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and on behalf of others similarly situated

[ADDITIONAL COUNSEL ON FOLLOWING PAGE]

**SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF KERN**

KARLA MORALES, individually, and on  
behalf of all others similarly situated,

Plaintiff,

vs.

CASTEEN DENTAL CORPORATION, a  
California corporation; and DOES 1 through  
10, inclusive,

Defendants.

Lead Case No. BCV-23-102915;  
Consolidated Case No. BCV-23-103655

**CLASS ACTION AND PAGA  
SETTLEMENT AGREEMENT**

*Assigned for all purposes to: Hon. Gregory  
Pulskamp, Division J*

1 Vanessa Franco Chavez, SBN 266724  
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2 Anna M. Burnbaum, SBN 349542  
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3 **KLEIN, DENATALE, GOLDNER,**  
4 **COOPER, ROSENLIB & KIMBALL, LLP**  
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Bakersfield, CA 93311  
5 Telephone: 661-395-1000  
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6 Attorneys for Defendant, Casteen  
7 Dental Corporation, a California corporation

1 This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between  
2 Plaintiff Karla Morales (“Plaintiff”) and Defendant Casteen Dental Corporation (“Defendant”).  
3 The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as  
4 “Party.”

5  
6 1. **DEFINITIONS.**

7 1.1 “Actions” means Plaintiff’s lawsuits alleging class action wage and hour  
8 violations against Defendant captioned *Karla Morales v. Casteen Dental Corporation*, Kern  
9 County Superior Court, Case No. BCV-23-102915, filed on August 29, 2023 (“Class Action”);  
10 and *Karla Morales v. Casteen Dental Corporation*, Kern County Superior Court, Case No. BCV-  
11 23-103655, filed on October 30, 2023 (“PAGA Action”). The Class Action and PAGA Action  
12 have been consolidated for all purposes (collectively referred to as the “Action.”)

13 1.2 “Administrator” means ILYM Group, Inc. (“ILYM”), the neutral entity the Parties  
14 have agreed to appoint to administer the Settlement.

15 1.3 “Administration Costs” means the amount the Administrator will be paid from the  
16 Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the  
17 Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary  
18 Approval of the Settlement.

19 1.4 “Aggrieved Employee” means all persons currently or formerly employed by  
20 Defendant Casteen Dental Corporation as hourly-paid, non-exempt employees in the State of  
21 California during the PAGA Period.

22 1.5 “Class” means all persons currently or formerly employed by Defendant Casteen  
23 Dental Corporation as hourly-paid, non-exempt employees in the State of California during the  
24 Class Period.

25 1.6 “Class Counsel” means John G. Yslas, Samanta A. Smith, Jeffrey C. Bils, Aram  
26 Boyadjian and Andrew Sandoval of Wilshire Law Firm, PLC.

1.7 “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 \$360,000.00).

1.8 “Class Counsel Litigation Expenses Payment” means the amount allocated to Class Counsel for reimbursement of reasonable expenses and costs incurred to prosecute the Action and paid from the Gross Settlement Amount.

1.9 “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 (or data that can be used to calculate the number of Workweeks and PAGA Pay Periods).

1.10 “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).

1.11 “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.

1.12 “Class Notice” means the Court approved Notice of Settlement and hearing date for Final Approval, to be mailed to Class Members in English with a Spanish translation in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.13 “Class Period” or “Class Settlement Period” means the period from August 29, 2019 through the day the Court grants preliminary approval of the Settlement (“Settlement Class Period”).

1.14 “Class Representative(s)” means the named Plaintiff Karla Morales in the Actions.

1.15 “Class Representative Service Payment(s)” or “Enhancement Award(s)” means the payment to the Class Representatives for initiating the Actions and providing services in support of the Action.

1.16 “Court” means the Superior Court of California, County of Kern.

1.17 “Defendant” means named Defendant Casteen Dental Corporation.

1.18 “Defense Counsel” means Vanessa Franco Chavez and Anna M. Burnbaum of Klein, DeNatale, Goldner, Cooper, Rosenlieb & Kimball, LLP.

1.19 “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: (i) the expiration of the period for filing any appeal, writ, or other appellate proceeding opposing the Settlement has elapsed without any appeal, writ, or other appellate proceeding having been filed; (ii) the dismissal of any appeal, writ, or other appellate proceeding opposing the Settlement with no right to pursue further remedies or relief; or (iii) the expiration of the period for filing a petition for rehearing and the expiration of the period for filing a petition in the California Supreme Court or the Supreme Court of the United States following a final appellate opinion or order upholding the Court’s final order with no right to pursue further remedies or relief. In the event there is a motion to set aside the judgment filed within 15 days or a motion to intervene filed within 60 days after notice to Class Members pursuant to California Rules of Court, rule 3.771(b), “the expiration of the period for filing any appeal, writ, or other appellate proceeding opposing the Settlement” (as that phrase is used in (b)(i), above) will be based on the later of the court’s ruling or order on any such motion or entry of final order and judgment certifying the class and approving this Settlement. In this regard, it is the intention of the Parties that the Settlement shall not become effective until the Court’s order approving the Settlement is completely final and there is no further recourse by an appellant or objector who seeks to contest the Settlement.

1.20 “Employer Taxes” means employer-funded taxes and contributions imposed on the wage portions of the Individual Class Payments under the Federal Insurance Contributions Act, the Federal Unemployment Tax Act, and any similar state and federal taxes and contributions required of employers, such as for unemployment insurance.

1.21 “Employee’s Taxes and Required Withholding” means the employee’s share of any and all applicable federal, state or local payroll taxes, including those collected under

authority of the FICA, FUTA, or SUTA on the portion of any Individual Class Payment that constitutes wages. The Employee's Taxes and Required Withholdings will be withheld from the Individual Class Payments paid to Participating Class Members.

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

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

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

1.25 "Gross Settlement Amount" or "GSA" means \$1,080,000.00, which is the total amount Defendant agrees to pay under the Settlement, except as provided in Paragraph 8 below.

1.26 "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, less Employee's Taxes and Required Withholding.

1.27 "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.

