

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement (“Agreement”) is entered into by and between Plaintiffs Lisa Napper, Queensly Asemota, Liliana Sanchez, and Brittani Guillory (collectively, “Plaintiffs”), individually and on behalf of all others similarly situated, and Defendant Associated Health Professionals, Inc. (“Defendant”), concerning *Associated Health Wage and Hour Cases*, JCCP No. 5219, pending in the Superior Court of California, County of San Diego.

1. DEFINITIONS

- 1.1. “Action” or “Actions” collectively means the coordinated wage and hour class action and Private Attorneys General Act (“PAGA”) representative actions consolidated under Judicial Council Coordination Proceeding No. 5219 (Associated Health Wage and Hour Cases), pending in the Superior Court of California, County of San Diego, assigned to the Honorable Blaine K. Bowman, Department C-74, including: (a) *Napper v. Associated Health Professionals, Inc.*, Los Angeles County Superior Court Case No. 21STCV09332; (b) *Sanchez v. Associated Health Professionals, Inc.*, San Diego County Superior Court Case No. 37-2019-00035374; (c) *Guillory v. Associated Health Professionals, Inc.*, San Bernardino County Superior Court Case No. CIVSB2210910; and (d) *Guillory v. Associated Health Professionals, Inc.*, San Bernardino County Superior Court Case No. CIVSB2223523.
- 1.2. “Administrator” or “Settlement Administrator” means Apex Class Action, LLC, the neutral third-party entity jointly selected by the Parties and approved by the Court to administer the Settlement.
- 1.3. “Administration Costs” means the actual and direct costs reasonably charged by the Settlement Administrator for its services in administering the Settlement, currently projected by the Parties not to exceed \$15,450.00.
- 1.4. “Allegedly Aggrieved Employees” or “Aggrieved Employees” means all non-exempt employees employed by Defendant during the PAGA Period.
- 1.5. “Attorneys’ Fees and Costs Payment” means the amount to be paid to Class Counsel for attorneys’ fees and litigation costs as approved by the Court, not to exceed \$500,000.00 in fees and \$132,000.00 in costs.
- 1.6. “Class” or “Settlement Class” means all non-exempt employees who were employed by and staffed by Defendant during the Class Period.
- 1.7. “Class Counsel” means Nathan J. Reese and Samara A. Bahu of ARCH Legal, P.C.; Kashif Haque, Samuel A. Wong, Jessica L. Campbell, and Joseph M. Szilagyi of AEGIS Law Firm, PC; and Joseph Lavi, Vincent C. Granberry, and James Clark of Lavi & Ebrahimian, LLP.
- 1.8. “Settlement Class List” means the list of all Settlement Class Members as maintained in Defendant’s records, including each Settlement Class Member’s name, last known

- mailing address, Social Security Number or taxpayer identification number, and total number of Workweeks worked during the Class Period.
- 1.9. “Settlement Class Member” means any individual who is a member of the Settlement Class.
 - 1.10. “Class Notice” or “Notice” means the Court-approved Notice of Proposed Class Action and PAGA Settlement substantially in the form attached as Exhibit A to this Agreement.
 - 1.11. “Class Notice Packet” means the packet sent to Settlement Class Members containing the Class Notice and any other required documents or forms.
 - 1.12. “Settlement Class Period” means March 8, 2017 through February 6, 2026.
 - 1.13. “Settlement Class Released Claims” means any and all claims and damages arising from any of the facts alleged in Plaintiffs’ Consolidated Complaint, or that could have been raised based on the facts alleged in the Consolidated Complaint, including claims for damages arising from Defendant’s alleged failure to provide legally compliant meal periods; failure to provide legally compliant rest periods; failure to pay minimum and regular wages; failure to pay overtime wages; failure to pay reporting time pay; failure to timely pay all wages due upon separation of employment; failure to reimburse for necessary business expenses; failure to furnish accurate itemized wage statements; failure to maintain accurate records; and Defendant’s alleged unfair business practices stemming from these alleged Labor Code violations. The period of the Settlement Class Release shall cover the entirety of the Settlement Class Period.
 - 1.14. “Class Representative Service Award” or “Enhancement Payment” means the amount to be paid to the Named Plaintiffs in recognition of their service as class representatives, not to exceed \$10,000.00 per Named Plaintiff, as approved by the Court.
 - 1.15. “Court” means the Superior Court of California, County of San Diego, assigned to the Honorable Blaine K. Bowman, Department C-74.
 - 1.16. “Defendant” or “AHP” means Associated Health Professionals, Inc.
 - 1.17. “Defendant’s Counsel” or “Defense Counsel” means Tracie Childs and Andrew J. Deddeh of Ogletree, Deakins, Nash, Smoak & Stewart, P.C.
 - 1.18. “Effective Date” means the date on which the Judgment becomes a Final Judgment. If no objections or appeals are filed, the Effective Date is the date the Court grants final approval of the settlement. If objections or appeals are filed, the Effective Date is the date on which the Judgment becomes a Final Judgment as defined in Section 1.19.
 - 1.19. “Final Judgment” means the latest of: (a) if no appeal is filed, the date upon which the time for filing or noticing any appeal from the Judgment has expired; (b) if an appeal is filed and rejected or dismissed, the date of rejection or dismissal and the expiration of the time to pursue further appeal; or (c) if an appeal is taken and the judgement is

affirmed, the date of the appellate court issues an order affirming the judgment.

- 1.20. “Gross Settlement Amount” means \$1,250,000.00, which is the maximum amount Defendant will pay to resolve all claims in the Action, including all Individual Settlement Payments, PAGA Payments to Allegedly Aggrieved Employees, the LWDA Payment, the Class Representative Service Awards, the Attorneys’ Fees and Costs Payment, and the Administration Costs.
- 1.21. “Individual Settlement Payment” means the gross payment amount due to each Participating Class Member calculated as set forth in Section 2 of this Agreement based on the number of Workweeks the Class Member worked during the Class Period.
- 1.22. “LWDA Payment” means seventy-five percent (75%) of the Total PAGA Payment, which shall be paid to the LWDA as required by California Labor Code section 2699(i).
- 1.23. “Named Plaintiffs” or “Class Representatives” means Lisa Napper, Queensly Asemota, Liliana Sanchez, and Brittani Guillory.
- 1.24. “Net Settlement Amount” means the portion of the Gross Settlement Amount remaining after deducting the Attorneys’ Fees and Costs Payment, the Class Representative Service Awards, the Administration Costs, and the Total PAGA Payment. The Net Settlement Amount shall be distributed to Participating Class Members as Individual Settlement Payments.
- 1.25. “Non-Participating Settlement Class Member” means any Settlement Class Member who submits a timely and valid Request for Exclusion and is therefore excluded from the Settlement Class.
- 1.26. “PAGA Payment” means the payment to each Allegedly Aggrieved Employee representing their share of twenty-five percent (25%) of the Total PAGA Payment, calculated based on the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.
- 1.27. “PAGA Civil Penalties” or “PAGA Payment” means the total amount allocated from the Gross Settlement Amount to resolve the PAGA claims alleged in the Action, which shall be \$75,000.00.
- 1.28. “PAGA Period” means the period of between January 2, 2020 through February 6, 2026.
- 1.29. “PAGA Released Claims” means all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts alleged in the Consolidated Complaint. The period of the PAGA release shall cover the entirety of the PAGA Period.
- 1.30. “Participating Settlement Class Member” means any Settlement Class Member who does not submit a timely and valid Request for Exclusion and who is therefore entitled to receive an Individual Settlement Payment.

