

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement (“Settlement Agreement” or “Agreement”) is made by and between Plaintiffs Jessica Cisneros and Marlene Concha (“Plaintiffs,” “Plaintiff Cisneros,” and “Plaintiff Concha”) and Defendant Artesia Christian Home, Inc. (“Defendant”). The Agreement refers to Plaintiffs and Defendant as the “Parties”, or individually as the “Party”.

A. DEFINITIONS.

1. “Action” means the lawsuit alleging wage and hour violations against Defendant captioned *Cisneros v. Artesia Christian Home, Inc.* initiated by Plaintiff Cisneros July 12, 2024, as amended, and pending in the Superior Court of California, County of Los Angeles (Case No. 24STCV17443).
2. “Administrator” means Apex Class Action Administrations the neutral entity the Parties have agreed to appoint to administer the Settlement.
3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
4. “Aggrieved Employees” means all current and former hourly-paid or non-exempt employees of Defendant within the State of California at any time during the PAGA Period.
5. “Class” means all current and former hourly-paid or non-exempt employees of Defendant within the State of California at any time during the Class Period.
6. “Class Counsel” means Justice Law Corporation.
7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
8. “Class Data” means Class Member identifying information in Defendant’s possession including the Class Member’s: (a) full name; (b) last-known mailing address; (c) Social Security number; and (d) number of Workweeks and PAGA Pay Periods.
9. “Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).
10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Members’ mailing addresses using all reasonably available sources, methods, and means including, but not limited to, the National Change of Address Database (“NCOA”), skip traces, and direct contact by the Administrator with Class Members.

11. “Class Notice” means the Court Approved Notice of Class Action Settlement and Hearing Date for Final Court Approval, to be mailed to Class Members in English, Spanish, Nepali, and Tagalog in the form, without material variation, attached as **Exhibit A** and incorporated by reference into this Agreement.
12. “Class Period” means the period from July 12, 2020, through January 8, 2025.
13. “Class Representatives” means the named plaintiffs in the Operative Complaint in the Action seeking Court approval to serve as the Class Representatives.
14. “Class Representative Service Payments” means the payment to the Class Representatives for initiating the Action and providing services in support of the Action.
15. “Court” means the Superior Court of California, County of Los Angeles.
16. “Defendant” means the named defendant Artesia Christian Home, Inc.
17. “Defense Counsel” means Kahana & Feld LLP.
18. “Effective Date” means the later of the following dates: (a) if no appeal is filed, then no later than fourteen (14) calendar days after the running of the appeal period; or (b) if an appeal is filed, then no later than fourteen (14) calendar days after the final judgment becomes final and is no longer subject to appeal.
19. “Final Approval” means the Court’s order granting final approval of the Settlement.
20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
21. “Gross Settlement Amount” means \$580,000, which is the total amount Defendant agrees to pay under the Settlement. The Gross Settlement Amount will be used to pay the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payments, Administration Expenses Payment, Individual PAGA Payments, LWDA PAGA Payment, and Individual Class Payments.
22. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.
23. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of thirty-five percent (35%) of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.
24. “Judgment” means the judgment entered by the Court based upon the Final Approval.
25. “LWDA” means the California Labor and Workforce Development Agency.

26. “LWDA PAGA Payment” means sixty-five percent (65%) of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
27. “Net Settlement Amount” means the Gross Settlement Amount less the following payments and credits in the amounts approved by the Court: (a) Class Counsel Fees Payment; (b) Class Counsel Litigation Expenses Payment; (c) Class Representative Service Payments; (d) Administration Expenses Payment; (e) Individual PAGA Payments; and (f) LWDA PAGA Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
28. “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
29. “PAGA” means the Private Attorneys General Act of 2004 (Labor Code section 2698 *et seq.*).
30. “PAGA Notice” means the letter sent to the LWDA and Defendant on September 17, 2024 providing notice pursuant to Labor Code section 2699.3, subd. (a).
31. “PAGA Pay Period” means any pay period during which an Aggrieved Employee worked for Defendant for at least one (1) day during the PAGA Period.
32. “PAGA Period” means the period from September 17, 2023, through January 8, 2025.
33. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated sixty-five percent (65%) to the LWDA and thirty-five percent (35%) to the Aggrieved Employees in settlement of PAGA claims.
34. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
35. “Plaintiffs” means the named plaintiffs Jessica Cisneros and Marlene Concha.
36. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
37. “Released Class Claims” means the claims being released as described in Section E.2. below.
38. “Released PAGA Claims” means the claims being released as described in Section E.3. below.
39. “Released Parties” means Defendant and its past, present, and future parent companies, shareholders, members, predecessors, successors, all affiliates, subsidiaries, divisions, officers, directors, owners, partners, units, principals, heirs, assigns, agents (including any investment bankers, accountants, auditors, consultants, insurers, reinsurers, predecessors in interest, beneficiaries, executors, members, privies, administrators, fiduciaries and

trustees, attorneys and any past, present, or future officers, directors, and employees), employees, and stockholders.

40. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class portion of the Settlement signed by the Class Member.
41. “Response Deadline” means forty-five (45) calendar days after the Administrator mails the Class Notice to Class Members and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement; or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Class Notices are resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the Response Deadline has expired.
42. “Settlement” means the disposition of the Action effected by this Settlement Agreement and the Judgment.
43. “Workweek” means any week during which a Class Member worked for Defendant for at least one (1) day during the Class Period.