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

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

1.30 "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

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

1.32 “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.

1.33 “Operative Class Complaint” means the operative class action complaint filed in the Class Action.

1.34 “Operative PAGA Complaint” means the operative PAGA complaint filed in the PAGA Action.

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

1.36 “PAGA Notice” means Plaintiff’s August 30, 2023 letter (LWDA-CM-978706-23) to the LWDA and Defendant providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.37 “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

1.38 “PAGA Period” means the period from August 30, 2022 through the day the Court grants preliminary approval of the Settlement.

1.39 “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount (\$30,000.00), allocated 25% to the Aggrieved Employees (\$7,500.00) and 75% to LWDA (\$22,500.00) in settlement of PAGA claims.

1.40 “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.41 “Plaintiff” means Karla Morales, the named plaintiff in the Actions.

1.42 “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.

1.43 “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.

1.44 “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.

1.45 “Released Parties” means Defendant and each of its former, future, and present parents, joint venturers, and affiliated corporations and partnerships; their directors, officers, shareholders, owners, members, managers, partners, customers, employees, agents, attorneys,

insurers, predecessors, successors, assigns, subsidiaries; and any other individuals, entities, successors, assigns, or legal representatives who could be liable for any of the Released Claims..

1.46 “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.

1.47 “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.

1.48 “Settlement” means the disposition of the Actions effected by this Agreement and the Judgment.

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

## 2. **RECITALS.**

2.1 On August 29, 2023, Plaintiff Morales filed the Class Action alleging 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 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 August 30, 2023, pursuant to Labor Code §2699.3, subd.(a), Plaintiff Morales gave notice to the LWDA and Defendant that Plaintiff Morales intended to proceed with a representative action under PAGA (LWDA-CM-978706-23). On October 30, 2023, after the 65-day statutory period passed, Plaintiff Morales filed the PAGA Action, alleging claims for penalties pursuant to Labor Code § 2699, *et seq.* On July 9, 2024, the Class Action and the PAGA action were consolidated, with the Class Action designated as the lead case.



1           2.2     Defendant denies the allegations in the Actions, denies any failure to comply with  
2 the laws identified in the Actions, and denies any and all liability for the causes of action alleged  
3 in the Actions. Defendant further denies that these claims are appropriate for class or  
4 representative treatment, except for the limited purpose of settling this Action.

5           2.3     On October 24, 2024, the Parties participated in an all-day mediation presided over  
6 by mediator Tagore Subramaniam. With the help of Mr. Subramaniam, the Parties were able to  
7 reach an agreement on general settlement terms at mediation and executed a Memorandum of  
8 Understanding the same day.

9           2.4     In advance of mediation, Class Counsel conducted a thorough investigation into  
10 the facts of, and applicable law to, the Actions. Prior to mediation, Plaintiff obtained and analyzed  
11 a representative sampling of time and payroll data for Class Members and the necessary policy  
12 documents through informal discovery to properly evaluate the strengths and weakness of the  
13 claims and engage in meaningful settlement discussions. Plaintiff's investigation was sufficient  
14 to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.*, 48  
15 Cal.App.4th 1794, 1801 (1996) and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 129-  
16 130 (2008) ("*Dunk/Kullar*").

17          2.5     The Parties agree that this Agreement is for settlement purposes only and if, for  
18 any reason, the Agreement is not approved, the Agreement will be of no force or effect. In such  
19 event, nothing in this Agreement shall be used or construed by or against any party as a  
20 determination, admission, or concession of any issue of law or fact in the Action; and the Parties  
21 do not waive, and instead expressly reserve, their respective rights with respect to the prosecution  
22 and defense of this Action as if this Agreement never existed.

23          2.6     The Court has not granted class certification because the Parties engaged in  
24 mediation before any class certification.

25          2.7     The Parties, Class Counsel and Defense Counsel represent that they are not aware  
26 of any other pending matter or action asserting claims that will be extinguished or affected by the  
27 Settlement.  
28

2.8 The Agreement set forth herein intends to achieve the following: (1) an entry of an order approving the settlement; (2) entry of Judgment of the Action; (3) discharge of Released Parties from liability for any and all of the Released Claims; and (4) discharge of Defendant from liability for any and all claims arising out of the Action.

3. **MONETARY TERMS.**

3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant will pay \$1,080,000.00 to fully settle, resolve, and extinguish all claims asserted in the Actions, including without limitation all 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. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement.

3.2 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:

3.2.1 To Plaintiff: A payment for the Enhancement Award to Plaintiff of not more than \$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 Enhancement Award 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 Enhancement Award no later than 16 (sixteen) court days prior to the Final Approval Hearing, or as otherwise ordered by the Court. If the Court approves an Enhancement Award 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 Enhancement Award using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Enhancement Award.

1           3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-  
2 third (1/3) of the GSA, which is currently estimated to be \$360,000.00 and a Class Counsel  
3 Litigation Expenses Payment for actual costs. Defendant will not oppose requests for these  
4 payments. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees and Litigation  
5 Expenses Payment no later than 16 (sixteen) court days prior to the Final Approval Hearing, or  
6 as otherwise ordered by the Court. If the Court approves a Class Counsel Fees Payment and/or a  
7 Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator  
8 will allocate the remainder to the Net Settlement Amount for distribution to Participating Class  
9 Members. Released Parties shall have no liability to Class Counsel or any other Plaintiff's counsel  
10 arising from any claim to any portion of Class Counsel Fee Payment and/or Class Counsel  
11 Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and  
12 Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes  
13 full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class  
14 Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant,  
15 from any dispute or controversy regarding any division or sharing of any of these Payments.

16           3.2.3 To the Administrator: An Administrator Costs Payment for actual costs, not  
17 to exceed \$6,850.00 except for a showing of good cause and as approved by the Court. To the  
18 extent the Administration Costs are less or the Court approves payment of less than requested, the  
19 Administrator will retain the remainder in the Net Settlement Amount to be distributed to  
20 Participating Class Members.

21           3.2.4 To Each Participating Class Member: An Individual Class Payment is  
22 calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked  
23 by all Participating Class Members during the Class Period, and (b) multiplying the result by each  
24 individual Participating Class Member's Workweeks.