- 1.31. "Pay Period" means a workweek as defined by Defendant's payroll practices during the Settlement Class Period and PAGA Period.
- 1.32. "Released Parties" means Defendant Associated Health Professionals, Inc., and its past, present, and future parents, subsidiaries, affiliates, predecessors, successors, assigns, officers, directors, shareholders, members, managers, employees, agents, representatives, insurers, and attorneys.
- 1.33. "Settlement" means the settlement of the Action as set forth in this Agreement.
- 1.34. "Settlement Agreement" or "Agreement" means this Alleged Class Action and PAGA Settlement Agreement, including all exhibits attached hereto.
- 1.35. "Total PAGA Payment" means the total amount allocated from the Gross Settlement Amount to resolve the PAGA claims, consisting of the LWDA Payment (75%) and the aggregate PAGA Payments (25%).
- 1.36. "Workweeks" means the total number of weeks during the Settlement Class Period in which a Settlement Class Member performed any work for Defendant as a non-exempt employee in California. For purposes of calculating Individual Settlement Payments, any partial week in which a Settlement Class Member worked shall be counted as one full Workweek.

2. MONETARY TERMS

- 2.1. **Gross Settlement Amount.** Subject to the terms and conditions of this Agreement and Court approval, Defendant agrees to pay a Gross Settlement Amount of One Million Two Hundred Fifty Thousand Dollars (\$1,250,000.00). The Gross Settlement Amount represents the maximum amount Defendant will pay to fully resolve and settle all claims alleged in the Action, including all Class Released Claims and PAGA Released Claims. The Gross Settlement Amount is a non-reversionary common fund, meaning that no portion of the Gross Settlement Amount will revert to Defendant for any reason. The Gross Settlement Amount is all-inclusive and encompasses all payments contemplated by this Agreement, including Individual Settlement Payments to Participating Settlement Class Members, PAGA Payments to Allegedly Aggrieved Employees, the LWDA Payment, the Class Representative Service Awards, the Attorneys' Fees and Costs Payment, and the Administration Costs.
- 2.2. **Employer-Side Payroll Taxes.** Defendant's share of payroll taxes on the wage portion of Individual Settlement Payments shall be paid by Defendant separately from and in addition to the Gross Settlement Amount. These employer-side payroll taxes are not included in or deducted from the Gross Settlement Amount. The Settlement Administrator shall calculate the employer-side payroll taxes based on the wage allocation of Individual Settlement Payments and shall coordinate with Defendant to ensure timely payment and proper reporting to the appropriate governmental authorities.
- 2.3. **Allocation of the Gross Settlement Amount.** The Gross Settlement Amount shall be

allocated among the following components, subject to Court approval:

- 2.3.1. **Attorneys' Fees.** Class Counsel may apply to the Court for an award of attorneys' fees not to exceed forty percent (40%) of the Gross Settlement Amount, which equals Five Hundred Thousand Dollars (\$500,000.00). Defendant will not oppose Class Counsel's request for attorneys' fees provided the request does not exceed this amount. The Attorneys' Fees Payment shall compensate Class Counsel for all work performed in investigating, prosecuting, and resolving the claims alleged in the Action on behalf of the Settlement Class and Allegedly Aggrieved Employees. If the Court approves attorneys' fees in an amount less than requested by Class Counsel, the difference shall be added to and distributed as part of the Net Settlement Amount. The Attorneys' Fees Payment shall be reported to Class Counsel on IRS Form 1099, and Class Counsel shall be solely responsible for any taxes owed on such payment.
- 2.3.2. **Litigation Costs.** Class Counsel may apply to the Court for reimbursement of litigation costs of not more than \$132,000.00, which represent the costs actually incurred in the investigation, prosecution, and resolution of the Action. Defendant will not oppose Class Counsel's request for reimbursement of reasonable litigation costs actually incurred. If the Court approves a Litigation Costs Payment in an amount less than requested by Class Counsel, the difference shall be added to and distributed as part of the Net Settlement Amount. The Litigation Costs Payment shall be reported to Class Counsel on IRS Form 1099, and Class Counsel shall be solely responsible for any taxes owed on such payment.
- 2.3.3. **Settlement Administration Costs.** All costs of settlement administration shall be paid from the Gross Settlement Amount. The Administration Costs shall not exceed \$15,450.00 except for a showing of good cause and as approved by the Court. If the actual Administration Costs are less than the amount allocated from the Gross Settlement Amount, the difference shall be added to and distributed as part of the Net Settlement Amount.
- 2.3.4. **Class Representative Service Awards and General Releases.** In recognition of their service as Class Representatives, including the time and effort expended in pursuing the Action, the risks undertaken in doing so, and their agreement to provide a general release of claims including a waiver of rights under California Civil Code section 1542, the four Named Plaintiffs may apply to the Court for a Class Representative Service Award. Defendant agrees not to oppose an application for service awards totaling Forty Thousand Dollars (\$40,000.00) from the Gross Settlement Amount, to be distributed as Ten Thousand Dollars (\$10,000.00) to each of Lisa Napper, Queensly Asemota, Liliana Sanchez, and Brittani Guillory. The Class Representative Service Awards compensate the Named Plaintiffs for their participation in and contribution to the prosecution and resolution of the Action. The Class Representative Service Awards also compensate the Named Plaintiffs for executing a general release of all claims against the Released Parties, including unknown claims pursuant to California Civil Code section 1542, which release extends beyond the Class Released Claims and PAGA Released Claims. If the

Court approves service awards in an amount less than requested, the difference shall be added to and distributed as part of the Net Settlement Amount. The Class Representative Service Awards shall be reported to the Named Plaintiffs on IRS Form 1099 as non-wage compensation, and the Named Plaintiffs shall be solely responsible for any taxes owed on such payments. The Named Plaintiffs shall also receive Individual Settlement Payments as Participating Settlement Class Members calculated in the same manner as all other Participating Settlement Class Members based on their Workweeks worked during the Settlement Class Period.

2.3.5. **PAGA Civil Penalties.** Seventy-Five Thousand Dollars (\$75,000.00) of the Gross Settlement Amount shall be allocated to settle all claims for civil penalties under the California Private Attorneys General Act (Labor Code sections 2698 et seq.) alleged in the Action (the “Total PAGA Payment”). The Total PAGA Payment shall be allocated as follows:

(a) **LWDA Payment.** Seventy-five percent (75%) of the Total PAGA Payment, which equals Fifty-Six Thousand Two Hundred Fifty Dollars (\$56,250.00), shall be paid to the California Labor and Workforce Development Agency (LWDA) as required by Labor Code section 2699(i). The Settlement Administrator shall issue a check payable to the LWDA and mail it to the LWDA at the address provided by the LWDA or as otherwise directed by the Court.

(b) **PAGA Payments.** Twenty-five percent (25%) of the Total PAGA Payment, which equals Eighteen Thousand Seven Hundred Fifty Dollars (\$18,750.00), shall be distributed to Allegedly Aggrieved Employees who worked during the PAGA Period. Each Allegedly Aggrieved Employee’s individual PAGA Payment shall be calculated by dividing \$18,750.00 by the total number of Pay Periods worked by all Allegedly Aggrieved Employees during the PAGA Period, and then multiplying that quotient by the number of Pay Periods the individual Allegedly Aggrieved Employee worked during the PAGA Period. The calculation formula is as follows:

$$\text{Individual PAGA Payment} = (\$18,750.00 \div \text{Total Pay Periods for All Allegedly Aggrieved Employees}) \times \text{Individual Allegedly Aggrieved Employee’s Pay Periods}$$

All PAGA Payments shall be reported to Allegedly Aggrieved Employees on IRS Form 1099 as payments of penalties, and Allegedly Aggrieved Employees shall be solely responsible for any taxes owed on such payments. Allegedly Aggrieved Employees who submit timely and valid Requests for Exclusion and become Non-Participating Settlement Class Members shall still receive their PAGA Payments because PAGA claims are representative in nature and cannot be opted out of under California law.

