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15 Attorneys for PLAINTIFFS

16 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
17 **IN AND FOR THE COUNTY OF ALAMEDA**

18 MARINA GONZALEZ and KATHERINE
19 HALLUM, individuals, on behalf of
20 themselves, and on behalf of all persons
21 similarly situated,

22 Plaintiffs,

23 v.

24 ORTHOPAEDIC AND NEUROLOGICAL
25 REHABILITATION, SPEECH
26 PATHOLOGY, INC., a California
27 corporation; ORTHOPAEDIC AND
28 NEUROLOGICAL REHABILITATION,
INC., a California corporation;
EMPOWERME WELLNESS, LLC, a
Missouri limited liability company; and
DOES 1-50, Inclusive,

Defendants.

Case No. 23CV033481

**~~PROPOSED~~ ORDER AND JUDGMENT
GRANTING FINAL APPROVAL OF CLASS
AND PAGA ACTION SETTLEMENT,
APPROVAL OF CLASS COUNSEL AWARD
AND SERVICE AWARDS**

Date: January 7, 2026
Time: 1:30 p.m.
Reservation ID: A-33481-003

Judge: Hon. Patrick McKinney
Dept.: 18

FILED
Superior Court of California
County of Alameda

02/13/2026

Clad Flake, Executive Officer/Clerk of the Court

By: *P. Drummer-Williams* Deputy
P. Drummer-Williams

1 This matter came on for hearing on January 7, 2026, at 1:30 p.m., in front of the Hon. Patrick
2 McKinney presiding, Plaintiffs’ unopposed Motion for Order Granting Final Approval of Class and
3 PAGA Action Settlement and Entering Judgment pursuant to California Rule of Court 3.769, with the
4 attorneys from the JCL LAW FIRM, APC, and ZAKAY LAW GROUP, APLC, as counsel for Plaintiffs
5 MARIA GONZALEZ and KATHERINE HALLUM (hereinafter “Plaintiffs”), and counsel from
6 O’HAGAN MEYER, LLP, appearing for Defendants ORTHOPAEDIC AND NEUROLOGICAL
7 REHABILITATION, SPEECH PATHOLOGY, INC., ORTHOPAEDIC AND NEUROLOGICAL
8 REHABILITATION, INC., and EMPOWERME WELLNESS, LLC, (hereinafter “Defendants”).

9 The Court, having received and carefully considered the Stipulation of Settlement of Class and
10 PAGA Action Claims and Release of Claims filed with the Declaration of Jean-Claude Lapuyade on
11 November 4, 2025, (“Agreement”), a true and correct copy of which Agreement is attached hereto as
12 **Exhibit A**, the supporting papers filed by the Parties, the evidence and argument received by the Court
13 in conjunction with the unopposed Motion for Preliminary Approval of Class Action Settlement heard
14 on July 31, 2025, the instant Motion for Order Granting Final Approval of Class and PAGA Action
15 Settlement and Entering Judgment pursuant to California Rule of Court 3.769, the Court grants final
16 approval of the Settlement and HEREBY ORDERS, ADJUDICATES and DECREES THE
17 FOLLOWING:

18 1. All capitalized terms used herein shall have the same meaning as defined in the
19 Agreement.

20 2. Pursuant to the Order Granting Preliminary Approval, the Class Notice was sent to each
21 Class Member via U.S. First Class Mail. The Class Notice informed the Class Members of the terms of
22 the Settlement, and of (a) their right to receive an Individual Settlement Payments, (b) their right to
23 comment on or object to the Settlement, (c) their right to request exclusion from the Settlement and
24 pursue their own remedies, and (d) their right to appear in person or by counsel at the final approval
25 hearing and to be heard regarding approval of the Settlement. Adequate periods of time were provided
26 by each of these procedures.

27 3. Following the conclusion of the response deadline, the Settlement Administrator reports
28 that it received *zero written objections* to the Settlement and *two written requests for exclusion* from

1 the Settlement.

2 4. The Court finds and determines that the notice procedure afforded adequate protections to
3 the Class and provides the basis for the Court to make an informed decision regarding approval of the
4 Settlement based on the responses of the Class. The Court finds and determines that the notice provided
5 in this case was the best notice practicable, which satisfied the requirements of law and due process.

6 5. With respect to the Class and for purposes of approving this Settlement only, this Court
7 finds and concludes that: (a) the members of the Class are ascertainable and so numerous that joinder of
8 all members is impracticable; (b) there are questions of law or fact common to the Class, and there is a
9 well-defined community of interest among the Class with respect to the subject matter of the Action; (c)
10 the claims of Class Representatives, Marina Gonzalez and Katherine Hallum, are typical of the claims
11 of the Class; (d) the Class Representatives have fairly and adequately protected the interests of the Class;
12 (e) a class action is superior to other available methods for an efficient adjudication of this controversy;
13 and (f) the counsel of record for the Class Representative, i.e., Jean-Claude Lapuyade, Esq. of the JCL
14 Law Firm, APC, and Shani Zakay, Esq. of the Zaky Law Group, APLC, (hereinafter “Class Counsel”),
15 are qualified to serve as counsel for the Class Representative and the Class.

16 6. The Court has certified the Class for settlement purposes only, as that term is defined in
17 and by the terms of the Agreement as follows:

18 All current and former non-exempt employees who worked for Defendant
19 Orthopaedic and Neurological Rehabilitation, Speech Pathology, Inc.,
20 and/or Defendant Orthopaedic and Neurological Rehabilitation, Inc., and/or
21 Defendant Empoerme Wellness, LLC in California at any time during the
22 period between May 17, 2019 and February 1, 2025, except for the
23 following individuals: Julie Choate and Jeana Cosentino-Vela.

24 7. The Court deems the definition of Class sufficient for purposes of California Rule of Court
25 3.765(a).

26 8. The Court hereby confirms Jean-Claude Lapuyade, Esq. of the JCL Law Firm, APC, and
27 Shani Zakay, Esq. of the Zakay Law Group, APLC as Class Counsel for the Class Representatives in
28 this Action.

1 9. The Court hereby confirms Plaintiffs Marina Gonzalez and Katherine Hallum as the Class
2 Representatives in this Action.

3 10. The Court finds and determines that the terms set forth in the Agreement are fair,
4 reasonable, and adequate and directs the Parties to effectuate the Settlement according to its terms having
5 found that the Settlement was reached as a result of informed and non-collusive arms-length negotiations
6 facilitated by a neutral mediator. The Court further finds that the Parties conducted extensive
7 investigation, research, and discovery and that their attorneys were able to reasonably evaluate their
8 respective positions. The Court also finds that Settlement will enable the Parties to avoid additional and
9 potentially substantial litigation costs, as well as delay and risks if the Parties were to continue to litigate
10 the case. The Court has reviewed the monetary recovery provided as part of the Settlement and
11 recognizes the significant value accorded to the Class.

12 11. The Court further finds and determines that the terms of the Settlement, including the
13 Gross Settlement Amount of One Million Eight Hundred Eighty Five Thousand Dollars and Zero Cents
14 (\$1,885,000.00) are fair, reasonable and adequate to the Class and to each member of the Class and that
15 the Settlement is ordered finally approved, and that all terms and provisions of the Settlement should be
16 and hereby are ordered to be consummated. Except as set forth in the Agreement and this Order and
17 Judgment, all members of the Class shall take nothing in the Action.

18 12. The Parties are authorized, without further approval from the Court, to agree to and adopt
19 such amendments, modifications, and expansions of the Agreement and all exhibits attached thereto
20 which are consistent with this Order and Judgment and do no limit the rights of the Parties or Class
21 Members under the Agreement.

22 13. The Court further finds and determines that Class Counsel satisfied California Labor Code
23 § 2699(s)(2) by giving the LWDA notice of the proposed Settlement of claims arising under the Private
24 Attorney General Act (“PAGA”) on May 30, 2025.

25 14. The Court finds and determines that the Individual Settlement Payments to be paid to
26 Settlement Class Members as provided for by the Settlement are fair and reasonable. The Court hereby
27 grants final approval to and orders the payment of those amounts be made to the Settlement Class
28 Members in accordance with the Agreement.

1 15. The Court finds and determines that the LWDA Payment (75% of the PAGA Payment) of
2 \$60,00.00 and the Aggrieved Employee Payment (25% of the PAGA Payment) of \$20,000.00 in this
3 case are fair, reasonable, and appropriate. The Court hereby grants final approval to and orders that the
4 payment of those amounts be paid in accordance with the Agreement.

5 16. The Court finds and determines that the fees and expenses in administrating the Settlement
6 incurred by Apex Class Action LLC in the amount of \$17,990 are fair and reasonable. The Court hereby
7 gives final approval to and orders that the payment of that amount in accordance with the Settlement.

8 17. The Court finds and determines the Service Awards in the amount of \$7,500.00 each to
9 the Class Representatives, Marina Gonzalez and Katherine Hallum, are fair and reasonable. The Court
10 hereby orders the Settlement Administrator to make these payments to the Class Representatives in
11 accordance with the terms of the Agreement.

12 18. Pursuant to the terms of the Settlement, and the authorities, evidence and arguments
13 submitted by Class Counsel, the Court hereby awards Class Counsel Attorneys' Fees and Expenses in
14 the total sum of \$593,530.72. This payment is comprised of two components. First, \$565,500.00 as
15 attorneys' fees which represents 30% of the Gross Settlement Amount. The attorneys' fee shall be
16 allocated as follows: 50% to the JCL Law Firm, APC, 50% to the Zakay Law Group, APLC. Second,
17 \$28,030.72 for actually incurred litigation expenses as evidenced by Class Counsel's billing records.
18 The Settlement Administrator shall allocate the expenses award according to Class Counsel's actually
19 incurred litigation expenses as stated and supported in their respective declarations filed in support of
20 this motion. The Court finds such amounts to be fair and reasonable. The Court hereby orders the
21 Settlement Administrator to make these payments in accordance with the terms of the Agreement.