25           A. Tax Allocation of Individual Class Payments. Ten percent (10%) of  
26 each Participating Class Member's Individual Class Payment will be allocated to the Settlement  
27 of wage claims (the "Wage Portion"). The Wage Portion is subject to tax withholding and will be  
28 reported on an IRS W-2 Form. The remaining ninety percent (90%) 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.

B. 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.

3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$30,000.00 (thirty thousand dollars) to be paid from the Gross Settlement Amount, with 75% (\$22,500.00) allocated to the LWDA PAGA Payment and 25% (\$7,500.00) allocated to the Individual PAGA Payments.

A. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$7,500.00) 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.

B. 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.

#### 4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records, Defendant represents, as of the date of mediation, there were 306 Class Members who collectively worked approximately 27,018 workweeks during the Class Period, and 248

Aggrieved Employees who worked approximately 6,113 PAGA Pay Periods during the PAGA Period.

4.2 Class Data. Not later than fourteen (14) days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator 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. To that end, the Administrator will use identifying numbers in place of Class Member names when sharing Class Data calculations with Class Counsel. 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 to the Administrator as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.3 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount and the Employer Taxes by transmitting the funds to the Administrator no later than 14 (fourteen) days after the Effective Date. At least five (5) business days prior to Defendant's deadline for funding of the Gross Settlement Amount, the Administrator shall calculate the total Employer Taxes due on the wage portion of the Individual Class Payments and issue Defendant instructions and the amount of the Employer Taxes.

4.4 Payments from the Gross Settlement Amount. Within seven (7) 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 Enhancement Award. Disbursement of the Class Counsel Fees Payment, the Class Counsel

1 Litigation Expenses Payment, and the Enhancement Award shall not precede disbursement of  
2 Individual Class Payments and Individual PAGA Payments.

3  
4 4.4.1 The Administrator will issue checks for the Individual Class Payments  
5 and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail.  
6 The face of each check shall prominently state the date (180 days after the date of mailing) when  
7 the check will be voided (“Void Date”). The Administrator will cancel all checks not cashed by  
8 the Void Date. The Administrator will send checks for Individual Settlement Payments to all  
9 Participating Class Members (including those for whom the Class Notice was returned  
10 undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved  
11 Employees including Non-Participating Class Members who qualify as Aggrieved Employees  
12 (including those for whom Class Notice was returned undelivered). The Administrator may send  
13 Participating Class Members a single check combining the Individual Class Payment and the  
14 Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update  
15 the recipients’ mailing addresses using the National Change of Address Database.

16 4.4.2 The Administrator must conduct a Class Member Address Search for all  
17 other Class Members whose checks are returned undelivered without USPS forwarding address.  
18 Within seven (7) days of receiving a returned check, the Administrator must re-mail checks to the  
19 USPS forwarding address provided or to an address ascertained through the Class Member  
20 Address Search. The Administrator will promptly inform Defense Counsel of any Class Members  
21 whose checks are returned as undeliverable and re-mail any checks to Class Members for whom  
22 Defense Counsel provides updated addresses. Otherwise, the Administrator need not take further  
23 steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered.  
24 The Administrator shall promptly send a replacement check to any Class Member whose original  
25 check was lost or misplaced, or if requested by the Class Member prior to the void date.

26 4.4.3 For any Class Member whose Individual Class Payment check or  
27 Individual PAGA Payment check is uncashed and canceled after the void date, the Administrator  
28 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).

4.4.4 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.

5. **RELEASES OF CLAIMS.** Effective on the date when Defendant fully funds the Gross Settlement Amount and all Employer Taxes, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:

5.1 **Plaintiff’s Release.** In exchange for the Enhancement Award, Plaintiff and her respective former and present spouses, representatives, agents, attorneys, heirs, dependents, administrators, devisees, legatees, executors, trustees, conservators, guardians, personal representatives, successors, and assigns, whether individual, class, representative, legal, equitable, direct or indirect, or any other type of any capacity, shall and does hereby forever generally release, discharge, and agree to hold harmless the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, causes of action, suit, rights, demands, costs, losses, transactions, occurrences, or debts or expenses (including attorney fees and costs), known or unknown, at law or in equity, which she may now have or become aware of after the signing of this Agreement, including, but not limited to: (a) all claims arising out of or in any way connected with Plaintiff’s employment with Defendant, including the Released Claims, (b) all claims that were, or could reasonably have been based on the facts contained, in the Action, (c) all PAGA claims that were, or reasonably could have been, alleged based on the facts contained in the Action, Plaintiff Morales’s PAGA Notice, or ascertained during the action and released under 5.2 below, and (d) any and all transactions, occurrence, or matters between the Parties occurring prior to the date this Agreement is fully executed. Without limiting the generality of the foregoing, this release shall include, but is not limited to, any and all claims under: (a) the Americans with Disabilities Act; (b) Title VII of the

Civil Rights Act of 1964; (c) the Civil Rights Act of 1991; (d) 42 U.S.C. § 1981; (e) the Age Discrimination in Employment Act; (f) the Fair Labor Standards Act; (g) the Equal Pay Act; (h) the Employee Retirement Income Securities Act, as amended; (i) the Consolidated Omnibus Budget Reconciliation Act; (j) the Rehabilitation Act of 1973; (k) the Family and Medical Leave Act; (l) the Civil Rights Act of 1966; (m) the California Fair Employment and Housing Act; (n) the California Constitution; (o) the California Labor Code; (p) the California Government Code; (q) the California Civil Code; and (r) any and all other federal, state, and local statutes, ordinances, regulations, rules, and other laws, and any and all claims based on constitutional, statutory, common law, or regulatory grounds as well as any other claims based on theories of wrongful or constructive discharge, breach of contract or implied contract, fraud, misrepresentation, promissory estoppel, or intentional infliction of emotional distress, negligent infliction of emotional distress, or damages under any other federal, state, or local statutes, ordinances, regulations, rules, or laws. This release is for any and all relief, no matter how denominated, including, but not limited to, back pay, front pay, vacation pay, bonuses, compensatory damages, tortious damages, liquidated damages, punitive damages, damages for pain and suffering, and attorney fees and costs (“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, or based on occurrences outside the Class Period. 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.

