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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SANTA CLARA

TRACY LOVELESS, individually, and on behalf of other members of the general public similarly situated, *Plaintiff,* v. ESSENTIAL BEHAVIORAL SUPPORT, INC., a California corporation; and DOES 1 through 10, inclusive, *Defendants.*	Case No.: 24CV447769 *[Assigned for all purposes to the Hon. Theodore C. Zayner, Dept. 19]* **CLASS ACTION AND PAGA SETTLEMENT AGREEMENT** Complaint filed: September 20, 2024 FAC filed: December 6, 2024

This Class Action and PAGA Settlement Agreement ("Agreement") is made by and between Plaintiff Tracy Loveless ("Plaintiff") and Defendant Essential Behavioral Support, Inc. ("Defendant"). The Agreement refers to Plaintiff and Defendant collectively as "Parties," or individually as "Party."

1. **<u>DEFINITIONS.</u>**

1.1 "Action" means the civil action initially filed by Plaintiff alleging class action wage and hour violations against Defendant, captioned *Tracy Loveless v. Essential Behavioral Support, Inc.,* Santa Clara County Superior Court, Case No. 24CV447769, filed on September 20, 2024 ("Class Action"). "Action" further includes Plaintiff's representative claims under the California Private Attorneys General Act of 2004 ("PAGA"), which were added by way of Plaintiff's First Amended Complaint filed on December 6, 2024 (the "PAGA Claims"). The Class Action and the PAGA Claims are collectively referred to herein as the "Action."

1.2 "Administrator" means Apex Class Action LLC, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3 "Administration Costs" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with Preliminary Approval of the Settlement.

1.4 "Aggrieved Employee" means all current and former hourly, non-exempt employees employed by Defendant in the State of California during the PAGA Period.

1.5 "Class" means all current and former hourly, non-exempt employees employed by Defendant, in the State of California during the Class Period.

1.6 "Alternative End Date" means any date after July 8, 2025, at which point Defendant, at its sole discretion, may choose to end the Settlement Period in lieu of triggering the escalator clause as set forth in Section 7 below.

1.7 "Class Counsel" means Tyler Woods, James Yoo, Heriberto Ponce, and Ruby Carrera of Wilshire Law Firm, PLC.

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1.8 "Class Counsel Fees Payment" means an award of attorneys' fees granted to Class Counsel and paid from the Gross Settlement Amount. The Parties have agreed Plaintiff will request approval from the Court of up to one-third (1/3) of the GSA (currently $170,833.33). The Parties further expressly agree that the Class Counsel Fees Payment shall be construed to include any and all attorneys' fees associated with any other law firms and attorneys with whom Class Counsel has cooperated or otherwise associated with (formally or informally) in connection with the claims made in the Action (e.g., Mills Sadat Dowlat, LLP). Defendant shall be relieved of any financial obligations to any such attorneys or law firms.

1.9 "Class Counsel Litigation Expenses Payment" means the amount allocated to Class Counsel for reimbursement of reasonable expenses and costs incurred to prosecute the Action, not to exceed $25,000.00, and paid from the Gross Settlement Amount. The Parties further expressly agree that the Class Counsel Litigation Expenses Payment shall be construed to include any and all expenses and costs associated with any other law firms and attorneys with whom Class Counsel has cooperated or otherwise associated with (formally or informally) in connection with the claims made in the Action (e.g., Mills Sadat Dowlat, LLP). Defendant shall be relieved of any financial obligations to any such attorneys or law firms.

1.10 "Class Data" means Class Member identifying information in Defendant's possession including the Class Member's name, last-known mailing address, Social Security number, and number of Workweeks and PAGA Pay Periods.

1.11 "Class Member" or "Settlement Class Member" means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

1.12 "Class Member Address Search" means the Administrator's investigation and search for current Class Member mailing addresses using all reasonably available sources, methods, and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

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1.13 "Class Notice" means the Court approved Notice of Class Action Settlement and Hearing Date for Final Court Approval, to be mailed to Class Members in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.14 "Class Period" or "Class Settlement Period" means the period from September 20, 2020 through the day the Court grants preliminary approval of the Settlement or the Alternative End Date set forth in Section 7 below ("Settlement Class Period").

1.15 "Class Representative" means Tracy Loveless, the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.

1.16 "Class Representative Service Payment(s)" or "Enhancement Award(s)" means the payment to the Class Representative for initiating the Action and providing services in support of the Action.

1.17 "Court" means the Superior Court of California, County of Santa Clara.

1.18 "Defendant" means named Defendant Essential Behavioral Support, Inc.

1.19 "Defense Counsel" means Jonathan Riddell and Caroline M. Colangelo of Delfino, Madden O'Malley Coyle & Koewler LLP.

1.20 "Effective Date" means the date by which both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or (c) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.21 "Final Approval" means the Court's order granting final approval of the Settlement.

1.22 "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval of the Settlement.

1.23 "Final Judgment" means the Judgment entered by the Court upon granting Final Approval of the Settlement.

1.24 "Gross Settlement Amount" or "GSA" means $512,500.00, which is the total amount Defendant agrees to pay under the Settlement, except as provided in Paragraph 7 below. Except for employer-side taxes, the Gross Settlement Amount will be used to pay all amounts contemplated in this Agreement, including the Net Settlement Amount, Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the Administrator's Expenses. For avoidance of doubt, Defendant shall have no other financial obligations apart from payment of the GSA.

1.25 "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

1.26 "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 35% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.

1.27 "Judgment" means the judgment entered by the Court based upon the Final Approval.

1.28 "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.29 "LWDA PAGA Payment" means the 65% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.30 "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Costs Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

1.31 "Non-Participating Class Member" means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

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1.32 "Operative Complaint" means the First Amended Complaint filed in the Action on December 6, 2024, which amended the initial class action complaint filed on September 20, 2024, and which asserts Plaintiff's class action claims and representative claims under the California Private Attorneys General Act of 2004 ("PAGA").

1.33 "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

1.34 "PAGA Period" means the period from September 20, 2023 through the day the Court grants preliminary approval of the Settlement or the Alternative End Date set forth in Section 7 below.

1.35 "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

1.36 "PAGA Notice" means Plaintiff's September 20, 2024 letter (LWDA-CM-1051782-24) to the LWDA and Defendant providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.37 "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount ($25,625.00), allocated 35% to the Aggrieved Employees ($8,968.75) and 65% to LWDA ($16,656.25) in settlement of PAGA claims.

1.38 "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.39 "Plaintiff" means Tracy Loveless, the named plaintiff in the Action.

1.40 "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.

1.41 "Released Class Claims" means the claims being released as described in Paragraph 5.2 below.

