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SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF LOS ANGELES

TANYA MARSHALL and MARIA
ANDRADE, individually, and on behalf of
other members of the general public similarly
situated,

Plaintiff,

v.

WATTS HEALTHCARE CORPORATION, a
California Corporation; and DOES 1 through
100, inclusive,

Defendants.

Case No. 19STCV27737
Related Case No. 20STCV08186

**~~PROPOSED~~ ORDER GRANTING
PLAINTIFFS' MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

Date: February 26, 2025
Time: 10:30 a.m.

Judge: Hon. Stuart M. Rice
Dept.: 1

FILED
Superior Court of California
County of Los Angeles

02/26/2025

David W. Slayton, Executive Officer / Clerk of Court

By: _____ A. He _____ Deputy

1 This matter having come before the Honorable Stuart M. Rice of the Superior Court of the State
2 of California, in and for the County of Los Angeles, at 10:30 a.m. on February 26, 2025, with Jean-
3 Claude Lapuyade, Esq., of the JCL Law Firm, APC, Shani O. Zakay, Esq. of the Zakay Law Group,
4 APLC, and Joanna Ghosh, Esq. of Lawyers *for* Justice, P.C. as counsel for plaintiffs TANYA
5 MARSHALL and MARIA ANDRADE (“Plaintiffs”), and Cassidy Veal, Esq. and Alecia Winfield, Esq.
6 of Littler Mendelson, P.C. appearing for Defendant Watts Healthcare Corporation (hereinafter
7 “Defendant”). The Court, having carefully considered the briefs, argument of counsel and all the matters
8 presented to the Court, and good cause appearing, hereby GRANTS Plaintiffs’ Motion for Preliminary
9 Approval of Class Action and PAGA Settlement.

10 **IT IS HEREBY ORDERED:**

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

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

18 3. Subject to the terms of the Agreement, the Gross Settlement Amount that Defendant shall
19 pay is Two Million Dollars and Zero Cents (\$2,000,000.00). It appears to the Court on a preliminary
20 basis that the settlement amount and terms are fair, adequate, and reasonable as to all Class Members
21 when balanced against the probable outcome of further litigation relating to certification, liability, and
22 damages issues. It further appears that investigation and research have been conducted such that counsel
23 for the Parties are able to reasonably evaluate their respective positions. It further appears to the Court
24 that settlement at this time will avoid substantial additional costs by all Parties, as well as avoid the
25 delay and risks that would be presented by the further prosecution of the litigation. It further appears
26 that the Settlement has been reached as the result of intensive, serious, and non-collusive arms-length
27 negotiations.

28 4. The Court preliminarily finds that the Settlement appears to be within the range of

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

6 5. Plaintiffs seek Attorneys' Fees and Litigation Costs in the amount of up to Seven
7 Hundred Thirty Thousand Dollars and Zero Cents (\$730,000.00), comprised of attorneys' fees equal to
8 35% of the Gross Settlement Amount estimated to be Seven Hundred Thousand Dollars and Zero Cents
9 (\$700,000.00) and up to Thirty Thousand Dollars and Zero Cents (\$30,000.00) for actually incurred
10 litigation expenses, and proposed Class Representative Payments to the Class Representatives, Tanya
11 Marshall and Maria Andrade, in an amount not to exceed Ten Thousand Dollars and Zero Cents
12 (\$10,000.00) each. The Court will not approve the Attorneys' Fees and Litigation Costs until the Final
13 Approval Hearing. Further, the Court will not approve the Class Representative Payments until the
14 Final Approval Hearing. However, the Court indicated it will be reducing the attorney's fees award to
15 \$666,000.00 (33.3% of the Gross Settlement Amount) and the Class Representative Service Payments
16 to \$7,500.00 to each Plaintiff.

17 6. Subject to the Court approving the Class Representative Payments in an amount of
18 \$7,500.00 to each Plaintiff, Attorneys' Fees and Litigation Costs in the amount of up to \$696,000.00
19 the PAGA Payment in the amount of \$200,000.00, and the Administration Expenses Payment not to
20 exceed \$14,9900.00, the Net Settlement Amount of approximately to \$1,074,010.00 will be distributed
21 to each Participating Class Member as Individual Class Payments.

22 7. The Court recognizes that Plaintiffs and Defendant stipulate and agree to certification of
23 a class for settlement purposes only. This stipulation will not be deemed admissible in this, or any other
24 proceeding should this Settlement not become final. For settlement purposes only, the Court
25 conditionally certifies the following Class:

26 "All current and former hourly-paid or nonexempt employees of Defendant in
27 California employed during the period beginning August 8, 2015 through
28 October 27, 2024."