5.1.1 Plaintiff’s Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff’s Release, Plaintiff, being aware of California Civil Code section 1542, as well as any other statutes or common law principles of a similar effect, hereby forever expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:



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

5 Plaintiff specifically acknowledges that she is aware of and familiar with the provisions of the  
6 above Civil Code section 1542. Plaintiff may hereafter discover facts in addition to or different  
7 from those which she now knows or believes to be true with respect to the subject matter of all  
8 the claims referenced herein, but agrees that, upon the funding of the entire Gross Settlement  
9 Amount and Employer Taxes, Plaintiff shall and hereby does fully, finally, and forever settle and  
10 release any and all claims against the Released Parties, known or unknown, suspected or  
11 unsuspected, contingent or non-contingent, that were asserted or could have been asserted upon  
12 any theory of law or equity without regard to the subsequent discovery of existence of such  
13 different or additional facts, through the date on which this Agreement is fully executed.

14 5.2 Released Class Claims: All Participating Class Members, on behalf of themselves  
15 and their respective former and present representatives, agents, attorneys, heirs, dependents,  
16 administrators, devisees, legatees, executors, trustees, conservators, guardians, personal  
17 representatives, successors, and assigns, whether individual, class, representative, legal,  
18 equitable, direct or indirect, or any other type of any capacity, shall and do hereby forever release,  
19 discharge, and agree to hold harmless the Released Parties from (i) all claims, rights, demands,  
20 liabilities, and causes of action, in law or in equity, arising at any time during the Class Period for  
21 the claims brought by Plaintiff in the Operative Class Complaint, or that could have been brought  
22 by Plaintiff, based on the facts alleged therein or in the PAGA Notice, including claims for: (1)  
23 failure to pay minimum and straight time wages (including, but not limited to, due to alleged off-  
24 the-clock work, rounding, improper calculation of wages, and otherwise underpaid wages), (2)  
25 failure to pay overtime wages (including, but not limited to, due to alleged off-the-clock work,  
26 rounding, improper calculation of wages, and otherwise underpaid wages), (3) failure to provide  
27 meal periods (including, but not limited to, alleged non-compliant first and second meal breaks,  
28 remaining on premises or on-duty during meal periods, off-the-clock work, rounding, improper

calculation of meal period premiums, and any failure to pay meal period premiums), (4) failure to provide rest periods (alleged non-compliant rest breaks, insufficient or interrupted rest breaks, remaining on premises or on-duty during rest breaks, off-the-clock work, rounding, improper calculation of rest period premiums, and any failure to pay rest period premiums), (5) failure to timely pay earned wages during employment and/or at termination, (6) failure to provide accurate wage statements and maintain required records, (7) failure to indemnify employees for expenditures; (8) failure to produce requested employment records; and (9) unfair business practices; and (ii) Any and all causes of action, claims, rights, damages, punitive or statutory damages, penalties, liabilities, expenses, and losses alleged in the Operative Class Complaint, or that could have been alleged based upon the facts alleged in the operative complaint during the Class Period (“Released Class Claims”). To the extent based on facts alleged in the Actions or the PAGA Letter, the Released Class Claims encompass, but are not limited to, all claims pursuant to the applicable IWC Wage Order (including Wage Order 4-2001), and Labor Code §§ 98.6 201, 201.3, 202, 203, 204, 210, 216, 218.5, 218.6, 225.5, 226, 226.3, 226.6, 226.7, 227.3, 232, 232.5, 233, 234, 245, 246, 247.5, 248.2, 248.5, 432, 432.5, 432.7, 510, 512, 558, 558.1, 1024.5, 1102.5, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 1198.5, 1199, 1527, 2698, 2699, 2802, 2810.5, 3366, 3457, 6401, 8397.4. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period. Nothing in this Agreement shall release any claims that were not alleged in the Operative Class Complaint or could not have been alleged based on the facts alleged in the Operative Class Complaint or PAGA Notice. Nothing in this release shall release or limit any obligation created by this Agreement.

5.2.1 Each Participating Class Member will be bound to the release of Released Class Claims as a result of this Class Settlement and to the terms of the final judgment and the satisfaction of such judgment.

5.2.2 Participating Class Members will be deemed to have acknowledged and agreed that their claims for wages and/or penalties in the Action are disputed, and that their Individual Class Payments constitute payment of all sums allegedly due to them. Participating Class Members will be deemed to have acknowledged and agreed that California Labor Code section 206.5 is not applicable to the Individual Class Payment. That section provides in pertinent part as follows:

“An employer shall not require the execution of a release of a claim or right on account of wages due, or to become due, or made as an advance on wages to be earned, unless payment of those wages has been made.”

5.3 Released PAGA Claims: All Aggrieved Employees, including Non-Participating Class Members who are Aggrieved Employees, are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims, rights, demands, liabilities and causes of action for PAGA civil penalties, that Aggrieved Employees have had, now have, or may have in the future against Released Parties based on any acts or omissions occurring during the PAGA Period, and based on the claims alleged or that reasonably could have been alleged based on the facts alleged in the Operative PAGA Complaint or alleged in Plaintiff’s notice to the LWDA, including but not limited to, any and all claims for PAGA Penalties pursuant to Wage Order 4-2001, and Labor Code §§ 98.6 201, 201.3, 202, 203, 204, 210, 216, 218.5, 218.6, 225.5, 226, 226.3, 226.6, 226.7, 227.3, 232, 232.5, 233, 234, 245, 246, 247.5, 248.2, 248.5, 432, 432.5, 432.7, 510, 512, 558, 558.1, 1024.5, 1102.5, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 1198.5, 1199, 1527, 2698, 2699, 2802, 2810.5, 3366, 3457, 6401, 8397.4 (the “Released PAGA Claims”). The Released PAGA Claims are those that accrued during the PAGA Period only. The State of California shall release all and any PAGA claims rights, demands, liabilities, penalties, fines, debts and causes of action, arising from the PAGA claims pled in the Operative PAGA Complaint or LWDA notice; or that could have been pled in the Actions based on the allegations therein. Any Aggrieved Employees who submit a valid and timely Request for

Exclusion are still entitled to their Individual PAGA Payment and have no right or ability to opt out of the portion of this Settlement releasing the Released PAGA Claims.

