebud Holdings, LLC dba Western Slope Health Center; and Olive Holdings, LLC d/b/a Aviara Healthcare Center.
- N. “Defendants’ Counsel” means Grace Y. Horoupian, Victor Xu, and Kristina Buan of Fisher & Phillips LLP.
- O. “Effective Date” means the date the Superior Court has entered the Final Judgment after the Superior Court has granted final approval of the Settlement if no objections to the Settlement are filed, or if any objections to the Settlement are filed and subsequently withdrawn. If objections are filed and overruled, and no appeal of the Final Judgment is filed, then the Effective Date will be 60 calendar days following the date the Final Judgment is entered. In the event an appeal is filed, the Effective Date is 20 calendar days after the date on which the appeal is disposed of in the Parties’ favor, dismissed or otherwise resolved in a manner that upholds the Settlement in its entirety and is no longer subject to review by any court, whether by appeal, petition for rehearing or re-argument, petition for review, or otherwise. Should any appeal not result in approval of the Settlement as described herein, the Agreement shall be void *ab initio* and of no further force or effect, but the Parties shall return and attend mediation with Jeffery Krivis attempt in good faith to reach a settlement approved by the Superior Court. However, if parties are unable to reach a resolution after reengaging with Jeffrey Krivis, parties agree to attend and split the costs of a second mediation in an attempt to reach a settlement approved the Court.. In the event an appeal, writ, motion challenging the judgment or other collateral attack is made, no payments shall be made under the Settlement until the challenge is resolved in a manner that upholds the Agreement in its entirety. This definition presupposes that the Agreement has been signed by the Parties and Class Counsel, the Court has entered Preliminary Approval of the Settlement, and that the Class Notice Packet been mailed to the Class Members and Aggrieved Employees as ordered by the Court.
- P. “Exclusion Letter” means a signed letter requesting exclusion from the Settlement that is mailed to the Settlement Administrator. The Exclusion Letter must include the Class Member’s name, current address, telephone number, the last four (4) digits of the Class Member’s Social Security number, the Class Member’s

signature, and the following statement or a substantively similar statement: “I request to be excluded from the class action Settlement taking place in the matter of *Luci Gillespie and Ileana Suastegui v. Plum Healthcare Group, LLC*, Case No. VCU285376, Superior Court of California, County of Tulare.”

- Q. “Facility” or “Facilities” means the 37 healthcare facilities identified in Exhibit A.
- R. “Facility Entity” means any entity that owns and/or operates any Facility.
- S. “Final Approval Hearing” means the hearing to be conducted by the Superior Court to determine whether to approve finally and implement the terms of this Agreement.
- T. “Gross Settlement Amount” means the total amount to be paid by Defendants as provided by this Agreement. The Gross Settlement Amount is \$10,000,000.00 (Ten Million Dollars), subject to the provisions set forth in Section III.J. The Gross Settlement Amount shall be used to satisfy all of Defendants’ liabilities arising from: (a) all Class Settlement Shares; (b) all PAGA Settlement Shares; (c) the LWDA Payment; (d) all Service Awards; (d) the Class Counsel Fees and Expenses Payment (including all attorneys’ fees and expenses incurred to date and to be incurred in documenting the Settlement, securing trial and appellate court approval of the Settlement, and attending to the administration of the Settlement); (e) the Settlement Administrator’s fees and expenses; and (f) the employer-side payroll taxes and withholdings.
- U. “Judgment” means the Order Granting Final Approval of Class Action Settlement and Entering Judgment entered by the Superior Court.
- V. “Lead Case” means the Tulare class action, wherein Plaintiff’s counsel will seek preliminary and final approval of the Settlement.
- W. “LWDA Payment” means the amount payable to the LWDA for its 75% share of the PAGA Allocation.
- X. “Notice of Estimated Settlement Award” means the form that Class Members will receive that describes their estimated Settlement Shares, as evidenced by Exhibit C to this Agreement and incorporated by reference into this Agreement.
- Y. “PAGA Allocation” means the \$100,000.00 allocated from the Gross Settlement Amount to the settlement of claims for civil penalties under PAGA.
- Z. “PAGA Net Settlement Amount” means the amount from the PAGA Allocation that is available for distribution as PAGA Settlement Shares to Aggrieved Employees; the PAGA Net Settlement Amount equals the PAGA Allocation minus the LWDA Payment.
- AA. “PAGA Period” means the period of time from January 13, 2020 through the date of preliminary approval of the Settlement.

- BB. “PAGA Released Claims” means any and all any and all demands, rights, liabilities, claims, and/or causes of action under the PAGA against Defendants and the Released Parties during the PAGA Period, known or unknown, that are or could have been alleged based on the facts alleged in the operative complaints and/or the notices of claims under the PAGA to the LWDA in any of the Actions. The PAGA Released Claims include, but are not limited to, PAGA claims alleging that any of the Released Parties failed to pay for all hours worked (including, but not limited to, any and all claims related to “off the clock work”); pay minimum wages or overtime compensation; provide meal and rest periods (including but not limited to, providing short, skipped, late, or otherwise deficient meal and rest breaks); reimburse or indemnify employees for necessary business expenses; provide accurate itemized wage statements; and pay all wages due to discharged and quitting employees. The PAGA Released Claims include, but are not limited to, such PAGA claims alleging violations of California Labor Code sections 201, 202, 203, 204, 205, 226, 226.3, 226.7, 256, 510, 512, 1174(d), 1182.11, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2802; and the Industrial Welfare Commission Wage Orders. The PAGA Released Claims include, but are not limited to, claims under the PAGA for civil penalties; attorneys’ fees and costs; and interest.
- CC. “PAGA Settlement Share” means the portion of the PAGA Net Settlement Amount allocable to each Aggrieved Employee as provided by this Agreement.
- DD. “Participating Class Members” means all Class Members that do not timely and validly opt out of the Settlement.
- EE. “Plaintiffs” means, collectively, Luci Gillespie, Ileana Suastegui, Trevor Harding, Esther Corona, Joselito Guerrero, and Mildred Arriaga.
- FF. “Preliminary Approval of the Settlement” means the Superior Court’s preliminary approval of the Settlement without material change, or with material changes to the Settlement to which the Parties both agree. An award by the Superior Court of lesser amounts than sought for the Service Awards or Class Counsel Fees and Expenses Payment will not be considered a material change to the Settlement.
- GG. “Released Parties” means Defendants, the Facilities, and the Facility Entities; any of their present and former parents, subsidiaries, and affiliated companies or entities; their respective officers, directors, employees, partners, shareholders and agents; and any other successors, assigns and legal representatives and related persons and entities. The Released Parties include, but are not limited to, Providence Group, Inc. and Providence Administrative Consulting Services.
- HH. “Service Awards” means the special payment made to Plaintiffs in their capacities as named plaintiffs and class and/or PAGA representatives to compensate them for initiating and pursuing the Actions, undertaking the risk of liability for attorneys’ fees and expenses in the event they were unsuccessful in the prosecution of the Actions, and granting the release described in Section III.F.1 of the Settlement
- II. “Settled Cases” means the following cases, collectively:

- i. *Chace v. Daisy Holdings, LLC* (Sacramento County Superior Court, Case. No. 00209613)
- ii. *Grimsley v. Spruce Holdings, LLC* (Tulare County Superior Court, Case. No. VCU275267)
- iii. *D'Antonio v. Fig Holdings, LLC*, (Stanislaus County Superior Court, Case. No. CV-19-4015)
- iv. *Jackson v. White Fir Holdings, et al*, (PAGA) (Sacramento County Superior Court, Case. No. 34-2021-00301656-CU-OE-GDS)
- v. *Foxx v. Healthcare Services Group, et al*. (PAGA) (Alameda County Superior Court, Case. No. RG21100855)
- vi. *Legaspi v. Cucumber Holdings, LLC* (PAGA) (Los Angeles County Superior Court, Case. No. 20STCV24775)
- vii. *Buckmaster v. Pepperbush Holdings, LLC* (PAGA) (San Diego County Superior Court, Case. No. 37-2020-00023125-CU-OE-CTL)
- viii. *Allen v. Kumquat Holdings, LLC* (PAGA) (Los Angeles County Superior Court, Case. No. 20STCV33311)
- ix. *Cetnarowski v. Melon Holdings, LLC* (PAGA) (Yuba County Superior Court, Case. No. CVCV21-01007)
- x. *Abarca v. Cantaloupe Holdings, LLC* (PAGA) (Los Angeles County Superior Court, Case. No. 21STCV08753)
- xi. *Jimenez v. Olive Holdings, LLC* (PAGA) (San Diego County Superior Court, Case. No. 37-2021-00048293-CU-OE-CTL)
- xii. *Anguiano v. Norway Holdings, LLC* (PAGA) (San Diego County Superior Court, Case No. 97-2021-00041803-CU-OE-CTL).

- JJ. Settlement Administrator” means the administrator proposed by the Parties, Atticus Administration LLC, and appointed by the Superior Court to administer the Settlement.
- KK. “Settlements Shares” means the Class Settlement Shares and the PAGA Settlement Shares, collectively.
- LL. “Superior Court” means the Superior Court of California in which the Lead Case is pending.

III. SETTLEMENT TERMS AND CONDITIONS

- A. **Gross Settlement Amount.** Subject to the terms and conditions of this Agreement, including but not limited to Section III.J, the Gross Settlement Amount is

\$10,000,000.00 (Ten Million Dollars). The Gross Settlement Amount shall be used to satisfy all of Defendants' liabilities arising from: (a) all settlement payments to Participating Class Members and Aggrieved Employees eligible for settlement payments; (b) the LWDA Payment; (c) the Service Awards; (d) the Class Counsel's Fees and Expense Payment; and (e) the Settlement Administrator's fees and expenses. The entire \$10,000,000.00 Gross Settlement Amount is non-reversionary. The Gross Settlement Amount covers employer-side payroll taxes that are triggered by payment of the unpaid wage portion of each Class Settlement Share.

Defendants shall fund the Gross Settlement Amount in three equal installments. The first installment shall be due 90 days after the Effective Date. The second installment shall be due 180 days after the Effective Date. The third and final installment shall be due 270 days after the Effective Date.

All payments under the Settlement to Participating Class Members, Aggrieved Employees, Plaintiffs, Class Counsel, the LWDA, and the Settlement Administrator shall also be made in three equal shares.

B. Settlement Shares. Each Participating Class Member shall be paid a Class Settlement Share and each Aggrieved Employee shall be paid a PAGA Settlement Share. If a Participating Class Member is also an Aggrieved Employee, he or she will be paid both a Class Settlement Share and a PAGA Settlement Share. Subject to the terms and conditions of this Agreement, the Settlement Administrator will allocate Class Settlement Shares from the Class Net Settlement Amount to Participating Class Members and PAGA Settlement Shares from the PAGA Net Settlement Amount as follows:

1. **Calculation.** The Settlement Administrator will calculate each Participating Class Member's Class Settlement Share based on the following formula: Each Participating Class Member will receive a payment equal to the Class Net Settlement Amount times the ratio of (i) the number of workweeks worked by the Participating Class Member as a non-exempt employee at any Facility during the Class Period ("Class Workweeks") to (ii) the total number of Class Workweeks worked by all Participating Class Members.

The Settlement Administrator will calculate each Aggrieved Employee's PAGA Settlement Share based on the following formula: Each Aggrieved Employee will receive a payment equal to the PAGA Net Settlement Amount times the ratio of (i) the number of pay periods worked by the Aggrieved Employee as a non-exempt employee at any Facility during the PAGA Period ("PAGA Pay Periods") to (ii) the total number of PAGA Pay Periods worked by all Aggrieved Employees.