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

11 9. The Court provisionally appoints plaintiffs Tanya Watts and Maria Andrade as the
12 representatives of the Class.

13 10. The Court provisionally appoints Jean-Claude Lapuyade, Esq., of the JCL Law Firm,
14 A.P.C., Shani Zakay, of the Zakay Law Group, APLC, and Joanna Ghosh, Esq. of Lawyers *for* Justice,
15 P.C. as Class Counsel for the Class Members.

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

25 12. The Court hereby appoints Apex Class Action, LLC as Administrator. Within sixty (60)
26 days of the later of preliminary approval or court approval of Settlement notice to the class, Defendant
27 shall provide to the Administrator the Class Data, including information regarding Class Members that
28 Defendant will in good faith compile from its records, including the Class Member’s full name, last-

1 known mailing address, Social Security number, telephone number, and number of Class Period
2 Workweeks and PAGA Pay Periods. Within three (14) calendar days after receiving the Class Data from
3 Defendant, the Administrator shall mail the Class Notice to all identified, potential Class Members via
4 first class U.S. Mail using the most current mailing address information available.

5 13. The Court hereby preliminarily approves the proposed procedure for exclusion from the
6 Settlement. Any Class Member may individually choose to opt out of and be excluded from the
7 Settlement as provided in the Notice by following the instructions for requesting exclusion from the
8 Settlement of the Released Class Claims that are set forth in the Notice. All requests for exclusion must
9 be postmarked or received by the Response Deadline which is forty-five (45) calendar days after the
10 date the Class Notice is mailed to the Class Members or, in the case of a re-mailed Notice, not more
11 than fourteen (14) calendar days from the date of re-mailing of the Notices. Any such person who
12 chooses to opt out of and be excluded from the Settlement will not be entitled to an Individual Class
13 Payment under the Settlement and will not be bound by the Settlement, or have any right to object,
14 appeal or comment thereon. Class Members who have not requested exclusion shall be bound by all
15 determinations of the Court, the Agreement and Judgment. A request for exclusion may only opt out
16 that particular individual, and any attempt to affect an opt-out of a group, class, or subclass of individuals
17 is not permitted and will be deemed invalid.

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

23 15. A hearing on Plaintiff's Motion for Final Approval of Class Action and PAGA Settlement
24 and Plaintiff's Motion for Attorneys' Fees, Litigation Costs, and Class Representative Service Payment
25 shall be held before this Court on August 25, 2025, at 10:30 AM in Department 1 of the Los Angeles
26 County Superior Court to determine all necessary matters concerning the Settlement, including: whether
27 the proposed settlement of the Action on the terms and conditions provided for in the Agreement is fair,
28 adequate and reasonable and should be finally approved by the Court; whether an Order Granting Final

1 Approval should be entered herein; whether the plan of allocation contained in the Agreement should
2 be approved as fair, adequate and reasonable to the Class; and to finally approve the Attorneys' Fees
3 and Litigation Costs, Class Representative Payments, and the Administration Expenses Payment. All
4 papers in support of the motion for final approval and the motion for Attorneys' Fees and Litigation
5 Costs and Class Representative Payments shall be filed with the Court and served on all counsel no later
6 than sixteen (16) court days before the hearing.

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

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

24 18. Pending final determination of whether the Settlement should be approved, Class
25 Representatives and all Class Members are barred and enjoined from filing, commencing, prosecuting,
26 intervening in, instigating or in any way participating in the commencement or prosecution of any
27 lawsuit, action or administrative, regulatory, arbitration or other proceeding, in any forum, asserting any
28 claims that are, or relate in any way to, the Released Class Claims, unless and until they submit a timely

request for exclusion pursuant to the Agreement.

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

Dated: February 26, 2025



A handwritten signature in black ink, appearing to read "Stuart M. Rice", is written over a horizontal line.

Stuart M. Rice / Judge

JUDGE OF THE SUPERIOR COURT

EXHIBIT A

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

Tanya Marshall and Maria Andrade v. Watts Healthcare Corporation
Los Angeles Superior Court, Case No. 19STCV27737

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

You may be eligible to receive money from an employee class action lawsuit (“Action”) against Watts Healthcare Corporation (“Watts Healthcare”) for alleged wage and hour violations. The Action was filed by former Watts Healthcare employees Tanya Marshall and Maria Andrade (“Plaintiffs”) and seeks payment of (1) back wages and other relief for a class of hourly and non-exempt employees (“Class Members”) who worked for Watts Healthcare during the Class Period August 8, 2015 through October 27, 2024; and (2) penalties under the California Private Attorney General Act (“PAGA”) for all hourly and non-exempt employees who worked for Watts Healthcare during the period beginning on January 9, 2024 to October 27, 2024 (“Aggrieved Employees”).