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

6.1 **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. Class Counsel shall provide Defense Counsel with a draft of the preliminary approval moving papers and proposed order for review no later than three (3) business days prior to submitting to the Court.

6.2 **Responsibilities of Counsel.** Class Counsel is responsible for expeditiously finalizing 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.

6.3 **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.

**7. SETTLEMENT ADMINISTRATION.**

7.1 Selection of Administrator. The Parties have jointly selected ILYM 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.

7.2 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.

7.3 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 become part of the NSA for distribution to Participating Class Members.

7.4 Notice to Class Members.

7.4.1 No later than five (5) 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.

7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 (fourteen) days after receiving the Class Data, the Administrator will send to all Class Members

1 identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class  
2 Notice substantially in the form attached to this Agreement as Exhibit A. The Administrator will  
3 also contemporaneously post a copy of the Class Notice with Spanish Translation on its website  
4 at least until the date of the Final Approval Hearing. The first page of the Class Notice shall  
5 prominently estimate the dollar amounts of any Individual Class Payment and/or Individual  
6 PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay  
7 Periods used to calculate these amounts. Before mailing Class Notices, the Administrator shall  
8 update Class Member addresses using the National Change of Address database.

9           7.4.3 Not later than five (5) calendar days after the Administrator’s receipt of  
10 any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class  
11 Notice using any forwarding address provided by the USPS. If the USPS does not provide a  
12 forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail  
13 the Class Notice to the most current address obtained. If the Class Data includes the phone number  
14 for any Class Member whose Class Notice is deemed undeliverable, the Administrator will  
15 attempt to reach the Class Member by telephone to verify his or her addresses. Outside of this  
16 Section and Section 7.8.3, the Administrator has no obligation to make further attempts to locate  
17 or send Class Notices to Class Members whose Class Notice is returned by the USPS a second  
18 time.

19           7.4.4 The deadlines for Class Members’ written objections, challenges to  
20 Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional  
21 fourteen days (14) days beyond the forty-five (45) days otherwise provided in the Class Notice  
22 for all Class Members whose notice is re-mailed. The Administrator will inform the Class  
23 Member of the extended deadline with the re-mailed Class Notice.

24           7.4.5 If the Administrator, Defendant, or Class Counsel is contacted by or  
25 otherwise discovers any persons who believe they should have been included in the Class Data  
26 and should have received Class Notice, the Parties will expeditiously meet and confer in person  
27 or by telephone, and in good faith in an effort to agree on whether to include them as Class  
28 Members. If the Parties agree, such persons will be Class Members entitled to the same rights as

1 other Class Members, and the Administrator will send, via email or overnight delivery, a Class  
2 Notice requiring them to exercise options under this Agreement not later than 14 (fourteen) days  
3 after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

4           7.5     Requests for Exclusion (Opt-Outs).

5  
6           7.5.1   Class Members who wish to exclude themselves (opt-out of) the Class  
7 Settlement must send the Administrator, by fax, email, or mail, a signed written Request for  
8 Exclusion not later than 45 (forty-five) days after the Administrator mails the Class Notice (plus  
9 an additional 14 (fourteen) days for Class Members whose Class Notice is re-mailed). A Request  
10 for Exclusion is a letter from a Class Member or his/her representative that reasonably  
11 communicates the Class Member's election to be excluded from the Settlement and includes the  
12 Class Member's name, address and email address or telephone number. To be valid, a Request for  
13 Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

14           7.5.2   The Administrator may not reject a Request for Exclusion as invalid  
15 because it fails to contain all the information specified in the Class Notice. The Administrator  
16 shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the  
17 identity of the person as a Class Member and the Class Member's desire to be excluded. The  
18 Administrator's determination shall be final and not appealable or otherwise susceptible to  
19 challenge, though the Court may make a final determination of any dispute. If the Administrator  
20 has reason to question the authenticity of a Request for Exclusion, the Administrator may demand  
21 additional proof of the Class Member's identity. The Administrator's determination of  
22 authenticity shall be final and not appealable or otherwise susceptible to challenge, except by the  
23 Court.

24           7.5.3   Every Class Member who does not submit a timely and valid Request for  
25 Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all  
26 benefits and bound by all terms and conditions of the Settlement, including the Participating Class  
27 Members' Releases under paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the  
28 Participating Class Member actually receives the Class Notice or objects to the Settlement.

1           7.5.4 Every Class Member who submits a valid and timely Request for  
2 Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment  
3 or have the right to object to the class action components of the Settlement. Because future PAGA  
4 claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class  
5 Members who are Aggrieved Employees are deemed to release the Released PAGA Claims  
6 identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7           7.6 Challenges to Calculation of Workweeks. Each Class Member shall have 45 (forty-  
8 five) days after the Administrator mails the Class Notice (plus an additional 14 (fourteen) days  
9 for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks  
10 and PAGA Pay Periods allocated to the Class Member in the Class Notice. The Class Member  
11 may challenge the allocation by communicating with the Administrator via fax, email or mail.  
12 The Administrator must encourage the challenging Class Member to submit supporting  
13 documentation. In the absence of any contrary documentation, the Administrator is entitled to  
14 presume that the Workweeks contained in the Class Notice are correct so long as they are  
15 consistent with the Class Data. The Administrator's determination of each Class Member's  
16 allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise  
17 susceptible to challenge. The Administrator shall promptly provide copies of all challenges to the  
18 calculation of Workweeks and/or Pay Periods to Defense Counsel and redacted copies to Class  
19 Counsel and the Administrator's determination of the challenges. The Administrator will provide  
20 similar copies of challenges to Class Counsel after redacting Class Member identifying  
21 information, including but not limited to name, address, social security number, email address,  
22 and phone number.