2.3.6. **Net Settlement Amount.** After deducting from the Gross Settlement Amount the amounts approved by the Court for the Attorneys’ Fees and Costs Payment, the

Class Representative Service Awards, the Administration Costs, and the Total PAGA Payment, the remaining funds shall constitute the Net Settlement Amount (also referred to as the “Net Settlement Fund”). The Net Settlement Amount shall be distributed to Participating Settlement Class Members as Individual Settlement Payments in accordance with the allocation formula set forth in Section 2.3.7 below.

- 2.3.7. **Calculation of Individual Settlement Payments.** Each Participating Settlement Class Member shall receive an Individual Settlement Payment from the Net Settlement Amount calculated on a pro rata basis according to the total number of Workweeks the Settlement Class Member worked for Defendant during the Settlement Class Period. The calculation formula is as follows:

$$\text{Individual Settlement Payment} = (\text{Net Settlement Amount} \div \text{Total Workweeks for All Participating Settlement Class Members}) \times \text{Individual Settlement Class Member's Workweeks}$$

- 2.3.8. **Tax Allocation and Reporting for Individual Settlement Payments.** Subject to Court approval, each Participating Settlement Class Member's Individual Settlement Payment shall be allocated for tax reporting purposes as follows:

- (a) **Twenty Percent (20%) Wages.** Twenty percent (20%) of each Individual Settlement Payment shall be allocated to settlement of wage claims. This portion of the Individual Settlement Payment shall be reported to the Participating Settlement Class Member on IRS Form W-2 as wages.
- (b) **Forty Percent (40%) Penalties.** Forty percent (40%) of each Individual Settlement Payment shall be allocated to settlement of claims for statutory penalties. This portion of the Individual Settlement Payment shall be reported to the Participating Settlement Class Member on IRS Form 1099-MISC or 1099-NEC as non-wage income.
- (c) **Forty Percent (40%) Interest.** Forty percent (40%) of each Individual Settlement Payment shall be allocated to settlement of claims for interest on unpaid wages and penalties. This portion of the Individual Settlement Payment shall be reported to the Participating Settlement Class Member on IRS Form 1099-MISC or 1099-NEC as non-wage income.

Each Participating Settlement Class Member is solely responsible for all taxes and agrees to indemnify Defendant, Released Parties, Class Counsel, Defense Counsel, and the Settlement Administrator from any tax-related claims.

3. SETTLEMENT ADMINISTRATION

- 3.1. **Selection and Appointment of Settlement Administrator.** The Parties have jointly selected Apex Class Action, LLC to serve as the Settlement Administrator, subject to Court approval. The Settlement Administrator agrees to be bound by the terms of this Agreement and to perform, in a fiduciary capacity, all duties specified in this

Agreement in exchange for payment of the Administration Costs from the Gross Settlement Amount. The Settlement Administrator shall maintain the confidentiality of all Settlement Class Member information and Class Data and shall use such information solely for purposes of administering this Settlement. The Settlement Administrator represents that it has no conflicts of interest with the Parties, Class Counsel, or Defendant's Counsel and has adequate errors and omissions insurance coverage to perform its duties under this Agreement. The Settlement Administrator shall maintain secure procedures for protecting the security of all Class Data, including encryption and password protection of all electronic files containing personally identifiable information.

- 3.2. **Settlement Class List and Class Data.** Within twenty-one (21) calendar days after the Court enters the order granting Preliminary Approval, Defendant shall provide to the Settlement Administrator a list of all Settlement Class Members and all PAGA Allegedly Aggrieved Employees. The Class Data shall be provided in the form of an encrypted or password-protected Microsoft Excel spreadsheet and shall include, for each Settlement Class Member and Allegedly Aggrieved Employee, the following information to the extent maintained in Defendant's records: (a) full legal name; (b) last known mailing address; (c) last known telephone number; (d) Social Security Number or taxpayer identification number (last four digits at minimum); (e) total number of Workweeks worked during the Settlement Class Period; and (f) total number of Pay Periods worked during the PAGA Period. Defendant shall have a continuing duty to notify Class Counsel and the Settlement Administrator promptly if it discovers that the Class Data omitted required information or contains errors, and to provide corrected or updated Class Data as soon as reasonably practicable. The Parties and their counsel shall expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing, incomplete, or erroneous Class Data. Within three (3) business days after receiving the Class Data, the Settlement Administrator shall notify Class Counsel and Defendant's Counsel that the Class Data has been received and shall state the total number of Settlement Class Members, the total number of PAGA Allegedly Aggrieved Employees, and the total number of Workweeks and Pay Periods reflected in the Class Data.
- 3.3. **Notice to Settlement Class Members.** Using best efforts to perform as soon as possible, and in no event later than fourteen (14) calendar days after receiving the Class Data from Defendant, the Settlement Administrator shall mail the Class Notice Packet to all Settlement Class Members identified in the Class Data. Prior to mailing the Class Notice Packet, the Settlement Administrator shall run a search on the National Change of Address ("NCOA") database maintained by the United States Postal Service for each Settlement Class Member to attempt to obtain the best possible current address. The Class Notice Packet shall be sent via first-class United States mail, postage prepaid. The Class Notice Packet shall include: (a) the Class Notice substantially in the form attached as Exhibit A to this Agreement, completed to reflect the Court's Preliminary Approval Order and showing each Settlement Class Member's estimated Individual Settlement Payment based on the Settlement Class Member's Workweeks worked; (b) a form for submitting a Request for Exclusion; and (c) instructions for submitting objections and disputes.

- 3.4. **Undeliverable Class Notice Packets and Re-Mailing Procedures.** If a Class Notice Packet sent via first-class mail is returned to the Settlement Administrator as undeliverable with a forwarding address provided by the United States Postal Service, the Settlement Administrator shall promptly re-mail the Class Notice Packet to that forwarding address within seven (7) calendar days of receiving the returned mail. If a Class Notice Packet is returned as undeliverable without a forwarding address, the Settlement Administrator shall promptly perform at least one skip trace search (using Transunion, Nexis, Accurant, or a substantially similar service) to attempt to locate an updated address for the Settlement Class Member. If an updated address is located through the skip trace search, the Settlement Administrator shall re-mail the Class Notice Packet to the updated address within seven (7) calendar days of completing the skip trace. The Settlement Administrator shall include with any re-mailing to a forwarded or updated address a brief cover letter stating that the recipient has until the later of: (i) the original Notice Response Deadline set forth in the Class Notice; or (ii) fifteen (15) calendar days after the re-mailing of the Class Notice Packet, to submit a Request for Exclusion, objection, or dispute. The Settlement Administrator need not take further steps to deliver Class Notice Packets to Settlement Class Members whose re-mailed packets are returned as undeliverable a second time.
- 3.5. **Notice Response Deadline.** The Notice Response Deadline shall be forty-five (45) calendar days after the initial mailing of the Class Notice Packet. The Notice Response Deadline shall be prominently stated in the Class Notice. All Requests for Exclusion, objections, and disputes must be postmarked or received by the Settlement Administrator on or before the Notice Response Deadline to be considered timely, except as otherwise provided in Section 3.4 above for Settlement Class Members whose Class Notice Packets were re-mailed.
- 3.6. **Requests for Exclusion (Opt-Out Procedures).** The Class Notice shall provide that any Settlement Class Member who wishes to exclude himself or herself from the Settlement must submit a written Request for Exclusion postmarked or received by the Settlement Administrator on or before the Notice Response Deadline. To be valid, a Request for Exclusion must: (a) contain the case name; (b) contain the Settlement Class Member's full name, address, and telephone number; (c) contain a clear statement that the Settlement Class Member wishes to be excluded from the Settlement; and (d) be personally signed by the Settlement Class Member. Pre-printed or form Requests for Exclusion that appear to be the product of a mass mailing shall not be honored unless accompanied by a separate signed statement from the Settlement Class Member confirming his or her intent to opt out. Requests for Exclusion submitted by anyone other than the Settlement Class Member, including by an attorney or representative, shall not be valid unless accompanied by a signed authorization from the Settlement Class Member. The Settlement Administrator shall provide to Class Counsel and Defendant's Counsel copies of all Requests for Exclusion received, whether timely or untimely, valid or invalid, within three (3) business days of receipt. Within seven (7) calendar days after the Notice Response Deadline, the Settlement Administrator shall provide to Class Counsel and Defendant's Counsel a final report identifying all Settlement Class Members who submitted valid and timely Requests for Exclusion. Any Settlement Class Member who properly and timely requests exclusion using these