The proposed Settlement has two main parts: (1) a Class settlement requiring Watts Healthcare to fund Individual Class Payments, and (2) a PAGA Settlement requiring Watts Healthcare to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

Based on Watts Healthcare’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 a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Watts Healthcare’s records you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the period from January 9, 2024 through October 27m 2024 (the “PAGA Period.”))

The above estimates are based on Watts Healthcare’s records showing that **you worked [REDACTED] workweeks** during the Class Period and **you worked [REDACTED] workweeks** during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this 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 Watts Healthcare to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Watts Healthcare.

If you worked for Watts Healthcare during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

(1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Watts Healthcare.

(2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class 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. You will, however, preserve your right to personally pursue Class Period wage claims against Watts Healthcare, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

Watts Healthcare will not retaliate against you for any actions you take with respect to the proposed 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 an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Watts Healthcare that are covered by this Settlement (Released Claims). |
| You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is | <p>If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class 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 proposed Settlement. See Section 6 of this Notice.</p> <p>You cannot opt-out of the PAGA portion of the proposed Settlement. Watts Healthcare must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).</p> |

| | |
|---|---|
| <p>Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement</p> <p>Written Objections Must be Submitted by </p> | <p>All Class Members who do not opt-out (“Participating Class Members”) can object to any aspect of the proposed 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 7 of this Notice.</p> |
| <p>You Can Participate in the Final Approval Hearing</p> | <p>The Court’s Final Approval Hearing is scheduled to take place on . 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 8 of this Notice.</p> |
| <p>You Can Challenge the Calculation of Your Workweeks/Pay Periods</p> <p>Written Challenges Must be Submitted by </p> | <p>The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number Class Period Workweeks and number of PAGA Period Pay Periods you worked according to Watts Healthcare’s records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by . See Section 4 of this Notice.</p> |

1. WHAT IS THE ACTION ABOUT?

Plaintiffs are former Watts Healthcare employees. The Action accuses Watts Healthcare of violating California labor laws by failing to pay overtime wages, minimum wages, wages due upon termination, reimbursable expenses, failing to timely pay wages during employment, failing to keep requisite payroll records, and failing to provide meal periods, rest breaks and accurate itemized wage statements. Based on the same claims, Plaintiffs have also asserted a claim for civil penalties under the California Private Attorneys General Act (Lab. Code, § 2698, et seq.) (“PAGA”). Plaintiffs are represented by attorneys in the Action: Lawyers for Justice, P.C., The JCL Law Firm, APC, and the Zakay Law Group, APLC (“Class Counsel.”) (“Class Counsel.”)

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

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

So far, the Court has made no determination whether Watts Healthcare or Plaintiffs are correct on the merits. In the meantime, Plaintiffs and Watts Healthcare hired an experienced, neutral mediator in an effort to resolve the Action by negotiating to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were ultimately successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiffs and Watts Healthcare have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Watts Healthcare does not admit any violations or concede the merit of any claims. Plaintiffs and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Watts Healthcare has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

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

1. **Watts Healthcare Will Pay \$2,000,000 as the Gross Settlement Amount (Gross Settlement).** Watts Healthcare has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payments, Class Counsel’s attorneys’ fees and expenses, the Administrator’s expenses, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”). Assuming the Court grants Final Approval, Watts Healthcare will fund the Gross Settlement in three installments according to the following payment schedule:

Payment 1: \$666,667.00 paid out June 19, 2025.

Payment 2: \$666,667.00 paid out one year after Payment 1.

Payment 3: \$666,666.00 paid out one year after Payment 2.

The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

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, the amounts of which will be decided by the Court at the Final Approval Hearing:

- A. \$666,000.00 (33.3% of the Gross Settlement Amount) to Class Counsel for attorneys' fees and up to \$30,000 for their litigation expenses. The Attorneys' Fees shall be divided between Class Counsel as follows: 85% to Lawyers for Justice, P.C., 7.5% to JCL Law Firm, APC, and 7.5% to Zakay Law Group, APLC. To date, Class Counsel have worked and incurred expenses on the Action without payment.
- B. \$7,500.00 to each Plaintiff as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiffs will receive other than Plaintiffs' Individual Class Payments and any Individual PAGA Payments.
- C. Up to \$14,990 to the Administrator for services administering the Settlement.
- D. Up to \$200,000 for PAGA Penalties, allocated 65% to the LWDA PAGA Payment and 35% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