B. RECITALS.

1. On July 12, 2023, Plaintiff Cisneros filed a wage-and-hour class action lawsuit in the Superior Court of California, County of Los Angeles. The lawsuit alleged violations of: (a) Labor Code sections 510 and 1198 (unpaid overtime); (b) Labor Code sections 226.7 and 512(a) (unpaid meal period premiums); (c) Labor Code section 226.7 (unpaid rest period premiums); (d) Labor Code sections 1194 and 1197 (unpaid minimum wages); (e) Labor Code sections 201 and 202 (final wages not timely paid); (f) Labor Code section 226(a) (non-compliant wage statements); (g) Labor Code sections 2800 and 2802 (unreimbursed business expenses); and (h) Business & Professions Code section 17200, *et seq.*
2. On September 17, 2024, Plaintiff Concha provided written notice to the LWDA and Defendant of the specific provisions of the Labor Code she contends were violated and the theories supporting her contentions.
3. On November 27, 2024, Plaintiff Cisneros filed a First Amended Complaint adding Plaintiff Concha as a named plaintiff and adding a cause of action for violation of Labor Code section 2698, *et seq.* (PAGA) (“Operative Complaint”).
4. After engaging in discovery, investigations, and negotiations, on December 19, 2024, the Parties remotely attended mediation with mediator Michael Ludwig. While the Parties did not initially settle at mediation, continued negotiations eventually resulted in a settlement, subject to the Court’s approval.
5. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint, and denies any and all liability for the causes of action alleged.

6. The Parties conducted significant investigation and discovery of the facts and law both before and after the Action was filed. Defendant produced documents relating to its present financial condition and policies, practices, and procedures regarding reimbursement of business expenses, paying non-exempt employees for all hours worked, and meal and rest breaks along with payroll, timekeeping, and operational policies. As part of Defendant's production, Plaintiffs also reviewed time records, pay records, and information relating to the size and scope of the Class, as well as data enabling Plaintiffs to understand the number of Workweeks and PAGA Pay Periods. Plaintiffs also located and interviewed Class Members who worked for Defendant throughout the Class Period. Plaintiffs' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130.
7. The Court has not granted class certification.
8. The Parties, Class Counsel, and Defense Counsel represent they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement Agreement.

C. MONETARY TERMS.

1. Gross Settlement Amount. Defendant promises to pay no more than \$580,000 and any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendant has no obligation to pay the Gross Settlement Amount (or any employer payroll taxes) prior to the deadline stated in Section D of this Settlement. Prior to disbursing the Gross Settlement Amount, the Administrator will provide a disbursement breakdown to Class Counsel and Defense Counsel and will not disburse any funds until the breakdown is approved by both counsels. Any disputes regarding disbursement will be resolved by the Court. Upon receiving approval from both counsels, the Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a payment condition. None of the Gross Settlement Amount will revert to Defendant.
2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments and credits from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval Order:
 - a. To Class Counsel: A Class Counsel Fees Payment of no more than \$203,000 (35% of the Gross Settlement Amount) and Class Counsel Litigation Expenses Payment of no more than \$20,000. Defendant will not oppose requests for these payments if they do not exceed these amounts. Plaintiffs and/or Class Counsel will file a motion for a Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Released Parties shall have no liability to Class Counsel or any other Class Counsel arising from any claim to any

portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator may purchase an annuity to utilize U.S. treasuries and bonds or other attorney fee deferral vehicles for Class Counsel. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS Form 1099. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment, agrees to hold Defendant harmless, and agrees to indemnify Defendant from any dispute or controversy regarding any division or sharing of any of the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment.

- b. To Plaintiffs: The Class Representative Service Payments of no more than \$10,000 to each Plaintiff (totaling \$20,000) (in addition to any Individual Class Payments and Individual PAGA Payments the Class Representatives are entitled to). Defendant will not oppose the request for the Class Representative Service Payments if they do not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment, Plaintiffs will seek Court approval for any Class Representative Service Payments no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves the Class Representative Service Payments less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will pay the Class Representative Service Payments using IRS Form 1099. Plaintiffs assume full responsibility and liability for employee taxes owed on the Class Representative Service Payments.
- c. To the Administrator: An Administration Expenses Payment not to exceed \$15,000 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$15,000, the Administrator will allocate the remainder to the Net Settlement Amount.
- d. To the LWDA and Aggrieved Employees: PAGA Penalties in the sum of \$40,000 to be paid from the Gross Settlement Amount, sixty-five percent (65%) of which (\$26,000) will be allocated to the LWDA as the LWDA PAGA Payment and thirty-five percent (35%) of which (\$14,000) will be allocated to the Aggrieved Employees as their Individual PAGA Payments.
 - i. The Administrator will calculate each Individual PAGA Payment by: (a) dividing the Aggrieved Employees' thirty-five percent (35%) share of PAGA Penalties (\$14,000) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period; and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods during the PAGA Period. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

- ii. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. In addition, the Administrator will report the Individual PAGA Payments on IRS Form 1099.
- e. To Each Participating Class Member: An Individual Class Payment calculated by: (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period; and (b) multiplying the result by each Participating Class Member's Workweeks during the Class Period.
 - i. Tax Allocation of Individual Class Payments. Twenty percent (20%) of each Participating Class Member's Individual Class Payment will be allocated to the settlement of wage claims ("Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on IRS Form W-2. Eighty percent (80%) of each Participating Class Member's Individual Class Payment will be allocated to the settlement of claims for interest and penalties ("Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholding and will be reported on IRS Form 1099. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payments.
 - ii. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will allocate amounts equal to their Individual Class Payments to the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

D. SETTLEMENT FUNDING AND PAYMENTS.

1. Workweeks and PAGA Pay Periods. Based on a review of its records to date, Defendant estimates there are 496 Class Members who worked a total of approximately 38,241 Workweeks, and 289 Aggrieved Employees who worked a total of approximately 6,333 PAGA Pay Periods.
2. Funding of Gross Settlement Amount. Defendant shall fund the Gross Settlement Amount and fund all employer payroll taxes owed on the Wage Portion of the Individual Class Payments by transmitting the funds to the Administrator no later than the Effective Date.
3. Payments from the Gross Settlement Amount. Within fourteen (14) calendar days after Defendant fully funds the Gross Settlement Amount, the Administrator will mail checks for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payments, Administration Expenses Payment, Individual PAGA Payments, LWDA PAGA Payment, and Individual Class Payments. Disbursement of the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representative Service Payments shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

- a. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via first-class United States Postal Service (“USPS”) mail, postage prepaid. The face of each check shall state checks that are not cashed within one hundred eighty (180) calendar days after the date of mailing will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Class Payments and Individual PAGA Payments to all Participating Class Members and Aggrieved Employees, including Non-Participating Class Members who qualify as Aggrieved Employees, respectively (including those for whom Class Notices were returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and Individual PAGA Payment. Before mailing any checks, the Administrator must update the recipients’ mailing addresses using the NCOA.
- b. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without a USPS forwarding address. Within seven (7) calendar days of receiving a returned check, the Administrator will remail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator shall send a replacement check to any Class Member whose original check was lost or misplaced if requested by the Class Member prior to the void date.
- c. For any Class Member whose settlement check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller’s Unclaimed Property Fund in the name of the Class Member, thereby leaving no “unpaid residue” subject to the requirements of Code of Civil Procedure section 384, subd. (b).
- d. The payment of the Class Representative Service Payments, Individual Class Payments, and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Settlement.