1.42 "Released PAGA Claims" means the claims being released as described in Paragraph 5.3 below.

1.43 "Released Parties" means Defendant Essential Behavioral Support, Inc. and each of its past and present agents, officers, directors, employees, attorneys, partners, agents,

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consultants, parent companies, joint venturers, payroll processors, subsidiaries, joint employers, affiliates, insurers, investors, shareholders and assigns.

1.44 "Released Claims" means the Plaintiff's Release, Released Class Claims, and Released PAGA Claims as defined in Section 4 below.

1.45 "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class Settlement signed by the Class Member.

1.46 "Response Deadline" means forty-five (45) days after the Administrator mails Notice to Class Members and Aggrieved Employees and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice packets are resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the Response Deadline has expired.

1.47 "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

1.48 "Workweek" means any week during which a Class Member worked for Defendant for at least one day, during the Class Period.

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2. **<u>RECITALS.</u>**

2.1 On September 20, 2024, Plaintiff filed the Class Action by filing a Complaint alleging causes of action against Defendant for various California Labor Code violations including claims that Defendant (1) failed to pay minimum and straight time wages; (2) failed to pay overtime wages; (3) failed to provide meal periods; (4) failed to authorize and permit rest periods; (5) failed to timely pay final wages at termination; (6) failed to provide accurate itemized wage statements; (7) failed to indemnify employees for business expenditures; (8) failed to produce requested employment records; and (9) violated California's Unfair Competition Law, California Business and Professions Code section 17200, *et seq*. On September 20, 2024, pursuant to Labor Code §2699.3, subd.(a), Plaintiff gave notice to the LWDA and Defendant that Plaintiff intended to proceed with a representative action under PAGA (LWDA-CM-1051782-24). On December 6, 2024, after the 65-day statutory period passed, Plaintiff filed a first amended complaint adding a representative cause of action for Violation of PAGA (Cal. Labor Code § 2699, *et seq.*). The First Amended Complaint is the Operative Complaint.

2.2 Defendant denies the allegations in the Operative Complaint as alleged in the Action, denies any failure to comply with the laws identified in the Action, and denies any and all liability for the causes of action alleged in the Action.

2.3 On July 8, 2025 the Parties participated in an all-day mediation presided over by mediator Jason Marsili. The Parties did not settle at the mediation. With the subsequent help of Mr. Marsili, the Parties were able to reach an agreement on general settlement terms and executed a Memorandum of Understanding thereafter.

2.4 In advance of mediation, Class Counsel conducted a thorough investigation into the facts of, and applicable law to, the Action. Prior to mediation, Plaintiff obtained and analyzed a representative randomized and reasonable sampling of time and payroll data for Class Members and the necessary policy documents through informal discovery to properly evaluate the strengths and weakness of the claims and engage in meaningful settlement discussions. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.*, 48 Cal.App.4th 1794, 1801 (1996) and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 129-130 (2008) ("*Dunk/Kullar*").

2.5 The Court has not granted class certification because the Parties engaged in mediation before any class certification. For purposes of this Settlement only, the Parties stipulate to certification of a Settlement Class. If for any reason this Settlement Agreement is not approved or is terminated, in whole or in part, this conditional agreement to class certification will be inadmissible and will have no effect in this matter or in any claims brought on the same or similar allegations, and the parties shall revert to the respective positions they held prior to entering into the Settlement Agreement.

2.6 The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

MONETARY TERMS.

2.7 Gross Settlement Amount. Except as otherwise provided by Paragraph 7 below, Defendant will pay $512,500.00 to fully settle, resolve, and extinguish all claims that were or reasonably could have been brought based on the factual allegations asserted in the Action, including without limitation all facts and claims asserted in the PAGA Notice. The Gross Settlement Amount is non-reversionary and does not include employer payroll taxes owed on the wage portions of the Individual Class Payments, which Defendant will pay separately. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment.

2.8 Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

2.8.1 To Plaintiff: A payment for the Class Representative Service Payment to Plaintiff of not more than ten thousand dollars ($10,000.00) (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendant will not oppose Plaintiff's request for an Class Representative Service Payment that does not exceed this amount. As part of the motion for the Class Counsel Fees and Litigation Expenses Payments, Plaintiff will seek Court approval for any Class Representative Service Payments no later than sixteen (16) court days prior to the Final Approval Hearing, or as otherwise ordered by the Court. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount to be distributed to Participating Class Members. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

2.8.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third (1/3) of the GSA, which is currently estimated to be $170,833.33 and a Class Counsel Litigation Expenses Payment, which is currently estimated to be $25,000.00, for actual litigation costs

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incurred. Defendant will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees and Litigation Expenses Payment no later than sixteen (16) court days prior to the Final Approval Hearing, or as otherwise ordered by the Court. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount for distribution to Participating Class Members. Released Parties shall have no liability to Class Counsel or any other Plaintiff's counsel arising from any claim to any portion of Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

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2.8.3 To the Administrator: An Administrator Costs Payment for actual costs, not to exceed $10,000.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Costs are less or the Court approves payment of less than requested, the Administrator will retain the remainder in the Net Settlement Amount to be distributed to Participating Class Members.

2.8.4 To Each Participating Class Member: An Individual Class Payment is calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period, and (b) multiplying the result by each individual Participating Class Member's Workweeks.

2.8.4.1 Tax Allocation of Individual Class Payments. Forty Percent (40%) of each Participating Class Member's Individual Class Payment will be allocated to the Settlement of wage claims (the "Wage Portion"). The Wage Portion is subject to tax withholding and will be reported on an IRS W-2 Form. The remaining 60% of each Participating Class Member's Individual Class Payment will be allocated to the settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

2.8.4.2 Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro-rata basis.

2.8.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of $25,625.00 (5% of GSA) to be paid from the Gross Settlement Amount, with 65% ($16,656.25) allocated to the LWDA PAGA Payment and 35% ($8,968.75) allocated to the Individual PAGA Payments.

2.8.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 35% share of PAGA Penalties ($8,969.75) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period, and (b) multiplying the result by each individual Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

2.8.5.2 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount to be distributed to Participating Class Members. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

3. **SETTLEMENT FUNDING AND PAYMENTS.**

3.1 Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records, Defendant represents there are 407 Class Members who collectively worked a total of 26,400 workweeks during the Class Period, and 259 Aggrieved Employees who worked a total of 5,508 PAGA Pay Periods during the PAGA Period

3.2 Class Data. Not later than twenty-one (21) business days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the

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form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

3.3 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount and the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than 30 (thirty) calendar days after the Effective Date. At its sole discretion, Defendant shall also have the right to fund all or portions of the settlement prior to preliminary or final approval by the Court to be held in escrow by the Administrator. The Parties expressly agree that should the Court deny Preliminary or Final approval and/or Defendant elect to withdraw under the terms of this Agreement, Defendant shall be entitled to a full refund of all settlement monies held in escrow. The Parties agree to cooperate to expeditiously facilitate the return of the escrowed funds, including providing the Administrator with confirmation that the funds should be released to Defendant.