23           7.7 Objections to Settlement.

24  
25           7.7.1 Only Participating Class Members may object to the class action  
26 components of the Settlement and/or this Agreement, including contesting the fairness of the  
27 Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel  
28 Litigation Expenses Payment and/or Enhancement Award.



1           7.7.2 Participating Class Members may send written objections to the  
2 Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear  
3 in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval  
4 Hearing. A Participating Class Member who elects to send a written objection to the Administrator  
5 must do so not later than 45 (forty-five) days after the Administrator's mailing of the Class Notice  
6 (plus an additional 14 (fourteen) days for Class Members whose Class Notice was re-mailed).

7           7.7.3 Non-Participating Class Members have no right to object to any of the class  
8 action components of the Settlement.

9           7.8 Administrator Duties. The Administrator has a duty to perform or observe all tasks  
10 to be performed or observed by the Administrator contained in this Agreement or otherwise.

11           7.8.1 Website, Email Address and Toll-Free Number. The Administrator will  
12 establish, maintain and use an internet website to post information of interest to Class Members  
13 including the date, time and location for the Final Approval Hearing and copies of the Settlement  
14 Agreement; Motion for Preliminary Approval; Preliminary Approval Order; Class Notice; Motion  
15 for Final Approval; Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses  
16 Payment and Enhancement Award; the Final Approval Order; and the Judgment. The  
17 Administrator will also maintain and monitor an email address and a toll-free telephone number  
18 to receive Class Member calls, faxes and emails. If Final Approval is granted, the Administrator  
19 will post the above-listed information of interest for at least 180 days after the date of mailing  
20 Individual Class Payments and Individual PAGA Payments.

21           7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator  
22 will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later  
23 than five (5) days after the expiration of the deadline for submitting Requests for Exclusion, the  
24 Administrator shall email a list to: (a) Class Counsel and Defense Counsel containing the names  
25 and other identifying information of Class Members who have timely submitted valid Requests  
26 for Exclusion ("Exclusion List"), along with copies of all valid and timely Requests for Exclusion;  
27 (b) Defense Counsel containing the names and other identifying information of Class Members  
28

1 who have submitted invalid Requests for Exclusion, along with copies of all invalid or untimely  
2 Requests for Exclusion from Settlement submitted.

3           7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide  
4 written reports to Class Counsel and Defense Counsel that, among other things, tally the number  
5 of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion  
6 (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay  
7 Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual  
8 PAGA Payments (“Weekly Report”). The Weekly Reports must include the Administrator’s  
9 assessment of the validity of Requests for Exclusion and attach copies of all Requests for  
10 Exclusion and objections received. The Administrator must, on a weekly basis, provide Defense  
11 Counsel the names and identifying information of Class Members whose Class Notices have been  
12 returned as undeliverable for the purpose of determining if Defendant can provide any additional  
13 information to successfully mail the Class Notice.

14           7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the  
15 authority to address and make final decisions consistent with the terms of this Agreement on all  
16 Class Member challenges over the calculation of Workweeks and/or Pay Periods. The  
17 Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.

18           7.8.5 Employer’s Share of Payroll Taxes. The Administrator shall handle all tax  
19 document preparation and reporting, including W-2 and/or 1099 Forms, and any other state and  
20 federal tax forms. The Administrator shall calculate the amount of the Employer’s Taxes and shall  
21 remit and report the applicable portions of the payroll tax payment to the appropriate taxing  
22 authorities in a timely manner.

23           7.8.6 Administrator’s Declaration. Not later than 14 (fourteen) days before the  
24 date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the  
25 Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable  
26 for filing in Court attesting to its due diligence and compliance with all of its obligations under  
27 this Agreement, including, but not limited to, its mailing and posting of Class Notice, the Class  
28 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.

7.8.7 Posting of Final Judgment. Within 10 days after the Court has held a Final Approval Hearing and entered the Judgment certifying the Class for settlement purposes only and approving the Settlement, the Administrator will give notice of judgment to Class Members pursuant to California Rules of Court, rule 3.771(b) by posting a copy of said Judgment on its website at a web address to be included in the Class Notice.

7.8.8 Final Report by Settlement Administrator. Within 10 (ten) 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 (fifteen) 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.

8. **CLASS SIZE ESTIMATES and ESCALATOR CLAUSE.** Based on its records at the time of mediation, Defendant represents there are 306 Class Members who collectively worked a total of 27,000 Workweeks during Class Period. Should the Workweeks increase more than 10% (i.e. more than 2,711 workweeks), Defendant, at its option, can either choose to: (1) cut off the end date for the Class Period as of the date on which the number of total workweeks exceed 110% of 27,000, or (2) increase the GSA on a proportional basis equal to the percentage increase in number of workweeks worked by the Class Members above the 10%. For example, if the final number of total workweeks increases by 15%, at the Defendant's election, the GSA will increase by 5%. If this provision is triggered, the Parties agree that the portion of the GSA allocated to

attorneys' fees will increase proportionally such that the total amount of attorneys' fees remains one-third of the GSA after the upward adjustment required by this provision is implemented.

9. **DEFENDANT'S RIGHT TO WITHDRAW.** If the valid Requests for Exclusion identified in the Exclusion List represent an aggregate total of 5% or more of Class Members, Defendant may, but is not obligated, to elect to withdraw from the Settlement. The Parties agree that any Class Members for whom the Notice is deemed "undeliverable" by the Administrator are to be included as Participating Class Members. In the event the Court deems such individuals to be excluded from this Settlement and the resulting judgment, Defendant retains the right, in its sole discretion, to nullify the Settlement within 5 (five) business days after any such Court ruling if the total number of Class Members excluded from the Settlement (either by submitting valid Requests for Exclusion or by court order) equals or exceeds 5% of the Class Members. 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) or, if applicable, 5 (five) business days after the Court enters an order excluding additional Class Members.

10. **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 not later than three (3) business days 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.

10.1 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.

10.2 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 revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Enhancement Award, 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.

10.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, the Actions, 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.

10.4 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, except as to matters that do not affect the amount of the Net Settlement Amount.