For purposes of the estimated Class Settlement Share and PAGA Settlement Share reported to Class Members in the Notice of Estimated Settlement Award, the Settlement Administrator will calculate each Class Member's

estimated Class Settlement Share assuming that no Class Members opt out of, or request exclusion from, the Settlement.

2. **Effect of Class Members Who Opt Out of Settlement.** A Class Member who timely and validly opts out of the Settlement by submitting an Exclusion Letter will not receive a Class Settlement Share, will not release any of the Class Released Claims, and will not be included with Participating Class Members for purposes of the calculation of Class Settlement Shares. The Settlement Share that otherwise would have been payable to such Class Member will be retained in the Class Net Settlement Amount for distribution to all Participating Class Members. Aggrieved Employees may not opt out of the PAGA component of the Settlement. If a Class Member that is also an Aggrieved Employee timely and validly opts out of the Settlement by submitting an Exclusion Letter, he or she will still receive a PAGA Settlement Share and will still release the PAGA Released Claims.
3. **Tax Treatment.** The Settlement Shares shall be reported to taxing authorities as follows:
 - a. Ten percent (10%) of each Class Settlement Share (the “Wage Portion”) will be treated as a payment in settlement of the Participating Class Member’s claims for unpaid wages. Accordingly, the Wage Portion will be reduced by applicable employer-side payroll tax withholding and deductions, and the Settlement Administrator will issue to the Participating Class Member a Form W-2 with respect to the Wage Portion. Participating Class Members shall be responsible for employee-side taxes and deductions that are triggered by payment of the Wage Portion of their Settlement Share.
 - b. Ninety percent (90%) of each Class Settlement Share (the “Non-Wage Portion”) will be treated as a payment in settlement of the Participating Class Member’s claims for all unreimbursed business expenses, liquidated damages, and penalties. Accordingly, the Non-Wage Portion will not be reduced by payroll tax withholding and deductions; and, instead, the Settlement Administrator will report payment of the Non-Wage Portion to the Participating Class Member on Form 1099.
 - c. 100 percent (100%) of each PAGA Settlement Share will be treated as a payment in settlement of penalties to Aggrieved Employees. Accordingly, the PAGA Settlement Share will not be reduced by payroll tax withholding and deductions; and, instead, the Settlement Administrator will report payment of the PAGA Settlement Share to the Aggrieved Employee on Form 1099.

C. **Payments to Plaintiffs, Class Counsel, LWDA, and Settlement Administrator.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will make the following payments out of the Gross Settlement Amount as follows:

1. **To Plaintiffs:** In addition to Plaintiffs' Class Settlement Shares and PAGA Settlement Shares, Plaintiffs will apply to the Superior Court for Service Awards in consideration of initiating and pursuing the Actions, undertaking the risk of liability for attorneys' fees and expenses in the event they were unsuccessful in the prosecution of the Actions, and granting the release provided for in Section III.F.1 of this Agreement. Defendants will not oppose a Service Award of up to \$15,000.00 for Plaintiff Joselito Guerrero, and up to \$10,000.00 for Plaintiffs Luci Gillespie, Ileana Suastegui, Trevor Harding, Esther Corona, and Mildred Arriaga. The Settlement Administrator will pay the Service Awards approved by the Superior Court out of the Gross Settlement Amount. If the Superior Court approves Service Awards in lesser amounts, the remainder will be retained in the Class Net Settlement Amount. Tax deductions and withholdings will not be taken from the Service Awards, and instead Form 1099 will be issued to Plaintiffs with respect to these payments.
2. **To Class Counsel:** Class Counsel will apply to the Superior Court for an award of not more than \$3,500,000.00 (35% of the Gross Settlement Amount), and the actual amount of expenses as their Class Counsel Fees and Expenses Payment, and Defendants will not oppose their request. Class Counsel, at their option, may also apply to the court in any of the Actions for further attorneys' fees and costs associated with obtaining and monitoring the equitable/injunctive components of the Settlement (see Section III.G), in the amount of up to an additional 35% of the valuation of the equitable/injunctive relief, and Defendants will not oppose their request. If the Superior Court approves a Class Counsel Fees and Expenses Payment in a lesser amount, the remainder will be retained in the Class Net Settlement Amount. A Form 1099 will be issued with respect to the awarded attorneys' fees and costs, and Class Counsel beforehand will provide Defendants or the Settlement Administrator (as applicable) with a completed Form W-9.
3. **To LWDA.** The LWDA Payment of \$75,000.00 reflects the LWDA's share of the settlement of civil penalties paid under this Agreement pursuant to PAGA. The LWDA Payment represents 75% of the PAGA Allocation under the Settlement of \$100,000.00. This amount reflects the Parties' good-faith and reasonable assessment, for purposes of settlement, of the likelihood that a PAGA representative action would be maintained; that liability under PAGA would be established; and the amount of penalties the Superior Court would award even if a PAGA representative action were maintained and liability were found. If the Superior Court approves an LWDA Payment of less than \$75,000.00, the remainder will be retained in the PAGA Net Settlement Amount.

4. **To the Settlement Administrator.** The Settlement Administrator will pay to itself out of the Gross Settlement Amount its reasonable fees and expenses as approved by the Superior Court. It is projected that these fees and expenses shall not exceed \$100,000.00.
- D. **Appointment of Settlement Administrator.** The Parties will ask the Superior Court to appoint Atticus Administration LLC to act as Settlement Administrator, which, as a condition of appointment, will agree to be bound by this Agreement with respect to the performance of its duties and its compensation. The Settlement Administrator's duties will include preparing, printing, mailing, and emailing the Class Notice Packet; creating and hosting a Settlement website; conducting a National Change of Address search and using Accurint and other reasonable and cost-effective skip trace methods to locate any individuals whose Class Notice Packet was returned by the U.S. Postal Service as non-deliverable, and re-mailing the Class Notice Packet to the Class Member's new address; receiving Class Member objections and opt-outs from the Settlement; providing the Parties with weekly status reports about the delivery of Class Notice Packets and receipt of Class Member opt-outs from the Settlement; calculating Settlement Shares; calculating the amounts of employer-side payroll taxes and employee-side taxes and deductions; issuing the checks to effectuate the payments due under the Settlement; preparing Form W-2s and Form 1099s and completing required report to tax authorities; and otherwise administering the Settlement pursuant to this Agreement. The Settlement Administrator's reasonable fees and expenses, including the cost of printing and mailing the Class Notice Packet, will be paid out of the Gross Settlement Amount.
- E. **Procedure for Approving Settlement.**
1. **Motion for Preliminary Approval.**
 - a. Within 14 days after this Agreement is signed by the last Party to sign it, Plaintiffs will file a motion (the "Motion for Preliminary Approval") with the Superior Court in the Lead Case for an order granting Preliminary Approval of the Settlement, conditionally certifying the Class, setting a date for the Final Approval Hearing, and approving and authorizing the dissemination of the Class Notice and the Notice of Estimated Settlement Award. The Motion for Preliminary Approval shall be unopposed.
 - b. Upon or before filing the Motion for Preliminary Approval, the Parties will file a stipulation to amend the complaint in the Lead Case to bring all pending parties and claims in the Actions (inclusive of class and PAGA claims) into one proceeding. The proposed amended complaint shall be attached to the stipulation.
 - c. Pursuant to PAGA, on the date Plaintiffs file the Motion for Preliminary Approval with the Superior Court, Plaintiffs will submit to the LWDA the Motion for Preliminary Approval and the Settlement. The Parties intend and believe that providing notice of

this Settlement to the LWDA pursuant to the procedures described in this section complies with the requirements of PAGA, and will request that the Superior Court grant approval of the Settlement with respect to the settled PAGA claims.

- d. At the hearing on the Motion for Preliminary Approval, the Parties will jointly appear, support the granting of the motion, and submit an order granting the motion.
- e. Should the Superior Court decline to preliminarily approve all material aspects of the Settlement, or order material changes to the Settlement to which the Parties do not agree after good faith efforts to meet and confer to try to arrive at an alternative resolution, the Settlement will be null and void and the Parties will have no further obligations under it. An award by the Court of lesser amounts than sought for the Service Awards or the Class Counsel Fees and Expenses Payment will not be a material modification of the Settlement.

2. **Notice to Class Members.** After the Superior Court enters its order granting Preliminary Approval of the Settlement, every Class Member and Aggrieved Employee will be provided with the Class Notice Packet (which will include the Class Notice completed to reflect the order granting Preliminary Approval of the Settlement, and the Notice of Estimated Settlement Award) as follows:

- a. Within 21 days after the Superior Court enters its order granting Preliminary Approval of the Settlement, Defendants will provide to the Settlement Administrator in a secure fashion the following information for each Class Member and Aggrieved Employee: name, last known address and telephone number, Social Security number, his or her number of Class Workweeks, and his or her number of PAGA Pay Periods. The workweek and pay period totals will be contemporaneously produced to counsel for Plaintiffs. If any or all of the Class Members' or Aggrieved Employees' data are unavailable to Defendants, Defendants will use best efforts to deduce or reconstruct the data prior to when it must be submitted to the Settlement Administrator; approximations or averages may be used. This information will otherwise remain confidential and will not be disclosed to anyone, except in order to carry out the efforts described in Section III.B and to disseminate the Class Notice Packet pursuant to this Agreement, or pursuant to Defendants' express written authorization or by order of the Superior Court.
- b. Within 14 days after receiving the Class Member and Aggrieved Employee information from Defendants, the Settlement Administrator will send to each Class Member and Aggrieved Employee the Class Notice Packet via First Class U.S. Mail and via email. In the event of returned or non-deliverable Class Notice

Packets sent via U.S. Mail, the Settlement Administrator will make reasonable efforts to locate Class Members/Aggrieved Employees and re-send the notices. Prior to the initial mailing, the Settlement Administrator will check the addresses provided by Defendants through the National Change of Address System. Prior to the initial mailing, the Settlement Administrator will provide to counsel for all Parties its payment calculations for Class Members/Aggrieved Employees with anonymized employee identification numbers and obtain approval of the calculations from counsel for all Parties. The Settlement Administrator will mail the Class Notice Packet to all identified Class Members and Aggrieved Employees, and email the Class Notice Packet to all such individuals for whom Defendants provide a personal email address.

- c. The Settlement Administrator will create and host a website for the Settlement, which will allow Class Members and Aggrieved Employees to view the Class Notice, this Agreement, and all papers filed by Class Counsel to obtain preliminary and final approval of the Settlement, and the related orders of the Superior Court. Additionally, the Settlement website will provide contact information for Class Counsel and the Settlement Administrator. The Settlement website shall go live at the same date and time as the Settlement Administrator first disseminates the Class Notice Packets. The Settlement Administrator will provide Class Counsel and Defendants' Counsel with a preview of the proposed website within 14 days of the order granting Preliminary Approval. Class Counsel and Defendants' Counsel must approve the website before it goes live and also must approve any modifications to the website within 10 days of receipt. The Settlement Administrator shall also create a toll-free call center to field telephone inquiries from Class Members and Aggrieved Employees during the notice and settlement administration periods. The Settlement Administrator will be directed to take the website and call center down after the expiration of the final round of checks issued to Participating Class Members and Aggrieved Employees.
- d. If a Class Notice Packet sent via U.S. Mail is returned because of an incorrect address and no forwarding address is affixed thereto, the Settlement Administrator will promptly, and not later than two (2) business days from receipt of the returned packet, search for a more current address for the Class Members/Aggrieved Employees using a skip trace, and re-mail the Class Notice Packet to the Class Members/Aggrieved Employees. The Settlement Administrator will use the individual's data and otherwise work with Defendants to find a more current address. The Settlement Administrator will be responsible for taking reasonable steps, consistent with its agreed-upon job parameters, court orders, and fee, as agreed to with Class Counsel and according to the following deadlines, to trace the

mailing address of any individual for whom a Class Notice Packet is returned by the U.S. Postal Service as undeliverable. These reasonable steps will include, at a minimum, the tracking of all undelivered mail; performing address searches for all mail returned without a forwarding address; and promptly re-mailing to Class Members/Aggrieved Employees for whom new addresses are found. If the Class Notice Packet is re-mailed, the Settlement Administrator will note for its own records and notify Class Counsel and Defendants' Counsel the number of such re-mailings as part of a weekly status report provided to the Parties.