3.4 Payments from the Gross Settlement Amount. Within fourteen (14) days after Defendant fully funds the GSA, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Costs Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

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3.4.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail. The face of each check shall prominently state the date (180 days after the date of mailing) when the check will be voided ("Void Date"). The Administrator will cancel all checks not cashed by the Void Date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom the Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

3.4.2 The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within seven (7) days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

3.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and canceled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

3.4.4 The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

4. **RELEASES OF CLAIMS**. Effective on the date when Defendant fully funds the Gross Settlement Amount and all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, Aggrieved Employees, the State of California, and Class Counsel will be deemed to have released the Released Claims against all Released Parties as follows:

4.1 Plaintiff's Release. Except as expressly provided for below in Section 5.1, Plaintiff agrees to release and discharge Released Parties from any and all claims she has or may have against them at this time and waives any and all rights she has or may have under California Civil Code § 1542. Plaintiff understands that this release includes known and unknown claims and that she is, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code. More specifically, Plaintiff discharges Released Parties from all claims, transactions, or occurrences, that occurred during the Class Period, including all claims that were, or reasonably could have been alleged, based on the facts contained in the Action. Furthermore, Plaintiff discharges Released Parties from any and all claims that accrued at any point prior to entering into this Agreement under the Fair Employment and Housing Act, Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, the California Labor Code, and all equivalent claims under federal law (collectively, the releases set forth above are "Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

4.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing

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the release, and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.

4.2 Released Class Claims: Upon Defendant's payment in full of the GSA and the employer's taxes for the portion of the Settlement allocated to settlement of wage claims, the claims waived, released, and discharged by Class Members (other than those who submit timely and valid requests for exclusion) as to the Released Parties are all claims arising during the Class Period which were asserted against Defendant in the Operative Complaint filed in the Action or which reasonably could have been asserted against Defendant based on the factual allegations stated the Operative Complaint filed in the Action. This includes all wage and hour, penalty, Private Attorney General Act, and related claims that have been brought in the Action or that reasonably could have been brought based on the facts and violations identified in Plaintiff's Operative Complaint and in their pre-filing PAGA Notice filed with the LWDA at any point during the Settlement Period, to include Defendant's failure to pay minimum, regular, and overtime wages, provide compliant meal periods and associated premiums, provide compliant rest periods and associated premiums, timely pay wages during employment, timely pay wages upon termination, provide compliant and accurate wage statements, maintain complete and accurate records, and failure to reimburse necessary business-related expenses and costs, in violation of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512, 551, 552, 558, 1174, 1194, 1197, 1197.1, 1198, 2800, and 2802, Business & Professions Code section 17200, et seq., among others, and applicable Industrial Welfare Commission Wage Orders, including inter alia Wage Orders 4-2001 and 5-2001 (collectively the "Released Class Claims"). Plaintiff further agrees to take all steps necessary to ensure the Court is empowered to approve release of all the Released Claims, including, to the extent necessary, amending or supplementing the operative Complaint(s) and/or PAGA Notice(s). Plaintiff will also request that the Court enter judgment pursuant to California Rule of Court 3.769. Defendant's obligations herein are entirely dependent upon the Court's approval of the Parties' settlement agreement

4.3 Released PAGA Claims: Upon Defendant's payment in full of the Gross Settlement Amount and the employer's share of payroll taxes attributable to the portion of the Settlement

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allocated to settlement of wage claims, the claims waived, released, and discharged by Aggrieved Employees—including Non-Participating Class Members who are Aggrieved Employees—and by the State of California as to the Released Parties are all claims for civil penalties under the California Private Attorneys General Act of 2004 ("PAGA") arising during the PAGA Period that (a) were asserted against Defendant in Plaintiff's PAGA Notice preceding the Action and/or in the Operative Complaint filed in the Action, or (b) reasonably could have been asserted against Defendant based on the factual allegations stated in Plaintiff's PAGA Notice preceding the Action (and/or any amended notices) and/or the Operative Complaint filed in the Action (collectively, the "Released PAGA Claims").

5. **MOTION FOR PRELIMINARY APPROVAL**. Plaintiff will prepare and file a motion for preliminary approval ("Motion for Preliminary Approval").

5.1 Plaintiff's Responsibilities. Plaintiff will prepare all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (v) a signed declaration from Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of this Agreement (Labor Code section 2699, subd. (l)(2)); and (vi) all facts relevant to any actual or potential conflict of interest with Class Members, and/or the Administrator. In their Declarations, Plaintiff and Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement. Plaintiff's Counsel shall provide a draft of all documents to be submitted in connection with the motion to approve this Settlement Agreement to Caroline Colangelo and Jonathan Riddell of DELFINO MADDEN O'MALLEY COYLE & KOEWLER LLP ("Defendant's Counsel") for review; Defendant's Counsel will be given an opportunity to

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comment on the papers prior to their being filed with the Court, and such comments will be implemented to the extent reasonable. If there is disagreement regarding how to address or incorporate any such comments, at the election of either Party the Motion will so inform the Court.

5.2 Responsibilities of Counsel. Class Counsel and Defense Counsel shall work on finalizing and filing the Motion for Preliminary Approval. Class Counsel will obtain a prompt hearing date for the Motion for Preliminary Approval, file the Motion for Preliminary Approval no later than 16 (sixteen) court days before the hearing, unless otherwise ordered by the Court, and deliver the Court's Preliminary Approval Order to the Administrator.

5.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

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6. **SETTLEMENT ADMINISTRATION.**

6.1 Selection of Administrator. The Parties have jointly selected Apex Class Action LLC to serve as the Administrator and verified that, as a condition of appointment, the Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Costs. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

6.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

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6.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1 for the funding of the GSA. Any interest that accrues on the GSA sums paid into the QSF prior to distribution by the Administrator will not increase the total GSA under this Agreement. To the extent the total held in escrow exceeds the GSA owed by Defendant pursuant to this Agreement, the Administrator will return any excess amounts to Defendant within fifteen (15) business days of disbursing all funds owed under this Settlement Agreement.

6.4 Notice to Class Members.

6.4.1 No later than seven (7) calendar days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks, and Pay Periods in the Class Data.