procedures will not receive any Individual Settlement Payment from the Settlement, will not be bound by the Class Released Claims or other terms of this Agreement applicable to Participating Settlement Class Members, and will have no right to object to or appeal from the Settlement. However, Settlement Class Members who opt out shall still be Allegedly Aggrieved Employees bound by the PAGA Released Claims if they worked during the PAGA Period, because PAGA representative claims cannot be opted out of under California law. Such Non-Participating Settlement Class Members who are also Allegedly Aggrieved Employees shall still receive their PAGA Payments.

- 3.7. **Objection Procedures.** Any Settlement Class Member who wishes to object to the Settlement must submit a written objection postmarked or received by the Settlement Administrator on or before the Notice Response Deadline. To be valid, an objection must: (a) contain the case name; (b) contain the Settlement Class Member's full name, address, and telephone number; (c) contain a written statement of all grounds for the objection, including any factual support for each stated ground; and (d) be personally signed by the Settlement Class Member. Any Settlement Class Member who fails to submit a timely written objection in accordance with these procedures shall be deemed to have waived any objections and shall be forever barred from making any such objections in the Action or any other proceeding or from challenging the Settlement, the Final Approval, or the Judgment. The Settlement Administrator shall provide to Class Counsel and Defendant's Counsel copies of all objections received, whether timely or untimely, valid or invalid, within three (3) business days of receipt. A Settlement Class Member who submits a valid and timely objection but does not opt out of the Settlement shall remain a Participating Settlement Class Member, shall be bound by the terms of this Agreement if the Court grants Final Approval, and shall be entitled to receive an Individual Settlement Payment. Settlement Class Members who object to the Settlement retain the right to appear at the Final Approval Hearing, in person or through counsel retained at their own expense, to present their objections to the Court.
- 3.8. **Disputes Regarding Individual Settlement Allocations.** The Class Notice shall inform each Settlement Class Member of the estimated Individual Settlement Payment he or she will receive based on Defendant's records of the number of Workweeks worked during the Settlement Class Period. Any Settlement Class Member who disagrees with the number of Workweeks credited to him or her, or who believes the estimated Individual Settlement Payment shown in the Class Notice is incorrect, may submit a written dispute to the Settlement Administrator postmarked or received on or before the Notice Response Deadline. The Parties shall meet and confer in good faith to determine whether adjustments to the Settlement Class Member's Workweeks and estimated Individual Settlement Payment are warranted based on the documentation and information provided. Any disputes not submitted in writing to the Settlement Administrator by the Notice Response Deadline shall be deemed waived.
- 3.9. **Settlement Administrator's Reports and Declaration of Due Diligence.** The Settlement Administrator shall provide weekly status reports to Class Counsel and Defendant's Counsel regarding the administration of the Settlement, including the number of Class Notice Packets mailed, the number of Class Notice Packets returned

as undeliverable, the number of re-mailings performed, the number of Requests for Exclusion received, the number of objections received, and the number of disputes received. At least seven (7) calendar days prior to the deadline for Plaintiffs to file their motion for Final Approval of the Settlement, the Settlement Administrator shall provide to Class Counsel and Defendant's Counsel a declaration of due diligence and proof of mailing regarding the mailing of the Class Notice Packet.

- 3.10. **Defendant's Funding Obligation.** Within twenty-one (21) calendar days after the Effective Date, Defendant shall transfer the full Gross Settlement Amount to the Settlement Administrator for deposit into the Qualified Settlement Fund. Defendant shall also separately pay to the Settlement Administrator all amounts necessary to pay Defendant's share of employer-side payroll taxes on the wage portion (20%) of all Individual Settlement Payments. The Settlement Administrator shall deposit the Gross Settlement Amount into one or more interest-bearing accounts at a federally insured financial institution. All interest earned on the Gross Settlement Amount while held in the Qualified Settlement Fund shall become part of the Gross Settlement Amount and shall be distributed as part of the Net Settlement Amount to Participating Settlement Class Members. The Settlement Administrator shall be responsible for all tax reporting and filings required for the Qualified Settlement Fund, including filing all necessary tax returns and issuing all required tax forms.
- 3.11. **Distribution of Settlement Payments.** Within fourteen (14) calendar days after Defendant fully funds the Gross Settlement Amount and the employer-side payroll taxes, the Settlement Administrator shall calculate the final Individual Settlement Payments, PAGA Payments, and all other payments due under the Settlement, and shall issue and mail all settlement checks.
- 3.12. **Void Date and Check Cashing Deadline.** All settlement checks issued to Participating Settlement Class Members and Allegedly Aggrieved Employees shall bear a prominent notation on the face of the check stating that the check will become void and non-negotiable if not cashed within one hundred eighty (180) calendar days from the date of mailing (the "Void Date"). The Void Date shall be clearly stated in the Class Notice and on each settlement check. Before mailing any settlement checks, the Settlement Administrator shall update all addresses using the National Change of Address database. If a settlement check is returned to the Settlement Administrator as undeliverable with a forwarding address provided by the United States Postal Service, the Settlement Administrator shall promptly re-mail the check to the forwarding address. If a settlement check is returned as undeliverable without a forwarding address, the Settlement Administrator shall promptly perform at least one skip trace search and re-mail the check to any updated address located. If a Participating Settlement Class Member or Allegedly Aggrieved Employee has not cashed his or her settlement check within one hundred twenty (120) calendar days of the initial mailing, the Settlement Administrator shall send the individual a reminder notice via first-class mail informing him or her that the check will become void and non-negotiable unless cashed by the Void Date. The reminder notice shall also inform the individual that if the check was lost, stolen, or misplaced, the Settlement Administrator will issue a replacement check upon request, provided the request is made in writing before the

Void Date. For any Settlement Class Member whose Individual Settlement Payment check or PAGA Payment check is uncashed and cancelled after the Void Date or remailing extension, the Administrator shall transmit the funds represented by such check(s) to the California Controller's Unclaimed Property Fund in the name of the Settlement Class Member thereby leaving no "unpaid residue" subject to the requirements of Code of Civil Procedure section 384, subd. (b).

- 3.13. **Continuing Obligations.** The Settlement Administrator's obligations under this Agreement shall continue until all settlement payments have been made, all tax reporting and filings have been completed, any second distribution or cy pres distribution has been made, a final accounting has been provided to the Parties and the Court, and the Settlement Administrator has been discharged by the Court. The Settlement Administrator shall retain all records related to the administration of the Settlement for a period of at least four (4) years following the completion of all distributions and shall make such records available for inspection by the Parties or the Court upon reasonable notice.