- e. Each week, the Settlement Administrator will provide to Class Counsel and Defendants' Counsel a report showing whether any Class Notice Packets have been returned and re-mailed and the receipt of any opt-outs and/or objections to the Settlement.
- f. In connection with the filing of Plaintiffs' motion for final approval of the Settlement, the Settlement Administrator will prepare, and Plaintiffs will file with the Superior Court, a declaration of due diligence setting forth its compliance with its obligations under this Agreement. The Settlement Administrator shall transmit the declaration to Plaintiff's counsel within ten (10) days of the deadline to opt-out, object or submit disputes as to employment dates, and no later than at least 30 days prior to the Final Approval Hearing. Prior to the Final Approval Hearing, the Settlement Administrator will supplement its declaration of due diligence if any material changes occur from the date of the filing of its prior declaration.

3. **Objections to Settlement; Opt-outs from Settlement.** Class Members may submit objections to the Settlement or opt out of the Settlement pursuant to the following procedures:

- a. **Objections to Settlement.** Class Members who wish to object to any term of the Settlement must mail his or her objection to the Settlement Administrator not later than 45 days after notice of the Settlement was first sent via U.S. Mail and/or email. The Settlement Administrator shall, within two (2) business days of receipt, serve any objection(s) as received on Class Counsel and Defendants' Counsel, who shall then promptly file all such objections with the Court. Defendants' Counsel and Class Counsel shall file and serve any responses to objections no later than five (5) calendar days prior to the Final Approval hearing. To be valid, any objection must: (1) contain the objecting Class Member's full name, current address, and telephone number, as well as contact information for any attorney representing the objecting Class Member for purposes of the objection; (2) include all objections and the factual and legal bases for same; (3) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence supporting the objection; and (4) be postmarked no later than 45 days after the

Settlement Administrator originally sends the Class Notice Packets via U.S. Mail and/or email. The objection also will indicate whether the Class Member intends to appear at the Final Approval Hearing.

b. **Request for Exclusion.** The Class Notice will provide that Class Members may exclude themselves from the Settlement by mailing to the Settlement Administrator a signed Exclusion Letter, postmarked no later than 45 days after the Settlement Administrator originally sends the Class Notice Packets via U.S. Mail and/or email. To be valid, the Request for Exclusion must: (1) contain the Class Member's full name, current address, and telephone number; and (2) be postmarked no later than 45 days after the Settlement Administrator originally sends the Class Notice Packets via U.S. Mail and/or email. If a question is raised about the authenticity of an Exclusion Letter, the Settlement Administrator will have the right to demand additional proof of the Class Member's identity. A Class Member who timely submits a valid Exclusion Letter will not participate in or be bound by the Settlement and the Judgment, will not be entitled to any payment from the Settlement, and will not have any right to object to, appeal from, or comment on the Settlement. A Class Member who does not complete and mail a valid Exclusion Letter in Settlement in the manner and by the deadline specified above will automatically be bound by all terms and conditions of the Settlement, including its release of claims, if the Settlement is approved by the Court, and by the Judgment. Aggrieved Employees may not opt out of the PAGA component of the Settlement. If a Class Member who is also an Aggrieved Employee timely and validly opts out of the Settlement by submitting an Exclusion Letter, he or she will still receive a PAGA Settlement Share and will still release the PAGA Released Claims. If an individual is an Aggrieved Employee but not a Class Member, such persons may not opt out of the Settlement.

c. **Report.** Not later than ten (10) days after the deadline for submission of opt-outs to the Settlement, the Settlement Administrator will provide the Parties with a complete and accurate list of objections and opt-outs submitted by Class Members.

4. **Resolution of Disputes.** If a Class Member and/or Aggrieved Employee disputes the Class Workweeks and/or PAGA Pay Periods shown on his or her Notice of Estimated Settlement Award, the individual must submit a dispute to the Settlement Administrator by returning the Notice of Estimated Settlement Award with the information that he or she contends is correct and including with the sheet any documentation the individual has to support his or her contention. Any such dispute must be postmarked no later than 45 days after the Settlement Administrator originally sends the Class Notice Packets via U.S. Mail and/or email. In the event of such a dispute, Defendants will have the right to review its payroll and personnel records to verify the correct information. Unless both parties agree that the

individual presents convincing evidence proving that he or she worked more workweeks than shown by Defendants' records, the individual will be paid based on Defendants' records. The Settlement Administrator shall notify counsel for the Parties of any disputes. The Parties shall meet and confer in an effort to resolve any disputes, and shall notify the Settlement Administrator of their decision. If a dispute cannot be resolved, it shall be presented to the Court for resolution. To the extent that an individual who was not included on the list of Class Members and Aggrieved Employees that Defendants provided to the Settlement Administrator self-identifies as a Class Member and/or Aggrieved Employee, such individual must present evidence to the Settlement Administrator establishing the Class Workweeks and/or PAGA Workweeks that he or she contends to have worked no later than 45 days after the Settlement Administrator originally sends the Class Notice Packets via U.S. Mail and/or email, and the individual's claim will be resolved pursuant to the dispute procedure set forth in this paragraph. The resolution of disputes pursuant to the dispute procedure set forth in this paragraph will be final, binding on the Parties and the Class Member/Aggrieved Employee, and non-appealable.

5. **No Solicitation of Objection, Appeal, or Opt-Out.** Neither the Parties nor their respective counsel will solicit or otherwise encourage directly or indirectly any Class Member to object to the Settlement, appeal from the Judgment, or opt out of the Settlement.
6. **Right of Defendants to Reject Settlement.** If ten percent (10%) or more of Class Members timely submit valid Exclusion Letters, Defendants will have the right to, in its sole discretion, unilaterally rescind the Settlement, and the Settlement and all actions taken in furtherance of it will be null and void. Defendants must exercise this right within 30 days after the Settlement Administrator notifies the Parties of the number of opt-outs, which the Settlement Administrator will do within ten (10) days after the deadline for submission of Exclusion Letters. If Defendants exercise the right to rescind, it will be responsible for the costs of administration of the Settlement incurred through that time. If Defendants do not exercise the right to rescind, Plaintiffs will move for final approval of the Settlement and for an award of the Service Awards and the Class Counsel Fees and Expenses Payment pursuant to the Settlement, which Defendants will not oppose. The named Plaintiffs will not opt out of nor object to the settlement, nor refuse to execute a general release of claims as references in Section III.F.
7. **Additional Briefing and Final Approval.**
 - a. Not later than 16 court days before the Final Approval Hearing, Plaintiffs will file with the Superior Court a motion for final approval of the Settlement, the LWDA Payment, and payment of the Settlement Administrator's reasonable fees and expenses (the "Motion for Final Approval"). Plaintiffs will also move for awards of the Service Awards and the Class Counsel Fees and Expenses

Payment pursuant to this Settlement, either as part of the Motion for Final Approval or via separate motion. The Motion for Final Approval shall be unopposed.

- b. Not later than five (5) days before the Final Approval Hearing, Plaintiffs and/or the Parties jointly may file a reply in support of the motion for final approval of the Settlement to the extent that any opposition to the motion is filed.
 - c. If the Superior Court does not grant final approval of the Settlement, or if the Court's final approval of the Settlement is reversed or materially modified on appellate review, then this Settlement will be null and void after good faith efforts by Counsel for the Parties to meet and confer to try to arrive at an alternative resolution; if that occurs, the Parties will have no further obligations under the Settlement, including any obligation by Defendants to pay the Gross Settlement Amount, except that parties will evenly split the Settlement Administrator's reasonable fees and expenses incurred as of the date that the Settlement is deemed null and void. The Parties will thereafter return and attend mediation with Jeffery Krivis attempt in good faith to reach a settlement approved by the Superior Court. However, if parties are unable to reach a resolution after reengaging with Jeffrey Krivis, parties agree to attend and split the costs of a second mediation in an attempt to reach a settlement approved the Court. An award by the Court of lesser amounts than sought for the Service Awards or Class Counsel Fees and Expenses Payment will not constitute a material modification of the Settlement; although Plaintiffs maintain the right to appeal any such reduction. In the event that the Superior Court awards lesser-then-sought Service Awards or Class Counsel Fees and Expenses Payment, the difference between the amounts awarded and sought will not revert back to Defendants, but will revert to the Class Net Settlement Amount.
 - d. Together with the Motion for Final Approval, Plaintiffs will present a proposed Judgment to the Superior Court for its approval and entry. After entry of the Judgment, the Superior Court will have continuing jurisdiction over the Settlement solely for purposes of (1) enforcing this Agreement, (2) addressing settlement administration matters, and (3) addressing such post-judgment matters as may be appropriate under court rules or applicable law.
8. **Waiver of Right to Appeal.** Provided that the Judgment is consistent with the material terms of this Agreement, Plaintiffs, Participating Class Members, Aggrieved Employees, Defendants, and their respective counsel hereby waive any and all rights to appeal from the Judgment, including all rights to any post-judgment proceeding and appellate proceeding, such as a motion to vacate judgment, a motion for new trial, and any extraordinary writ, and the Judgment therefore will become non-appealable at the time it

is entered. The waiver of appeal does not include any waiver of the right to oppose any appeal, appellate proceedings or post-judgment proceedings, or to file a cross-appeal. This paragraph does not preclude Plaintiffs or Class Counsel from appealing from a refusal by the Superior Court to award the full Service Awards or the Class Counsel Fees and Expenses Payment sought by them; however, such an order or affirmance of such an order will not entitle Plaintiffs, Participating Class Members, Aggrieved Employees, or Defendants to avoid the Settlement. If an appeal is taken from the Judgment, the time for consummating the Settlement (including making payments under the Settlement) will be suspended until such time as the appeal is finally resolved and the Judgment becomes Final, as defined in this Agreement.