6.4.2 Using best efforts to perform as soon as possible, and in no event later than fourteen (14) days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

6.4.3 Not later than five (5) business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

6.4.4 The deadlines for Class Members' written objections, challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional fourteen (14) days beyond the sixty (60) days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

6.4.5 If the Administrator, Defendant, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than fourteen (14) days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

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6.5 Requests for Exclusion (Opt-Outs).

6.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than sixty (60) days after the Administrator mails the Class Notice (plus an additional fourteen (14) days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

6.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the

Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

6.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

6.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. The Administrator will prepare an Exclusion List identifying each potential Class Member who timely submitted a Request for Exclusion and circulate the Exclusion List to Class and Defense Counsel within 10 calendar days of the deadline to respond to the notice of Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the Released PAGA Claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

6.6 Challenges to Calculation of Workweeks and Pay Periods. Each Class Member shall have 45 (forty-five) days after the Administrator mails the Class Notice (plus an additional fourteen (14) days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to the

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calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.

6.7 Objections to Settlement.

6.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

6.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 60 days after the Administrator's mailing of the Class Notice (plus an additional fourteen (14) days for Class Members whose Class Notice was re-mailed).

6.7.3 Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

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

6.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish, maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement; Motion for Preliminary Approval; Preliminary Approval Order; Class Notice; Motion for Final Approval; Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment; the Final Approval Order; and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

6.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than ten (10) days after the expiration of the deadline for submitting Requests for Exclusion, the

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Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

6.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

6.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

6.8.5 Administrator's Declaration. Not later than fourteen (14) days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

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6.8.6 Final Report by Settlement Administrator. Within ten (10) days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

7. **ESCALATOR CLAUSE.** Based on its records, Defendant represents there are 407 Class Members who collectively worked a total of 26,400 Workweeks during the Class Period. Should the Workweeks increase more than fifteen percent (15%) (i.e. more than 3,960 workweeks), the GSA will increase on a proportional basis equal to the percentage increase in the number of Workweeks worked by the Class Members above the 15% (for example, if the final number of total workweeks increases by 16%, the GSA will increase 1%). Based on its records, Defendant represents there are 259 Aggrieved Employees who collectively worked a total of 5,508 PAGA Pay Periods during the PAGA Period. Should the PAGA Pay Periods increase more than fifteen percent (15%) (i.e. more than 827 PAGA Pay Periods), then the PAGA Penalties will be increased by an amount proportional to the increase in PAGA Pay Periods worked in excess of 15%. For example, if the final number of total PAGA Pay Periods is 16% more than the estimated number of PAGA Pay Periods stated above, then the PAGA Penalties will increase by 1%. However, if this escalator clause is triggered, the Parties acknowledge that Defendant may, and in its sole discretion, choose to either (1) increase the GSA/PAGA Penalties in the manner stated above or (2) elect to end the Settlement Period on the date that the increase would otherwise be triggered (i.e., exceeds the 15% grace), so long as that date is not prior to the date of mediation, July 8, 2025 ("Alternative End Date"). This is a material representation for Plaintiff to enter into this Settlement.

8. **DEFENDANT'S RIGHT TO WITHDRAW.** If the valid Requests for Exclusion identified in the Exclusion List represent more than an aggregate total of 10% of Class Members (i.e.

more than 40 opt-outs), Defendant may, but is not obligated, to elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be *void ab initio*, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Costs incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than 5 (five) business days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

9. **MOTION FOR FINAL APPROVAL.** Not later than 16 (sixteen) court days before the calendared Final Approval Hearing, unless otherwise scheduled by the Court, Plaintiff will file in Court, a Motion for Final Approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l); a Proposed Final Approval Order; and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

9.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

9.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by negotiating in an effort to revise the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class

Counsel Litigation Expenses Payment, and/or Administrator Costs Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

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

9.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment as set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final.

9.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to negotiate in an effort to reach an agreement and obtain Final Approval and Entry of Judgment, sharing, on a 50-50 basis, any additional Administration Costs reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

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10. **AMENDED JUDGMENT.** If any amended judgment is required under Code of Civil Procedure §384, the Parties will work together in good faith to jointly submit a proposed amended judgment.

11. **ADDITIONAL PROVISIONS.**

11.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason, the Court does grant Preliminary Approval, Final Approval, or enter Judgment, Defendant reserves the right to contest certification of any class for any reason, Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

11.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant, and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter (including topfiled matters); (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify

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the other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

11.3 Publication: Class Counsel agree not to issue any press release or to seek any publicity regarding this settlement beyond that which is necessary to notify Class Members/Aggrieved Employees regarding the settlement. Class/Representative Counsel may describe the case, but not the amount of the settlement or the identity of Defendant on their website and in subsequent submissions to a court that relate to Class/Representative Counsel's past experience.

11.4 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Defense Counsel's and Class Counsel's ethical obligations and Class Counsel's fiduciary duties owed to Class Members.

11.5 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

11.6 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

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11.7 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

11.8 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

11.9 No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

11.10 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

11.11 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

11.12 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

11.13 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

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11.14 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during the Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

11.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

11.16 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

11.17 Notice. All notices, demands, or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Tyler J. Woods, Esq.
tyler.woods@wilshirelawfirm.com
James Yoo, Esq.
james.yoo@wilshirelawfirm.com
Heriberto Ponce, Esq.
eddie.ponce@wilshirelawfirm.com
Ruby Carrera, Esq.
ruby.carrera@wilshirelawfirm.com
WILSHIRE LAW FIRM
660 S. Figueroa Street, Sky Lobby
Los Angeles, CA 90017
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

To Defendant:

Jonathan Riddell
jriddell@delfinomadden.com
Caroline M. Colangelo
ccolangelo@delfinomadden.com
DELFINO MADDEN O'MALLEY COYLE & KOEWLER LLP
500 Capitol Mall, Suite 1550

Sacramento, CA 95814
Telephone: (916) 661-5700
Facsimile:(916) 661-5701

11.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or by email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

11.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

11.20 Binding Agreement. The Parties intend that this Agreement shall be fully enforceable and binding upon all Parties within the provisions of Cal. Civil Proc. § 664, and that it shall be admissible and subject to disclosure in any proceeding to enforce its terms pursuant to Cal. Evid. Code §§ 1122(a)(1) and 1123(b), notwithstanding the confidentiality provisions that otherwise might apply under federal or state law. The Parties further agree and intend that the Santa Clara County Superior Court may enforce this Agreement pursuant to Code of Civil Procedure § 664.6.

IT IS SO AGREED.

By the Parties:

DocuSigned by:

288A0D331ACF4A9...

DATED: 3/11/2026 ______________

Plaintiff Tracy Loveless

DATED: 3/17/26 ______________

Defendant Essential Behavioral Support, Inc.