4. RELEASE OF CLAIMS

- 4.1. **Release by Participating Settlement Class Members.** Upon the Effective Date, all Participating Settlement Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, fully release and discharge the Released Parties from any and all claims, demands, rights, liabilities, and causes of action of every nature and description, whether known or unknown, that were alleged or could have been alleged based on the facts alleged in the Consolidated Complaint filed in this Action, arising during the Settlement Class Period (the "Class Released Claims"). The Class Released Claims include, but are not limited to, claims for: (a) failure to provide legally compliant meal periods; (b) failure to provide legally compliant rest periods; (c) failure to pay minimum wages, regular wages, and overtime wages; (d) failure to pay reporting time wages; (e) failure to timely pay all wages due upon separation of employment; (f) failure to reimburse necessary business expenses; (g) failure to furnish accurate itemized wage statements; (h) failure to maintain accurate payroll records; (i) all derivative penalties and waiting time penalties associated with any such violations; and (j) unfair competition under California Business and Professions Code section 17200 et seq. stemming from the alleged Labor Code violations. The Class Released Claims shall cover the entirety of the Settlement Class Period. The res judicata effect of the Judgment will be the same as that of the Class Released Claims.

- 4.2. **Release of PAGA Claims.** Upon the Effective Date, all Allegedly Allegedly Aggrieved Employees and the LWDA, on behalf of themselves, the State of California, and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, fully release and discharge the Released Parties from all claims for civil penalties under the California Private Attorneys General Act, California Labor Code sections 2698 et seq., that were alleged or reasonably could have been alleged based on the facts alleged in the Consolidated Complaint, arising during the PAGA Period (the "PAGA Released Claims"). The PAGA Released Claims shall

cover the entirety of the PAGA Period. The res judicata effect of the Judgment will be the same as that of the PAGA Released Claims. The Parties expressly recognize that the LWDA, by failing to participate in the Action after receiving proper notice pursuant to Labor Code section 2699.3, has agreed to permit Plaintiffs to prosecute the Action and that the LWDA is therefore bound by the terms of this Settlement and releases the PAGA Released Claims against the Released Parties. Allegedly Allegedly Aggrieved Employees who submit timely and valid Requests for Exclusion from the Settlement Class shall nonetheless remain bound by this PAGA release, as PAGA representative claims cannot be opted out of under California law.

4.3. **Named Plaintiffs' Enhanced Release.** In consideration for the Class Representative Service Awards provided to them under this Agreement, the Named Plaintiffs Lisa Napper, Queensly Asemota, Liliana Sanchez, and Brittani Guillory, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, generally release and discharge the Released Parties from all claims, transactions, occurrences, acts, omissions, or any other matters whatsoever between them that occurred or arose at any time from the beginning of time through the date the Named Plaintiffs execute this Agreement (the "Named Plaintiffs' Released Claims"). The Named Plaintiffs' Released Claims include, but are not limited to, all Class Released Claims and PAGA Released Claims as well as any and all other claims of any nature whatsoever that the Named Plaintiffs had, have, or may have against the Released Parties, whether known or unknown, suspected or unsuspected. The Named Plaintiffs' Enhanced Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment insurance benefits, disability benefits, social security benefits, or workers' compensation benefits.

4.3.1. **Waiver of Civil Code Section 1542.** As partial consideration for the Class Representative Service Awards, the Named Plaintiffs expressly waive and relinquish all rights and benefits they may have under section 1542 of the California Civil Code with respect to the Named Plaintiffs' Released Claims. Section 1542 of the California Civil Code provides:

"A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."

The Named Plaintiffs acknowledge that they may discover facts or law different from, or in addition to, the facts or law that they now know or believe to be true with respect to the subject matter of the Named Plaintiffs' Released Claims, but agree, nonetheless, that the Named Plaintiffs' Enhanced Release shall be and remain effective in all respects notwithstanding such different or additional facts or the discovery of them. The Named Plaintiffs expressly acknowledge that they have read, understand, and voluntarily waive the provisions, rights, and benefits of California Civil Code section 1542.

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5. PRELIMINARY APPROVAL PROCESS

- 5.1. **Motion for Preliminary Approval.** As soon as practicable after execution of this Agreement, Class Counsel shall file with the Court a motion for preliminary approval of the Settlement (“Motion for Preliminary Approval”).
- 5.2. **Stipulation to Consolidated Complaint.** For settlement purposes only, and to facilitate the efficient resolution of all claims before a single Court, the Parties agree to stipulate to the filing of a Consolidated Complaint in the JCCP 5219 Action that incorporates all Plaintiffs and all claims alleged in each of the coordinated actions. If the Settlement is not granted final approval by the Court, or if the Judgment does not become a Final Judgment for any reason, the stipulation to file the Consolidated Complaint shall be deemed null and void, and the Parties shall return to their respective positions in the separate coordinated actions as they existed immediately before the execution of this Agreement, with all claims, defenses, procedural rights, and statutes of limitations preserved as if this Agreement had never been executed.
- 5.3. **Preliminary Certification of Settlement Class for Settlement Purposes Only.** The Parties stipulate, for purposes of settlement only, to the certification of the Settlement Class as defined in this Agreement. If the Settlement is not granted final approval by the Court, or if the Judgment does not become a Final Judgment for any reason, the stipulation to certify the Settlement Class shall be deemed null and void.
- 5.4. **Stay of Proceedings.** The Parties agree to request that the Court stay all proceedings in the coordinated actions and in the Sanchez arbitration during the pendency of the settlement approval process. Upon entry of the preliminary approval order, all pending hearings in the coordinated actions shall be vacated, all case-related deadlines shall be tolled, and no further proceedings shall take place except as necessary to effectuate the Settlement or as otherwise ordered by the Court. The stay of proceedings shall include, without limitation, a stay of the deadline to bring the Action to trial under California Code of Civil Procedure section 583.310 and any other applicable statute of limitations or time-to-trial requirement. If the Settlement is not granted final approval by the Court, or if the Judgment does not become a Final Judgment for any reason, the stay shall be lifted and the Parties shall return to their respective positions in the coordinated actions as they existed immediately before execution of this Agreement, with all deadlines recommencing and all procedural rights preserved.
- 5.5. **Cooperation of the Parties.** The Parties agree to cooperate fully with each other and to use their best efforts to obtain preliminary approval of the Settlement and to effectuate the terms of this Agreement. If the Court does not grant preliminary approval or conditions preliminary approval on any material change to this Agreement, the Parties shall meet and confer in good faith to determine whether they can accept the Court’s proposed conditions or modifications, or whether they can propose revised terms that would address the Court’s concerns while remaining consistent with the fundamental structure of the Settlement as set forth in this Agreement.

6. FINAL APPROVAL AND EFFECTIVE DATE

- 6.1. **Motion for Final Approval.** At least sixteen (16) court days before the Final Approval Hearing, or such other time as ordered by the Court, Class Counsel shall file with the

Court a motion for final approval of the Settlement.

- 6.2. **Objections and Right to Appear.** Any Settlement Class Member who has not submitted a timely and valid Request for Exclusion may object to the Settlement or appear at the Final Approval Hearing in accordance with the procedures set forth in Section 3.7 of this Agreement and the Class Notice. Settlement Class Members who submit timely written objections may appear at the Final Approval Hearing, in person or through counsel retained at their own expense, to present their objections to the Court. The Court retains discretion to limit or deny appearances that are duplicative or unnecessary.