E. RELEASES OF CLAIMS. Effective on the date when Defendant fully funds the Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiffs, Class Members, and Class Counsel will release claims against all Released Parties as follows:

1. Plaintiffs’ Release. Plaintiffs and their former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally release and discharge the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, attorneys’ fees, losses, debts, penalties and expenses of any nature whatsoever that arose during the Class Period, known or unknown, suspected or unsuspected, asserted or that might have been asserted arising out of Plaintiffs’ employment with Defendant, payment of wages during that employment and the cessation of that employment, and/or violation of any federal, state or local statute, rule, ordinance

or regulation, including any and all releasable claims arising from the Labor Code as set forth in the Operative Complaint and the PAGA Notice. Plaintiffs acknowledge that they may discover facts or law different from, or in addition to, the facts or law Plaintiffs now know or believe to be true but agree that Plaintiffs' Release shall remain effective in all respects, notwithstanding such different or additional facts or the discovery of them.

- a. Plaintiffs' Waiver of Rights Under Civil Code Section 1542. For purposes of Plaintiffs' Release, Plaintiffs expressly waive and relinquish the provisions, rights, and benefits, if any, of section 1542 of the Civil Code, which reads:

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.

2. Release by Participating Class Members. All Participating Class Members, on behalf of themselves and their former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties of all claims that were asserted, or reasonably could have been asserted, based on the allegations in the Operative Complaint and/or PAGA Notice. This includes, without limitation, all claims for: (a) unpaid wages, including overtime wages, off-the-clock wage claims, and minimum wage claims; (b) claims for failure to timely pay wages, both during employment and after termination of employment; (c) claims for failure to keep accurate and complete payroll records; (d) claims for failure to provide accurate and complete wage statements; (e) claims for missed meal periods; (f) claims for missed rest breaks; (g) claims for failing to pay wage premiums of any type (including overtime or missed meal or rest periods); (h) claims for statutory damages, penalties, and/or interest, including, but not limited to, recordkeeping penalties, wage statement penalties or damages, minimum wage penalties, missed meal period and rest break penalties, waiting time penalties, and penalties under PAGA; (i) premiums arising from the claims described above under applicable state or local law as well as applicable regulations and Wage Orders; (j) interest; (k) liquidate damages; and (l) attorneys' fees and costs. Except as set forth in Section E.3. of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.
3. Release by Aggrieved Employees. All Participating and Non-Participating Class Members, who are Aggrieved Employees, are deemed to release, on behalf of themselves and their former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties of any and all Labor Code violations identified, pleaded, or otherwise set out in the Operative Complaint and/or the PAGA Notice. This includes, without limitation, all claims for: (a) unpaid overtime; (b) unpaid meal and rest break premiums; (c) unpaid minimum wages; (d) penalties for non-compliant wage statements and failure to pay final wages in a timely manner; (e) unreimbursed business expenses; (f) penalties under PAGA; and/or (g) any remedies available under Business and Professions

Code section 17200. The Released Parties shall be entitled to a release of the Released PAGA Claims which occurred only during the PAGA Period and during such time that Aggrieved Employees were classified as hourly-paid or non-exempt employees.

F. MOTION FOR PRELIMINARY APPROVAL. Class Counsel will prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”).

1. Defendant’s Declaration in Support of Preliminary Approval. Defendant will prepare and deliver to Class Counsel a signed declaration from Defendant and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator. In their declarations, Defendant and Defense Counsel shall also aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement. Due to the financial hardships Defendant has been experiencing in recent years, Defendant and Defense Counsel will also cooperate with Plaintiff and Class Counsel in submitting relevant information to the Court about Defendant’s present financial condition.
2. Plaintiffs’ Responsibilities. Plaintiffs will prepare all documents necessary for obtaining Preliminary Approval, including a: (a) draft of the notice and memorandum in support of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and request for approval of the PAGA portion of the Settlement under Labor Code section 2699, subd. (f)(2)); (b) draft of the Order Granting Preliminary Approval and Approval of PAGA Settlement; (c) signed declaration from the Administrator: (i) attaching its “not to exceed” bid for administering the Settlement and attesting to its willingness to serve; (ii) competency; (iii) operative procedures for protecting the security of Class Data; (iv) amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; (v) all facts relevant to any actual or potential conflicts of interest with Class Members; and (vi) nature and extent of any financial relationship with Plaintiffs, Class Counsel, Defendant, or Defense Counsel; (d) signed declarations from Plaintiffs confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members and Administrator; (e) signed declaration from Class Counsel attesting to their competency to represent the Class Members and their timely transmission of all necessary PAGA documents and Class Notice to the LWDA; and (f) all facts relevant to any actual or potential conflict of interest with the Class Members and Administrator. In their declarations, Plaintiffs and Class Counsel shall also aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.
 - a. The amounts of Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payments, and Administration Expenses Payment shall be determined by the Court, and the Court’s determination on these amounts shall be final and binding. The Court’s approval or denial of any amount requested for these items are not material conditions of this Agreement and are to be considered separate and apart from the fairness, reasonableness, and adequacy of this Agreement. Any order or proceeding relating to an application for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class

Representative Service Payments, and Administration Expenses Payments shall not operate to terminate or cancel this Agreement.