22 19. Without affecting the finality of this order or the entry of judgment in any way, the Court
23 retains jurisdiction of all matters relating to the interpretation, administration, implementation,
24 effectuation, and enforcement of this order and the Settlement.

25 20. Neither Defendants nor any related persons or entities shall have any further liability for
26 costs, expenses, interest, attorneys' fees, or for any other charge, expense, or liability, except as provided
27 for by the Agreement.

28 21. Neither the making of the Agreement nor the entry into the Agreement constitutes an

1 admission by Defendants, nor is this Order a finding of the validity of any claims in the Action or of any
2 other wrongdoing. Further, the Agreement is not a concession, and shall not be used as an admission of
3 any wrongdoing, fault, or omission of any entity or persons; nor may any action taken to carry out the
4 terms of the Agreement be construed as an admission or concession by or against Defendants or any
5 related person or entity.

6 22. Nothing in this order shall preclude any action to enforce the Parties' obligations under
7 the Settlement or under this order, including the requirement that Defendants make payments to the
8 Settlement Class Members in accordance with the Settlement.

9 23. The Court hereby enters final judgment in accordance with the terms of the Agreement,
10 the Order Granting Preliminary Approval of Class and PAGA Action Settlement granted on August 1,
11 2025, and this order.

12 24. Upon the Funding Date, each Class Member who has not validly opted out has released
13 the "Released Class Claims" against Defendants and all the "Released Parties," as set forth in the
14 Agreement.

15 25. Plaintiff Katherine Hallum has generally released all claims as set forth in the Agreement.

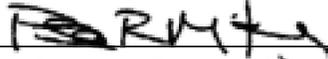
16 26. The Parties will bear their own costs and attorneys' fees except as otherwise provided by
17 this Court's Order awarding the payment of Class Counsel's attorneys' fees and costs.

18 27. Upon completion of administration of the Settlement Administrator will provide written
19 certification of such completion to the Court and counsel for the Parties which shall be filed with the
20 Court five (5) court days before the non-appearance compliance hearing set for
21 **July 22, 2026 at 1:30 p.m.**, in Dept. 18.

22 28. Accordingly, the Motion for Final Approval of Class and PAGA Action Settlement and
23 Payment of Attorneys' Fees, Expenses, and the Service Awards are GRANTED.

24
25 IT IS SO ORDERED, ADJUDICATED AND DECREED

26
27 Date: February 13, 2026



JUDGE OF THE SUPERIOR COURT

28
Patrick McKinney / Judge

EXHIBIT A

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12 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

13 **IN AND FOR THE COUNTY OF ALAMEDA**

14 MARINA GONZALEZ, and KATHERINE
15 HALLUM, individuals, on behalf of
16 themselves, and on behalf of all persons
similarly situated,

17 Plaintiff,

18 v.

19 ORTHOPAEDIC AND NEUROLOGICAL
20 REHABILITATION, SPEECH
PATHOLOGY, INC. a California corporation;
21 ORTHOPAEDIC AND NEUROLOGICAL
REHABILITATION, INC., a California
22 corporation; EMPOWERME WELLNESS,
23 LLC, a Missouri limited liability company; and
DOES 1-50, Inclusive,

24 Defendants.

Case No. 23CV033481

[Complaint Filed: May 17, 2023]

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

1 This Stipulation of Settlement of Class and PAGA Action Claims and Release of Claims is
2 entered into by and between Plaintiff Marina Gonzalez (“Plaintiff Gonzalez”) and Plaintiff Katherine
3 Hallum (“Plaintiff Hallum”) (collectively, “Plaintiffs”), individuals, on behalf of themselves, and on
4 behalf of all persons similarly situated, and in their representative capacity on behalf of the State of
5 California and the Aggrieved Employees, and Orthopaedic and Neurological Rehabilitation, Speech
6 Pathology, Inc. (Defendant “ONRSP”), Defendant Orthopaedic and Neurological Rehabilitation,
7 Inc. (“Defendant “ONR”), and Defendant Empowerme Wellness, LLC (Defendant “EmpowerMe”) (collectively “Defendants”):

9 **I. DEFINITIONS**

- 10 A. “Action” shall mean the putative class and representative action lawsuit designated
11 *Marina Gonzalez v. Orthopaedic and Neurological Rehabilitation, Speech*
12 *Pathology, Inc., et al.*, Alameda County Superior Court, Case No. 23CV033481, filed
13 May 17, 2023.
- 14 B. “Agreement” or “Settlement Agreement” means this Stipulation of Settlement of
15 Class and PAGA Action Claims and Release of Claims.
- 16 C. “Aggrieved Employees” means all current and former non-exempt employees who
17 worked for Defendant ONRSP and/or ONR and/or Defendant EmpowerMe in
18 California at any time during the PAGA Period.
- 19 D. “Aggrieved Employee Payment” shall mean the twenty-five percent (25%) of the
20 PAGA Payment (\$20,000.00) that will be distributed to the Aggrieved Employees as
21 described in this Agreement.
- 22 E. “Class” or the “Class Members” means all current and former non-exempt employees
23 who worked for Defendant ONRSP and/or ONR and/or Defendant EmpowerMe in
24 California at any time during the Class Period.
- 25 F. “Class Counsel” shall mean Jean-Claude Lapuyade, Esq. of JCL Law Firm, APC, and
26 Shani O. Zakay, Esq. of Zakay Law Group, APLC.
- 27 G. “Class Counsel Award” means the award of fees and expenses that the Court
28 authorizes to be paid to Class Counsel for the services they have rendered to

1 Plaintiffs, the Class Members and the Aggrieved Employees in the Action, consisting
2 of attorneys' fees not to exceed one-third of the Gross Settlement Amount, currently
3 estimated to be \$628,333.33 out of \$1,885,000.00, plus costs of up to \$40,000.00.
4 Attorneys' fees will be divided between Class Counsel in the following percentages
5 (50% to JCL Law Firm, APC, and 50% to Zakay Law Group, APLC).

6 H. "Class Data" means information regarding Class Members that Defendants will in
7 good faith compile from its records and provide to the Settlement Administrator. It
8 shall be formatted as a Microsoft Excel spreadsheet and shall include: each Class
9 Member's full name; last known address; Social Security Number; start dates and end
10 dates of employment.

11 I. "Class Period" means the period from May 17, 2019, through the earlier of February
12 1, 2025, or the date in which the total workweeks worked by the class members
13 reaches 174,000.

14 J. "Class Representatives" shall mean Plaintiff Marina Gonzalez ("Plaintiff Gonzalez")
15 and Plaintiff Katherine Hallum ("Plaintiff Hallum").

16 K. "Court" means the Superior Court for the State of California, County of Alameda
17 currently presiding over the Action.

18 L. "Defendants" shall mean Orthopaedic and Neurological Rehabilitation, Speech
19 Pathology, Inc. (Defendant "ONRSP"), Defendant Orthopaedic and Neurological
20 Rehabilitation, Inc. ("Defendant "ONR"), and Defendant EmpowerMe Wellness,
21 LLC (Defendant "EmpowerMe").

22 M. "Effective Date" means the earliest date, following entry by the Court of an order
23 and judgment finally approving this Settlement, upon which one of the following have
24 occurred: (i) if no objection is filed to the settlement and no objector appears at the
25 hearing on final approval, sixty (60) calendar days after the Court's entry of the order
26 granting final approval, (ii) if an objection is filed to the settlement and/or an objector
27 appears at the hearing on final approval, then the earlier of the following: (a) the
28 expiration of all potential appeal periods without a filing of a notice of appeal of the

1 final approval order or judgment; (b) final affirmance of the final approval order and
2 judgment by an appellate court as a result of any appeal(s), or (c) final dismissal or
3 denial of all such appeals (including any petition for review, rehearing, certiorari,
4 etc.) such that the final approval order and judgment is no longer subject to further
5 judicial review.

6 N. "Funding Date" shall mean the date by which Defendants have paid the entire Gross
7 Settlement Amount to the Settlement Administrator in accord with the terms of this
8 Agreement. Defendants will pay the Gross Settlement Amount to the Settlement
9 Administrator within five (5) calendar days of the Effective Date.

10 O. "Gross Settlement Amount" means One Million, Eight Hundred Eighty-Five
11 Thousand Dollars and Zero Cents (\$1,885,000.00) that Defendants must pay into the
12 QSF in connection with this Settlement, inclusive of the sum of Settlement
13 Administration Costs, Class Counsel Award, Service Awards, and the PAGA
14 Payment. The Gross Settlement Amount is all-in with no reversion and *exclusive* of
15 the employer's share of payroll tax, if any, triggered by any payment under this
16 Settlement.

17 P. "Individual Settlement Payments" means the amount payable from the Net Settlement
18 Amount to each Settlement Class Member and excludes any amounts distributed to
19 Aggrieved Employees pursuant to PAGA.

20 Q. "LWDA" shall mean the Labor and Workforce Development Agency.

21 R. "LWDA Payment" shall mean the seventy-five percent (75%) of the PAGA Payment
22 (\$60,000.00) payable to the to the LWDA.

23 S. "Net Settlement Amount" or "NSA" means the Gross Settlement Amount, less Class
24 Counsel Award, Service Awards, PAGA Payment, and Settlement Administration
25 Costs.