7. MISCELLANEOUS PROVISIONS

- 7.1. **Class Size Modification and Escalator Clause.** Prior to and during mediation, Defendant represented that (1) there are 1,807 Settlement Class Members from March 9, 2017 through December 5, 2025 who collectively worked 78,662 pay periods; and (b) there are 1,193 Allegedly Aggrieved Employees from January 1, 2020 through December 5, 2025 who worked 43,059 pay periods. Should the total number of pay periods that Settlement Class Members worked increase by more than 10%, the Gross Settlement Amount shall increase on a pro rata basis in accordance with the increase in the number of pay periods above 78,662. Alternatively, Defendant will have the option to end the Class Period on the date the number of pay periods reaches 86,527.
- 7.2. **Entire Agreement.** This Settlement Agreement, together with all exhibits attached hereto, constitutes the entire agreement among the Parties with respect to the Settlement and supersedes all prior and contemporaneous agreements, understandings, representations, negotiations, and statements, whether oral or written, between the Parties concerning the subject matter hereof, including but not limited to the Memorandum of Understanding. No representations, warranties, or inducements have been made to any Party concerning this Agreement or its subject matter other than the representations, warranties, and covenants expressly set forth herein.
- 7.3. **Amendment or Modification.** This Settlement Agreement may be amended or modified only by a written instrument signed by authorized representatives of all Parties and approved by the Court.
- 7.4. **Governing Law.** All terms and conditions of this Settlement Agreement and all exhibits hereto shall be governed by and interpreted according to the internal substantive laws of the State of California, without regard to California's choice of law or conflict of laws principles.
- 7.5. **Continuing Jurisdiction of the Court.** The Court shall retain continuing and exclusive jurisdiction over the Parties, Settlement Class, and Settlement for all purposes, including enforcement and dispute resolution.
- 7.6. **Execution in Counterparts.** This Settlement Agreement may be executed in one or more counterparts by facsimile, electronically (including via DocuSign, Adobe Sign,

or other electronic signature platforms), or by email transmission of PDF signature pages. Electronic signatures shall be treated as original signatures.

- 7.7. **Headings for Convenience Only.** The section and paragraph headings used in this Settlement Agreement are inserted for convenience of reference only and shall not be deemed to constitute part of this Agreement.
- 7.8. **Construction and Interpretation.** This Settlement Agreement shall not be construed more strictly against one Party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that all Parties have contributed substantially and materially to the preparation of this Agreement.
- 7.9. **Severability.** If any provision is determined invalid, it shall be modified to the minimum extent necessary to make it valid, or if modification is not possible, severed. Remaining provisions remain in full force unless the invalid provision is so material that deletion makes the Settlement unreasonable.
- 7.10. **Binding Effect.** This Settlement Agreement binds the Parties, Released Parties, and all Settlement Class Members who do not timely opt out, along with their respective heirs, successors, and assigns.
- 7.11. **Notices.** All notices shall be in writing and sent to:

Class Counsel:

Nathan J. Reese, Esq.
Samara A. Bahu, Esq.
ARCH Legal, P.C.
3555 Fifth Avenue, Suite 200
San Diego, CA 92103
nreese@archlegal.com
sbahu@archlegal.com

Kashif Haque, Esq.
Samuel A. Wong, Esq.
Joseph M. Szilagyi, Esq.
AEGIS Law Firm, PC
9811 Irvine Center Drive,
Suite 100
Irvine, CA 92618
khaque@aegislawfirm.com
jszilagyi@aegislawfirm.com

Joseph Lavi, Esq.
Vincent Granberry, Esq.
James Clark, Esq.
Lavi & Ebrahimian, LLP
8889 West Olympic
Boulevard, Suite 200
Beverly Hills, CA 90211
jlavi@lelawfirm.com
vgranberry@lelawfirm.com
jclark@lelawfirm.com

Defendant and Defense Counsel:

Tracie Childs, Esq.
Andrew J. Deddeh, Esq.
Ogletree, Deakins, Nash, Smoak & Stewart, P.C.
4660 La Jolla Village Drive, Suite 900
San Diego, CA 92122
tracie.childs@ogletree.com
andrew.deddeh@ogletree.com

- 7.12. **Cooperation in Implementation.** The Parties agree to cooperate fully and use best efforts to implement the Settlement and obtain Court approval. If disputes arise regarding implementation, the Parties shall negotiate in good faith, and the Honorable Eddie C. Sturgeon (Ret.) shall be available to mediate. The Parties may also seek the Court's assistance.
- 7.13. **Voiding of Settlement.** Defendant may void this Agreement if 5% or more of Settlement Class Members submit valid opt-outs, by providing written notice within 10 days after receiving the Settlement Administrator's final opt-out report. If the Settlement is voided for any reason, all Parties return to their prior positions as if this Agreement never existed, with all rights, claims, and defenses preserved. The Agreement and all settlement negotiations remain inadmissible and confidential.
- 7.14. **Confidentiality Prior to Court Filing.** The terms and fact of this Settlement shall remain confidential until the Motion for Preliminary Approval is filed, except for disclosures to counsel, accountants, insurers, and other professionals with a legitimate need to know, or as required by law.
- 7.15. **No Encouragement to Opt Out.** The Parties and counsel agree not to solicit or encourage Settlement Class Members to opt out or object, but may respond to inquiries and provide factual information.
- 7.16. **Limitation of Liability.** No person shall have any claim against Defendant, Released Parties, Plaintiffs, Class Counsel, or the Settlement Administrator based on distributions, calculations, or determinations made in accordance with this Agreement and Court orders. The Settlement Administrator's determinations are final and binding except for manifest mathematical error or clear deviation from this Agreement.

8. SIGNATURE BLOCKS

The undersigned, being duly authorized, hereby execute this Class Action and PAGA Settlement Agreement as of the dates set forth below.

PLAINTIFFS:

Dated: 5/13/2026

DocuSigned by:

 750BEBF1B4CD48A...
 Lisa Napper
 Named Plaintiff

Dated: _____
 Queensly Asemota
 Named Plaintiff

Dated: _____
 Liliana Sanchez
 Named Plaintiff

- 7.12. **Cooperation in Implementation.** The Parties agree to cooperate fully and use best efforts to implement the Settlement and obtain Court approval. If disputes arise regarding implementation, the Parties shall negotiate in good faith, and the Honorable Eddie C. Sturgeon (Ret.) shall be available to mediate. The Parties may also seek the Court's assistance.
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8. SIGNATURE BLOCKS

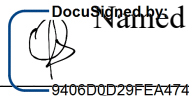
The undersigned, being duly authorized, hereby execute this Class Action and PAGA Settlement Agreement as of the dates set forth below.

PLAINTIFFS:

Dated: _____

Lisa Napper
Named Plaintiff

Dated: 5/13/2026 _____



Queensly Asemota
Named Plaintiff

Dated: _____

Liliana Sanchez
Named Plaintiff

- 7.12. **Cooperation in Implementation.** The Parties agree to cooperate fully and use best efforts to implement the Settlement and obtain Court approval. If disputes arise regarding implementation, the Parties shall negotiate in good faith, and the Honorable Eddie C. Sturgeon (Ret.) shall be available to mediate. The Parties may also seek the Court's assistance.
- 7.13. **Voiding of Settlement.** Defendant may void this Agreement if 5% or more of Settlement Class Members submit valid opt-outs, by providing written notice within 10 days after receiving the Settlement Administrator's final opt-out report. If the Settlement is voided for any reason, all Parties return to their prior positions as if this Agreement never existed, with all rights, claims, and defenses preserved. The Agreement and all settlement negotiations remain inadmissible and confidential.
- 7.14. **Confidentiality Prior to Court Filing.** The terms and fact of this Settlement shall remain confidential until the Motion for Preliminary Approval is filed, except for disclosures to counsel, accountants, insurers, and other professionals with a legitimate need to know, or as required by law.
- 7.15. **No Encouragement to Opt Out.** The Parties and counsel agree not to solicit or encourage Settlement Class Members to opt out or object, but may respond to inquiries and provide factual information.
- 7.16. **Limitation of Liability.** No person shall have any claim against Defendant, Released Parties, Plaintiffs, Class Counsel, or the Settlement Administrator based on distributions, calculations, or determinations made in accordance with this Agreement and Court orders. The Settlement Administrator's determinations are final and binding except for manifest mathematical error or clear deviation from this Agreement.