9. **Vacating, Reversal, or Material Modification of Judgment on Appeal or Review.** If, after a notice of appeal or a petition for *certiorari* or review, or any other motion, petition, or application, the reviewing court vacates, reverses, or modifies the Judgment such that there is a material change to the Settlement, and that court's decision is not completely reversed and the Judgment is not fully affirmed on review by a higher court, then either Plaintiff or Defendants will have the right to void the Settlement, which the Party must do by giving written notice to the other Parties, the reviewing court, and the Superior Court not later than 30 days after the reviewing court's decision vacating, reversing, or materially modifying the Judgment becomes final. A vacation, reversal, or modification of the Superior Court's award of the Service Awards or the Class Counsel Fees and Expenses Payment will not constitute a vacating, reversal, or material modification of the Judgment within the meaning of this paragraph.
10. **Timing of Settlement Payments.** Within seven (7) days after the Effective Date, as defined in this Agreement, the Settlement Administrator will provide Defendants with wire transfer information. Defendants shall fund the Gross Settlement Amount in three equal installments, by wire transfer. The first installment shall be due 90 days after the Effective Date. The second installment shall be due 180 days after the Effective Date. The third and final installment shall be due 270 days after the Effective Date via wire transfer. Within 14 days after it receives each funding installment, the Settlement Administrator will pay one third of the total payments due to Participating Class Members for Class Settlement Shares, Aggrieved Employees for PAGA Settlement Shares, Plaintiffs for Service Awards; the LWDA for the LWDA Payment, Class Counsel for the Class Counsel Fees and Expenses Payment; and the Settlement Administrator for its reasonable fees and expenses. The Settlement Administrator shall calculate the amount(s) of employer-side payroll taxes for the Class Settlement Shares and shall deduct those amounts from each funding installment prior to issuing the payments from that installment.
11. **Uncashed Settlement Share Checks.** Checks for Class Settlement Shares and PAGA Settlement Shares must be negotiated within, and will be void, 90 days after they are mailed. If a check issued from the first or second

funding installment is returned to the Settlement Administrator, the Settlement Administrator will reissue that payment with the next check issued to the Participating Class Member/Aggrieved Employee. The Settlement Administrator will make all reasonable efforts to re-mail checks to the correct address. After the close of the check-cashing period for the third (and final) round of checks, the Settlement Administrator will redistribute the funds from uncashed checks (from all rounds of payments) to the Participating Class Members/Aggrieved Employees that cashed their third check. The uncashed check funds will be redistributed *pro rata* based on the total amount of the checks that the individual cashed divided by the total amount of all checks that were cashed by the Participating Class Members/Aggrieved Employees. In the event of a redistribution of funds from uncashed checks, the additional settlement administration costs and any additional employer-side payroll taxes related to the redistribution will be paid from the total amount of uncashed checks prior to the redistribution. To mitigate against the issuance of redistribution checks in small amounts, the Settlement Administrator shall exclude from the redistribution any individual that would receive a gross amount of less than \$10, prior to any reduction for employer-side payroll taxes, employee side payroll taxes, and additional settlement administration costs related to the redistribution. If the total amount of uncashed checks funds is less than \$100,000, or if there are uncashed funds remaining after the redistribution described in this paragraph, the Settlement Administrator will deposit such funds into a *cy pres* recipient jointly selected by the Parties and approved by the Superior Court. The Parties propose Legal Aid at Work as the *cy pres* recipient.

F. Release and Waiver of Claims.

1. **Plaintiffs.** Provided that he or she is awarded a Service Award of any amount by the Superior Court, as of the Effective Date, in consideration for the same and the other consideration provided by this Agreement, each Plaintiff releases the Released Parties from any and all known and unknown claims, complaints, charges, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, and penalties arising out of or relating to their employment with the Released Parties, including all of the allegations in this Action, as well as attorneys' fees and costs, and waives the protection of California Civil Code section 1542 with respect to claims encompassed in this release ("Plaintiffs' Released Claims").
2. **Participating Class Members.** In consideration for their awarded Class Settlement Shares, as of the Effective Date, all Participating Class Members release any and all known and unknown Class Released Claims against the Released Parties. In consideration for their awarded PAGA Settlement Shares and the LWDA Payment, as of the Effective Date, all Aggrieved Employees and the LWDA release any and all known and unknown PAGA Released Claims against the Released Parties.

3. **Class Counsel.** Class Counsel will not seek or be entitled to any attorneys' fees and/or expenses other than those specified in this Agreement.
4. **Waiver of Rights under California Civil Code Section 1542.** Plaintiffs' Released Claims as provided for in Section III.F.1 include all such respective claims, whether known or unknown by the releasing party. Thus, even if a Plaintiff discovers facts in addition to or different from those that he or she now knows or believes to be true with respect to the subject matter of his or she respective Plaintiffs' Released Claims, those claims will remain released and forever barred. Therefore, with respect only to those respective released claims, Plaintiffs expressly waive and relinquish the provisions, rights and benefits of section 1542 of the California Civil Code, which provides as follows:

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

- G. **Equitable/Injunctive Components.** Defendants, the Facilities, and the Facility entities agree to make certain changes to their operations by the Effective Date, and continuing into the future without modification absent it being agreed upon in writing. These changes must include:

1. The Facilities and Facility Entities agree to not punish or discipline non-exempt employees, or otherwise impose negative employment consequences, when they report that they were not provided with a compliant meal period or rest break.
2. The Facilities and Facility Entities shall establish a "missed meal period log" where non-exempt employees can readily report that that were not provided with a full, timely, uninterrupted, off-duty meal period of at least 30 minutes in length. The Facilities and/or Facility Entities agree to pay all legally required premium payments for any instance where an employee reports they were not provided with a full, timely, uninterrupted, off-duty meal period of at least 30 minutes in length in a shift where they were entitled to receive one.
3. The Facilities and Facility Entities shall establish a "missed rest break log" where non-exempt employees can readily report that that they did not receive a full, timely, uninterrupted, off-duty rest break of at least ten (10) minutes in length. The Facilities and/or Facility Entities agree to pay all required premium payments for any instance where an employee reports they were not provided with a full, timely, uninterrupted, off-duty rest break of at least ten (10) minutes in length in a shift where they were entitled to receive one.

4. The Facilities and Facility Entities agree to not punish or discipline non-exempt employees, or otherwise impose negative employment consequences, when such employees report that they were required by the Facilities and Facility Entities to work any additional hours beyond their scheduled shift time and/or overtime hours or record such hours in their timekeeping. The Facilities and/or Facility Entities agree to pay all required wages due in such circumstances, inclusive of overtime premiums where applicable.
 5. The Facilities and Facility Entities agree to remedy any issues with their timekeeping and payroll systems so that non-exempt employees are duly and timely paid for all “on the clock” time that they record. All “on the clock” time must be readily viewable by non-exempt employees in the Workday application.
 6. The Facilities shall provide required training for management and supervisors at the Facilities on the California wage and hour laws alleged in the Actions, and methods for compliance.
 7. Management at the Facilities shall orally read a notice to all current non-exempt employees of Defendants (i.e., at a team meeting or similar setting) that summarizes in plain language the wage and hour laws, and related protections and obligations, as are alleged in the Actions. At such time, management at the Facilities shall also inform all current non-exempt employees of Defendants about the process for using the “missed meal and rest break logs” (referenced above in Section III, G.2 and Section III, G.3) to notify Defendants of non-compliant meal and/or rest periods. The notice language shall be mutually agreed by counsel for the Parties, as set forth in **Exhibit D** to this Agreement.
 8. The changes required by this section shall be formally adopted in the handbooks and other formal policies for the Facilities and Facility Entities to the extent they have not been already.
 9. Each Facilities and/or Facility Entities shall provide a declaration 30 days prior to the Final Approval Hearing attesting to the status of the implementation of these changes to date.
- H. **No Effect on Other Benefits.** The Class Settlement Shares and PAGA Settlement Shares will not result in any additional benefit payments (such as 401(k) or bonus) beyond those provided by this Agreement to Plaintiffs, Participating Class Members, and Aggrieved Employees. Plaintiffs, Participating Class Members, and Aggrieved Employees will be deemed to have waived all such claims, whether known or unknown by them, as part of their release of claims under this Agreement.
- I. **Confidentiality Preceding Preliminary Approval.** Neither Plaintiffs nor Class Counsel will issue any press or other media releases or talk to the press or media regarding the Settlement, and Class Counsel will not publicize the Settlement on their website or social media. Prior to filing of the Motion for Preliminary

Approval, Plaintiffs may discuss the Settlement and its terms with Class Counsel, but both Plaintiffs and Class Counsel will not engage in any public disclosure of the Settlement and its terms.

J. **Unanticipated Increase in Class Size.** If the number of Class Members, Class Workweeks, Aggrieved Employees, and/or PAGA Pay Periods exceeds, by more than 10%, the amounts set forth in paragraph I.II of the Recitals section of this Agreement, then Defendants will have the option of either increasing the Gross Settlement Amount proportionally or shortening the release period so that there is no increase in the amount.

K. **Miscellaneous Terms.**

1. **No Admission of Liability.**

a. Defendants deny that they have engaged in any unlawful activity, have failed to comply with the law in any respect, have any liability to anyone under the claims asserted in Actions, or that but for the Settlement a class should be certified in the Actions. This Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission of liability or wrongdoing by Defendants, or an admission by Plaintiffs that any of his claims were non-meritorious or any defense asserted by Defendants was meritorious. This Settlement and the fact that Plaintiffs and Defendants were willing to settle the Actions will have no bearing on, and will not be admissible in connection with, any litigation (other than solely in connection with the Settlement).

b. The Parties agree that the Motion for Preliminary Approval seeking, *inter alia*, certification of a class is for purposes of the Settlement only and if, for any reason, the Settlement is not approved, the certification will have no force or effect and will be immediately revoked. The Parties further agree that certification for purposes of the Settlement is in no way an admission that class certification is proper under the more stringent standard applied for litigation purposes and that this Settlement will not be admissible in these or any other proceedings as evidence that (a) a class should be certified or (b) Defendants are liable to Plaintiffs, the Class Members, or Aggrieved Employees.

c. Whether or not there is an Effective Date for the Settlement, nothing in this Agreement, any document, statement, proceeding or conduct related to the Settlement, or any reports or accounting of those matters, will be (i) construed as, offered or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to Defendants or the Released Parties, including, but not limited to, evidence of a presumption, concession, indication or admission by any of the Released Parties of any liability, fault, wrongdoing,

omission, concession or damage; or (ii) disclosed, referred to or offered in evidence against any of the Released Parties, in any further proceeding in any of the Actions, or any other civil, criminal or administrative action or proceeding except for purposes of effectuating the Settlement.

- d. This section and all other provisions of this Agreement notwithstanding, any and all provisions of this Agreement may be admitted in evidence and otherwise used in any and all proceedings to enforce any or all terms of this Agreement, or in defense of any claims released or barred by this Agreement.
2. **Integrated Agreement.** After this Agreement is signed and delivered by all Parties and their counsel, this Agreement and its exhibits will constitute the entire agreement between the Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties, covenants, or inducements have been made to any Party concerning this Agreement or its exhibits other than the representations, warranties, covenants, and inducements expressly stated in this Agreement and its exhibits. However, the Term Sheet may be introduced into evidence to prove the fact and terms of the Parties' Settlement.
3. **Modification of Agreement.** This Agreement, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their successors-in-interest, or by counsel for all Parties or their successors-in-interest.
4. **Failure to Fund Settlement.** If Defendants fail to fund the Settlement after the Effective Date pursuant to the terms of this Agreement, the Settlement shall be null and void *ab initio*, the release of claims by Plaintiffs, Participating Class Members, and Aggrieved Employees shall be without effect, and any order or judgment entered by the Court in furtherance of this Settlement shall be treated as withdrawn or vacated by stipulation of the Parties.
5. **Agreement Binding on Successors.** This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
6. **Applicable Law.** All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the laws of the State of California, without giving effect to any conflict of law principles or choice of law principles.
7. **Cooperation in Drafting.** The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

8. **Fair Settlement.** The Parties and their respective counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Actions and have arrived at this Agreement through arms-length negotiations, taking into account all relevant factors, current and potential.
9. **Authority to Act for Plaintiffs.** Class Counsel represent that they have full authority to accept this Agreement on behalf of Plaintiffs and to bind Plaintiffs to all of its terms and conditions.
10. **Headings.** The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
11. **Notice.** All notices, demands or other communications given under this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, addressed as follows:

To Plaintiffs and the Class:

Carolyn Hunt Cottrell
Caroline N. Cohen
Scott L. Gordon
SCHNEIDER WALLACE
COTTRELL KONECKY LLP
2000 Powell Street, Suite 1400
Emeryville, California 94608
Telephone: (415) 421-7100
Facsimile: (415) 421-7105
ccottrell@schneiderwallace.com
ccohen@schneiderwallace.com
sgordon@schneiderwallace.com

To Defendants:

Grace Y. Horoupian
Victor T. Xu
Kristina Noel Buan
FISHER & PHILLIPS LLP
2050 Main Street, Suite 1000
Irvine, California 92614
Telephone: (949) 851-2424
Facsimile: (949) 851-0152
ghoroupian@fisherphillips.com
alin@fisherphillips.com
kbuan@fisherphillips.com

12. **Invalidity of Any Provision.** The Parties request that before declaring any provision of this Agreement invalid, the Court shall first attempt to construe all provisions as valid to the fullest extent possible consistent with applicable precedents.
13. **Execution in Counterpart.** This Agreement may be executed in one or more counterparts. All executed counterparts and each of them will be deemed to be one and the same instrument provided that counsel for the Parties will exchange between themselves original signed counterparts. Facsimile signatures will be accepted if the original signature is provided within seven (7) days. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

IV. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel hereby execute this Agreement.