- b. If the Court declines to conditionally certify the Class or to Preliminarily Approve all material aspects of the Agreement with prejudice, the Agreement will be null and void, and the Parties will have no further obligations under the Agreement.
 - c. Defendant agrees that it will not oppose the Motion for Preliminary Approval if the motion is consistent with the terms of the Agreement and will file a Notice of Non-Opposition with the Court.
3. Responsibilities of Counsel. Class Counsel is responsible for: (a) finalizing and filing the Motion for Preliminary Approval no later than thirty (30) calendar days after the full execution of this Agreement; (b) obtaining a prompt hearing date for the Motion for Preliminary Approval; and (c) appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is also responsible for delivering the Court's Preliminary Approval to the Administrator.
 4. Duty to Cooperate. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Settlement, Class Counsel and Defense Counsel will work together on behalf of the Parties by meeting in person or by telephone or email to modify the Settlement and otherwise satisfy the Court's concerns.

G. SETTLEMENT ADMINISTRATION.

1. Selection of Administrator. The Parties jointly selected Apex Class Action Administration to serve as the Administrator and verified that the Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholding and providing reports to state and federal tax authorities.
3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund under US Treasury Regulation section 468B-1.
4. Notice to Class Members.
 - a. No later than fourteen (14) calendar days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator will maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement, and restrict

access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers the Class Data omitted Class Members' identifying information and to provide corrected or updated Class Data to the Administrator as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will use their best efforts to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

- b. No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks, and PAGA Pay Periods in the Class Data.
- c. Before mailing Class Notices, the Administrator shall update Class Member addresses using the NCOA. Using best efforts to perform as soon as possible, and in no event later than fourteen (14) calendar days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data the Class Notice via first-class USPS mail.
- d. No later than three (3) business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall remail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and remail the Class Notice to the most current address obtained.
- e. The deadlines for Class Members' written objections, challenges to Workweeks and/or PAGA Pay Periods, and Requests for Exclusion will be extended an additional fourteen (14) calendar days beyond the forty-five (45) calendar days otherwise provided in the Class Notice for all Class Members whose notice is remailed. The Administrator will inform the Class Member of the extended deadline with the remailed Class Notice.
- f. If the Administrator, Defendant, or Class Counsel is contacted by or otherwise discovers any person who believes that they should have been included in the Class Data and should have received Class Notice, the Parties will meet and confer in person or by telephone or email to determine whether to include them as a Class Member. If the Parties agree, such persons will be deemed Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement no later than fourteen (14) calendar days after receipt of Class Notice or deadline set forth in the Class Notice, whichever date is later.

5. Requests for Exclusion.

- a. Each Class Member who wishes to exclude themselves from the Class portion of the Settlement must send the Administrator by fax, email, or mail a signed written Request for Exclusion no later than the Response Deadline.
- b. A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's: (i) full name; (ii) present address; (iii) email address or telephone number; and (iv) simple statement electing to be excluded from the Settlement.
- c. The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or susceptible to challenge.
- d. Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits, and bound by all terms and conditions of the Settlement, including the releases under Section E.2. and Section E.3. herein regardless of whether the Participating Class Member receives the Class Notice or objects to the Settlement.
- e. Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement.
- f. The Parties agree that no Aggrieved Employee has the right to object to the PAGA portion of the Settlement or exclude himself or herself from the release of claims set forth in Section E.3 herein regardless of whether the Aggrieved Employee cashes any payment received because of this Settlement.

6. Challenges to Calculation of Workweeks and/or PAGA Pay Periods.

- a. Each Class Member who wishes to challenge the number of Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice must do so no later than the Response Deadline.
- b. The Class Member may challenge the allocation of Workweeks and/or PAGA Pay Periods by communicating with the Administrator via fax, email, or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks and/or PAGA Pay Periods contained in the

Class Notice are correct if they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or PAGA Pay Periods shall be final and not appealable susceptible to challenge.

- c. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or PAGA Pay Periods to Class Counsel and Defense Counsel along with the Administrator's determination of the challenges.

7. Objections to Settlement.

- a. Each Participating Class Member who wishes to send a written objection to the Administrator must do so no later than the Response Deadline.
- b. Participating Class Members may send signed written objections to the Administrator by fax, email, or mail. The written objection must: (i) indicate what the Class Member is objecting to; (ii) why the Class Member is objecting; (iii) any fact that support the objection; and (iv) include the Class Member's full name, present address, and email address or telephone number. Alternatively, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing.
- c. Only Participating Class Members may object to the class action components of the Settlement and/or this Settlement Agreement, including contesting the fairness of the Settlement Agreement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Class Representative Service Payments. Non-Participating Class Members have no right to object to any of the class action components of the Settlement.
- d. Aggrieved Employees cannot object to the PAGA portion of the Settlement and shall be bound by the release of claims set forth in Section E. herein.

8. Administrator's Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

- a. Website, Email Address, and Toll-Free Number. The Administrator will establish, maintain, and use a website to post information of interest to Class Members. This information includes the date, time, and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, Preliminary Approval Order, Class Notice, Motion for Final Approval, Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representative Service Payments, Final Approval Order, and Judgment. The Administrator will also maintain and monitor an email address and toll-free telephone number to receive Class Member calls, faxes, and emails.
- b. Requests for Exclusion and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. No later than five (5) calendar days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Defense Counsel

containing: (i) names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion; (ii) names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; and (iii) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid) (“Exclusion List”). The Administrator shall also provide to Class Counsel a list of the total number of valid and invalid Requests for Exclusion (with no names or personally identifying information).

- c. Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: (i) Class Notices mailed or remailed; (ii) Class Notices returned undelivered; (iii) Requests for Exclusion (whether valid or invalid) received; (iv) objections received; and (v) challenges to Workweeks and/or PAGA Pay Periods received and/or resolved (“Weekly Report”). The Weekly Reports must include the Administrator’s assessment of the validity of Requests for Exclusion.
- d. Workweek and/or PAGA Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Settlement on all Class Member challenges over the calculation of Workweeks and/or PAGA Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.
- e. Administrator’s Declaration. No later than sixteen (16) court days before the date by which Plaintiffs are required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing attesting to its due diligence and compliance with all its obligations under this Agreement. This includes: (i) mailing of Class Notice; (ii) Class Notices returned as undelivered; (iii) remailing of Class Notices; (iv) attempts to locate Class Members; (v) total number of Requests for Exclusion from Settlement received (both valid or invalid); and (vi) number of written objections received. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator’s declaration(s).
- f. Administrator’s Final Report. Within ten (10) calendar days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least fifteen (15) calendar days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator’s declaration.