8. SIGNATURE BLOCKS

The undersigned, being duly authorized, hereby execute this Class Action and PAGA Settlement Agreement as of the dates set forth below.

PLAINTIFFS:

Dated: _____
Lisa Napper
Named Plaintiff

Dated: _____
Queensly Asemota
Named Plaintiff

Dated: 05/13/2026

Liliana Sanchez
Named Plaintiff

Dated: 05/13/2026 *Brittani Guillory*
Brittani Guillory
Named Plaintiff

DEFENDANT:

Dated: _____ ASSOCIATED HEALTH PROFESSIONALS, INC.
By: _____
Mary Anderson
President

BG

Dated: _____

Brittani Guillory
Named Plaintiff

DEFENDANT:

Dated: 5/13/26 ASSOCIATED HEALTH PROFESSIONALS, INC.

By: *Mary Anderson*
Mary Anderson
President

EXHIBIT A

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

Associated Health Wage and Hour Cases, JCCP No. 5219

The Superior Court of the State of California, County of San Diego, authorized this Notice. It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

Please read this notice carefully. Your legal rights are affected whether you act or not.

You may be eligible to receive money from a lawsuit by former employees alleging claims on a class-wide basis against Associated Health Professionals, Inc. (“Defendant” or “AHP”) for alleged wage and hour violations. Former employees of Defendant, Lisa Napper, Queensly Asemota, Liliana Sanchez, and Brittani Guillory (“Plaintiffs”), filed multiple actions, collectively referred to as the “Action,” seeking relief on behalf of all individuals who were employed by Defendant as non-exempt employees in the State of California at any time during the Settlement Class Period [March 8, 2017 through February 6, 2026] (the “Class”). Plaintiffs also seek penalties under the California Private Attorneys General Act (“PAGA”) for all individuals who were employed by Defendant as non-exempt employees in California at any time during the PAGA Period [January 2, 2020 through February 6, 2026] (the “Allegedly Aggrieved Employees”).

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

Based on Defendant’s records and the Parties’ current assumptions, your estimated payments under the Settlement are as follows: **Individual Settlement Payment \$ [REDACTED] (less withholding); PAGA Allegedly Aggrieved Employee Payment \$ [REDACTED]**. The actual amount you may receive likely will be different and will depend on a number of factors.

The above estimates are based on Defendant’s records showing that **you worked [REDACTED] Workweeks** during the Settlement Class Period and **[REDACTED] Pay Periods** during the PAGA Period. If you believe that you worked more Workweeks or Pay Periods, you can submit a challenge by the deadline date. See **Section 4** of this Notice.

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

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

- (1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Settlement Payment and/or PAGA Payment. As a Participating Settlement Class Member, though, you will give up your right to assert Settlement Class Period wage claims and PAGA Period penalty claims against Defendant.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting a written and signed Request for Exclusion or otherwise notify the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Settlement Payment. You will, however, preserve your right to personally pursue wage claims against Defendant, and, if you are an Allegedly Aggrieved Employee, remain eligible for a PAGA Payment. You cannot opt-out of the PAGA portions of the proposed Settlement.

Defendant will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

<p>You Don't Have to Do Anything to Participate in the Settlement</p>	<p>If you do nothing, you will be a Participating Settlement Class Member, eligible for an Individual Settlement Payment and a PAGA Payment (if any). In exchange, you will give up your right to assert the released wage claims against Defendant that are covered by this Settlement (Released Claims).</p>
<p>You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is</p>	<p>If you do not want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Settlement Payment. See Section 6 of this Notice. <u>Non-Participating Class Members cannot object to any portion of the proposed Settlement or file an Appeal. See Section 7 of this Notice.</u></p> <p>You cannot opt-out of the PAGA portion of the proposed Settlement. Defendant must pay PAGA Payments to all Allegedly Aggrieved Employees and the Allegedly Aggrieved Employees must give up their rights to pursue Released Claims (defined below).</p>
<p>Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement</p>	<p>All Settlement Class Members who do not opt-out ("Participating Settlement Class Members") can object to any aspect of the proposed Settlement. See Section 7 of this Notice.</p>

Written Objections Must be Submitted by [REDACTED]	
You Can Participate in the Final Approval Hearing	The Court’s Final Approval Hearing is scheduled to take place on [REDACTED]. You do not have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person or by using the Court’s virtual appearance platform. Participating Settlement Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Class Shifts/PAGA Shifts Written Challenges Must be Submitted by [REDACTED]	The amount of your Individual Settlement Payment and PAGA Payment depends on how many Workweeks and Pay Periods you worked. The number of Workweeks and Pay Periods you worked, according to Defendant’s records, is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by [REDACTED]. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiffs are former employees of Defendant. The Action alleges that Defendant violated California labor laws by failing to provide meal and rest breaks or pay premium wages in lieu thereof; failing to pay earned wages for all hours worked, including minimum wages or overtime wages; failing to pay reporting time pay; failing to pay wages timely during employment and upon termination; failing to reimburse employees for required expenses; failing to furnish accurate wage statements; failing to maintain accurate records; and engaging in unfair business practices related to or arising out of the foregoing. Based on the same claims, Plaintiffs have also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) (“PAGA”). Plaintiffs are represented by attorneys in the Action: ARCH Legal, P.C., AEGIS Law Firm, PC, and Lavi & Ebrahimian, LLP (“Class Counsel”).

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

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

So far, the Court has made no determination whether Defendant or Plaintiffs are correct on the merits. In the meantime, Plaintiffs and Defendant hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an end to the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiffs and Defendant have negotiated a proposed Settlement that is subject to the Court’s Final Approval.

Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims.

Plaintiffs and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendant has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Settlement Class Members and Allegedly Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

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

1. Defendant will pay One Million Two Hundred Fifty Thousand Dollars (\$1,250,000) as the Gross Settlement Amount. Defendant has agreed to deposit the Gross Settlement Amount into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement Amount to pay the Individual Settlement Payments, PAGA Payments, Class Representative Service Payments, Class Counsel's attorneys' fees and expenses, the Administrator's expenses, and penalties to be paid to the LWDA. Defendant will fund the Gross Settlement Amount no later than twenty-one (21) calendar days after the Effective Date (the date the Judgment is final). The Judgment will be final on the date the Court enters Judgment, or a later date if a Participating Settlement Class Member timely objects to the proposed Settlement and appeals the Judgment.
2. Court Approved Deductions from Gross Settlement Amount. At the Final Approval Hearing, Plaintiffs and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement Amount, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$500,000 (40%) of the Gross Settlement Amount to Class Counsel for attorneys' fees and up to \$132,000 for their litigation expenses. To date, Class Counsel has worked and incurred expenses on the Action without payment.
 - B. Up to \$10,000 as a Class Representative Service Payment to each Plaintiff (\$40,000 total) for filing and participating in the Action, working with Class Counsel and representing the Class. A Class Representative Service Payment will be the only monies Plaintiffs will receive other than Plaintiffs' Individual Settlement Payments and PAGA Payments.
 - C. Up to \$15,450 to the Administrator for services administering the Settlement.
 - D. Up to \$75,000 for PAGA Penalties, with 75% (\$56,250) allocated to the LWDA PAGA Payment and 25% (\$18,750) allocated to the PAGA Payments.