Dated: 12 / 11 / 2023



Plaintiff LUCI GILLESPIE

Dated: 12 / 11 / 2023



Plaintiff ILEANA SUASTEGUI

Dated: _____

Plaintiff TREVOR HARDING

Dated: _____

Plaintiff ESTHER CORONA

Dated: 12 / 11 / 2023



Plaintiff JOSELITO GUERRERO

Dated: 12 / 12 / 2023



Plaintiff MILDRED ARRIAGA

12. **Invalidity of Any Provision.** The Parties request that before declaring any provision of this Agreement invalid, the Court shall first attempt to construe all provisions as valid to the fullest extent possible consistent with applicable precedents.
13. **Execution in Counterpart.** This Agreement may be executed in one or more counterparts. All executed counterparts and each of them will be deemed to be one and the same instrument provided that counsel for the Parties will exchange between themselves original signed counterparts. Facsimile signatures will be accepted if the original signature is provided within seven (7) days. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

IV. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel hereby execute this Agreement.

Dated: 12 / 11 / 2023



Plaintiff LUCI GILLESPIE

Dated: 12 / 11 / 2023



Plaintiff ILEANA SUASTEGUI

Dated: 12 / 17 / 2023



Plaintiff TREVOR HARDING

Dated: _____

Plaintiff ESTHER CORONA

Dated: 12 / 11 / 2023



Plaintiff JOSELITO GUERRERO

Dated: _____

Plaintiff MILDRED ARRIAGA

12. **Invalidez de cualquier disposición.** Las Partes solicitan que antes de declarar la invalidez de cualquier disposición de este Acuerdo, el Tribunal primero intente interpretar todas las disposiciones como válidas en la mayor medida posible de conformidad con los precedentes aplicables.
13. **Firma de ejemplares.** Este Acuerdo puede firmarse en uno o más ejemplares. Todos y cada uno de los ejemplares firmados se considerarán un mismo instrumento siempre que los abogados de las Partes intercambien entre sí los ejemplares originales firmadas. Se aceptarán firmas por fax si la firma original se proporciona dentro de los siete (7) días. Cualquier ejemplar firmado será admisible como prueba para acreditar la existencia y contenido del presente Acuerdo.

IV. FIRMA DE LAS PARTES Y DE LOS ABOGADOS

Las Partes y sus abogados firman este Acuerdo.

Fecha: _____
Demandante LUCI GILLESPIE

Fecha: _____
Demandante ILEANA SUASTEGUI

Fecha: _____
Demandante TREVOR HARDING

Fecha: 12 / 20 / 2023 _____
Demandante ESTHER CORONA

Fecha: _____
Demandante JOSELITO GUERRERO

Fecha: _____
Demandante MILDRED ARRIAGA

CLASS COUNSEL:



Dated: February 2, 2024

Carolyn Hunt Cottrell
Caroline N. Cohen
Scott L. Gordon
SCHNEIDER WALLACE
COTTRELL KONECKY LLP

Dated: January 30, 2024



Edwin Aiwozian
LAWYERS FOR JUSTICE, PC

Dated: _____

Print Name:
PLUM HEALTHCARE GROUP, LLC

Dated: _____

Print Name:
PROVIDENCE GROUP, INC.

Dated: _____

Print Name:
FLAX HOLDINGS, LLC d/b/a RIVER
VALLEY CARE CENTER

Dated: _____

Print Name:
GLADIOLUS HOLDINGS, LLC d/b/a
THE PINES AT PLACERVILLE
HEALTHCARE CENTER

CLASS COUNSEL:

Dated: _____

Carolyn Hunt Cottrell
Caroline N. Cohen
Scott L. Gordon
SCHNEIDER WALLACE
COTTRELL KONECKY LLP

Dated: _____

Edwin Aiwazian
LAWYERS FOR JUSTICE, PC

Dated: _____


Print Name:
PLUM HEALTHCARE GROUP, LLC

Dated: _____


Print Name:
PROVIDENCE GROUP, INC.

Dated: _____

Print Name:
FLAX HOLDINGS, LLC d/b/a RIVER
VALLEY CARE CENTER

Dated: _____

Print Name:
GLADIOLUS HOLDINGS, LLC d/b/a
THE PINES AT PLACERVILLE
HEALTHCARE CENTER

CLASS COUNSEL:

Dated: _____

Carolyn Hunt Cottrell
Caroline N. Cohen
Scott L. Gordon
SCHNEIDER WALLACE
COTTRELL KONECKY LLP

Dated: _____

Edwin Aiwazian
LAWYERS FOR JUSTICE, PC

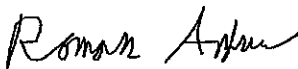
Dated: _____

Print Name:
PLUM HEALTHCARE GROUP, LLC

Dated: _____

Print Name:
PROVIDENCE GROUP, INC.

Dated: 1/18/24



Print Name:
FLAX HOLDINGS, LLC d/b/a RIVER
VALLEY CARE CENTER

Dated: _____

Print Name:
GLADIOLUS HOLDINGS, LLC d/b/a
THE PINES AT PLACERVILLE
HEALTHCARE CENTER

CLASS COUNSEL:

Dated: _____

Carolyn Hunt Cottrell
Caroline N. Cohen
Scott L. Gordon
SCHNEIDER WALLACE
COTTRELL KONECKY LLP

Dated: _____

Edwin Aiwazian
LAWYERS FOR JUSTICE, PC

Dated: _____

Print Name:
PLUM HEALTHCARE GROUP, LLC

Dated: _____

Print Name:
PROVIDENCE GROUP, INC.

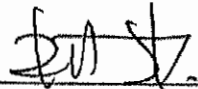
Dated: _____

Print Name:
FLAX HOLDINGS, LLC d/b/a RIVER
VALLEY CARE CENTER

Dated: 1/18/24

Colby Hollingsworth
Print Name:
GLADIOLUS HOLDINGS, LLC d/b/a
THE PINES AT PLACERVILLE
HEALTHCARE CENTER

Dated: 1/19/24



Print Name: ROBERT PIERCE
JUJUBE HOLDINGS, LLC d/b/a
SUNNYVALE POST-ACUTE CENTER

Dated: _____

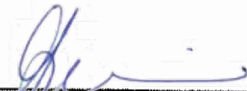
Print Name:
DOUGLAS FIR HOLDINGS, LLC d/b/a
HUNTINGTON VALLEY
HEALTHCARE CENTER

Dated: _____

Print Name:
OLIVE HOLDINGS, LLC d/b/a AVIARA
HEALTHCARE CENTER

DEFENDANTS' COUNSEL:

Dated: 1/19/24



Grace Y. Horoupian
Victor T. Xu
Kristina Noel Buan
FISHER & PHILLIPS LLP

Dated: _____

Print Name:
JUJUBE HOLDINGS, LLC d/b/a
SUNNYVALE POST-ACUTE CENTER

Dated: 1/18/24

Andrew Stephenson

Print Name:
DOUGLAS FIR HOLDINGS, LLC d/b/a
HUNTINGTON VALLEY
HEALTHCARE CENTER

Dated: _____

Print Name:
OLIVE HOLDINGS, LLC d/b/a AVIARA
HEALTHCARE CENTER

DEFENDANTS' COUNSEL:

Dated: _____

Grace Y. Horoupian
Victor T. Xu
Kristina Noel Buan
FISHER & PHILLIPS LLP

Dated: _____

Print Name:
JUJUBE HOLDINGS, LLC d/b/a
SUNNYVALE POST-ACUTE CENTER

Dated: _____

Print Name:
DOUGLAS FIR HOLDINGS, LLC d/b/a
HUNTINGTON VALLEY
HEALTHCARE CENTER

Dated: 1/18/24

APepin

Print Name: Austin Pepin
OLIVE HOLDINGS, LLC d/b/a AVIARA
HEALTHCARE CENTER

DEFENDANTS' COUNSEL:

Dated: _____

Grace Y. Horoupian
Victor T. Xu
Kristina Noel Buan
FISHER & PHILLIPS LLP

EXHIBIT A

[LIST OF 37 FACILITIES]

Honeyflower Holdings, LLC dba Arlington Gardens Care Center
Aloe Holdings, LLC dba Auburn Oaks Care Center
Olive Holdings, LLC dba Aviara Healthcare Center
Ixia Holdings, LLC dba Bishop Care Center
Dragonfruit Holdings, LLC dba Canyon Springs Post-Acute
Applewood Operating Company, LLC dba Copper Ridge Care Center
Koa Holdings, LLC dba Cottonwood Canyon Healthcare Center
Norway Maple Holdings, LLC dba Crystal Cove Care Center
Marjoram Holdings, LLC dba Cypress Ridge Care Center
Bilberry Holdings, LLC dba East Bay Post-Acute
Fig Holdings, LLC dba Garden City Healthcare Center
Cedar Holdings, LLC dba Highland Palms Healthcare Center
Douglas Fir Holdings, LLC dba Huntington Valley Healthcare Center
Elm Holdings, LLC dba La Mesa Healthcare Center
Italian Maple Holdings, LLC dba La Paloma Healthcare Center
Melon Holdings, LLC dba Marysville Post-Acute
Azalea Holdings, LLC dba McKinley Park Care Center
White Fir Holdings, LLC dba Midtown Oaks Post-Acute

Pear Holdings, LLC dba Peninsula Post-Acute
Daisy Holdings, LLC dba Pine Creek Care Center
Plum Healthcare Group, LLC
Poplar Holdings, LLC dba Poway Healthcare Center
Kumquat Holdings, LLC dba Primrose Post-Acute
Ash Holdings, LLC dba Redlands Healthcare Center
Lilac Holdings, LLC dba Reo Vista Healthcare Center
Flax Holdings, LLC dba River Valley Care Center
Ulmus Holdings, LLC dba Rock Creek Care Center
Crocus Holdings, LLC dba Roseville Care Center
Oleander Holdings, LLC dba Sacramento Post-Acute
Pepperbush Holdings, LLC dba San Diego Post-Acute Center
Jujube Holdings, LLC dba Sunnyvale Post-Acute Center
Macadamia Holdings, LLC dba Trellis Chino
Birch Holdings, LLC dba University Care Center
Rosebud Holdings, LLC dba Western Slope Health Center
Hawthorne Holdings, LLC dba White Blossom Care Center
Queen Ann's Lace Holdings, LLC dba Whitney Oaks Care Center
Guava Holdings, LLC dba Yuba City Post-Acute

EXHIBIT B

[NOTICE OF CLASS ACTION SETTLEMENT AND FINAL APPROVAL HEARING]

Luci Gillespie and Ileana Suastegui v. Plum Healthcare Group, LLC
Superior Court of California, County of Tulare, Case No. VCU285376¹

NOTICE OF CLASS ACTION SETTLEMENT AND FINAL APPROVAL HEARING

Please read this notice carefully

You are receiving this Notice of Class Action Settlement and Final Approval Hearing (“Notice”) because the records of Plum Healthcare Group, LLC and/or the applicable Facility Entity show you performed work as a non-exempt employee at one of 37 healthcare facilities in California (“Facilities”), identified in Section 2 below, between December 17, 2016 and July 17, 2023. Because you fit this definition, **you may be entitled to receive money from a Settlement² in this case, as described below.**

1. Why Should You Read This Notice?

This Notice explains what this case is about; your right to share in the monetary proceeds of this Settlement; how much you can expect to receive; the claims that are being resolved; and your options. It explains that there are two groups of workers that are covered by the Settlement: (1) Class Members, for whom the Plaintiffs seek damages under the California Labor Code for unpaid wages (including minimum wages and overtime), missed or non-compliant meal periods and rest breaks, unreimbursed business expenses, and related violations; and (2) Aggrieved Employees, for whom Plaintiffs seek civil penalties (fines) that are allegedly owed to the State of California under the California Labor Code Private Attorneys General Act (“PAGA”) for the labor violations alleged.