- g. Employer Taxes. The Administrator shall calculate Defendant's share of employer payroll taxes due on the Wage Portion of Individual Class Payments and provide this information to the Parties. The Administrator shall remit employer taxes and required forms to the appropriate taxing authorities within the deadlines set by law.

H. ESCALATOR CLAUSE. If it is determined that the number of Workweeks within the Class Period exceeds ten percent (10%) or more of 38,241 Workweeks (*i.e.*, more than 42,065 Workweeks), then the Gross Settlement Amount will increase proportionally over the ten percent (10%) increase (*i.e.*, if the number of Workweeks increases by 11%, the Gross Settlement Amount will increase by 1%).

I. MOTION FOR FINAL APPROVAL. No later than sixteen (16) court days before the calendared Final Approval Hearing, Class Counsel will prepare and file a motion for final approval of the Settlement that includes a request for approval of the PAGA portion of the settlement under Labor Code section 2699, subd. (l), Final Approval Order, and Judgment.

1. Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents no later than five (5) calendar court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement, then the Parties will work together to address the Court's concerns to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payments, and/or Administration Expenses Payment shall not constitute a material modification. If the Court does not grant Final Approval of the Agreement, or if the Court's Final Approval is reversed or materially modified on appellate review, then the Parties will make a good faith effort to revise the terms of the Agreement. If that process fails, the Settlement will be null and void, and the Parties reserve their rights with respect to the prosecution and defense of the Action.
3. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, the Parties, their counsel, and all Participating Class Members who did not object to the Settlement waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs, or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Settlement will be suspended until the appeal is resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.
4. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement, this Agreement shall be null and void. The Parties shall work together to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing any additional settlement administration costs reasonably

incurred after remittitur on a 50-50 basis. An appellate decision to vacate, reverse, or modify the Court's award of the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, or Class Representative Service Payments shall not constitute a material modification of the Judgment if the Gross Settlement Amount remains unchanged.

5. Continuing Jurisdiction of the Court. The Parties agree that after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and Settlement solely for purposes of: (a) enforcing this Agreement and/or Judgment; (b) addressing settlement administration matters; and (c) addressing such post-Judgment matters as are permitted by law.

J. AMENDED JUDGMENT. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together to submit an amended judgment.

K. ADDITIONAL PROVISIONS.

1. Defendant's Right to Withdraw. If the number of valid Requests for Exclusion identified by the Administrator exceeds ten percent (10%) of the total of all Class Members, Defendant may, but is not obligated, elect to withdraw from the Settlement. The Parties agree if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever and that neither Party will have any further obligation to perform under this Settlement provided Defendant will remain responsible for paying all settlement administration costs incurred to that point. Defendant must notify Class Counsel and the Court of its selection to withdraw no later than fifteen (15) calendar days after the Administrator sends the final Weekly Report. A late election will have no effect.
2. No Admission, Class Certification, or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint or PAGA Notice have merit or that Defendant has any liability for any claims asserted. Moreover, nothing in this Agreement should be intended or construed as an admission by Plaintiffs that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Agreement only. If the Court does not grant Preliminary Approval or Final Approval, then Defendant reserves the right to contest certification of any class for any reason, Defendant reserves all available defenses to the claims in the Action, and Plaintiffs reserve the right to move for class certification on any grounds available and to contest Defendant's defenses. This Agreement and the Parties' willingness to settle will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate this Agreement).
3. Confidentiality Prior to Preliminary Approval. Until the Motion for Preliminary Approval is filed, Plaintiffs, Class Counsel, Defendant, and Defense Counsel agree that they will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate and/or publicize, any of the terms of the Agreement to any person, corporation, association, government agency, or other entity except: (a) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (b) to counsel in a related matter; (c) to the extent necessary to report income to appropriate

taxing authorities; (d) in response to a court order or subpoena; or (e) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Moreover, until the Motion for Preliminary Approval is filed, Plaintiffs, Class Counsel, Defendant, and Defense Counsel agree not to initiate any conversation or other communication with a third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that “the matter was resolved,” or words to that effect. This section does not restrict Class Counsel’s communication with Class Members in accordance with Class Counsel’s ethical obligations owed.

4. Use and Return of Class Data. Information provided to Class Counsel pursuant to Evidence Code section 1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. No later than ninety (90) calendar days after the date when the Court discharges the Administrator’s obligation to provide a declaration confirming the final pay out of all Settlement funds, Plaintiffs shall destroy all paper and electronic versions of Class Data received from Defendant unless, prior to the Court’s discharge of the Administrator’s obligation, Defendant makes a written request to Class Counsel for the return, rather than the destruction, of Class Data.
5. Cooperation. The Parties and their counsel will cooperate with each other to implement the Settlement Agreement by modifying the Settlement Agreement, submitting supplemental evidence, and supplementing points and authorities as requested by the Court. If the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement Agreement, or on any modification of the Settlement Agreement that may become necessary to implement the Settlement Agreement, the Parties will seek the assistance of the mediator and/or the Court for resolution.
6. Attorney Authorization. Class Counsel and Defense Counsel warrant and represent that they are authorized by Plaintiffs and Defendant to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms and to execute any other documents reasonably required to effectuate the terms of this Agreement, including any amendments to this Agreement.
7. No Solicitation. The Parties agree that they and their counsel and employees will not solicit any Class Member to opt out of or object to the Settlement or appeal from the Judgment. Nothing in this section shall be construed to restrict Class Counsel’s ability to communicate with Class Members in accordance with Class Counsel’s ethical obligations owed.
8. No Prior Assignments. The Parties represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

9. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibit shall constitute the entire agreement between the Parties relating to the Agreement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
10. No Tax Advice. Neither Plaintiffs, Class Counsel, Defendant, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
11. Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. If any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
12. 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 the Party was the drafter or participated in the drafting.
13. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives and approved by the Court.
14. Confidentiality. To the extent permitted by law, all agreements made, and orders entered into during the Action and in this Agreement relating to the confidentiality of information, shall survive the execution of this Agreement.
15. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the State of California, without regard to conflict of law principles.
16. Headings. The descriptive heading of any section of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
17. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
18. Notice. All notices, demands, or other communications between the Parties in connection with this Settlement Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by U.S. mail, or the day sent by email or messenger, addressed as follows:


To Plaintiffs: Douglas Han, Esq.
Shunt Tatavos-Gharajeh, Esq.
Talia Lux, Esq.
Justice Law Corporation
751 North Fair Oaks Avenue, Suite 101
Pasadena, California 91103
(Tel) (818) 230-7502
(Fax) (818) 230-7259
dhan@JusticeLawCorp.com
statavos@JusticeLawCorp.com
tlux@JusticeLawCorp.com

To Defendant: Ron S. Brand, Esq.
David Goodman, Esq.
Kahana & Feld LLP
2603 Main Street, Suite 900
Irvine, California 92614
(Tel) (949) 812-4781
(Fax) (949) 245-7597
rbrand@kahanafeld.com
dgoodman@kahanafeld.com

19. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (*e.g.*, DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
20. Stay of Litigation. The Parties agree upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this settlement process.

Dated: 01/31/2025

Jessica Cisneros

By: 

Dated: _____

Marlene Concha

By: _____

Dated: _____

Justice Law Corporation [Approving as to Form Only]

By: _____
Douglas Han, Esq.
Shunt Tatavos-Gharajeh, Esq.
Talía Lux, Esq.
Attorneys for Plaintiffs

Dated: _____

Artesia Christian Home, Inc.

By: _____

Dated: _____

Kahana & Feld LLP [Approving as to Form Only]

By: _____
Ron S. Brand, Esq.
David Goodman, Esq.
Attorneys for Defendant


Dated: _____

Jessica Cisneros

By: _____


Dated: 02/06/2025

Marlene Concha

By:  _____

Dated: February 6, 2025

Justice Law Corporation [Approving as to Form Only]

By:  _____
Douglas Han, Esq.
Shunt Tatavos-Gharajeh, Esq.
Talía Lux, Esq.
Attorneys for Plaintiffs

Dated: _____

Artesia Christian Home, Inc.

By: _____

Dated: _____

Kahana & Feld LLP [Approving as to Form Only]

By: _____
Ron S. Brand, Esq.
David Goodman, Esq.
Attorneys for Defendant

Dated: _____

Jessica Cisneros

By: _____

Dated: _____

Marlene Concha

By: _____

Dated: _____

Justice Law Corporation [Approving as to Form Only]

By: _____

Douglas Han, Esq.
Shunt Tatavos-Gharajeh, Esq.
Talia Lux, Esq.
Attorneys for Plaintiffs

Dated: Jan 24, 2025

Artesia Christian Home, Inc.

By: *Michelle Robison*

Dated: January 24, 2025

Kahana & Feld LLP [Approving as to Form Only]

By: 

Ron S. Brand, Esq.
David Goodman, Esq.
Attorneys for Defendant

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

Cisneros v. Artesia Christian Home, Inc. (Case No. 24STCV17443)

The Superior Court for the State of California authorized this Class Notice. Read it carefully! It's not junk mail, spam, advertisement, or solicitation by an attorney. You are not being sued.

You may be eligible to receive money from an employee class action lawsuit (“Action”) against Defendant Artesia Christian Home, Inc. (“Defendant”) for alleged wage and hour violations. The Action was filed by Plaintiffs Jessica Cisneros and Marlene Concha (“Plaintiffs”). The Action seeks payment of:

- (1) Unpaid wages for a class of all current and former hourly-paid or non-exempt employees of Defendant within the State of California at any time during the period from July 12, 2020, through January 8, 2025 (“Class,” “Class Members,” “Class Period”); and
- (2) Penalties under the Private Attorneys General Act of 2004 (“PAGA”) for all current and former hourly-paid or non-exempt employees of Defendant within the State of California at any time during the period from September 17, 2023, through January 8, 2025 (“Aggrieved Employees” and “PAGA Period”).

Based on Defendant’s records, and the Parties’ current assumptions, your Individual Class Payment is estimated to be \$ [REDACTED] (less withholding) and your Individual PAGA Payment is estimated to be \$ [REDACTED]. The actual amount you may receive likely will be different and will depend on several factors. If no amount is stated for your Individual PAGA Payment, then according to Defendant’s records, you are not eligible for an Individual PAGA Payment under the settlement because you didn’t work during the PAGA Period.

The above estimates are based on Defendant’s records showing you worked [REDACTED] Workweeks during the Class Period and worked [REDACTED] PAGA Pay Periods during the PAGA Period. If you believe you worked more Workweeks or PAGA Pay Periods during either period, you can submit a challenge by the deadline date. See Section IV of this Class Notice.

The Court has already preliminarily approved the settlement and approved this Class Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or do not act. Read this Class Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the settlement and how much of the settlement will be paid to Plaintiffs and Plaintiffs’ attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendant.

If you worked for Defendant during the Class Period and/or PAGA Period, you have two basic options under the settlement:


1. **Do Nothing.** You don’t have to do anything to participate in the settlement and to be eligible for an Individual Class Payment and/or Individual PAGA Payment. As a Participating Class Member, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Defendant.

2. **Opt Out of the Class Portion of the Settlement.** You can exclude yourself from the Class portion of the Settlement (opt out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt out of the settlement, you will not receive an Individual Class Payment but will preserve your right to personally pursue Class Period wage claims against Defendant. If you are an Aggrieved Employee, you remain eligible for an Individual PAGA Payment. You cannot opt out of the PAGA portion of the settlement.