10.5 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 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 Enhancement Award 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.

11. **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.

12. **ADDITIONAL PROVISIONS.**

12.1 No Effect on Employee Benefit Plans. Neither this Agreement nor any amounts paid under the Settlement will modify any previously credited hours, days, or weeks of service under any employee benefit plan, policy or bonus program sponsored by Defendant. Such amounts will not form the basis for additional contributions to, benefits under, or any other monetary entitlement under Defendant's sponsored benefit plans, policies or bonus programs. The payments made under the terms of this Settlement shall not be applied retroactively, currently, or on a going forward basis, as salary, earnings, wages, or any other form of compensation for the purposes of any of Defendant's benefit plan, policy or bonus program. Defendant retains the right to modify the language of its benefits plans, policies and bonus programs to effect this intent and to make clear that any amounts paid pursuant to this Settlement are not for "weeks worked," "weeks paid," "weeks of service," or any similar measuring term as defined by applicable plans,

1 policies and bonus programs for purpose of eligibility, vesting, benefit accrual, or any other  
2 purpose, and that additional contributions or benefits are not required by this Settlement.  
3 Defendant does not consider the Individual Class Payments “compensation” for purposes of  
4 determining eligibility for, or benefit accrual within, any benefit plans, policies, or bonus  
5 programs, or any other plan sponsored by Defendant.

6 12.2 No Admission of Liability, Class Certification or Representative Manageability  
7 for Other Purposes. This Agreement represents a compromise and settlement of highly disputed  
8 claims. Nothing in this Agreement is intended or should be construed as an admission by  
9 Defendant that any of the allegations in the Operative Complaint has merit or that Defendant has  
10 any liability for any claims asserted; nor should it be intended or construed as an admission by  
11 Plaintiff that Defendant’s defenses in the Actions have merit. The Parties agree that class  
12 certification and representative treatment is for purposes of this Settlement only. If, for any reason,  
13 the Court does grant Preliminary Approval, Final Approval, or enter Judgment, Defendant  
14 reserves the right to contest certification of any class for any reason, Defendant reserves all  
15 available defenses to the claims in the Actions, and Plaintiff reserves the right to move for class  
16 certification on any grounds available and to contest Defendant’s defenses. The Settlement, this  
17 Agreement and Parties’ willingness to settle the Action will have no bearing on, and will not be  
18 admissible in connection with, any litigation (except for proceedings to enforce or effectuate the  
19 Settlement and this Agreement).

20 12.3 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel,  
21 Defendant, and Defense Counsel separately agree that, until the Motion for Preliminary Approval  
22 of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or  
23 cause or permit another person to disclose, disseminate or publicize, any of the terms of the  
24 Agreement directly or indirectly, specifically or generally, to any person, corporation, association,  
25 government agency, or other entity except: (1) to the Parties’ attorneys, accountants, or spouses,  
26 all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter;  
27 (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a  
28 court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal

1 government agency. This confidentiality clause extends to the parties' use of social media people  
2 often use to communicate during their daily lives, such as X (formerly Twitter), Facebook, blogs,  
3 Instagram, and the like. Each Party agrees to immediately notify the other Party of any judicial or  
4 agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant,  
5 and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or  
6 other communication, before the filing of the Motion for Preliminary Approval, with any third  
7 party regarding this Agreement or the matters giving rise to this Agreement except to respond  
8 only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class  
9 Counsel's communications with Class Members in accordance with Class Counsel's ethical  
10 obligations owed to Class Members.

11 12.4 No Solicitation. The Parties separately agree that they and their respective counsel  
12 and employees will not solicit any Class Member to opt out of or object to the Settlement, or  
13 appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's  
14 ability to communicate with Class Members in accordance with Defense Counsel's and Class  
15 Counsel's ethical obligations and Class Counsel's fiduciary duties owed to Class Members.

16 12.5 Integrated Agreement. Upon execution by all Parties and their counsel, this  
17 Agreement together with its attached exhibits shall constitute the entire agreement between the  
18 Parties relating to the Settlement, superseding any and all oral representations, warranties,  
19 covenants, or inducements made to or by any Party.

20 12.6 Attorney Authorization. Class Counsel and Defense Counsel separately warrant  
21 and represent that they are authorized by Plaintiff and Defendant, respectively, to take all  
22 appropriate action required or permitted to be taken by such Parties pursuant to this Agreement  
23 to effectuate its terms, and to execute any other documents reasonably required to effectuate the  
24 terms of this Agreement including any amendments to this Agreement.

25 12.7 Cooperation. The Parties and their counsel will cooperate with each other and use  
26 their best efforts, in good faith, to implement the Settlement by, among other things, modifying  
27 the Settlement Agreement, submitting supplemental evidence and supplementing points and  
28 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.

12.8 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.

12.9 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.

12.10 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.

12.11 Authority of Signatories. The respective signatories to the Agreement represent that they are fully authorized to enter into this Agreement and bind the respective Parties to its terms and conditions.

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

12.13 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.

12.14 Attorneys' Fees and Costs. Except as otherwise specifically provided for herein, each party shall bear her or its own attorneys' fees, costs, and expenses, taxable or otherwise, incurred by them or arising out of the Action and shall not seek reimbursement thereof from any other party in this Agreement. In any suit or court action to enforce the terms of this Agreement, the prevailing party shall be entitled to recover her or its reasonable attorneys' fees and costs.

12.15 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.

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

12.17 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destruction, of Class Data.

12.18 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.

12.19 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.

12.20 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:

John G. Yslas  
john.yslas@wilshirelawfirm.com  
Samantha A. Smith  
Samantha.smith@wilshirelawfirm.com  
Jeffrey C. Bills (SBN 301629)  
jbills@wilshirelawfirm.com  
Aram Boyadjian (SBN 334009)  
aboyadjian@wilshirelawfirm.com  
Andrew Sandoval (SBN 346996)  
andrew.sandoval@wilshirelawfirm.com  
**WILSHIRE LAW FIRM**  
3055 Wilshire Blvd., 12th Floor  
Los Angeles, California 90010  
Telephone: (213) 381-9988  
Facsimile: (213) 381-9989

To Defendant:

Vanessa Franco Chavez  
vchavez@kleinlaw.com  
Anna M. Burnbaum  
aburnbaum@kleinlaw.com  
**KLEIN, DENATALE, GOLDNER,  
COOPER, ROSENLIEN & KIMBALL, LLP**  
10000 Stockdale Highway, Suite 200  
Bakersfield, CA 93311  
Telephone: 661-395-1000  
Facsimile: 661-326-0418

12.21 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.