Your rights and options under the Settlement depend on whether you are a Class Member, an Aggrieved Employee, or both. Please carefully review this Notice and the enclosed Notice of Estimated Settlement Award to determine whether you are a Class Member, an Aggrieved Employee, or both.

The Superior Court of California, County of Tulare, has preliminarily approved the Settlement as fair and reasonable. The Court will hold a Final Approval Hearing on [REDACTED], 2024 at [REDACTED], before the Honorable Bret Hillman in Department 7 of the Tulare County Superior Court, located at 221 S. Mooney Blvd., Visalia, CA 93291.

2. What Is This Case About?

The Settlement in this case resolves certain labor claims under California law for non-exempt employees at 37 Facilities that were allegedly connected with Plum Healthcare Group, LLC. The

¹ This proposed Settlement in this case also resolves numerous other lawsuits pending in California.

² The “Settlement” refers to the Settlement Agreement. This Notice summarizes the proposed Settlement. The capitalized terms in this Notice have defined meanings that are set out in detail in the Settlement. To review a copy of the Settlement, please visit the Settlement website at [INSERT URL].

Facilities (and associated Facility Entities) are:

1. Arlington Gardens Care Center (Honeyflower Holdings, LLC)
2. Auburn Oaks Care Center (Aloe Holdings, LLC)
3. Aviara Healthcare Center (Olive Holdings, LLC)
4. Bishop Care Center (Ixia Holdings, LLC)
5. Canyon Springs Post-Acute (Dragonfruit Holdings, LLC)
6. Copper Ridge Care Center (Applewood Operating Company, LLC)
7. Cottonwood Canyon Healthcare Center (Koa Holdings, LLC)
8. Crystal Cove Care Center (Norway Maple Holdings, LLC)
9. Cypress Ridge Care Center (Marjoram Holdings, LLC)
10. East Bay Post-Acute (Bilberry Holdings, LLC)
11. Garden City Healthcare Center (Fig Holdings, LLC)
12. Highland Palms Healthcare Center (Cedar Holdings, LLC)
13. Huntington Valley Healthcare Center (Douglas Fir Holdings, LLC)
14. La Mesa Healthcare Center (Elm Holdings, LLC)
15. La Paloma Healthcare Center (Italian Maple Holdings, LLC)
16. Marysville Post-Acute (Melon Holdings, LLC)
17. McKinley Park Care Center (Azalea Holdings, LLC)
18. Midtown Oaks Post-Acute (White Fir Holdings, LLC)
19. Peninsula Post-Acute (Pear Holdings, LLC)
20. Pine Creek Care Center (Daisy Holdings, LLC)
21. Plum Healthcare Group, LLC
22. Poway Healthcare Center (Poplar Holdings, LLC)
23. Primrose Post-Acute (Kumquat Holdings, LLC)
24. Redlands Healthcare Center (Ash Holdings, LLC)
25. Reo Vista Healthcare Center (Lilac Holdings, LLC)
26. River Valley Care Center (Flax Holdings, LLC)
27. Rock Creek Care Center (Ulmus Holdings, LLC)
28. Roseville Care Center (Crocus Holdings, LLC)
29. Sacramento Post-Acute (Oleander Holdings, LLC)
30. San Diego Post-Acute Center (Pepperbush Holdings, LLC)
31. Sunnyvale Post-Acute Center (Jujube Holdings, LLC)
32. Trellis Chino (Macadamia Holdings, LLC)
33. University Care Center (Birch Holdings, LLC)
34. Western Slope Health Center (Rosebud Holdings, LLC)
35. White Blossom Care Center (Hawthorne Holdings, LLC)
36. Whitney Oaks Care Center (Queen Ann's Lace Holdings, LLC)
37. Yuba City Post-Acute (Guava Holdings, LLC)

This case alleges that hourly-paid, non-exempt individuals who worked at the Facilities were not paid for all hours that they actually worked (i.e., they worked “off the clock” without pay), inclusive of all minimum wages and overtime. The case also alleges that these workers were not provided compliant meal periods and rest breaks. The case further alleges that these workers were not reimbursed for necessary business expenses that they incurred for their work, were not provided complete and accurate wage statements, and were not paid final wages at the end of

employment. The case seeks recovery of unpaid wages, statutory damages, civil penalties under the PAGA, restitution, interest, and attorneys' fees and costs. The claims in this case are brought under California law.

The Plaintiffs in this case are Luci Gillespie, Ileana Suastegui, Trevor Harding, Esther Corona, Joselito Guerrero, and Mildred Arriaga (collectively, the "Plaintiffs"). The Plaintiffs had originally filed eight separate lawsuits around California (the "Actions") and consolidated their claims in this case after reaching the Settlement. The Defendants in this case are Plum Healthcare Group, LLC and various Facility Entities (collectively, "Defendants"). Defendants vehemently deny these allegations and contend that they have legal and factual defenses to these claims, but recognize the risks, distractions, and costs associated with litigation. Further, Plum Healthcare Group, LLC denies that it was a joint employer of any employees of the Facility Entities.

This Settlement is the result of good faith, arms' length negotiations between Plaintiffs and Defendants, through their respective attorneys. Both sides agree that, considering the risks and expenses associated with continued litigation, this Settlement is fair and appropriate under the circumstances and in the best interests of the Class Members, Aggrieved Employees, and the State of California. This Settlement is a compromise and is not an admission of liability on the part of Defendants, the Facilities, or the Facility Entities. The Court has not ruled on the merits of Plaintiffs' claims or Defendants' defenses.

The Settlement Administrator has created a Settlement website, which can be accessed at [INSERT URL]. The Settlement website allows interested persons to view the Settlement, papers filed by Class Counsel to obtain Court approval of the Settlement Agreement, and this Notice (in generic form). The Settlement website also provides contact information for Class Counsel and the Settlement Administrator.

3. What Are the Terms of the Settlement?

Defendants have agreed to pay \$10,000,000.00 to settle this case (the "Gross Settlement Amount"). The Settlement also requires the Facilities to make certain changes to their policies and practices regarding meal periods, rest breaks, and timekeeping and payroll (the "Equitable/Injunctive Components" to the Settlement).

Deductions will be made from the Gross Settlement Amount for attorneys' fees and costs for Class Counsel (up to \$3,500,000.00, plus attorneys' costs; see Section 10 below); settlement administration costs (currently estimated at \$); Service Awards to the Plaintiffs (up to \$15,000.00 for Plaintiff Guerrero and up to \$10,000.00 each for the other Plaintiffs); and the PAGA Allocation (\$100,000.00).

After deductions of these amounts, the remaining amount (the "Class Net Settlement Amount") will be available to pay monetary Settlement Shares to the Participating Class Members. The PAGA Allocation will be distributed so that the State of California will receive 75%, or \$75,000.00, and the Aggrieved Employees will receive 25%, or \$25,000.00 (the "PAGA Net Settlement Amount").

The Class Net Settlement Amount will be distributed to Class Members that do not opt out of the Settlement (“Participating Class Members”). The following persons are “Class Members” and will be eligible to receive a monetary award from the Class Net Settlement Amount: *all current and former non-exempt employees, allegedly employed in California by Plum Healthcare Group, LLC and/or the applicable Facility Entity, who worked at any of the Facilities from December 17, 2016 to July 17, 2023, was not subject to an arbitration agreement³, and did not release claims under a settlement in any of the Settled Cases.*

The PAGA Net Settlement Amount will be distributed to Aggrieved Employees. The following persons are “Aggrieved Employees” and will be eligible to receive a monetary award from the PAGA Net Settlement Amount: *all current and former non-exempt employees, allegedly employed in California by Plum Healthcare Group, LLC and/or the applicable Facility Entity, who worked at any of the Facilities from January 13, 2020 through [insert date of preliminary approval], was not subject to an arbitration agreement, and did not release claims under a settlement in any of the Settled Cases.*

Employees at the Facilities that released claims in any of the Settled Cases are not eligible to participate in the Settlement. The “Settled Cases” are the following lawsuits, which are class actions and/or PAGA actions that resulted in settlements:

- i. *Chace v. Daisy Holdings, LLC* (Sacramento County Superior Court, Case. No. 00209613)
- ii. *Grimsley v. Spruce Holdings, LLC* (Tulare County Superior Court, Case. No. VCU275267)
- iii. *D’Antonio v. Fig Holdings, LLC*, (Stanislaus County Superior Court, Case. No. CV-19-4015)
- iv. *Jackson v. White Fir Holdings, et al.* (PAGA) (Sacramento County Superior Court, Case. No. 34-2021-00301656-CU-OE-GDS)
- v. *Foxx v. Healthcare Services Group, et al.* (PAGA) (Alameda County Superior Court, Case. No. RG21100855)
- vi. *Legaspi v. Cucumber Holdings, LLC* (PAGA) (Los Angeles County Superior Court, Case. No. 20STCV24775)
- vii. *Buckmaster v. Pepperbush Holdings, LLC* (PAGA) (San Diego County Superior Court, Case. No. 37-2020-00023125-CU-OE-CTL)
- viii. *Allen v. Kumquat Holdings, LLC* (PAGA) (Los Angeles County Superior Court, Case. No. 20STCV33311)
- ix. *Cetnarowski v. Melon Holdings, LLC* (PAGA) (Yuba County Superior Court, Case. No. CVCV21-01007)
- x. *Abarca v. Cantaloupe Holdings, LLC* (PAGA) (Los Angeles County Superior Court, Case. No. 21STCV08753)

³ An arbitration agreement is an agreement between two parties that dictates how they will resolve a legal conflict or dispute between them. When parties agree to mandatory arbitration, legal disputes between them are decided in private arbitration, as opposed to a court provided by the government. A neutral third party, called an arbitrator, hears the evidence, makes legal and factual determinations, and decides each party’s claims. When employees sign arbitration agreements, it is typically difficult or impossible for them to bring their claims as part of a class action.

- xi. Jimenez v. Olive Holdings, LLC (PAGA) (San Diego County Superior Court, Case No. 37-2021-00048293-CU-OE-CTL)*
- xii. Anguiano v. Norway Holdings, LLC (PAGA) (San Diego County Superior Court, Case No. 97-2021-00041803-CU-OE-CTL).*

The Equitable/Injunctive Components of the Settlement require specific changes to operations at the Facilities, and include (but are not limited to) the following:

- The Facilities and Facility Entities agree to not punish or discipline non-exempt employees, or otherwise impose negative employment consequences, when they report that (1) they were not provided with a compliant meal period or rest break, or (2) they were required to work additional hours beyond their scheduled shift time and/or overtime hours.
- The Facilities and Facility Entities will establish a “missed meal period log” and a “missed rest break log” where non-exempt employees can readily report that that were not provided with a full, timely, uninterrupted, off-duty break.
- The Facilities and Facility Entities agree to remedy any issues with their timekeeping and payroll systems so that non-exempt employees are duly and timely paid for all “on the clock” time that they record. All “on the clock” time must be readily viewable by non-exempt employees in the Workday application.
- The Facilities will provide required training for management and supervisors on the California wage and hour laws as alleged in this case, and methods for compliance.
- Management at the Facilities will orally read a notice to all current non-exempt employees (i.e., at a team meeting or similar setting) that summarizes in plain language the wage and hour laws and related protections and obligations, and will inform workers of the “missed meal period log” and the “missed rest break log.”