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

- 1 U. "Operative Complaint" shall mean the Second Amended Complaint which will be
2 filed by Plaintiffs in connection with this settlement, in the Alameda Superior Court.
- 3 V. "PAGA" means the California Labor Code Private Attorneys General Act of 2004,
4 Labor Code § 2698 *et seq.*
- 5 W. "PAGA Payment Ratio" means the respective Pay Periods during the PAGA Period
6 for each Aggrieved Employee divided by the total Pay Periods for all Aggrieved
7 Employees during the PAGA Period.
- 8 X. "PAGA Pay Periods," for purposes of calculating the distribution of the Aggrieved
9 Employee Payment, as defined herein, means the number of pay periods of
10 employment during the PAGA Period that each Aggrieved Employee worked in
11 California.
- 12 Y. "PAGA Period" means the period beginning May 17, 2022 through the earlier of
13 February 1, 2025 or the date in which the number of workweeks worked by the Class
14 Members reaches 174,000.
- 15 Z. "PAGA Payment" shall mean Eighty Thousand Dollars and Zero Cents (\$80,000.00)
16 to be allocated from the Gross Settlement Amount for settlement of PAGA Claims
17 asserted in the Action.
- 18 AA. "Parties" means Plaintiffs and Defendants, collectively, and "Party" shall mean either
19 Plaintiffs or Defendants, individually.
- 20 BB. "Payment Ratio" means the respective Workweeks for each Class Member divided
21 by the total Workweeks for all Class Members.
- 22 CC. "Plaintiffs" shall mean Marina Gonzalez ("Plaintiff Gonzalez") and Plaintiff
23 Katherine Hallum ("Plaintiff Hallum").
- 24 DD. "QSF" means the Qualified Settlement Fund established, designated, and maintained
25 by the Settlement Administrator to fund the Gross Settlement Amount.
- 26 EE. "Released Class Claims" shall mean all the claims alleged or that could have
27 reasonably been alleged arising out of the facts and allegations in the Operative
28 Complaint in the Action which occurred during the Class Period, and expressly

1 excluding all other claims, including claims for vested benefits, wrongful termination,
2 unemployment insurance, disability, social security, workers' compensation, and
3 class claims outside of the Class Period.

4 FF. "Released PAGA Claims" means all PAGA claims alleged in the Operative
5 Complaint in the Action and Plaintiffs' PAGA Notices to the LWDA which occurred
6 during the PAGA Period, and expressly excluding all other claims, including claims
7 for vested benefits, wrongful termination, unemployment insurance, disability, social
8 security, workers' compensation, and PAGA claims outside of the PAGA Period.

9 GG. "Released Parties" shall mean Defendants and their attorneys, insurers, reinsurers,
10 brands, concepts, parents, affiliates, subsidiaries, successors, assigns, and any
11 individual or entity that could be jointly liable with Defendants.

12 HH. "Response Deadline" means the date forty-five (45) calendar days after the Settlement
13 Administrator mails Notice Packets to Class Members and the last date on which
14 Class Members may submit requests for exclusion or objections to the Settlement.
15 Neither side shall encourage any Class Member to opt out.

16 II. "Service Award" means an award in the amount of \$10,000 or in an amount that the
17 Court authorizes to be paid to each Class Representative, in addition to their
18 Individual Settlement Payment and their individual Aggrieved Employee Payment,
19 in recognition of their efforts and risks in assisting with the prosecution of the Action.

20 JJ. "Settlement" means the disposition of the Action pursuant to this Agreement.

21 KK. "Settlement Administration Costs" shall mean the amount paid to the Settlement
22 Administrator from the Gross Settlement Amount for administering the Settlement
23 pursuant to this Agreement currently estimated not to exceed \$18,000.00.

24 LL. "Settlement Administrator" means Apex Class Action LLC, located at 18 Technology
25 Drive, Suite 154, Irvine, CA 92618; Tel: (800) 355-0700. The Settlement
26 Administrator establishes, designates, and maintains, as a QSF under Internal
27 Revenue Code section 468B and Treasury Regulation section 1.468B-1, into which
28 the amount of the Gross Settlement Amount is deposited for the purpose of resolving

1 the claims of Settlement Class Members. The Settlement Administrator shall maintain
2 the funds until distribution in an account(s) segregated from the assets of Defendants
3 and any person related to Defendants. *All accrued interest shall be paid and*
4 *distributed to the Settlement Class Members as part of their respective Individual*
5 *Settlement Payment.*

6 MM. “Settlement Class Members” or “Settlement Class” means all Class Members who
7 have not submitted a timely and valid request for exclusion as provided in this
8 Agreement.

9 NN. “Workweeks,” shall mean any seven (7) consecutive days beginning on Sunday and
10 ending on Saturday, in which a Class Member is employed by Defendants during the
11 Class Period in California.

12 **II. RECITALS**

13 A. On May 17, 2023, Plaintiff Gonzalez filed a Class Action complaint in the Alameda
14 Superior Court, Case No. 23CV033481 (“Class Action”), alleging claims for:

- 15 1. Unfair Competition In Violation Of Cal. Bus. & Prof. Code §17200 *et seq*;
- 16 2. Failure To Pay Minimum Wages In Violation Of Cal. Lab. Code §§ 1194,
17 1197 & 1197.1;
- 18 3. Failure To Pay Overtime Wages In Violation Of Cal. Lab. Code §§ 510, *et*
19 *seq*;
- 20 4. Failure To Provide Required Meal Periods In Violation Of Cal. Lab. Code §§
21 226.7 & 512 and the Applicable IWC Wage Order;
- 22 5. Failure To Provide Required Rest Periods In Violation Of Cal. Lab. Code §§
23 226.7 & 512 and the Applicable IWC Wage Order;
- 24 6. Failure To Provide Accurate Itemized Statements In Violation Of Cal. Lab.
25 Code § 226;
- 26 7. Failure To Provide Wages When Due In Violation Of Cal. Lab. Code §§ 201,
27 202 And 203;

1 8. Failure To Reimburse Employees For Required Expenses In Violation Of Cal.
2 Lab. Code § 2802; and

3 9. Failure To Pay Sick Pay In Violation Of Cal. Lab. Code § 246.

4 B. On May 17, 2023, Plaintiff Gonzalez filed a Notice of Violations with the Labor and
5 Workforce Development Agency (LWDA) and served the same on Defendants.

6 C. On July 31, 2023, Plaintiff Gonzalez filed a First Amended Complaint to the Class
7 Action, adding a cause of action for violations of PAGA (the “Action”).

8 D. On June 24, 2024, Plaintiff Hallum filed a Notice of Violations with the Labor and
9 Workforce Development Agency (LWDA) and served the same on Defendants.

10 E. Pursuant to the terms of this Agreement, Plaintiff agrees to file a Second Amended
11 Complaint adding Plaintiff Hallum to the Action as an additional Class
12 Representative. The Second Amended Complaint will become the Operative
13 Complaint.

14 F. The Class Representatives believe they have claims based on alleged violations of the
15 California Labor Code, and the Industrial Welfare Commission Wage Orders, and
16 that class certification is appropriate because the prerequisites for class certification
17 can be satisfied in the Class Action, and this action is manageable as a PAGA
18 representative action.

19 G. Defendants deny any liability or wrongdoing of any kind associated with the claims
20 alleged in the Action, disputes any wages, damages, and penalties claimed by the
21 Class Representatives alleged in the Operative Complaint, and/or alleged in the Class
22 Representative’s PAGA notices to the LWDA are owed, and further contend that, for
23 any purpose other than settlement, the Action is not appropriate for class or
24 representative action treatment. Defendants contend, among other things, that at all
25 times they complied with the California Labor Code and the Industrial Welfare
26 Commission Wage Orders.

27 H. The Class Representatives are represented by Class Counsel. Class Counsel
28 investigated the facts relevant to the Action, including conducting an independent

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

- 15 I. On December 3, 2024, the Parties participated in mediation presided over by Steven
16 Serratore, Esq., an experienced mediator of wage and hour class and PAGA actions.
17 The mediation concluded without settlement, but Mr. Serratore made a mediator's
18 proposal, which was accepted by Parties shortly after the mediation and was
19 subsequently memorialized in the form of a Memorandum of Understanding.
- 20 J. This Agreement replaces and supersedes the Memorandum of Understanding and any
21 other agreements, understandings, or representations between the Parties. This
22 Agreement represents a compromise and settlement of highly disputed claims.
23 Nothing in this Agreement is intended or will be construed as an admission by
24 Defendants that the claims in the Class Action of Plaintiffs or the Class Members
25 have merit or that Defendants bear any liability to Plaintiffs or the Class on those
26 claims or any other claims, or as an admission by Plaintiffs that Defendants' defenses
27 in the Action have merit.

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

7 L. The Parties agree to certification of the Class for purposes of this Settlement only. If
8 for any reason the settlement does not become effective, Defendants reserve the right
9 to contest certification of any class for any reason and reserve all available defenses
10 to the claims in the Action. The Settlement, this Agreement, and the Parties'
11 willingness to settle the Action will have no bearing on and will not be admissible in
12 connection with any litigation.

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

14 **III. TERMS OF AGREEMENT**

15 A. Settlement Consideration and Settlement Payments by Defendants.

16 1. Settlement Consideration. In full and complete settlement of the Action, and
17 in exchange for the releases set forth below, Defendants will pay the sum of
18 the Individual Settlement Payments, the Service Awards, the Class Counsel
19 Award, PAGA Payment, and the Settlement Administration Costs, as
20 specified in this Agreement, equal to the Gross Settlement Amount of One
21 Million Eight Hundred Eighty-Five Thousand Dollars and Zero Cents
22 (\$1,885,000.00). The Parties agree that this is a non-reversionary Settlement
23 and that no portion of the Gross Settlement Amount shall revert to Defendants.
24 Other than the Defendants' share of employer payroll taxes and as provided
25 in Section III.A.2 below, Defendants shall not be required to pay more than
26 the Gross Settlement Amount.

27 2. Class Size. Defendants represents that the Class was comprised of
28 approximately 2,095 individuals who collectively worked approximately

1 174,000 Workweeks during the Class Period. No later than fifteen (15) days
2 following the Parties' execution of this Agreement, Defendant shall transmit
3 the complete and up-to-date Class Data to the Settlement Administrator. Upon
4 review of the Class Data, and no later than May 1, 2025, the Settlement
5 Administrator shall provide a declaration attesting to the number of Class
6 Members and Workweeks worked by the Class Members

7 3. Settlement Payment. Defendants shall deposit the Gross Settlement Amount
8 into the QSF, through the Settlement Administrator on or before the Funding
9 Date. Any interest accrued will be added to the NSA and distributed to the
10 Settlement Class Members except that if final approval is reversed on appeal,
11 then Defendants is entitled to prompt return of the principal and all interest
12 accrued.