Defendant won't retaliate against you for any actions you take with respect to the settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendant covered by this settlement (Released Claims).
You Can Opt Out of the Class Portion of the Settlement but not the PAGA portion of the Settlement The Opt-out Deadline is [REDACTED]	If you don't want to fully participate in the settlement, you can opt out of the Class portion of the Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the settlement. See Section VI of this Class Notice. You cannot opt out of the PAGA portion of the settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
Participating Class Members Can Object to the Class Portion of the Settlement but not the PAGA portion of the Settlement Written Objections Must be Submitted by [REDACTED]	All Class Members who do not opt out ("Participating Class Members") can object to any aspect of the settlement. The Court's decision whether to finally approve the settlement will include a determination of how much will be paid to Class Counsel and Plaintiffs who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiffs, but every dollar paid to Class Counsel and Plaintiffs reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiffs if you think they are unreasonable. See Section VII of this Class Notice.
You Can Participate in the Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on [REDACTED]. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone, or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section VIII of this Class Notice.

<p>You Can Challenge the Calculation of Your Workweeks / PAGA Pay Periods</p> <p>Written Challenges Must be Submitted by</p> <p></p>	<p>The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many Workweeks you worked at least one (1) day during the Class Period and how many PAGA Pay Periods you worked at least one (1) day during the PAGA Period, respectively. The number of Workweeks and number of PAGA Pay Periods you worked according to Defendant's records is stated on the first page of this Class Notice. See Section IV of this Class Notice.</p>
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I. WHAT IS THE ACTION ABOUT?

Plaintiffs are former employees of Defendant. The Action alleges that Defendant violated California labor laws by failing to: (1) pay overtime wages; (2) provide meal period premiums; (3) provide rest period premiums; (4) pay minimum wages; (5) timely pay final wages; (6) provide compliant wage statements; (7) reimburse business expenses; and (8) comply with the requirements of Business & Professions Code section 17200. Plaintiffs also asserted a claim for civil penalties under Labor Code section 2698 (PAGA). Plaintiffs are represented by attorneys Douglas Han, Shunt Tatavos-Gharajeh, and Talia Lux of Justice Law Corporation.

Defendant strongly denies violating any laws or failing to pay any wages and contends that it complied with all applicable laws.

II. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

The Court has made no determination whether Plaintiffs or Defendant is correct on the merits. The Parties hired an experienced, neutral mediator to resolve the Action by negotiating an end to the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful following a full day of mediation. By signing the Class Action and PAGA Settlement Agreement ("Settlement Agreement," "Settlement," or "Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Settlement Agreement, the Parties have negotiated a settlement that is subject to the Court's final approval. Both sides agree that the settlement is a compromise of disputed claims. Defendant does not admit any violations or concede the merit of any claims.

III. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Defendant Will Pay \$580,000 as the Gross Settlement Amount. Defendant agreed to deposit the Gross Settlement Amount into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement Amount to pay the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payments, Administration Expenses Payment, Individual Class Payments, Individual PAGA Payments, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA").
 - a. Defendant shall fund the Gross Settlement Amount and fund all employer payroll taxes owed on the Wage Portion of the Individual Class Payments by transmitting the funds to the Administrator no later than the Effective Date. Within fourteen (14) calendar days after Defendant fully funds the Gross Settlement Amount, the Administrator will mail checks to the appropriate entities and persons.

- b. “Effective Date” means the later of the following dates: (i) if no appeal is filed, then no later than fourteen (14) calendar days after the running of the appeal period; or (ii) if an appeal is filed, then no later than fourteen (14) calendar days after the final judgment becomes final and is no longer subject to appeal.
2. Court Approved Deductions from Gross Settlement Amount. At the Final Approval Hearing, Plaintiffs and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement Amount, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - a. Up to \$203,000 (35% of the Gross Settlement Amount) to Class Counsel as their Class Counsel Fees Payment and up to \$20,000 as their Class Counsel Litigation Expenses Payment. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - b. Up to \$10,000 to each Plaintiff (totaling \$20,000) as the Class Representative Service Payments for filing the Action, working with Class Counsel, and effectively representing the Class. The Class Representative Service Payments will be the only monies Plaintiffs will receive other than the Individual Class Payments and any Individual PAGA Payments.
 - c. Up to \$15,000 to the Administrator as the Administration Expenses Payment for services administering the Settlement.
 - d. Up to \$40,000 for PAGA Penalties, sixty-five percent (65%) of which (\$26,000) will be paid to the LWDA as the LWDA PAGA Payment and thirty-five percent (35%) of which (\$14,000) will be paid to the Aggrieved Employees as their Individual PAGA Payments based on their PAGA Pay Periods.
3. Right to Object. Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.
4. Requests for Exclusion from the Class Portion of the Settlement. You will be treated as a Participating Class Member, participating fully in the Class portion of the Settlement, unless you notify the Administrator in writing that you wish to opt out.
 - a. You cannot opt out of the PAGA portion of the Settlement. In other words, Non-Participating Class Members remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Defendant based on the PAGA Period facts alleged in the Action. The method for opting out of the Class portion of the Settlement is explained below in Section VI.
5. Net Settlement Amount Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement Amount (“Net Settlement Amount”) by making Individual Class Payments to Participating Class Members based on their Workweeks.

6. Taxes Owed on Payments to Class Members. The Parties are asking the Court to approve an allocation of twenty percent (20%) of each Individual Class Payment to taxable wages (“Wage Portion”) and eighty percent (80%) to interest and penalties (“Non-Wage Portion”). The Wage Portion is subject to withholding and will be reported on IRS Form W-2. Defendant will separately pay employer payroll taxes for the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and Non-Wage Portions of the Individual Class Payments on IRS Form 1099.
 - a. While the Parties agreed to these allocations, neither side is giving you any advice on whether your payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any payments received from the Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the settlement.
7. Need to Promptly Cash Payment Checks. The face of each check shall state checks that are not cashed within one hundred eighty (180) calendar days after the date of mailing will be voided. The Administrator will cancel all checks not cashed by the void date. For any Class Member whose settlement check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller’s Unclaimed Property Fund in the name of the Class Member. If the monies represented by your check are sent to the California Controller’s Unclaimed Property Fund, you should consult the rules of the Fund for instructions on how to retrieve your money.
8. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. The Parties agreed, in either case, the Settlement will be void: (a) Defendant will not pay any money; and (b) Class Members will not release any claims against Defendant.
9. Administrator. The Court has appointed a neutral company Apex Class Action Administration (“Administrator”) to send this Class Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also decide challenges over Workweeks and/or PAGA Pay Periods, mail and remail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section IX of this Class Notice.
10. Release by Participating Class Members. After Defendant has fully funded the Gross Settlement Amount and separately paid all employer payroll taxes, Participating Class Members will be barred from asserting any of the claims released under the Settlement Agreement. The Participating Class Members will be bound by the following release:
 - a. All Participating Class Members, on behalf of themselves and their former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties of all claims that were asserted, or reasonably could have been asserted, based on the allegations in the Operative Complaint