By: Heidi Morgan

Position: President/CEO

Approved by counsel:

DATED: February 27, 2026

WILSHIRE LAW FIRM

BY: Tyler J. Woods
Tyler Woods
Counsel for Plaintiff Tracy Loveless

DATED:

MILLS SADAR DOWLAT LLP

BY: ______________________
Camron Dowlatshahi
Mir Raza
Counsel for Plaintiffs

DATED: 3/17/2026

DELFINO MADDEN O'MALLEY COYLE & KOEWLER LLP

BY: Jonathan G Riddell
Jonathan Riddell
Counsel for Essential Behavioral Support, Inc.

Exhibit A

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

Tracy Loveless v. Essential Behavioral Support, Inc.
Santa Clara County Superior Court, Case No. 24CV447769

PLEASE READ THIS CLASS NOTICE CAREFULLY

You have received this Class Notice because Essential Behavioral Support, Inc.'s records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced case.

You do not need to take any action to receive a settlement payment, and, unless you request to be excluded from the class settlement, your legal rights may be affected.

This Class Notice is designed to advise you of your rights and options, and how you can request to be excluded from the class settlement, object to the class settlement, and/or dispute the number of Workweeks or Pay Periods that you are credited with, if you so choose.

The Santa Clara County Superior Court authorized this notice.

It is not junk mail, spam, an advertisement, or solicitation by a lawyer.
Please read it carefully! You are not being sued.

YOU ARE NOTIFIED THAT: A class action and representative settlement has been reached between Plaintiff Tracy Loveless ("Plaintiff") and Defendant Essential Behavioral Support, Inc ("EBSI") (Plaintiff and EBSI are collectively referred to as the "Parties") in the case entitled *Tracy Loveless v. Essential Behavioral Support, Inc.*, Santa Clara County Superior Court, Case No. 24CV447769 ("Action") which may affect your legal rights. On [Date of Preliminary Approval] the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement.

IMPORTANT DEFINITIONS:

"Aggrieved Employees" means all current and formerly hourly-paid or nonexempt employees of EBSI in California employed at any time during the PAGA Period.

"Class" means all current and former hourly-paid or non-exempt employees of EBSI employed at any time during the Class Period.

"Class Member" means a member of the Class.

"Class Period" means the period from September 20, 2020 to [INSERT DATE based on preliminary approval or escalator clause].

"Class Settlement" means the settlement and release of Released Class Claims (described in Sections 7, 8 and 11 below.)

"PAGA Settlement" means the settlement and release of Released PAGA Claims (described in Sections 7, 8 and 11 below.)

"PAGA Period" means the period from September 20, 2023, through [INSERT DATE based on preliminary approval or escalator clause].

BACKGROUND OF THE ACTION: On September 20, 2024, Plaintiff provided written notice to the Labor and Workforce Development Agency ("LWDA") and EBSI of the specific provisions of the California Labor Code that she alleges EBSI violated during her employment ("LWDA Notice").

On September 20, 2024, Plaintiff filed a putative wage and hour Class Action Complaint in Santa Clara County Superior Court (Case No. 24CV447769).

On December 6, 2024 Plaintiff filed a First Amended Complaint adding a claim for penalties pursuant to the Private Attorneys General Act ("PAGA").

Plaintiff alleges EBSI failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages during employment and upon termination of employment and associated waiting-time penalties, produce requested employment records, provide compliant wage statements, and reimburse business expenses. Plaintiff further contends that the alleged violations constitute unfair business practices in violation of the California Business & Professions Code section 17200, *et seq.*, and give rise to penalties under California Labor Code section 2698, *et seq.* ("PAGA"). Plaintiff seeks, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys' fees and costs.

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

After investigation and analysis of the claims, the Parties engaged in good faith, arms-length negotiations, and as a result, the Parties reached a settlement. The Parties have since entered a Class Action and PAGA Settlement Agreement ("Settlement," "Agreement," or "Settlement Agreement").

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

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or do 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 Plaintiff and Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires EBSI to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against EBSI.

Your Estimated Individual Settlement Payment:

Based on EBSI's records, and the Parties' current assumptions, **your Individual Class Payment is estimated to be $______ (less withholding) and your Individual PAGA Payment is estimated to be $______**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to EBSI's records you are not eligible for an Individual PAGA Payment under the Settlement because you didn't work during the PAGA Period.)

Your Workweek and Pay Periods Based on EBSI's Records:

The above estimates are based on EBSI's records showing that **you worked ______ Workweeks during the Class Period and you worked ______ Pay Periods during the PAGA Period**. The number of Workweeks attributed to you will be calculated by the Settlement Administrator using Defendant's records. If you believe that you worked more during either period, you can submit a challenge by the deadline date (*See* Section 8 below).

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

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

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

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against EBSI that are covered by this Settlement (Released Claims).
EXCLUDE YOURSELF	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. However, even if you exclude yourself from the Class Settlement, you will still receive a portion of the PAGA Settlement and be bound by it if you worked during the PAGA Period. Non-Participating Class Members cannot object to any portion of the proposed Settlement.

OBJECT	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable..
CHALLENGE YOUR NUMBER OF WORKWEEKS AND/OR PAY PERIODS	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number of Class Period Workweeks and number of PAGA Period Pay Periods you worked according to EBSI's records is stated on the third page of this Notice. If you disagree with either of these numbers, you must challenge it by [INSERT DATE]. *See* Section 8 of this Notice.

BASIC INFORMATION

1. WHY AM I RECEIVING THIS NOTICE?

EBSI's records indicate that you worked for EBSI at some point(s) between September 20, 2020 and [INSERT DATE], and are therefore a member of the Class for purposes of this Settlement.

You received this Notice because you have a right to know about a proposed Settlement of the Action, and about all of your options, before the Court decides whether to finally approve the Settlement. The Settlement will resolve all Class Members' claims, which are described below, during the Class Period. The Settlement will also resolve claims for civil penalties brought under the California Private Attorneys' General Act ("PAGA"). If you are a Class Member, you are also an "Aggrieved Employee" if you worked for Defendant during the "PAGA Period," which is September 20, 2023 through [INSERT DATE].

If the Court grants Final Approval of the Settlement, a settlement Administrator appointed by the Court will issue the payments provided for by the Settlement to Class Members. You are encouraged to always keep your address up to date with the Administrator (the Administrator's contact information can be found in Section 12, below).

This Notice package explains the allegations and background regarding the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to receive those benefits.

The Court in charge of the Action is the Santa Clara County Superior Court. The case is titled *Tracy Loveless v. Essential Behavioral Support, Inc.*, Santa Clara County Superior Court, Case No. 24CV447769. The person who sued, Tracy Loveless, is the Plaintiff, and the company sued, Essential Behavioral Support, Inc., is the Defendant.