13 4. Defendants' Share of Payroll Taxes. Defendants' share of employer side
14 payroll taxes is in addition to the Gross Settlement Amount and shall be paid
15 together with the Gross Settlement Amount on the Funding Date.

16 B. Release by Settlement Class Members. As of the Funding Date, in exchange for the
17 consideration set forth in this Agreement, Plaintiff and the Settlement Class Members
18 release the Released Parties from the Released Class Claims for the Class Period.

19 C. Release by the LWDA and the State of California. As of the Funding Date, in exchange
20 for the consideration set forth in this Agreement, the Plaintiffs, on behalf of the LWDA
21 and the State of California, release the Released Parties from the Released PAGA
22 Claims for the PAGA Period. As a result of this release, the LWDA and the State of
23 California are precluded from bringing claims against Defendants, including through
24 Plaintiffs and the Aggrieved Employees as Private Attorneys General, for the Released
25 PAGA Claims.

26 D. General Release by Plaintiff Hallum. As of the Funding Date, for the consideration set
27 forth in this Agreement, including Plaintiff's Service Award, Plaintiff Hallum waives,
28 releases, acquits, and forever discharges the Released Parties from any and all claims,

1 including but not limited to: any and all wage-and-hour claims arising under the laws
2 of the State of California, including, without limitation, statutory, constitutional,
3 contractual, and/or common law claims for wages, damages, restitution, unreimbursed
4 expenses, equitable relief, penalties, liquidated damages, interest, and/or punitive
5 damages (including, without limitation, claims under any applicable Industrial Welfare
6 Commission Wage Order, the California Private Attorneys General Act, or any other
7 provision of the California Labor Code); Title VII of the Civil Rights Act of 1964; 42
8 U.S.C. § 1981; the Americans With Disabilities Act; Sections 503 and 504 of the
9 Rehabilitation Act of 1973; the Family Medical Leave Act; the Fair Labor Standards
10 Act; the Employee Retirement Income Security Act; the Occupational Safety and
11 Health Act; the Worker Adjustment and Retraining Notification Act, as amended; the
12 California Unfair Competition Law (Cal. Bus. & Prof. Code § 17200 et seq.); the
13 California Fair Employment and Housing Act; any state, civil, or statutory laws,
14 including any and all human rights laws and laws against discrimination; any claims
15 that could have been alleged in the Lawsuit; and any other federal, state, or local
16 statutes, codes, or ordinances; any common law, contract law, or tort law cause of
17 action; and any claims for interest, attorneys' fees, and/or costs. This release does not
18 extend to claims that cannot be released as a matter of law, such as workers'
19 compensation claims. Further, in exchange for the Representative's Service Award,
20 Plaintiff Hallum expressly waives the protections of California Civil Code section
21 1542, and it is her intention in executing this Agreement that the same shall be effective
22 as a bar to each and every claim, complaint, action, debts, promises, demand, cause of
23 action, obligation, damage, liability, charge, attorneys' fees and costs herein above
24 released. Plaintiff also waives and relinquishes any and all claims, rights, or benefits,
25 if any, arising under California Civil Code § 1542, which provides as follows:
26

27 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR
28 RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER

1 FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY
2 HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER
3 SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.
4

5 Thus, notwithstanding the provisions of section 1542, and to implement a full and complete
6 release and discharge of the Released Parties, Plaintiff Hallum expressly acknowledges this
7 Settlement Agreement is intended to include in its effect, without limitation, all claims
8 Plaintiff Hallum does not know or suspect to exist in Plaintiff's favor at the time of signing
9 this Settlement Agreement, and that this Settlement Agreement contemplates the
10 extinguishment of any such claims. Plaintiff Hallum warrants that Plaintiff Hallum has read
11 this Settlement Agreement, including this waiver of California Civil Code section 1542, and
12 that Plaintiff has consulted with or had the opportunity to consult with counsel of Plaintiff's
13 choosing about this Settlement Agreement and specifically about the waiver of section 1542,
14 and that Plaintiff understands this Settlement Agreement and the section 1542 waiver, and so
15 Plaintiff freely and knowingly enters into this Settlement Agreement. Plaintiff Hallum further
16 acknowledges that Plaintiff Hallum later may discover facts different from or in addition to
17 those Plaintiff now knows or believes to be true regarding the matters released or described
18 in this Settlement Agreement, and even so Plaintiff Hallum agrees that the releases and
19 agreements contained in this Settlement Agreement shall remain effective in all respects
20 notwithstanding any later discovery of any different or additional facts. Plaintiff Hallum
21 expressly assumes any and all risk of any mistake in connection with the true facts involved
22 in the matters, disputes, or controversies released or described in this Settlement Agreement
23 or with regard to any facts now unknown to Plaintiff Hallum relating thereto..

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

- 26 1. The Court enters an order granting preliminary approval of the Settlement;
- 27 2. The Court enters an order granting final approval of the Settlement and a Final
28 Judgment;

1 3. If an objector appears at the final approval hearing, the time for appeal of the
2 Final Judgment and Order Granting Final Approval of Class Action
3 Settlement expires; or, if an appeal is timely filed, there is a final resolution of
4 any appeal from the Judgment and Order Granting Final Approval of Class
5 Action Settlement; and

6 4. Defendants fully fund the Gross Settlement Amount.

7 F. Nullification of Settlement Agreement. If the Court does not preliminarily or finally
8 approve this Settlement Agreement, fails to become effective, or is reversed,
9 withdrawn, or modified by the Court, or in any way prevents or prohibits Defendants
10 from obtaining a complete resolution of the Released Class Claims and Released
11 PAGA Claims, or if Defendants fail to fully fund the Gross Settlement Amount:

12 1. This Settlement Agreement shall be void *ab initio* and of no force or effect,
13 and shall not be admissible in any judicial, administrative, or arbitral
14 proceeding for any purpose or with respect to any issue, substantive or
15 procedural;

16 2. The conditional class certification (obtained for any purpose) shall be void *ab*
17 *initio* and of no force or effect, and shall not be admissible in any judicial,
18 administrative, or arbitral proceeding for any purpose or with respect to any
19 issue, substantive or procedural; and

20 3. None of the Parties to this Settlement will be deemed to have waived any
21 claims, objections, defenses, or arguments in the Action, including with
22 respect to the issue of class certification.

23 G. In the event that Defendants fail to fund the Gross Settlement Amount, Defendants
24 shall bear the sole responsibility for any cost to issue or reissue any curative notice to
25 the Settlement Class Members and all Settlement Administration Costs incurred to the
26 date of nullification.

27 H. Certification of the Class. The Parties stipulate to conditional class certification of the
28 Class for the Class Period for purposes of settlement only. In the event that this

1 Settlement is not approved by the Court, fails to become effective, or is reversed,
2 withdrawn, or modified by the Court, or in any way prevents or prohibits Defendants
3 from obtaining a complete resolution of the Released Class Claims and Released
4 PAGA Claims, the conditional class certification (obtained for any purpose) shall be
5 void *ab initio* and of no force or effect, and shall not be admissible in any judicial,
6 administrative, or arbitral proceeding for any purpose or with respect to any issue,
7 substantive or procedural.

8 I. Tax Liability. The Parties make no representations as to the tax treatment or legal
9 effect of the payments called for, and Class Members and/or Aggrieved Employees are
10 not relying on any statement or representation by the Parties in this regard. Class
11 Members and/or Aggrieved Employees understand and agree that they will be
12 responsible for the payment of any taxes and penalties assessed on the Individual
13 Settlement Payments and/or Aggrieved Employees' individual shares of the Aggrieved
14 Employee Payment described and will be solely responsible for any penalties or other
15 obligations resulting from their personal tax reporting of Individual Settlement
16 Payments and/or Aggrieved Employees' individual shares of the Aggrieved Employee
17 Payment.

18 J. Circular 230 Disclaimer. Each Party to this Agreement (for purposes of this section,
19 the "acknowledging party" and each Party to this Agreement other than the
20 acknowledging party, an "other party") acknowledges and agrees that: (1) no provision
21 of this Agreement, and no written communication or disclosure between or among the
22 Parties or their attorneys and other advisers, is or was intended to be, nor shall any
23 such communication or disclosure constitute or be construed or be relied upon as, tax
24 advice within the meaning of United States Treasury Department circular 230 (31 CFR
25 part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his,
26 her or its own, independent legal and tax counsel for advice (including tax advice) in
27 connection with this Agreement, (b) has not entered into this Agreement based upon
28 the recommendation of any other Party or any attorney or advisor to any other Party,

1 and (c) is not entitled to rely upon any communication or disclosure by any attorney
2 or adviser to any other party to avoid any tax penalty that may be imposed on the
3 acknowledging party, and (3) no attorney or adviser to any other Party has imposed
4 any limitation that protects the confidentiality of any such attorney's or adviser's tax
5 strategies (regardless of whether such limitation is legally binding) upon disclosure by
6 the acknowledging party of the tax treatment or tax structure of any transaction,
7 including any transaction contemplated by this Agreement.

8 K. Preliminary Approval Motion. As soon thereafter as practicable after the execution of
9 this Agreement, Plaintiffs shall file with the Court a Motion for Order Granting
10 Preliminary Approval and supporting papers, which shall include this Settlement
11 Agreement. Plaintiffs will provide Defendants with a draft of the Motion at least three
12 (3) business days prior to the filing of the Motion to give Defendants an opportunity
13 to review and comment upon the Motion.