- 3. Net Settlement 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 (the "Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.
- 4. Taxes Owed on Payments to Class Members. Plaintiffs and Watts Healthcare are asking the Court to approve an allocation of 20 % of each Individual Class Payment to taxable wages ("Wage Portion") and 80 % to interest and penalties. ("Non-Wage Portion"). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Watts Healthcare will separately pay employer payroll taxes it owes on 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 the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiffs and Watts Healthcare have 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 proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

- 5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name. If the monies represented by your check is sent to the Controller's Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [REDACTED], that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the [REDACTED] Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her/their representative setting forth a Class Member's name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Watts Healthcare.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Watts Healthcare based on the PAGA Period facts alleged in the Action.

7. 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 enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and Watts Healthcare have agreed that, in either case, the Settlement will be void: Watts Healthcare will not pay any money and Class Members will not release any claims against Watts Healthcare.
8. Administrator. The Court has appointed a neutral company, Apex Class Action, LLC_ (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.
9. Participating Class Members' Release. After the Judgment is final and Watts Healthcare has fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue or be part of any other lawsuit against Watts Healthcare or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, release Released Parties from all claims under state, federal,

or local law, arising out of the claims expressly pleaded in the Action and all other claims, such as those under the California Labor Code, Wage Orders, regulations, and/or other provisions of law, that could have been asserted based on the facts pleaded in the Action for: (1) failure to pay overtime wages under Labor Code Sec. 510, 1198; (2) failure to provide meal periods and/or pay meal period premiums under Labor Code Sec. 226.7, 512; (3) failure to provide rest periods and/or pay rest period premiums under Labor Code Sec. 226.7; (4) failure to pay minimum wages under Labor Code Sec. 1194, 1197, et seq.; (5) failure to timely pay wages upon termination under Labor Code Sec. 201, 202, 203; (6) failure to timely pay wages during employment under Labor Code Sec. 204, 210; (7) failure to provide accurate, itemized wage statements under Labor Code Sec. 226; (8) failure to keep requisite payroll records under Labor Code Sec. 1174(d); (9) failure to reimburse business expenses under Labor Code Sec. 2800, 2802; (10) violation of California's unfair competition law under Business and Professions Code Sec. 17200. Except as set forth in Section 5.3 of the Settlement 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.

10. Aggrieved Employees' PAGA Release. After the Court's judgment is final, and Watts Healthcare has paid the Gross Settlement (and separately paid the employer-side payroll taxes), all Aggrieved Employees will be barred from asserting PAGA claims against Watts Healthcare, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue or participate in any other PAGA claim against Watts Healthcare or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees' Releases for Participating and Non-Participating Class Members are as follows:

All Participating and Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties, from all claims for civil penalties under the Labor Code Private Attorneys General Act ("PAGA") based on the afore-referenced claims in Paragraph 9.

4. 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, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.

2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$70,000 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.
3. Workweek/PAGA Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Watts Healthcare's records, are stated in the first page of this Notice. You have until [REDACTED] to challenge the number of Workweeks and/or 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 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Watts Healthcare's calculation of Workweeks and/or Pay Periods based on Watts Healthcare'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 Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Watts Healthcare's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

1. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.
2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, telephone number and a 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 *Tanya Marshall, et al. v. Watts Healthcare Corporation*, and include your identifying information (full name, address, telephone number, approximate dates of employment and social security number for verification purposes). 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 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiffs and Watts Healthcare are asking the Court to approve. At least 16 court days before the [REDACTED] Final Approval Hearing, Class Counsel and/or Plaintiffs will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Awards stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiffs are requesting as Class Representative Service Awards. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website [REDACTED] or the Court's website [REDACTED].

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiffs are too high or too low. **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 *Tanya Marshall, et al. v. Watts Healthcare Corporation*, and include your name, current address, telephone number and approximate dates of employment for Watts Healthcare and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. 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 1 of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiffs and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer 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.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Watts Healthcare and Plaintiffs have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to Apex Class Action'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 Superior Court website by going to (<http://www.lacourt.org/casesummary/ui/index.aspx>) and entering the Case Number for the Action, Case No. 19STCV27737. 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 SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

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T: 818-265-1020

Settlement Administrator: Apex Class Action, LLC

Email: [request from Apex]

Mailing Address: 18 Technology Drive, Suite 164 Irvine, CA 92618

Telephone: 1-800-355-0700

Fax: [request from Apex]

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as 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 Unclaimed Property Fund for instructions on how to retrieve the funds.

11. 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.