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

3. Net Settlement Amount Distributed to Settlement Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement Amount (the “Net Settlement Amount”) by making Individual Settlement Payments to Participating Settlement Class Members based on the total number of Workweeks worked during the Class Period.
4. Taxes Owed on Payments to Settlement Class Members. Plaintiffs and Defendant are asking the Court to approve an allocation of 20% of each Participating Settlement Class Member’s Individual Settlement Payment to taxable wages (the “Wage Portion”) and 40% to penalties and 40% to interest (the “Non-Wage Portion”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. (Defendant will separately pay employer payroll taxes it owes on the Wage Portion.) The PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the PAGA Payments and the Non-Wage Portions of the Individual Settlement Payments on IRS 1099 Forms.

Although Plaintiffs and Defendant have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Settlement Payments and PAGA Payments will show the date when the check expires (the void date). **If you do not cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller’s Unclaimed Property Fund in your name.** If the monies represented by your check are sent to the Controller’s Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.
6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Settlement Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [REDACTED], that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the [REDACTED] Response Deadline. The Request for Exclusion should be a letter from you or your representative setting forth (a) the case name; (b) your full name, address, and telephone number; (c) a clear statement that explains your wishes to be excluded from the settlement; and (d) be personally signed by you. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Settlement Payments but will preserve their rights to personally pursue wage and hour claims against Defendant.

You cannot opt out of the PAGA portion of the Settlement. Settlement Class Members who exclude themselves from the Class Settlement (Non-Participating Class

Members) remain eligible for PAGA Payments and are required to give up their right to assert PAGA claims against Defendant based on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and Defendant have agreed that, in either case, the Settlement will be void: Defendant will not pay any money and Settlement Class Members will not release any claims against Defendant.
8. Administrator. The Court has appointed a neutral company, Apex Class Action, LLC (the “Administrator”) to send this Notice, calculate and make payments, and process Settlement Class Members’ Requests for Exclusion. The Administrator will also decide Settlement Class Member Challenges over Workweeks and Pay Periods, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in **Section 9** of this Notice.
9. Released Parties. Unless the Settlement Class Member timely opts out of the Settlement, Settlement Class Member will release Defendant and its past, present, and future parents, subsidiaries, affiliates, predecessors, successors, assigns, officers, directors, shareholders, members, managers, employees, agents, representatives, insurers, and attorneys from the Released Class Claims.
10. Participating Settlement Class Members’ Release. After the Judgment is final and Defendant has fully funded the Gross Settlement Amount (and separately paid all employer payroll taxes), Participating Settlement Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

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

All Participating Settlement Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims, demands, rights, liabilities, and causes of action of every nature and description, whether known or unknown, that were alleged or could have been alleged based on the facts alleged in the Action against the Released Parties arising during the Settlement Class Period, including but not limited to claims for: failure to provide compliant meal periods; failure to provide compliant rest periods; failure to pay minimum wages, regular wages, and overtime wages; failure to pay reporting time wages; failure to timely pay all wages due upon

separation of employment; failure to reimburse necessary business expenses; failure to furnish accurate itemized wage statements; failure to maintain accurate payroll records; derivative penalties and waiting time penalties; and unfair competition under California Business and Professions Code section 17200 et seq. Except for Plaintiffs (as set forth in the Settlement Agreement), Participating Settlement Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, and/or claims based on facts occurring outside the Settlement Class Period.

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

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

All Participating and Non-Participating Settlement Class Members who are Allegedly Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, and the State of California, the Released Parties, from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in this Action, that occurred during the PAGA Period.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Settlement Payments. The Administrator will calculate Individual Settlement Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Settlement Class Members during the Settlement Class Period, and (b) multiplying the result by each Participating Settlement Class Member's Workweeks worked during the Settlement Class Period.
2. PAGA Payments. The Administrator will calculate PAGA Payments by (a) dividing \$18,750 by the total number of Pay Periods worked by all Allegedly Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Allegedly Aggrieved Employee's Pay Periods worked during the PAGA Period.
3. Challenges to Workweeks and/or PAGA Pay Periods. The number of Workweeks and Pay Periods you worked, as recorded in Defendant's records, are stated in the first

page of this Notice. You have until [REDACTED] to challenge the number of Workweeks and Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. **Section 9** of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendant's calculation of Workweeks and/or Pay Periods based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Settlement Class Members) and Defendant's Counsel. The Administrator's decision is final. You cannot appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

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

YOUR CHECK(S) WILL BE SENT TO THE SAME ADDRESS AS THIS NOTICE. IF YOU CHANGE YOUR ADDRESS, BE SURE TO NOTIFY THE ADMINISTRATOR AS SOON AS POSSIBLE. SECTION 9 OF THIS NOTICE HAS THE ADMINISTRATOR'S CONTACT INFORMATION.

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

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Associated Health Wage and Hour Cases*, JCCP No. 5219, and include your identifying information (full name and address). You must make the request yourself or through an authorized representative. If someone else makes the request for you, it will not be valid. The Administrator must be sent your request to be excluded by [REDACTED], or it will be invalid. **Section 9** of the Notice has the Administrator's contact information.

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7. HOW DO I OBJECT TO THE SETTLEMENT?

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

A Participating Settlement Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Payment may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiffs are too high or too low. The deadline for sending written objections to the Administrator is [REDACTED]. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action, *Associated Health Wage and Hour Cases*, JCCP No. 5219, and include your name, current address, telephone number, and sign the objection. **Section 9** of this Notice has the Administrator's contact information.

Alternatively, a Participating Settlement Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. See **Section 8** of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but do not have to, attend the Final Approval Hearing on [REDACTED] at [REDACTED] in Department C-74 of the San Diego Superior Court, Hall of Justice, located at 330 W. Broadway, San Diego, CA 92101. At the Final Approval Hearing, the Judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement Amount will be paid to Class Counsel, Plaintiffs, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision.

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

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant and Plaintiffs have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to the Administrator's website at [REDACTED]. You can also telephone or send an email to Class Counsel or the Administrator using the contact

information listed below or consult the Superior Court website and entering the case number for the Action, JCCP No. 5219.

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

Class Counsel:

Name of Attorney: Samara A. Bahu
Email Address: sbahu@grahamhollis.com
Name of Firm: ARCH Legal, P.C.
Mailing Address: 3555 Fifth Ave., Ste. 200
San Diego, CA 92103
Telephone: (619) 906-4012

Name of Attorney: Joseph M. Szilagyi
Email Address: jszilagyi@aegislawfirm.com
Name of Firm: AEGIS Law Firm, PC
Mailing Address: 9811 Irvine Center Drive, Suite 100
Irvine, CA 92618
Telephone: (949) 379-6250

Name of Attorney: James Clark
Email Address: jclark@lelawfirm.com
Name of Firm: Lavi & Ebrahimian, LLP
Mailing Address: 8889 W. Olympic Boulevard, Suite 200
Beverly Hills, CA 90211
Telephone: (310) 432-0000

Settlement Administrator:

Name of Company: Apex Class Action, LLC
Email Address: Sean@apexclassaction.com
Mailing Address: [INSERT]
[INSERT]
Telephone: (949) 878-3676
Fax Number: [INSERT]

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original