14 L. Settlement Administrator. The Settlement Administrator shall be responsible for:
15 establishing and administering the QSF; calculating, processing, and mailing payments
16 to the Class Representative, Class Counsel, LWDA and Class Members; printing and
17 mailing the Notice Packets to the Class Members as directed by the Court; receiving
18 and reporting the objections and requests for exclusion; calculating, deducting, and
19 remitting all legally required taxes from Individual Settlement Payments and
20 distributing tax forms for the Wage Portion, the Penalties Portion, and the Interest
21 Portion of the Individual Settlement Payments and/or Aggrieved Employees'
22 individual shares of the Aggrieved Employee Payment; processing and mailing tax
23 payments to the appropriate state and federal taxing authorities; providing
24 declaration(s) as necessary in support of preliminary and/or final approval of this
25 Settlement; and other tasks as the Parties mutually agree or the Court orders the
26 Settlement Administrator to perform. The Settlement Administrator shall keep the
27 Parties timely apprised of the performance of all Settlement Administrator
28 responsibilities by among other things, sending a weekly status report to the Parties'

1 counsel stating the date of the mailing, the of number of opt outs from the Settlement
2 it receives (including the numbers of valid and deficient), and number of objections
3 received.

4 M. Notice Procedure.

5 1. Class Data. No later than ten (10) business days after the Preliminary
6 Approval Date, Defendants shall provide the Settlement Administrator with
7 the Class Data for purposes of preparing and mailing Notice Packets to the
8 Class Members.

9 2. Notice Packets.

10 a) The Notice Packet shall contain the Notice of Class Action Settlement
11 in a form substantially similar to the form attached as **Exhibit A**. The
12 Notice of Class Action Settlement shall inform Class Members and
13 Aggrieved Employees that they need not do anything in order to
14 receive an Individual Settlement Payment and/or Aggrieved
15 Employees' individual shares of the Aggrieved Employee Payment
16 and to keep the Settlement Administrator apprised of their current
17 mailing address, to which the Individual Settlement Payments and/or
18 Aggrieved Employees' individual shares of the Aggrieved Employee
19 Payment will be mailed following the Funding Date. The Notice of
20 Class Action Settlement shall set forth the release to be given by all
21 members of the Class who do not request to be excluded from the
22 Settlement Class and/or Aggrieved Employees in exchange for an
23 Individual Settlement Payment and/or Aggrieved Employees'
24 individual shares of the Aggrieved Employee Payment, the number of
25 Workweeks worked by each Class Member during the Class Period,
26 and number of PAGA Periods worked by each Aggrieved Employee
27 during the PAGA Period, if any, and the estimated amount of their
28 Individual Settlement Payment if they do not request to be excluded

1 from the Settlement and each Aggrieved Employees' share of the
2 Aggrieved Employee Payment, if any. The Settlement Administrator
3 shall use the Class Data to determine Class Members' Workweeks and
4 PAGA Pay Periods. The Notice will also advise the Aggrieved
5 Employees that they will release the Released PAGA Claims and will
6 receive their share of the Aggrieved Employee Payment regardless of
7 whether they request to be excluded from the Settlement.

8 b) The Notice Packet's mailing envelope shall include the following
9 language: "IMPORTANT LEGAL DOCUMENT- YOU MAY BE
10 ENTITLED TO PARTICIPATE IN A CLASS ACTION
11 SETTLEMENT; A PROMPT REPLY TO CORRECT YOUR
12 ADDRESS IS REQUIRED AS EXPLAINED IN THE ENCLOSED
13 NOTICE."

14 3. Notice by First Class U.S. Mail. Upon receipt of the Class Data, the
15 Settlement Administrator will perform a search based on the National Change
16 of Address Database to update and correct any known or identifiable address
17 changes. No later than twenty-one (21) calendar days after preliminary
18 approval of the Settlement, the Settlement Administrator shall mail copies of
19 the Notice Packet to all Class Members via regular First-Class U.S. Mail and
20 electronic mail. The Settlement Administrator shall exercise its best judgment
21 to determine the current mailing address for each Class Member. The address
22 identified by the Settlement Administrator as the current mailing address shall
23 be presumed to be the best mailing address for each Class Member.

24 4. Undeliverable Notices. Any Notice Packets returned to the Settlement
25 Administrator as non-delivered on or before the Response Deadline shall be
26 re-mailed to any forwarding address provided within seven (7) days of
27 receiving the returned notice. If no forwarding address is provided, the
28 Settlement Administrator shall promptly attempt to determine a correct

1 address by lawful use of skip-tracing, or other search using the name, address
2 and/or Social Security number of the Class Member involved, and shall then
3 perform a re-mailing, if another mailing address is identified by the Settlement
4 Administrator. In addition, if any Class Member who is currently employed
5 by Defendants, is returned to the Settlement Administrator, as non-delivered
6 and no forwarding address is provided, the Settlement Administrator shall
7 notify Defendants. Defendants will request that the currently employed Class
8 Member provide a corrected address and transmit to the Settlement
9 Administrator any corrected address provided by the Class Member. Class
10 Members who received a re-mailed Notice Packet shall have their Response
11 Deadline extended fifteen (15) days from the original Response Deadline.

12 5. Disputes Regarding Individual Settlement Payments. Class Members will
13 have the opportunity, should they disagree with Defendants' records regarding
14 the start and end dates of employment, to provide documentation and/or an
15 explanation to show contrary dates. If there is a dispute, the Settlement
16 Administrator will consult with the Parties to determine whether an
17 adjustment is warranted. The Settlement Administrator shall determine the
18 eligibility for, and the amounts of, any Individual Settlement Payments under
19 the terms of this Agreement. The Settlement Administrator's determination
20 of the eligibility for and amount of any Individual Settlement Payment shall
21 be binding upon the Class Member and the Parties.

22 6. Disputes Regarding Administration of Settlement. Any disputes not resolved
23 by the Settlement Administrator concerning the administration of the
24 Settlement will be resolved by the Court under the laws of the State of
25 California. Before any such involvement of the Court, counsel for the Parties
26 will confer in good faith to resolve the disputes without the necessity of
27 involving the Court.

1 7. Exclusions. The Notice of Class Action Settlement contained in the Notice
2 Packet shall state that Class Members who wish to exclude themselves from
3 the Settlement must submit a signed copy of the Request for Exclusion form
4 to the Settlement Administrator by the Response Deadline. A Request for
5 Exclusion form will be mailed together with the Notice Packet to all Class
6 Members. The Request for Exclusion will not be valid if it is not timely
7 submitted, if it is not signed by the Class Member, or if it does not contain the
8 name and address and last four digits of the Social Security number of the
9 Class Member. The date of the postmark on the mailing envelope or fax stamp
10 on the Request for Exclusion shall be the exclusive means used to determine
11 whether the request for exclusion was timely submitted. Any Class Member
12 who submits a timely Request for Exclusion shall be excluded from the
13 Settlement Class will not be entitled to an Individual Settlement Payment and
14 will not be otherwise bound by the terms of the Settlement or have any right
15 to object, appeal, or comment thereon. However, any Class Member that
16 submits a timely Request for Exclusion that is also an Aggrieved Employee
17 will still receive his/her pro rata share of the Aggrieved Employee Payment,
18 as specified below, and in consideration, will be bound by the Release by the
19 Aggrieved Employees as set forth herein. Class Members who fail to submit
20 a valid and timely Request for Exclusion on or before the Response Deadline
21 shall be bound by all terms of the Settlement and any final judgment entered
22 in this Action if the Court approves the Settlement. No later than seven (7)
23 calendar days after the Response Deadline, the Settlement Administrator shall
24 provide counsel for the Parties with a final list of the Class Members who have
25 timely submitted timely Requests for Exclusion. At no time shall any of the
26 Parties or their counsel seek to solicit or otherwise encourage members of the
27 Class to submit Requests for Exclusion from the Settlement.

1 8. Objections. The Notice of Class Action Settlement contained in the Notice
2 Packet shall state that Class Members who wish to object to the Settlement
3 may submit to the Settlement Administrator a written statement of objection
4 (“Notice of Objection”) by the Response Deadline. The postmark date of
5 mailing shall be deemed the exclusive means for determining that a Notice of
6 Objection was served timely. The Notice of Objection, if in writing, must be
7 signed by the Settlement Class Member and state: (1) the case name and
8 number; (2) the name of the Settlement Class Member; (3) the address of the
9 Settlement Class Member; (4) the last four digits of the Settlement Class
10 Member’s Social Security number; (5) the basis for the objection; and (6) if
11 the Settlement Class Member intends to appear at the Final
12 Approval/Settlement Fairness Hearing. Settlement Class Members who fail
13 to make objections in writing in the manner specified above may still make
14 their objections orally at the Final Approval/Settlement Fairness Hearing with
15 the Court’s permission. Settlement Class Members will have a right to appear
16 at the Final Approval/Settlement Fairness Hearing to have their objections
17 heard by the Court regardless of whether they submitted a written objection.
18 At no time shall any of the Parties or their counsel seek to solicit or otherwise
19 encourage Class Members to file or serve written objections to the Settlement
20 or appeal from the Order and Final Judgment. Class Members who submit a
21 written request for exclusion may not object to the Settlement. Class Members
22 may not object to the PAGA Payment.

23 N. Allocation of the Gross Settlement Amount.

24 1. Calculation of Individual Settlement Payments. Individual Settlement
25 Payments shall be paid from the Net Settlement Amount and shall be paid
26 pursuant to the formula set forth herein. Using the Class Data, the Settlement
27 Administrator shall add up the total number of Workweeks for all Class
28 Members. The respective Workweeks for each Class Member will be divided

1 by the total Workweeks for all Class Members, resulting in the Payment Ratio
2 for each Class Member. Each Class Member's Payment Ratio will then be
3 multiplied by the Net Settlement Amount to calculate each Class Member's
4 estimated Individual Settlement Payments. Each Individual Settlement
5 Payment will be reduced by any legally mandated employee tax withholdings
6 (e.g., employee payroll taxes, etc.). Individual Settlement Payments for Class
7 Members who submit valid and timely requests for exclusion will be
8 redistributed to Settlement Class Members who do not submit valid and timely
9 requests for exclusion on a pro rata basis based on their respective Payment
10 Ratios.