2. WHAT IS THE LAWSUIT ABOUT?

The Plaintiff in the lawsuit alleges wage and hour violations against EBSI for: (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods and pay meal period premiums; (4) failure to provide rest periods and pay rest period premiums; (5) failure to pay all wages earned and unpaid at separation; (6) failure to furnish accurate itemized wage statements; (7) failure to indemnify employees for all necessary business expenditures; (8) failure to produce requested employment records; (9) violation of California's Unfair Competition Law, California Business and Professions Code section 17200, *et seq.*; and (10) civil penalties pursuant to PAGA based on the alleged violations of the California Labor Code listed above (the "Claims").
EBSI ***strongly denies*** violating any laws or failing to pay any wages and contends it complied with all applicable laws.

3. WHY IS THIS A CLASS ACTION?

In an employment class action, one or more people called "Class Representatives" (in this case, the Plaintiff) sue on behalf of all workers who they contend have similar claims. All of these workers are a Class or Class Members. Bringing one lawsuit, as opposed to many small ones, saves money, time and court resources. The court resolves the issues for all Class Members, except for those who exclude themselves from the Class.

4. WHY IS THERE A SETTLEMENT?

The Court did not decide in favor of the Plaintiff or Defendant on the merits of the claims alleged in the lawsuit. Plaintiff believes Plaintiff would win at trial. Defendant thinks that Plaintiff's lawsuit would not proceed to a trial and/or that Plaintiff would not win at trial. However, there has been no trial. Instead, in acknowledgement of the risk that both Parties face should the case proceed, Plaintiff and ESBI 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, Plaintiff and EBSI 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, EBSI does not admit any violations or concede the merit of any claims. The Plaintiff, as well as Plaintiff's lawyers (called "Class Counsel"), believe the Settlement is fair and reasonable and in the best interests of all Class Members. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

WHO IS INCLUDED IN THE SETTLEMENT?

5. WHO IS INCLUDED IN THE SETTLEMENT?

If you received this Notice, you are a Class Member for settlement purposes. The Class includes: all persons who worked for Defendant in California as an hourly-paid or non-exempt employee at any time during the Class Period, including current and former employees.

6. ARE THERE EXCEPTIONS TO BEING INCLUDED?

You are not a Class Member if you already have resolved the claims asserted in this lawsuit, whether by settlement or a separate legal proceeding (i.e., another lawsuit).

THE SETTLEMENT BENEFITS—WHAT YOU GET

7. WHAT DOES THE SETTLEMENT PROVIDE?

EBSI has agreed to pay a Gross Settlement Amount ("Gross Settlement Amount" or "GSA") of up to $512,500.00 to settle the lawsuit. EBSI has agreed to deposit the Gross Settlement Amount into an account controlled by the Administrator of the Settlement. The Administrator will use the GSA to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). From the GSA, Class Counsel will apply to the Court for attorneys' fees of up to one-third (1/3) of the GSA, currently estimated to total $170,833.33 and reimbursement for reasonable costs not to exceed $25,000.00; a Class Representative Service Payment of up to $10,000.00 to the Plaintiff (for Plaintiff's work and efforts prosecuting this case and Plaintiff's broader general release); a PAGA Penalties payment of $25,625.00 to resolve the PAGA claims ("PAGA Penalties"); and Settlement Administration Costs in an amount not to exceed $10,000.00. The exact amount of the Class Counsel's Fees and Litigation Expenses, Class Representative Service Payment, and Administration Costs will be determined by the Court at the Final Approval hearing. Participating Class Members have the right to object to any of these deductions. The Court will consider all objections. The remaining portion of the Settlement amount is the "Net Settlement Amount" or the "NSA." The NSA will be apportioned and paid out as Individual Class Payments to the Settlement Class Members, who are the Class Members that do not request to be excluded ("opt out") of the Settlement.

<u>PAGA Penalties payment</u>: As part of the PAGA portion of the Settlement, the Parties will ask the Court to approve a $25,625.00 PAGA Penalties payment in settlement of claims for civil penalties under PAGA. As required under PAGA, 65% of the PAGA Penalties payment, or $16,656.25, will be paid to the California Labor and Workforce Development Agency. The remaining 35% of the PAGA Penalties payment, or $8,968.75, will be distributed to the Aggrieved Employees as Individual PAGA Payments.

8. HOW MUCH WILL MY PAYMENT BE?

An approximation of your Individual Class Payment appears on the third page of this Notice. If you are also an Aggrieved Employee, an approximation of your Individual PAGA Payment will also appear on the third page of this Notice.

<u>Individual Class Payment:</u> Your Individual Class Payment is based on the number Workweeks you worked, as represented in EBSI's records, in comparison to the total number of Workweeks worked by all Class Members during the Class Period (September 20, 2020 to [INSERT DATE]). Sixty percent (60%) of each Class Member's Individual Class Payment will be treated as a payment in settlement of the alleged claims for penalties and interest and will be reported on a Form 1099 by the Settlement Administrator, and forty percent (40%) of each Class Member's Individual Class Payment will be treated as a payment in settlement of alleged claims for unpaid wages. The 40% allocated as unpaid wages will be reduced by applicable payroll tax withholdings and deductions and reported on a Form W-2.

<u>Individual PAGA Payment:</u> If you worked for EBSI during the PAGA Period, you are also an "Aggrieved Employee" and will receive an Individual PAGA Payment in addition to your Individual Class

Payment. The Individual PAGA Payments are based on the number of PAGA Pay Periods worked by each Aggrieved Employee in comparison to the total amount of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period (September 20, 2023 to [INSERT DATE]). One hundred percent (100%) of each Aggrieved Employees' Individual PAGA Payment will be characterized as penalties and will not be reduced by payroll tax withholdings and deductions. The Individual PAGA Payment will be reported on an IRS Form 1099 by the Settlement Administrator. An approximation of your anticipated Individual PAGA Payment appears on the first page of this Notice.

For the Class Members who are also Aggrieved Employees, their Individual Class Payment will be combined with their Individual PAGA Payment, and they will receive a single check for the combined payments. If a Class Member chooses to opt-out of the Settlement, they will still receive an Individual PAGA Payment, as Aggrieved Employees cannot opt-out of the PAGA portion of the Settlement.

Although Plaintiff and EBSI 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.

Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in EBSI's records, are stated in the first page of this Notice. You have until [INSERT DATE] to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 12 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 EBSI's calculation of Workweeks and/or Pay Periods based on EBSI's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and EBSI's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

HOW YOU GET A PAYMENT

9. HOW DO I RECEIVE A PAYMENT?

<u>You do not need to do anything to receive a payment.</u> However, if you believe that the number of Workweeks or PAGA Pay Periods you worked is incorrect, please correct it and provide any supporting evidence to the settlement Administrator, whose contact information is listed in Section 12 below.

10. WHEN WOULD I GET MY PAYMENT?

The Court will hold a Final Fairness Hearing on [INSERT DATE], to decide whether to approve the Settlement. If the Judge approves the Settlement, and anyone objects, there may be appeals. It is always uncertain when these objections and appeals can be resolved and resolving them can take time. If there is no objection, the Effective Date of the Settlement will be the date of entry of the Court's Order granting final approval.

Following the Effective Date and the Court's approval of the Settlement becoming final, including resolution of any appeals, Individual Class Payments and Individual PAGA Payments will be mailed to Participating Class Members and Aggrieved Employees after the Settlement is fully funded, which will not occur until approximately ___ days after the Effective Date.

Settlement checks should be cashed promptly upon receipt. Proceeds of checks which remain uncashed after 180 days from the date of issuance will be forwarded to the State of California Unclaimed Property Fund in the name of each Participating Class Member and/or Aggrieved Employee who did not cash his or her settlement check. If your settlement check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement. You can search for unclaimed property on the State's website at: https://www.sco.ca.gov/search_upd.html

For an update on the status of payments, please contact the Settlement Administrator (see Section 12).

11. WHAT AM I GIVING UP TO GET A PAYMENT?

If the Court approves this Settlement and unless you exclude yourself, you will become a Participating Class Member, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against EBSI concerning the legal claims being resolved in this Settlement. Specifically, you will be giving up or "releasing" the Released Class Claims described below against Defendant and Defendant's past and present agents, officers, directors, employees, attorneys, parent companies, subsidiaries, joint employers, affiliates, insurers, investors, shareholders and assigns ("Released Parties"). The releases become effective once the GSA is fully funded by Defendant.

Released Class Claims: All Class Members who do not submit timely and valid request for exclusion will waive and release EBSI and EBSI's past and present agents, officers, directors, employees, attorneys, parents, subsidiaries, agents, joint employers, affiliates, insurers, investors, shareholders and assigns (the "Released Parties") from all claims arising during the Class Period which were asserted against EBSI in the operative complaint filed in the Action or which reasonably could have been asserted against EBSI based on the factual allegations stated the operative complaint filed in the Action. This includes all wage and hour, penalty, Private Attorney General Act, and related claims that have been brought in the Action or that reasonably could have been brought based on the facts and violations identified in Plaintiffs' Complaint and in her pre-filing notice letters filed with the LWDA at any point during the Settlement Period, to include EBSI's failure to pay minimum, regular, and overtime wages, provide compliant meal periods and associated premiums, provide compliant rest periods and associated premiums, timely pay wages during employment, timely pay wages upon termination, provide compliant and accurate wage statements, maintain complete and accurate records, and failure to reimburse necessary business-related expenses and costs, in violation of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512, 551, 552, 558, 1174, 1194, 1197, 1197.1, 1198, 2800, and 2802, Business & Professions Code section 17200, et seq., among others, and applicable Industrial Welfare Commission Wage Orders, including inter alia Wage Orders 4-2001 and 5-2001 ("Released Claims").

Released PAGA Claims: The claims released by Aggrieved Employees, including Non-Participating Class Members who are Aggrieved Employees, and the State of California as to the Release Parties are all claims under PAGA arising during the PAGA Period (a) which were asserted against EBSI in Plaintiff's PAGA Notice and/or the operative complaint filed in the Action or (b) which reasonably could have been asserted against EBSI based on the factual allegations stated in Plaintiff's PAGA Notice and/or the operative complaint filed in the Action, including claims for unpaid wages, unpaid overtime, failure to pay minimum wages, failure to provide meal periods, failure to provide rest periods, failure to pay all wages due at termination, inaccurate wage statements, failure to reimburse business expenses, failure to produce employment records, and claims under the following statutes: California Labor Code sections 201, 202, 204, 210, 213, 216, 223, 225.5, 226, 226.3, 226.6, 226.7, 232, 246, 2699, 2699, 2802, 2810.5, 432, 510, 558, 558.1, 1174, 1174.5, 1194, 1197.1, 1198, 1198.5, 1199, 2350, and the applicable IWC Wage Order(s).

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you are referred to the detailed Settlement Agreement, which is on file with the Clerk of the Court. The pleadings and other records in this litigation, including the Settlement Agreement, may be examined (a) online on the Superior Court of California, County of Santa Clara's Electronic Filing and Service Website at www.scefiling.org, or (b) in person at Records, Superior Court of California, County of Santa Clara, 191 N. 1st Street, San Jose, California 95113, between the hours of 8:30 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays and closures, or you may contact Class Counsel or the Settlement Administrator.

PLEASE DO NOT TELEPHONE THE COURT OR DEFENDANT'S COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS.

EXCLUDING YOURSELF FROM THE SETTLMENT

12. HOW DO I EXCLUDE MYSELF FROM THE SETTLEMENT?

The Court has appointed a neutral company,____________________________ (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks and/or Pay periods, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement.

To exclude yourself from the Settlement, you must send the Settlement Administrator a written and signed request for exclusion which must be postmarked no later than 60 days after Class Notice is mailed. Be sure to include your name, address, and telephone number, and any other information you think would be helpful to the settlement Administrator to identify you. You can send your request for exclusion to the settlement Administrator at:

[INSERT]
Essential Behavioral Support, Inc. Settlement
XXXXX
City, State, XXXXX
Email:
Fax:

If you ask to be excluded from the Settlement, you will not be legally bound by anything that happens in the Action, except as it relates to settlement of the PAGA claim. If you ask to be excluded from the Settlement you will not be able to object to the Settlement and you will not receive an Individual Class Payment, but you will still receive an Individual PAGA Payment if you worked for EBSI during the PAGA Period. If you ask to be excluded, you may be able to sue (or continue to sue) EBSI in the future for the claims alleged in this Action.

13. IF I DON'T EXCLUDE MYSELF, CAN I SUE DEFENDANT FOR THE SAME THING LATER?

No. Unless you exclude yourself, you give up any right to sue EBSI for the claims that this Settlement resolves. If you have a pending lawsuit, speak to your lawyer in that case immediately. You must exclude yourself from this Class to continue your own lawsuit. Remember, the exclusion deadline is **60 days** after Class Notice is Mailed.