and/or PAGA Notice. This includes, without limitation, all claims for: (i) unpaid wages, including overtime wages, off-the-clock wage claims, and minimum wage claims; (ii) claims for failure to timely pay wages, both during employment and after termination of employment; (iii) claims for failure to keep accurate and complete payroll records; (iv) claims for failure to provide accurate and complete wage statements; (v) claims for missed meal periods; (vi) claims for missed rest breaks; (vii) claims for failing to pay wage premiums of any type (including overtime or missed meal or rest periods); (viii) claims for statutory damages, penalties, and/or interest, including, but not limited to, recordkeeping penalties, wage statement penalties or damages, minimum wage penalties, missed meal period and rest break penalties, waiting time penalties, and penalties under PAGA; (ix) premiums arising from the claims described above under applicable state or local law as well as applicable regulations and Wage Orders; (x) interest; (xi) liquidate damages; and (xii) attorneys' fees and costs. Except as set forth in Section E.3. of the Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

11. Release by Aggrieved Employees. After Defendant has fully funded the Gross Settlement Amount and separately paid all employer payroll taxes, all Aggrieved Employees will be barred from asserting PAGA claims against Defendant even if they exclude themselves from the Settlement. The Aggrieved Employees will be bound by the following release:

- a. All Participating and Non-Participating Class Members, who are Aggrieved Employees, are deemed to release, on behalf of themselves and their former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties of any and all Labor Code violations identified, pleaded, or otherwise set out in the Operative Complaint and/or the PAGA Notice. This includes, without limitation, all claims for: (i) unpaid overtime; (ii) unpaid meal and rest break premiums; (iii) unpaid minimum wages; (iv) penalties for non-compliant wage statements and failure to pay final wages in a timely manner; (v) unreimbursed business expenses; (vi) penalties under PAGA; and/or (vii) any remedies available under Business and Professions Code section 17200. The Released Parties shall be entitled to a release of the Released PAGA Claims which occurred only during the PAGA Period and during such time that Aggrieved Employees were classified as hourly-paid or non-exempt employees.

IV. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by: (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period; and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member during the Class Period.

2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by: (a) dividing \$14,000 by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period; and (b) multiplying the result by the number of PAGA Pay Periods worked by each individual Aggrieved Employee during the PAGA Period.
3. Workweek / Pay Period Challenges. The number of Workweeks you worked during the Class Period and number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendant's records, are stated on the first page of this Class Notice. You have until [REDACTED] to challenge the number of Workweeks and/or PAGA Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email, or fax. Section IX of this Class Notice has the Administrator's contact information.
 - a. You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendant's calculation of Workweeks and/or PAGA Pay Periods based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or PAGA Pay Period challenges based on your submission and input from Class Counsel and Defense Counsel. The Administrator's decision is final and cannot be challenged.

V. HOW WILL I GET PAID?

1. Participating Class Members. The Administrator will send, via first-class United States Postal Service ("USPS") mail, postage prepaid, a single check to every Participating Class Member, including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and Individual PAGA Payment.
2. Non-Participating Class Members. The Administrator will send, via first-class USPS mail, postage prepaid, a single Individual PAGA Payment check to every Aggrieved Employee who is a Non-Participating Class Member.
3. **Your check will be sent to the same address as this Class Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section IX of this Class Notice has the Administrator's contact information.**

VI. HOW DO I OPT OUT OF THE CLASS PORTION OF THE SETTLEMENT?

Submit a written and signed letter with your full name, present address, email address or telephone number, and simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Cisneros v. Artesia Christian Home, Inc.* (Case No. 24STCV17443), and include your identifying information (full name, present address, and email address or telephone number). You must make the request yourself. If someone else makes the request for you, it will not be valid. The Administrator must be sent your request

to be excluded by [REDACTED], or it will be invalid. Section IX of the Class Notice has the Administrator's contact information.

VII. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. A Participating Class Member who disagrees with any aspect of the Agreement, Motion for Final Approval, and/or Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representative Service Payments may wish to object. The deadline for sending written objections to the Administrator is [REDACTED]. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action as *Cisneros v. Artesia Christian Home, Inc.* (Case No. 24STCV17443) and include your full name, present address, email address or telephone number, and signature. Section IX of this Class Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain an attorney to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section VIII of this Class Notice for specifics regarding the Final Approval Hearing.

VIII. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on [REDACTED] at [REDACTED] in Department 12 of the Superior Court of California, County of Los Angeles located at 312 North Spring Street, Los Angeles, California 90012. At the Final Approval Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement Amount will be paid to Class Counsel, Plaintiffs, and Administrator. The Court will invite comments from objectors, Class Counsel, and Defense Counsel before deciding. You can attend (or hire an attorney to attend) either personally or virtually via LACourtConnect (<https://www.lacourt.org/lacc/>). Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website [REDACTED] beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

IX. HOW CAN I GET MORE INFORMATION?

The Settlement Agreement sets forth everything the Parties have promised to do under the Settlement Agreement. The easiest way to read the Settlement Agreement, Judgment, or any other Settlement documents is to go to Administrator's website at [REDACTED]. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below or consult the Court's website by going to <http://www.lacourt.org/casesummary/ui/index.aspx> and entering Case No. 24STCV17443. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

DO NOT TELEPHONE THE COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

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Administrator:

[ADMINISTRATOR]
[MAILING ADDRESS]
[TELEPHONE NUMBER]
[FAX NUMBER]
[EMAIL]

X. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it if you request a replacement before the void date on the face of the original check. If your check is already void, you should consult the California Controller's Unclaimed Property Fund at https://www.sco.ca.gov/search_upd.html for instructions on how to retrieve the funds.

XI. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.