11 2. Calculation of Individual Payments to the Aggrieved Employees. Using the
12 Class Data, the Settlement Administrator shall add up the total number of
13 PAGA Pay Periods for all Aggrieved Employees during the PAGA Period.
14 The respective PAGA Pay Periods for each Aggrieved Employee will be
15 divided by the total PAGA Pay Periods for all Aggrieved Employees, resulting
16 in the "PAGA Payment Ratio" for each Aggrieved Employee. Each
17 Aggrieved Employee's PAGA Payment Ratio will then be multiplied by the
18 Aggrieved Employee Payment to calculate each Aggrieved Employee's
19 estimated share of the Aggrieved Employee Payment.

20 3. Allocation of Individual Settlement Payments. For tax purposes, Individual
21 Settlement Payments shall be allocated and treated as 20% wages ("Wage
22 Portion") and 40% penalties ("Penalties Portion"), and 40% pre-judgment
23 interest ("Interest Portion"). The Wage Portion of the Individual Settlement
24 Payments shall be reported on IRS Form W-2 and the Penalty Portion and
25 Interest Portion of the Individual Settlement Payments shall be reported on
26 IRS Form 1099 issued by the Settlement Agreement.

1 4. Allocation of Aggrieved Employee Payments. For tax purposes, Aggrieved
2 Employee Settlement Payments shall be allocated and treated as 100%
3 penalties and shall be reported on IRS Form 1099.

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

15 6. All monies received by Settlement Class Members under the Settlement which
16 are attributable to wages shall constitute income to such Settlement Class
17 Members solely in the year in which such monies are received by the Settlement
18 Class Members. It is the intent of the Parties that Individual Settlement
19 Payments and individual shares of the PAGA Payment provided for in this
20 Settlement agreement are the sole payments to be made by Defendants to
21 Settlement Class Members and/or Aggrieved Employees in connection with this
22 Settlement Agreement, with the exception of Plaintiffs, and that the Settlement
23 Class Members and/or Aggrieved Employees are not entitled to any new or
24 additional compensation or benefits as a result of having received the Individual
25 Settlement Payments and/or their shares of the Aggrieved Employee Payment.

26 7. Mailing. Individual Settlement Payments and Aggrieved Employee Payments
27 shall be mailed by regular First-Class U.S. Mail to Settlement Class Members'

1 and/or Aggrieved Employees' last known mailing address no later than fifteen
2 (15) days after the Funding Date.

3 8. Expiration. Any checks issued to Settlement Class Members and Aggrieved
4 Employees shall remain valid and negotiable for one hundred and eighty (180)
5 days from the date of their issuance. If a Settlement Class Member and/or
6 Aggrieved Employees does not cash his or her settlement check within ninety
7 (90) days, the Settlement Administrator will send a letter to such persons,
8 advising that the check will expire after the 180th day, and invite that
9 Settlement Class Member and/or Aggrieved Employees to request reissuance
10 in the event the check was destroyed, lost, or misplaced. In the event an
11 Individual Settlement Payment and/or Aggrieved Employees' individual
12 share of the PAGA Payment check has not been cashed within one hundred
13 and eighty (180) days, all funds represented by such uncashed checks, plus
14 any interest accrued thereon, shall be transmitted to the Children's Advocacy
15 Institute in the name of the Class Member who did not claim the funds.

16 9. Service Awards. In addition to the Individual Settlement Payment as
17 Settlement Class Members and their individual share of the Aggrieved
18 Employee Payment, Plaintiffs will each apply to the Court for an award of not
19 more than \$10,000.00, as Service Awards. Defendants will not oppose a
20 Service Award of not more than \$10,000.00 for each Plaintiff. The Settlement
21 Administrator shall pay the Service Awards, either in the amount stated herein
22 if approved by the Court or some other amount as approved by the Court, to
23 Plaintiffs from the Gross Settlement Amount no later than fifteen (15) days
24 after the Funding Date. Any portion of the requested Service Awards that is
25 not awarded to the Class Representatives shall be part of the Net Settlement
26 Amount and shall be distributed to Settlement Class Members as provided in
27 this Agreement. The Settlement Administrator shall issue an IRS Form 1099
28 — MISC to Plaintiffs for their Service Awards. Plaintiffs shall be solely and

1 legally responsible to pay any and all applicable taxes on their Service Award
2 and shall hold harmless the Released Parties from any claim or liability for
3 taxes, penalties, or interest arising as a result of the Service Awards. Approval
4 of this Settlement shall not be conditioned on Court approval of the requested
5 amount of the Service Awards. If the Court reduces or does not approve the
6 requested Service Awards, Plaintiffs shall not have the right to revoke the
7 Settlement, and it will remain binding.

8 10. Class Counsel Award. Defendants understands, and will not oppose, a motion
9 for Attorneys' Fees not to exceed one-third of the Gross Settlement Amount
10 currently estimated to be Six Hundred Twenty-Eight Thousand Three
11 Hundred Thirty-Three Dollars and Thirty-Three Cents (\$628,333.33) **and**
12 Attorneys' Expenses supported by declaration not to exceed Forty Thousand
13 Dollars and Zero Cents (\$40,000.00). Any awarded Class Counsel Award
14 shall be paid from the Gross Settlement Amount. Any portion of the requested
15 Attorneys' Fees and/or Attorneys' Expenses that are not awarded to Class
16 Counsel shall be part of the Net Settlement Amount and shall be distributed
17 to Settlement Class Members as provided in this Agreement. The Settlement
18 Administrator shall allocate and pay the Attorneys' Fees to Class Counsel
19 from the Gross Settlement Amount no later than fifteen (15) days after the
20 Funding Date. Class Counsel shall be solely and legally responsible to pay all
21 applicable taxes on the payment made pursuant to this paragraph. The
22 Settlement Administrator shall issue an IRS Form 1099 — MISC to Class
23 Counsel for the payments made pursuant to this paragraph. If the Court
24 reduces or does not approve the requested Attorneys' Fees, Plaintiffs and
25 Class Counsel shall not have the right to revoke the Settlement, or to appeal
26 such order, and the Settlement will remain binding.

27 11. PAGA Payment. Eighty Thousand Dollars and Zero Cents (\$80,000.00) shall
28 be allocated from the Gross Settlement Amount for settlement of claims for

1 civil penalties under the Private Attorneys General Act of 2004 (“PAGA
2 Payment”). The Settlement Administrator shall pay seventy-five percent
3 (75%) of the PAGA Payment (\$60,000) to the California Labor and
4 Workforce Development Agency no later than fifteen (15) days after the
5 Funding Date (hereinafter “LWDA Payment”). Twenty-five percent (25%) of
6 the PAGA Payment (\$20,000) will be distributed to the Aggrieved Employees
7 as described in this Agreement (hereinafter “Aggrieved Employee Payment”).
8 For purposes of distributing the PAGA Payment to the Aggrieved Employees,
9 each Aggrieved Employee shall receive their pro-rata share of the Aggrieved
10 Employee Payment using the PAGA Payment Ratio as defined above.

11 12. Settlement Administration Costs. The Settlement Administrator shall be paid
12 for the costs of administration of the Settlement from the Gross Settlement
13 Amount. The estimate of the Settlement Administration Costs is \$18,000.00.
14 The Settlement Administrator shall be paid the Settlement Administration
15 Costs no later than fifteen (15) days after the Funding Date.

16 O. Final Approval Motion. Class Counsel and Plaintiffs shall use best efforts to file with
17 the Court a Motion for Order Granting Final Approval and Entering Judgment, within
18 twenty-eight (28) days following the expiration of the Response Deadline, which
19 motion shall request final approval of the Settlement and a determination of the
20 amounts payable for the Service Awards, the Class Counsel Award, the PAGA
21 Payment, and the Settlement Administration Costs. Plaintiffs will provide Defendants
22 with a draft of the Motion at least three (3) business days prior to the filing of the
23 Motion to give Defendants an opportunity to propose changes or additions to the
24 Motion.

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

1 Class Members, the number of undeliverable Notice Packets, the number of
2 timely requests for exclusion, the full names of any Class Members who opt
3 out of the Settlement, the number of objections received, the amount of the
4 average, lowest, and highest Individual Settlement Payments, the amount of
5 the average, lowest, and highest Aggrieved Employee Payments, the
6 Settlement Administration Costs, and any other information as the Parties
7 mutually agree or the Court orders the Settlement Administrator to provide.

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

12 N. Review of Motions for Preliminary and Final Approval. Class Counsel will provide
13 an opportunity for Counsel for Defendants to review the Motions for Preliminary and
14 Final Approval, including the Order Granting Final Approval of Class Action
15 Settlement, and Judgment at least three (3) business days in advance of filing with the
16 Court. The Parties and their counsel will cooperate with each other and use their best
17 efforts to affect the Court's approval of the Motions for Preliminary and Final
18 Approval of the Settlement, and entry of Judgment.

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

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

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

26 R. Plaintiff Gonzalez's Individual Claims. In addition to this Agreement and the claims
27 she is releasing hereby, Plaintiff Gonzalez is entering into a separate individual
28 settlement agreement, which shall provide for a separate individual payment, and

1 which shall provide for an additional broad release. That release, waiver, and discharge
2 of all claims shall include, but will not be limited to, any and all claims arising out of
3 the Action, as well as additional claims described in the individual settlement
4 agreement, which are separate and different from the claims alleged in the Action. The
5 Parties acknowledge such approval of this Agreement may require disclosure of the
6 Individual Settlement, and consent to same for that limited purpose.

7 S. Entire Agreement. Except with respect to Plaintiff Gonzalez’s individual settlement
8 agreement, described in paragraph “R” immediately above, this Agreement and any
9 attached Exhibit constitute the entire Agreement among these Parties, and no oral or
10 written representations, warranties, or inducements have been made to any Party
11 concerning this Agreement or its Exhibit other than the representations, warranties,
12 and covenants contained and memorialized in this Agreement and its Exhibit.