14. IF I EXCLUDE MYSELF, CAN I GET MONEY FROM THIS SETTLMENT?

Only if you are an Aggrieved Employee. Aggrieved Employees cannot opt-out of the PAGA portion of the Settlement, so they will receive their portion of the PAGA Penalties even if they exclude themselves from the rest of the Settlement. However, if you timely exclude yourself from the Settlement, you will not be a Participating Class Member and will not receive any of the Net Settlement Amount and you will retain the right to pursue your own legal action against EBSI for violations other than the Released PAGA Claims described above, if you desire.

THE LAWYERS REPRESENTING YOU IN THIS LAWSUIT

15. DO I HAVE A LAWYER IN THIS CASE?

The Court has determined that Wilshire Law Firm, PLC is qualified to represent you and the Class Members in the lawsuit. These lawyers are called Class Counsel, and their contact information is listed below. If you want to be represented by your own lawyer, you may hire one at your own expense.

WILSHIRE LAW FIRM
Tyler J. Woods, Esq. (SBN 232464)
tyler.woods@wilshirelawfirm.com
James Yoo, Esq. (SBN 310680)
james.yoo@wilshirelawfirm.com
Heriberto Ponce, Esq. (SBN 339713)
eddie.ponce@wilshirelawfirm.com
Ruby Carrera, Esq. (SBN 343745)
ruby.carrera@wilshirelawfirm.com
Alan Wilcox (SBN 287476)
alan.wilcox@wilshirelawfirm.com
Conor J.D. Gomez (SBN 337395)
conor.gomez@wilshirelawfirm.com
660 S. Figueroa Street, Sky Lobby
Los Angeles, California 90017
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

16. HOW WILL THE LAWYERS BE PAID?

Class Counsel will ask the Court to approve up to **$170,833.33** (or 1/3 of the GSA) for attorneys' fees incurred in investigating the facts, litigating the case, and negotiating the Settlement. Class Counsel will also seek Court-approval of up to **$25,000.00** in litigation expenses incurred in this matter. The Court may award Class Counsel less than what they request. Class Counsel will also ask the Court to approve a payment to Plaintiff Tracy Loveless in the amount of up to **$10,000.00** in addition to Plaintiff's Individual Class Payment and Individual PAGA Payment for the initiative, risk, and time and energy Plaintiff has spent in service to the Class as the Class Representative. The Court may award a Class Representative less than what is requested.

OBJECTING TO THE SETTLEMENT

You can and have the right to tell the Court you do not agree with the Settlement or some part of it.

17. HOW DO I TELL THE COURT THAT I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. If you don't think the Settlement is fair, you can object to some or all of the Settlement. At your own expense you can either object to the Settlement in person, telephonically, or through an attorney at the Final Approval Hearing provided you notify the Court of your intention to do so, or you can submit a written objection. Written objections and notices of intent to appear at the Final Approval Hearing must be mailed, emailed, or faxed to the Settlement Administrator and postmarked on or before __________________, at the following address:

[INSERT]
Essential Behavioral Support, Inc. Settlement
XXXXX
City, State, XXXXX
Email:
Fax:

The written objection must state your name and address and describe all legal and factual reasons that you object to the terms of the Settlement. You should also include or attach any documents upon which your objection is based. All written objections, supporting papers and/or notices of intent to appear at the Final Approval Hearing must (a) clearly identify the case name and number (*Loveless v. Essential Behavioral Support, Inc.*), Case Number (24CV447769), (b) be submitted to the Court either by mailing the objection to: Clerk of the Court, Superior Court of California, County of Santa Clara, 191 N. 1st Street, San Jose, California 95113, or by filing in person at the same location; (c) also be mailed to the law firm identified above and (d) be filed or postmarked on or before [INSERT OBJECTION DEADLINE]. If the Court overrules the objection at the Final Approval hearing, the Settlement Agreement will be approved, and you will receive your payment. If you do not submit a written objection, you may still appear at the Final Approval hearing to voice your objection or to otherwise observe the proceedings.

18. WHAT'S THE DIFFERENCE BETWEEN OBJECTING AND REQUESTING EXCLUSION?

Objecting is simply telling the Court that you do not agree with something about the Settlement. You can object only if you stay in the Class.

Requesting exclusion is telling the Court that you do not want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you, and you do not get any money from this Settlement. If you submit both an objection and a request to be excluded from the settlement, the request to be excluded will control and you will not get any money from this settlement.

THE COURT'S FAIRNESS HEARING

The Court will hold a Final Approval Hearing to decide whether to approve the Settlement. You may attend and you may ask to speak, but you don't have to.

19. WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?

The Court will hold a Final Approval Hearing at [INSERT TIME] on [INSERT DATE] in Department 19 of the Santa Clara County Superior Court (Downtown Courthouse) located at 191 North First Street, San Jose, California 95113, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate.

The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually. Check the Court's website (www.scefiling.org and www.scscourt.org) for the most current information. If there are objections, the Court will consider them at that time. The Court will also be asked to approve the requests for the Class Representative Service Payment and the Class Counsel Fees and Litigation Expenses Payments.

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

20. DO I HAVE TO COME TO THE HEARING?

No. Class Counsel will answer questions the Court may have. However, you are welcome to attend. If you send an objection, you do not have to come to the Court to talk about it. As long as you mailed your written objection to the settlement administrator on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

IF YOU DO NOTHING

21. WHAT IF I DO NOTHING AT ALL?

If you do nothing, you will receive a Settlement payment, and you will be bound by the terms of Settlement, which means that you will not be able to start a lawsuit, continue a lawsuit, or be a part of any other lawsuit against EBSI about the legal issues in the Action.

GETTING MORE INFORMATION

22. HOW DO I GET MORE INFORMATION?

You may contact Class Counsel at the contact information listed above in Section 15 if you have any questions about the Settlement. You may also contact Defense Counsel:

Defense Counsel:
Name of Attorney: Jonathan Riddell, Caroline Colangelo
Email Address: jriddell@folsomjackson.com
ccolangelo@folsomjackson.com
Name of Firm: Folsom Jackson O'Malley, LLP
Mailing Address: 500 Capitol Mall, Suite 1550, Sacramento, CA 95814
Telephone: (916) 661-5700

You may also contact the Court-appointed Settlement Administrator, [INSERT] by calling toll free 1-800______, or you can write to the Administrator at the following address:

[INSERT]
Essential Behavioral Support, Inc. Settlement
XXXXX
City, State, XXXXX
Email:
Fax

PLEASE DO NOT TELEPHONE THE COURT OR ESSENTIAL BEHAVIORAL SUPPORT, INC.'S COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS. YOU MAY, HOWEVER, CALL CLASS COUNSEL OR THE SETTLEMENT ADMINISTRATOR, LISTED ABOVE.