4. How Much Can I Expect to Receive?

Please see the enclosed Notice of Estimated Settlement Award for your estimated Class Settlement Share and/or your estimated PAGA Settlement Share.

All Participating Class Members will receive a *pro rata* share of the Class Net Settlement Amount based on the total number of workweeks that they worked at any Facility during the Class Period (from December 17, 2016 to July 17, 2023), if any (“Class Workweeks”).

The total number of Class Workweeks for all Participating Class Members will be added together and the resulting sum will be divided into the Class Net Settlement Amount to reach a per workweek dollar figure. That figure will then be multiplied by each Participating Class Member’s Class Workweeks to determine the Participating Class Member’s Class Settlement Share.

Additionally, Aggrieved Employees will also receive a *pro rata* share of the PAGA Net Settlement Amount based on the total number of pay periods that they worked at any Facility during the PAGA Period (from January 13, 2020 through [insert date of preliminary approval]), if any (“PAGA Workweeks”).

To the extent an individual is both a Participating Class Member and an Aggrieved Employee, their PAGA Settlement Share will be paid separately from, and in addition to, their Class Settlement Share. **Any Class Members that validly opt out of the Settlement will still receive a PAGA share and will still release claims under the PAGA.**

The enclosed Notice of Estimated Settlement Award provides your Class Workweeks and/or PAGA Pay Periods, in addition to your estimated Class Settlement Share and/or your estimated PAGA Settlement Share, as applicable. If you are not credited with any Class Workweeks, you are not eligible to participate in the Settlement as a Class Member. If you are not credited with any PAGA Pay Periods, you are not eligible to participate in the Settlement as an Aggrieved Employee.

All Class Settlement Share and PAGA Settlement Share determinations will be based on timekeeping, payroll, and/or other records maintained by Defendants, the Facilities, and/or the Facility Entities. The amounts reported on the Notice of Estimated Settlement Award are estimated amounts, and your final share is expected to differ from this amount (i.e., it could be higher or lower) and will be calculated as set forth above.

Please note that all payments under the Settlement, including Class Settlement Shares and PAGA Settlement Shares, will be paid in three equal installments, approximately 90 days apart.

If you dispute the number of workweeks or pay periods shown on the Notice of Estimated Settlement Award, you may produce evidence to the Settlement Administrator establishing the dates you contend to have worked as a non-exempt employee at any of the Facilities as a Class Member or Aggrieved Employee, as applicable. To do so, complete and sign the Notice of Estimated Settlement Award, provide an explanation for the basis for your dispute, attach copies of the supporting evidence, and send these items to the Settlement Administrator (*please retain copies of all of these documents for your records*). Unless you present convincing evidence proving you worked more workweeks and/or pay periods than shown by the records maintained by Defendants, the Facilities, and/or the Facility Entities, your Settlement Share(s) will be determined based those records. Any disputes must be postmarked by [INSERT DATE, which is 45 days from the mailing of this Notice] and should be mailed to [INSERT SETTLEMENT ADMINISTRATOR ADDRESS]. The Settlement Administrator will notify you of the decision on the dispute.

For tax reporting purposes, Class Settlement Shares to Participating Class Members will be allocated as follows: 10% of each Class Settlement Share (the “Wage Portion”) will be treated as a payment in settlement of the Participating Class Member’s claims for unpaid wages. The Wage Portion will be reduced by applicable employee-side withholding and deductions, as well as applicable employer-side payroll tax withholding and deductions, and will be reported on Form W-2. The remaining 90% of each Class Settlement Share (the “Non-Wage Portion”) will be treated as a payment in settlement of the Participating Class Member’s claims for all unreimbursed business expenses, liquidated damages, and penalties. The Non-Wage Portion will not be reduced by tax withholding and deductions, and will be reported on Form 1099. PAGA Settlement Shares to Aggrieved Employees will be allocated 100% as settlement of claims for penalties, will not be reduced by tax withholding and deductions, and will be reported on Form 1099. None of the Parties or attorneys makes any representations concerning the tax consequences of this Settlement or your

participation in it. Class Members and Aggrieved Employees should consult with their own tax advisors concerning the tax consequences of the Settlement.

If you participate in the Settlement, you will be issued three checks, each for one-third of your total Settlement Share. You will have 90 days to cash the checks that will be sent to you, and if not cashed by then, the check will be void. If you do not cash your check in the first or second round of payments, the payment will be reissued to you with the next round of checks. If you do not cash your third check within the 90-day check void period, you will forfeit your payment(s). At the conclusion of the 90-day check void period for the third round of payments, the uncashed checks funds will be redistributed among Participating Class Members and Aggrieved Employees that cashed their third check, on a *pro rata* basis, provided that the total amount of uncashed checks equals or exceeds \$100,000.00. Any uncashed checks from this second distribution will be paid to the Parties' agreed upon *cy pres* recipient, Legal Aid at Work, subject to the Court's approval in the final approval order.

It is your responsibility to keep a current address on file with the Settlement Administrator to ensure receipt of your Settlement checks. If you fail to keep your address current, you may not receive all of your Settlement checks. You may contact the Settlement Administrator, [name], at [contact information] to update your address.

5. What Are the Releases?

There are separate releases of claims under the Settlement for Participating Class Members and Aggrieved Employees.

As of the Effective Date (the date by which the Court grants final approval for the Settlement and all appeals (if any) of the approval have been exhausted), all Participating Class Members release the following claims against the Released Parties (defined below):

“Class Released Claims” means any and all any and all demands, rights, liabilities, claims, and/or causes of action against Defendants and the Released Parties during the class period, known or unknown, that are or could have been alleged based on the facts alleged in the operative complaints and/or the notices of claims under the PAGA to the LWDA in any of the Actions. The Class Released Claims include, but are not limited to, claims that any of the Released Parties failed to pay for all hours worked (including, but not limited to, any and all claims related to “off the clock work”); pay minimum wages or overtime compensation; provide compliant meal and rest periods (including but not limited to, providing short, skipped, late, or otherwise deficient meal and rest breaks); reimburse or indemnify employees for necessary business expenses; provide accurate itemized wage statements; and pay all wages due to discharged and quitting employees. The Class Released Claims include, but are not limited to, such claims brought under California Labor Code sections 201, 202, 203, 204, 205, 226, 226.3, 226.7, 256, 510, 512, 1174(d), 1182.11, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2802; California Business and Professions Code sections 17200-17208; the Industrial Welfare Commission Wage Orders; and the Fair Labor Standards Act (“FLSA”), 29 U.S.C. § 201 *et seq.* Such claims include claims for wages, statutory penalties, civil penalties, or other relief under the California Labor Code and any other related state or municipal law, relief from

unfair competition under California Business and Professions Code section 17200 *et seq.*; attorneys' fees and costs; and interest.

As of the Effective Date, all Aggrieved Employees release the following claims against the Released Parties:

“PAGA Released Claims” means any and all any and all demands, rights, liabilities, claims, and/or causes of action under the PAGA against Defendants and the Released Parties during the PAGA Period, known or unknown, that are or could have been alleged based on the facts alleged in the operative complaints and/or the notices of claims under the PAGA to the LWDA in any of the Actions. The PAGA Released Claims include, but are not limited to, PAGA claims alleging that any of the Released Parties failed to pay for all hours worked (including, but not limited to, any and all claims related to “off the clock work”); pay minimum wages or overtime compensation; provide meal and rest periods (including but not limited to, providing short, skipped, late, or otherwise deficient meal and rest breaks); reimburse or indemnify employees for necessary business expenses; provide accurate itemized wage statements; and pay all wages due to discharged and quitting employees. The PAGA Released Claims include, but are not limited to, such PAGA claims alleging violations of California Labor Code sections 201, 202, 203, 204, 205, 226, 226.3, 226.7, 256, 510, 512, 1174(d), 1182.11, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2802; and the Industrial Welfare Commission Wage Orders. The PAGA Released Claims include, but are not limited to, claims under the PAGA for civil penalties; attorneys' fees and costs; and interest.

The “Released Parties” means Defendants, the Facilities, and the Facility Entities; any of their present and former parents, subsidiaries, and affiliated companies or entities; their respective officers, directors, employees, partners, shareholders and agents; and any other successors, assigns and legal representatives and related persons and entities. The Released Parties include, but are not limited to, Providence Group, Inc. and Providence Administrative Consulting Services.

6. What Are My Rights?

Your right and options under the Settlement depend on whether you are a Class Member, an Aggrieved Employee, or both. Please see Section 4, above, and the enclosed Notice of Estimated Settlement Award to determine whether you are a Class Member, an Aggrieved Employee, or both. As a general matter, only Class Members are permitted to opt-out or object. If you are only an Aggrieved Employee under the Settlement, you are not permitted to opt-out or object. Within this framework, the following options are available.

- **Do Nothing:** (1) If you are a Class Member and do not timely and validly opt-out, you will automatically become a Participating Class Member and receive your Class Settlement Share and will be bound by the Settlement including its release provisions for Participating Class Members. (2) If you are an Aggrieved Employee and do nothing, you will be paid your PAGA Settlement Share and will be bound by the Settlement including its release provisions for Aggrieved Employees. You may utilize the Notice of Estimated Settlement Award to provide address changes to the Settlement Administrator (please retain a copy for your records).

- **Opt-Out:** If you are Class Member and do not wish to be bound by the Settlement, you must submit a written Request for Exclusion (“opt-out”), postmarked by [INSERT DATE, which is **45 days** from the mailing of this Notice]. The Request for Exclusion must contain your full name, address, telephone number, email address (if applicable), last four digits of your social security number, and must be signed individually by you. No Request for Exclusion may be made on behalf of a group. The Request for Exclusion must be sent by mail to the Settlement Administrator at [INSERT SETTLEMENT ADMINISTRATOR ADDRESS].

Any Class Member who opts out of the Settlement will not be entitled to any Class Settlement Share, will not be bound by the Released Claims, and will not have any right to object, appeal or comment on the Settlement.

However, Class Members may not opt out of the PAGA portion of the Settlement. Thus, Class Members that are also Aggrieved Employees will still receive their PAGA Settlement Share and will still be subject to the release of PAGA claims under the Settlement even if they opt out.

If you are ONLY an Aggrieved Employee, and not a Class Member, you are not permitted to opt out of the Settlement.

- **Object:** If you are Class Member and wish to object to the Settlement, you may submit a written statement objecting to the Settlement by [INSERT DATE, which is **45 days** from the mailing of this Notice]. The statement must state the factual and legal grounds for your objection to the settlement. The statement must state your full name, address, telephone number, and email address (if applicable), and must be signed by you or your attorney. The postmark date of mailing to the Settlement Administrator shall be the exclusive means for determining that an objection is timely mailed.

You may also, if you wish, appear at the Final Approval Hearing to discuss your objection with the Court and the parties to the lawsuit. Your written objection should indicate whether you intend to appear at the Final Approval Hearing. Objections will only be considered if the Class Member has not opted out of the Settlement.

If you are ONLY an Aggrieved Employee, and not a Class Member, you are not permitted to object to the Settlement.

7. How Do I Appear at the Final Approval Hearing?

If you do not opt out of the Settlement, you may appear at the Final Approval Hearing. You do not have to attend the Final Approval Hearing, but you may do so at your own expense. You may also pay your own lawyer to attend, but it is not necessary. Please see **Section 1**, above, for the date, time, and location of the Final Approval Hearing.