13 T. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
14 represent they are expressly authorized by the Parties whom they represent to negotiate
15 this Agreement and to take all appropriate Action required or permitted to be taken by
16 such Parties pursuant to this Agreement to effectuate its terms, and to execute any other
17 documents required to effectuate the terms of this Agreement. The persons signing
18 this Agreement on behalf of Defendants represents and warrants that he/she is
19 authorized to sign this Agreement on behalf of Defendants. Plaintiffs represent and
20 warrant that they are authorized to sign this Agreement and that they have not assigned
21 any claim, or part of a claim, covered by this Settlement to a third-party.

22 U. No Public Comment: The Parties and their counsel agree that they will not issue any
23 press releases, initiate any contact with the press, respond to any press inquiry, or have
24 any communication with the press about the fact, amount, or terms of the Settlement
25 Agreement. Class Counsel further agrees not to use the Settlement Agreement or any
26 of its terms for any marketing or promotional purposes. Nothing herein will restrict
27 Class Counsel from including publicly available information regarding this settlement
28 in future judicial submissions regarding Class Counsel’s qualifications and experience.

1 Further, Class Counsel will not include, reference, or use the Settlement Agreement
2 for any marketing or promotional purposes, either before or after the Motion for
3 Preliminary Approval is filed.

4 V. Binding on Successors and Assigns. This Agreement shall be binding upon, and inure
5 to the benefit of, the successors or assigns of the Parties, as previously defined.

6 W. California Law Governs. All terms of this Agreement and the Exhibit and any disputes
7 shall be governed by and interpreted according to the laws of the State of California.

8 X. Counterparts. This Agreement may be executed in one or more counterparts. All
9 executed counterparts and each of them shall be deemed to be one and the same
10 instrument provided that counsel for the Parties to this Agreement shall exchange
11 among themselves copies or originals of the signed counterparts.

12 Y. This Settlement Is Fair, Adequate, and Reasonable. The Parties believe this Settlement
13 is a fair, adequate, and reasonable settlement of this Action and have arrived at this
14 Settlement after extensive arms-length negotiations, taking into account all relevant
15 factors, present, and potential.

16 Z. Jurisdiction of the Court. The Parties agree that the Court shall retain jurisdiction with
17 respect to the interpretation, implementation, and enforcement of the terms of this
18 Agreement and all orders and judgments entered in connection therewith, and the
19 Parties and their counsel submit to the jurisdiction of the Court for purposes of
20 interpreting, implementing, and enforcing the settlement and all orders and judgments
21 entered in connection with this Agreement.

22 AA. Invalidity of Any Provision. Before declaring any provision of this Agreement invalid,
23 the Court shall first attempt to construe the provisions valid to the fullest extent
24 possible consistent with applicable precedents so as to define all provisions of this
25 Agreement valid and enforceable.

26 BB. No Unalleged Claims. Except with respect to individual claims alleged by Plaintiff
27 Gonzalez and settled separately by an individual settlement agreement between the
28 Parties described above, Plaintiffs and Class Counsel represent that they do not

1 currently intend to pursue any claims against the Released Parties, including, but not
2 limited to, any and all claims relating to or arising from Plaintiffs' employment with
3 Defendants, regardless of whether Class Counsel is currently aware of any facts or
4 legal theories upon which any claims or causes of action could be brought against
5 Released Parties, including those facts or legal theories alleged in the operative
6 complaint in this Action. The Parties further acknowledge, understand, and agree that
7 this representation is essential to the Agreement and that this Agreement would not
8 have been entered into were it not for this representation.

9 CC. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class
10 certification for purposes of this settlement only.

11 DD. No Admissions by the Parties. Plaintiffs have claimed and continue to claim that the
12 Released Class Claims and Released PAGA Claims have merit and give rise to liability
13 on the part of Defendants. Defendants claim that the Released Class Claims and
14 Released PAGA Claims have no merit and do not give rise to liability. This Agreement
15 is a compromise of disputed claims. Nothing contained in this Agreement and no
16 documents referred to and no action taken to carry out this Agreement may be
17 construed or used as an admission by or against the Defendants or Plaintiffs or Class
18 Counsel as to the merits or lack thereof of the claims asserted. Other than as may be
19 specifically set forth herein, each Party shall be responsible for and shall bear its/her
20 own attorney's fees and costs.

1 IT IS SO AGREED, FORM AND CONTENT, BY PLAINTIFFS:

2 DATED: 07/17/2025 _____


Marina Gonzalez (Jul 17, 2025 13:16 PDT)

3

4

MARINA GONZALEZ

5 DATED: 07/17/2025 _____

Katherine Hallum

6

7

KATHERINE HALLUM

8 IT IS SO AGREED, FORM AND CONTENT, BY DEFENDANTS:

9

10 DATED: _____

ORTHOPAEDIC AND NEUROLOGICAL
REHABILITATION, SPEECH PATHOLOGY, INC.

11

12

13

Printed Name

14

15

Title

16

17 DATED: _____

ORTHOPAEDIC AND NEUROLOGICAL
REHABILITATION, INC.

18

19

20

Printed Name

21

22

Title

23

24 DATED: _____

EMPOWERME WELLNESS, LLC

25

26

Printed Name

27

28

Title

1 IT IS SO AGREED, FORM AND CONTENT, BY PLAINTIFFS:

2 DATED: _____

3
4 MARINA GONZALEZ

5 DATED: _____

6
7 KATHERINE HALLUM

8 IT IS SO AGREED, FORM AND CONTENT, BY DEFENDANTS:

9
10 DATED: 7/18/25


11 ORTHOPAEDIC AND NEUROLOGICAL
12 REHABILITATION, SPEECH PATHOLOGY, INC.

13 JAMES L. SMITH
14 Printed Name

15 SVP & GENERAL COUNSEL
16 Title

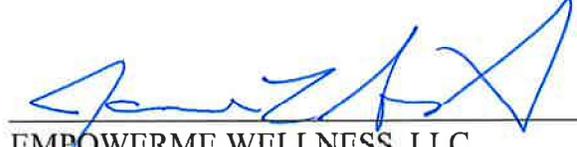
17 DATED: 7/18/25


18 ORTHOPAEDIC AND NEUROLOGICAL
19 REHABILITATION, INC.

20 JAMES L. SMITH
21 Printed Name

22 SVP & GENERAL COUNSEL
23 Title

24 DATED: 7/18/25


25 EMPOWERME WELLNESS, LLC

26 JAMES L. SMITH
27 Printed Name

28 SVP & GENERAL COUNSEL
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IT IS SO AGREED AS TO FORM BY COUNSEL:

DATED: 07/17/2025

JCL LAW FIRM, A.P.C.

By:  _____

Attorneys for Plaintiff and the Settlement Class Members

DATED: 07/17/2025

ZAKAY LAW GROUP, APLC

By:  _____

Attorneys for Plaintiff and the Settlement Class Members

DATED: July 21, 2025

O'HAGAN MEYER LLP

By:  _____

Derek S. Sachs, Esq.
Elaine McCormick, Esq.
Attorneys for Defendants

EXHIBIT A

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

(Marina Gonzalez v. Orthopedic and Neurological Rehabilitation, Speech Pathology, Inc., et al., Alameda County Superior Court Case No. 23CV033481)

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

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

1. Why did I get this Notice?

A proposed class action settlement (the “Settlement”) of this lawsuit pending in the Superior Court for the State of California, County of Alameda (the “Court”) has been reached between Plaintiff Marina Gonzalez (“Plaintiff Gonzalez”), Plaintiff Katherine Hallum (“Plaintiff Hallum”) and Defendant Orthopaedic and Neurological Rehabilitation, Speech Pathology, Inc. (“Defendant ONRSP”), Defendant Orthopaedic and Neurological Rehabilitation, Inc. (“Defendant ONR”), and Defendant EmpowerMe Wellness, LLC (“Defendant EmpowerMe”) (Collectively “Defendants”). The Court has granted preliminary approval of the Settlement. **You may be entitled to receive money from this Settlement.**

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

All non-exempt employees who worked for Defendant ONRSP and/or Defendant ONR and/or Defendant EmpowerMe in California, at any time during the period beginning May 17, 2019, through [REDACTED] (“Class Period”).

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

2. What is this class action lawsuit about?

On May 17, 2023, Plaintiff Gonzalez filed a Complaint against Defendants in the Superior Court of the State of California, County of Alameda. Plaintiff asserted claims that Defendants: (1) Unfair Competition In Violation

Of Cal. Bus. & Prof. Code §17200 *et seq*; (2) Failure To Pay Minimum Wages In Violation Of Cal. Lab. Code §§ 1194, 1197 & 1197.1; (3) Failure To Pay Overtime Wages In Violation Of Cal. Lab. Code §§ 510, *et seq*; (4) Failure To Provide Required Meal Periods In Violation Of Cal. Lab. Code §§ 226.7 & 512 and the applicable IWC Wage Order; (5) Failure To Provide Required Rest Periods In Violation Of Cal. Lab. Code §§ 226.7 & 512 and the applicable IWC Wage Order; (6) Failure To Provide Accurate Itemized Statements In Violation Of Cal. Lab. Code § 226. On September 16, 2022; (7) Failure To Provide Wages When Due In Violation Of Cal. Lab. Code §§ 201, 202 and 203; (8) Failure To Reimburse Employees For Required Expenses In Violation Of Cal. Lab. Code § 2802; and (9) Unpaid Sick Pay In Violation of Cal. Lab. Code § 246. On May 17, 2023, Plaintiff Gonzalez filed a Notice of Violations with the Labor and Workforce Development Agency (LWDA) and served the same on Defendants. On June 24, 2024, Plaintiff Hallum filed a Notice of Violations with the Labor and Workforce Development Agency (LWDA) and served the same on Defendants. On July 31, 2023, Plaintiff Gonzalez filed a First Amended Complaint to the Action, adding an additional cause of action for violations of PAGA. On [REDACTED] Plaintiffs filed a Second Amended Complaint, which is the Operative Complaint.

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

On December 3, 2024, the Parties participated in an all-day mediation with Steven Serratore, Esq., an experienced mediator of wage and hour class and PAGA actions. The Parties accepted a Mediator's settlement proposal and reached an agreement for settlement. The Court granted preliminary approval of the Settlement on <<INSERT PRELIMINARY APPROVAL DATE>>. At that time, the Court also preliminarily approved the Plaintiffs to serve as the Class Representatives, and the law firms of JCL Law Firm, APC and Zakay Law Group, APLC to serve as Class Counsel.

3. What are the terms of the Settlement?

Gross Settlement Amount. Defendants agreed to pay an "all in" amount of One Million, Eight Hundred Eighty-Five Thousand Dollars and Zero Cents (\$1,885,000.00) (the "Gross Settlement Amount") to fund the settlement. The Gross Settlement Amount includes the payment of all Individual Settlement Payments, Settlement Administration Costs, Class Counsel Award, Service Awards, and the PAGA Payment.

Sixty (60) days after the Court grants final approval of the settlement, Defendants will pay the Gross Settlement Amount by depositing the money with the Settlement Administrator.

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

- Settlement Administration Costs. Payment to the Settlement Administrator, estimated not to exceed \$18,000.00 for expenses, including expenses of sending this Notice, processing opt outs, and distributing settlement payments.
- Class Counsel Award. Payment to Class Counsel of an award of attorneys' fees of no more than 1/3 of the Gross Settlement Amount (currently \$628,333.33) and actually incurred litigation expenses of not more than \$40,000.00 for all expenses incurred as documented in Class Counsel's billing records, both subject to Court approval. Class Counsel have been prosecuting the Action on behalf of Plaintiffs and the Class on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses.

- Service Award. Service Awards of up to Ten Thousand Dollars and Zero Cents (\$10,000.00) to each Plaintiff, or such lesser amount as may be approved by the Court, to compensate them for services on behalf of the Class in initiating and prosecuting the Action, and for the risks they undertook.
- PAGA Payment. A payment of \$80,000.00 relating to Plaintiffs' claim under the Private Attorneys General Act ("PAGA"), \$60,000.00 of which will be paid to the State of California's Labor and Workforce Development Agency ("LWDA") and the remaining \$20,000.00 will be distributed to Aggrieved Employees as part of the PAGA Payment.
- Calculation of Payments to Settlement Class Members. After all the above payments of the court-approved Class Counsel Award, the Service Award, the PAGA Payment, and the Settlement Administration Costs are deducted from the Gross Settlement Amount, the remaining portion, called the "Net Settlement Amount," shall be distributed to class members who do **not** request exclusion ("Settlement Class Members"). The Individual Settlement Payment for each Settlement Class Member will be calculated by dividing the Net Settlement Amount by the total number of workweeks for all Settlement Class Members that occurred during the Class Period and multiplying the result by each individual Settlement Class Member's workweeks that occurred during the Class Period. A "workweek" is defined as a normal seven-day week of work during the Class Period in which, according to Defendants' records, a member of the class worked at least one-day during any such workweek.
- Calculation of Aggrieved Employees Payments to Aggrieved Employees. The PAGA Payment shall be distributed to Aggrieved Employees irrespective of whether they exclude themselves or opt-out. The PAGA Payment will be divided by the total number of pay periods worked by all Aggrieved Employees during the PAGA Period, and then taking that number and multiplying it by the number of pay periods worked by each respective Aggrieved Employee during the PAGA Period. "Aggrieved Employee" means all non-exempt employees who worked for Defendant ONRSP and/or Defendant ONR and/or Defendant EmpowerMe in California, at any time during the period beginning May 17, 2019, through the earlier of [REDACTED] ("PAGA Period").

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

Tax Matters. Fifteen percent (20%) of each Individual Settlement Payment is allocated to wages. Taxes are withheld from this amount, and each Settlement Class Member will be issued an Internal Revenue Service Form W-2 for such payment. Forty percent (40%) of each Individual Settlement Payment is allocated to penalties ("Penalty Portion"). Forty percent (40%) of each Individual Settlement Payment is allocated to pre-judgment interest ("Interest Portion"). Each Settlement Class Member will be issued an Internal Revenue Service Form 1099 for Penalty Portion and Interest Portion of the Individual Settlement Payments. In addition, no taxes will be withheld from the PAGA Payment paid to Aggrieved Employees, and each Aggrieved Employee will be issued an Internal Revenue Service Form 1099 for such payment. Neither Class Counsel nor Defendants' counsel intend anything contained in this Settlement to constitute advice regarding taxes or taxability. You may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

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

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

4. What Do I Release Under the Settlement?

Released Class Claims. Upon entry of final judgment and funding in full of the Gross Settlement Amount by Defendants, Plaintiffs and the Settlement Class Members shall release all Released Class Claims that occurred during the Class Period as to the Released Parties. Released Class Claims means all class claims alleged, or reasonably could have been alleged arising out of the facts alleged in the Operative Complaint in the Action which occurred during the Class Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and class claims outside of the Class Period.

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

Released PAGA Claims. Separately, as of the Effective Date and upon funding of the Gross Settlement Amount by Defendants, Plaintiffs, on behalf of the State of California and the LWDA, shall release all Released PAGA Claims (the "PAGA Release"). "Released PAGA Claims" means all PAGA claims alleged in the Operative Complaint and Plaintiffs' PAGA Notices to the LWDA which occurred during the PAGA Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and PAGA claims outside of the PAGA Period. Because PAGA claims are brought on behalf of the State of California, PAGA Group Members do not have the right to opt out of the PAGA Release, and all such claims will be released as of the Effective Date.

5. How much will my payment be?

Defendants' records reflect that you have << ____ >> Workweeks worked during the Class Period (May 17, 2019, through _____).

Based on this information, your estimated Individual Settlement Payment is << _____ >>.

Defendants' records reflect that you have << ____ >> pay periods worked during the PAGA Period (May 17, 2022, through _____).

Based on this information, your estimated Aggrieved Employee Payment is << _____ >>.

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

6. How can I get a payment?

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

The Court will hold a hearing on _____ to decide whether to finally approve the Settlement. If the Court approves the Settlement and there are no objections or appeals, payments will be mailed within a few months after this hearing. If there are objections or appeals, resolving them can take time, perhaps more than a year. Please be patient. After entry of the Judgment, the Settlement Administrator will provide notice of the final judgment to the Class Members by posting a copy of the Judgment on the administrator's website at www._____.com.

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

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

To opt out, you must submit to the Settlement Administrator, by First Class Mail, a written, signed and dated request for exclusion postmarked no later than _____. The address for the Settlement Administrator is 18 Technology Drive, Suite 154, Irvine, CA 92618; Tel: (800) 355-0700. The request for exclusion must state in substance that the Class Member has read the Class Notice and that he or she wishes to be excluded from the settlement of the class action lawsuit entitled *Marina Gonzalez v. Orthopedic and Neurological Rehabilitation, Speech Pathology, Inc., et al.*, currently pending in Superior Court of Alameda, Case No. 23CV033481. The request for exclusion must contain your name, address, signature, and the last four digits of your Social Security Number for verification purposes. The request for exclusion must be signed by you. No other person may opt out for a member of the Class.

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

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

Any Class Member who has not opted out and believes that the Settlement should not be finally approved by the Court for any reason, may object to the proposed Settlement. Objections may be in writing and state the Class Member's name, current address, telephone number, and describe why you believe the Settlement is unfair and whether you intend to appear at the final approval hearing. All written objections or other correspondence must also state the name and number of the case, which is *Marina Gonzalez v. Orthopedic and Neurological Rehabilitation, Speech Pathology, Inc., et al, Alameda County Superior Court, Case No. 23CV033481*. You may also object without submitting a written objection by appearing at the final approval hearing scheduled as described in Section 9 below.

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

Written objections must be delivered or mailed to the Settlement Administrator no later than _____. The address for the Settlement Administrator is 18 Technology Drive, Suite 154, Irvine, CA 92618; Tel: (800) 355-0700.

The addresses for the Parties' counsel are as follows:

Class Counsel:

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

Class Counsel:

Shani O. Zakay, Esq.
Zakay Law Group, APLC
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
Tel: (619) 599-8292
Email: shani@zakaylaw.com

Counsel for Defendants:

Derek S. Sachs, Esq.
O'Hagan Meyer, LLP
1201 K Street Suite 1960
Sacramento, CA 95814
T: (916) 313-7051
dsachs@ohaganmeyer.com

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

The Court will hold a Final Approval Hearing at **00:00 AM/PM on _____**, at the Alameda County Superior Court, Department 23, located at the Rene C. Davidson Courthouse Administration Building, 1221 Oak Street, Oakland, CA 94612 before Judge Michael Markman. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement. If there are objections, the Court will consider them. The Court will listen to people who have made a timely written request to speak at the hearing or who appear at the hearing to object. This hearing may be rescheduled by the Court without further notice to you. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

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

You may call the Settlement Administrator at 1-800-355-0700 or write to *Marina Gonzalez v. Orthopedic and Neurological Rehabilitation, Speech Pathology, Inc., et al, Alameda County Superior Court, Case No. 23CV033481*, Settlement Administrator, 20371 Irvine Avenue, Newport Beach, CA 92660 c/o _____.

The pleadings and other records in this litigation may be examined online on the Alameda County Superior Court's website, known as "eCourt Public Portal," at <https://eportal.alameda.courts.ca.gov>. After arriving at the website, click the "Search" tab at the top of the page, then select the Document Downloads link, enter the case number and click "Submit." Images of every document filed in the case may be viewed at a minimal charge. You may also view images of every document filed in the case free of charge by using one of the computer terminal kiosks available at each court location that has a facility for civil filings.

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

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

IMPORTANT:

- You must inform the Settlement Administrator of any change of address to ensure receipt of your settlement payment.
- Settlement checks will be null and void 180 days after issuance if not deposited or cashed. In such event, the Settlement Administrator shall pay all funds from such uncashed checks to Children's Advocacy Institute in the name of the Class Member who did not claim the funds. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.