8. Can Defendants Retaliate Against Me for Participating in this Settlement?

No. Your decision as to whether or not to participate in this Settlement will in no way affect your work or employment, or future work or employment, with Defendants, the Facilities, or the Facility

Entities. It is unlawful for Defendants, the Facilities, or the Facility Entities to take any adverse action against you as a result of your participation in this Settlement.

9. Who Are the Attorneys Representing Plaintiffs, Class Members, and Aggrieved Employees ?

Plaintiffs, Class Members, and Aggrieved Employees are represented by the following attorneys acting as Class Counsel:

Carolyn H. Cottrell
Caroline N. Cohen
Scott L. Gordon
**SCHNEIDER WALLACE
COTTRELL KONECKY LLP**
2000 Powell Street, Suite 1400
Emeryville, CA 94608
Telephone: (800) 689-0024
Facsimile: (415) 421-7105
ccottrell@schneiderwallace.com
ccohen@schneiderwallace.com
sgordon@schneiderwallace.com

Edwin Aiwarzian
LAWYERS for JUSTICE PC
410 W. Arden Avenue, Suite 203
Glendale, CA 91203
Telephone: (818) 265-1020
edwin@calljustice.com

Defendants are represented by the following attorneys:

Grace Y. Horoupian
Victor T. Xu
Kristina N. Buan
FISHER & PHILLIPS, LLP
2050 Main St., Ste. 1000
Irvine, CA 92614
Tel: (949) 851-2424 Fax: (949) 851-0152
ghoroupian@fisherphillips.com
vxu@fisherphillips.com
kbaun@fisherphillips.com

10. How Will the Attorneys for the Class Be Paid?

Class Counsel will be paid from the Gross Settlement Amount of \$10,000,000.00. You do not have to pay the attorneys who represent the Class. The Settlement provides that Class Counsel will receive attorneys' fees not to exceed 35% of the Gross Settlement Amount (i.e., \$3,500,000.00) plus their out-of-pocket costs, currently estimated at \$. The amount of attorneys' fees and costs awarded will be determined by the Court at the Final Approval Hearing. Class Counsel, at their option, may also apply to the court in any of the Actions for further attorneys' fees and costs associated with obtaining and monitoring the Equitable/Injunctive Components of the Settlement, in the amount of up to an additional 35% of the valuation of the equitable/injunctive relief, and Defendants will not oppose their request.

11. Where Can I Get More Information?

If you have questions about this Notice, or the Settlement, or if you did not receive this Notice in the mail and you believe that you are or may be a member of the Settlement, you should contact the Class Counsel. You may contact the Settlement Administrator at [insert phone number] if you have an address change or routine inquiry.

This Notice is only a summary. For the precise terms and conditions of the Settlement, please see the full Class Action Settlement Agreement, available at the Settlement website at [INSERT URL]. You may also access the full Settlement Agreement, as well as the pleadings and other records in this litigation: (a) by contacting Class Counsel at the contact information listed above; or (b) in person at the Clerk's Office, Tulare County Superior Court, located at 221 S. Mooney Blvd., Room 201, Visalia, CA 93291, between 8:00 a.m. and 4:00 p.m. Monday through Friday, excluding Court holidays.

PLEASE DO NOT CONTACT THE COURT, THE CLERK OF THE COURT, THE JUDGE, OR DEFENDANTS FOR INFORMATION ABOUT THE PROPOSED SETTLEMENT OR THIS CASE.

EXHIBIT C
[NOTICE OF ESTIMATED SETTLEMENT AWARD]

NOTICE OF ESTIMATED SETTLEMENT AWARD

Luci Gillespie and Ileana Suastegui v. Plum Healthcare Group, LLC
Superior Court of California, County of Tulare, Case No. VCU285376

This Notice of Estimated Settlement Award provides your estimated Class Settlement Share and/or your estimated PAGA Settlement Share. It also provides your Class Workweeks and/or PAGA Pay Periods, as applicable, and the name and address to which your payments will be issued. You may use this form to submit (1) disputes regarding Class Workweeks and/or PAGA Pay Periods, (2) name or address changes, or both.

YOUR ESTIMATED CLASS SETTLEMENT SHARE: \$

YOUR CLASS WORKWEEKS:

YOUR ESTIMATED PAGA SETTLEMENT SHARE: \$

YOUR PAGA PAY PERIODS:

Class Workweeks are the total number of workweeks that you worked as a non-exempt employee at any Facility from December 17, 2016 through July 17, 2023. PAGA Pay Periods are the total number of pay periods that you worked as a non-exempt employee at any Facility from January 13, 2020 through [insert date of preliminary approval]. Your estimated Class Settlement Share and/or your estimated PAGA Settlement Share is based on corporate and business records maintained by Defendants, the Facilities, and/or the Facility Entities. The amounts reported here are estimated amounts, and your final share is expected to differ from this amount (i.e., it could be higher or lower).

Please note that you may not be eligible for both a Class Settlement Share and a PAGA Settlement Share. If you have zero (0) Class Workweeks as reported above, you are not eligible to participate in the Settlement as Class Member and you will not receive a Class Settlement Share. If you have zero (0) PAGA Pay Periods as reported above, you are not eligible to participate in the Settlement as an Aggrieved Employee and you will not receive a PAGA Settlement Share.

YOUR NAME AND ADDRESS

Please Make any Name/Address Changes Here:

«First» «Last»

«Address1»

«Address2»

«City»

«State»

«Zip»

I. IF YOU AGREE WITH THE INFORMATION ABOVE

If you believe the number of Class Workweeks and/or PAGA Pay Periods listed above is/are correct, and you do not have any changes for your name or address, **you do NOT need to return** or otherwise take any action in response to this Notice of Estimated Settlement Award.

II. IF YOU WOULD LIKE TO MAKE NAME OR ADDRESS CHANGES

To submit name or address changes, write in the updated name or address, print and sign your name, provide the date, and return this Notice of Estimated Settlement Award to the Settlement Administrator at the address below by . **Please be sure to retain a copy of this Notice of Estimated Settlement Award for your records.**

III. IF YOU DISPUTE YOUR CLASS WORKWEEKS AND/OR PAGA PAY PERIODS

If you believe the Class Workweeks and/or PAGA Pay Periods specified above is incorrect, check the appropriate box(es) below, write in the number of Class Workweeks and/or PAGA Pay Periods you contend is correct, print and sign your name, insert the date, and, by [INSERT DATE], send this Notice of Estimated Settlement Award and supporting documentation to the Settlement Administrator at the address below. **Please be sure to retain a copy of this Notice of Estimated Settlement Award, and any supporting documentation you submit, for your records.**

The Settlement Administrator and Counsel for the Parties will resolve any dispute based upon records maintained by Defendants, the Facilities, and/or the Facility Entities and any documents and information you provide. Please be advised that the Class Workweeks and/or PAGA Pay Periods specified above are presumed to be correct unless the documents you submit contain convincing evidence otherwise.

I disagree with the Class Workweeks above and have submitted supporting documentation. I contend that my correct Class Workweeks from December 17, 2016 through July 17, 2023 is:

_____.

I disagree with the PAGA Pay Periods above and have submitted supporting documentation. I contend that my correct PAGA Pay Periods from January 13, 2020 through [insert date of preliminary approval] is:

_____.

IV. ATTESTATION

If I am disputing my Class Workweeks and/or PAGA Pay Periods, I declare under penalty of perjury, under the laws of the State of California, that the Class Workweeks and/or PAGA Pay Periods provided to me in this notice is not correct, that the corrected Class Workweeks and/or PAGA Pay Periods I provide are true and accurate to the best of my knowledge, and that I have submitted documentation establishing the corrected Class Workweeks and/or PAGA Pay Periods.

If I am submitting name or address changes, I declare under penalty of perjury, under the laws of the State of California, that I am authorized to make the name or address changes that I specify in this Notice of Estimated Settlement Award.

Sign your name here

Print the date here

Print your name here

**IF NECESSARY, MAIL THIS FORM AND ANY SUPPORTING DOCUMENTATION TO:
[INSERT SETTLEMENT ADMINISTRATOR NAME AND ADDRESS]**

PLEASE RETAIN A COPY OF THIS NOTICE AND ANY DOCUMENTATION YOU SEND TO THE SETTLEMENT ADMINISTRATOR FOR YOUR RECORDS

Information regarding the case, the Settlement, and your options is contained in the accompanying Notice of Class Action Settlement and Final Approval Hearing.

EXHIBIT D
[WAGE AND HOUR BULLETIN]

CALIFORNIA MISSED MEAL OR REST BREAK LOG INSTRUCTIONS AND SUMMARY OF CALIFORNIA WAGE LAWS (FOR NON-EXEMPT EMPLOYEES ONLY)

At [Entity Name] (the 'Company') we know you work hard every day. We want to ensure that you are taking the required California Meal and Rest Breaks to rest and refresh. We understand it gets busy at times and it's difficult to step away, and that's why we want to ensure that we know when you are unable to take a fully compliant meal break and/or rest break. Please refer to the following instructions for reporting missed, late, or interrupted meal and rest breaks.

When "clocking out" at the end of your shift, you will be prompted at the time clock to confirm that a compliant meal and rest break was taken/provided:

1) If you work more than five hours in a workday, you will be provided an unpaid, uninterrupted thirty (30) minute meal period no later than the end of your fifth hour of work and will be required to "clock out" from the timekeeping system. If you work fewer than six hours in a workday, you may mutually agree with your supervisor to waive the meal period.

If you work more than 10 hours in a workday, you will be provided a second unpaid, uninterrupted thirty (30) minute meal period no later than the end of your tenth hour of work and will be required to "clock out" from the timekeeping system. Depending on your occupation, if you work no more than 12 hours in a workday and have taken the first meal period, you may mutually agree with your supervisor to waive the second meal period.

If you were unable to take one or more fully compliant meal period that you were entitled to, you should select that you were not provided with a meal period. You will then be asked to confirm your response and the Company's timekeeping system will automatically log the missed meal period.

2) You will be provided paid, 10-minute rest periods based on total hours worked daily and you are not required to "clock out" from the timekeeping system. You will receive 10 minutes of uninterrupted rest time for every four hours of work, or major portion of each four hours worked.

If you were unable to take one or more fully compliant rest breaks that you were entitled to, you should select that you were not provided with a rest period. You will then be asked to confirm your response and the Company's timekeeping system will automatically log the missed rest period.

California law requires employers to provide compliant meal and rest breaks to employees, and employers can be required to pay an additional hour of pay as a penalty when this does not occur. California law provides numerous additional protections for workers.

Employers must pay employees for all of the hours that they work. This includes all time that employees spend on work activities and all time that employees are subject to the control of the employer. It also includes additional time worked by employees beyond their scheduled hours.

Employers must pay at least the California minimum wage for all hours worked, and additionally must pay overtime and double time rates where necessary. Generally, employers must pay:

- One and one-half times the employee's regular rate of pay for all hours worked in excess of eight hours up to and including 12 hours in any workday, and for the first eight hours worked on the seventh consecutive day of work in a workweek; and
- Double the employee's regular rate of pay for all hours worked in excess of 12 hours in any workday and for all hours worked in excess of eight on the seventh consecutive day of work in a workweek.

There are, however, a number of exemptions and exceptions from the California overtime law, some of which may apply to workers in the healthcare industry. Further information is available at the website for the State of California, Department of Industrial Relations.

Additionally, employers must provide reimbursement for work-related expenses that are incurred by their employees. To be eligible for reimbursement, the expense must be both reasonable and necessary for the employee to do his or her job, and incurred as a direct consequence of his or her job duties.

Please contact your supervisor if you have any questions regarding the reporting process for missed meal and rest breaks. If you are unable to record a compliant meal or rest break through the Company's timekeeping system, or if you believe that you have not been accurately paid for any work you performed, or if you are experiencing other issues, please notify your supervisor as soon as possible.