12.22 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.

IT IS SO AGREED.

By the Parties:

DATED: 2/8/2025

DocuSigned by:

Plaintiff Karla Morales

DATED: 1/28/25

Defendant CASTEEN DENTAL CORPORATION

By:

Position:

CEO

Approved by counsel:

DATED:

WILSHIRE LAW FIRM

BY:

John G. Yslas

Counsel for Plaintiff Karla Morales

DATED:

KLEIN, DENATALE, GOLDNER,  
COOPER, ROSENLIEB & KIMBALL, LLP

BY:

Vanessa Franco Chavez

Anna M. Burnbaum

Counsel for CASTEEN DENTAL CORPORATION

**EXHIBIT A**

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

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*Karla Morales v. Casteen Dental Corporation,*  
Kern County Superior Court, Case Nos. BCV-23-102915 (lead), BCV-23-103655

***The Kern 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 may be eligible to receive money** from employee class and representative action lawsuits (“Actions”) against Casteen Dental Corporation (“Defendant”) for alleged wage and hour violations. The Actions were filed by former employee, Karla Morales, and seeks (1) payment of unpaid wages and other relief for a class of non-exempt or hourly-paid employees (“Class Members”) who worked for Defendant during the Class Period (August 29, 2019 to XXXX); and (2) penalties under the California Private Attorney General Act (“PAGA”) for all Class Members who worked for Defendant during the PAGA Period (August 30, 2022 to XXXX) (“Aggrieved Employees”).

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

Based on Defendant’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 Defendant’s records you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.)

The above estimates are based on Defendant’s records showing that **you worked \_\_\_\_\_ Workweeks during the Class Period and you worked \_\_\_\_\_ Pay Periods during the PAGA Period.** If you believe that you worked more during either period, you can submit a challenge by the deadline date.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval of the Settlement. Your legal rights are affected whether you act or not act. **READ THIS NOTICE CAREFULLY.** You will be deemed to have 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 Defendant to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendant.

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>	
<b>DO NOTHING</b>	Receive money. Give up rights to sue Defendant for claims released in the Settlement.
<b>EXCLUDE YOURSELF</b>	Receive no money from the Class settlement. You will retain the right to pursue your own legal claims against Defendant. 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.
<b>OBJECT</b>	Write to the Court about why you object to the Settlement. If the Settlement receives Final Approval, you will receive money and give up rights to sue Defendant for claims released in the Settlement.
<b>CHALLENGE YOUR NUMBER OF WORKWEEKS AND/OR PAY PERIODS</b>	Challenge your number of Workweeks or Pay Periods listed in this Notice and provide supporting evidence. If you challenge your workweeks or pay periods, you will still be part of the Settlement and will give up rights to sue Defendant for claims released in the Settlement.

## **BASIC INFORMATION**

### **1. WHY AM I RECEIVING THIS NOTICE?**

Defendant's records indicate that you worked for Defendant Casteen Dental Corporation at some point(s) between August 29, 2019 through XXXX, 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 August 30, 2022 through XXXX.

If the Court grants Final Approval to 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 Kern County Superior Court. The case is titled *Karla Morales v. Casteen Dental Corporation*, Case Nos. BCV-23-102915 (lead) and BCV-23-103655 filed in Kern County Superior Court. The person who sued, Karla Morales, is the Plaintiff, and the company sued, Casteen Dental Corporation, is the Defendant.

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

## **2. WHAT IS THE LAWSUIT ABOUT?**

The Plaintiff in the lawsuits alleges wage and hour violations against Defendant 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 miss 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 all necessary business expenditures; (8) failure to produce employment records; (9) violation of California's Unfair Competition Law, California Business and Professions Code section 17200, *et seq.* In addition, Plaintiff is seeking to recover civil penalties pursuant to PAGA ("PAGA Penalties") based on the alleged violations of the California Labor Code listed above. Defendant denies Plaintiff's claims and denies any wrongdoing.

## **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, the Parties have agreed to a negotiated settlement. This way, all Parties avoid the cost of preparing for and conducting a trial, the risk of losing the right to a trial, and the workers affected by the alleged violations receive compensation. The Settlement represents a compromise and settlement of highly disputed 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.

## **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 employees of Defendant who were classified as non-exempt and worked within the State of California at any time from August 29, 2019 through XXXX.

### **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**

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE



## 7. WHAT DOES THE SETTLEMENT PROVIDE?

Defendant has agreed to pay a Gross Settlement Amount (“GSA”) of \$1,080,000.00 to settle the lawsuit. From the GSA, Class Counsel will apply to the Court for attorneys’ fees of one-third of the GSA or \$360,000.00 and reimbursement for reasonable costs; Enhancement Award of \$10,000.00 to the Plaintiff (for Plaintiff’s work and efforts prosecuting this case); a PAGA Penalties payment of \$30,000.00 to resolve the PAGA claims; and Settlement Administration Costs to ILYM Group, Inc., not to exceed \$6,850.00. The exact amount of the Class Counsel’s Fees and Litigation Expenses, Class Representative Service Payments, and Administration Costs will be determined by the Court at the Final Approval hearing. The remaining portion of the Settlement amount, the “Net Settlement Amount” or the “NSA,” is currently estimated to be approximately **\$673,150.00**. 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.

**PAGA Penalties payment:** As part of the PAGA portion of the Settlement, the Parties will ask the Court to approve a \$30,000.00 PAGA Penalties payment in settlement of claims for civil penalties under PAGA. As required under PAGA, 75% of the PAGA Penalties payment, or \$22,500.00, will be paid to the California Labor and Workforce Development Agency. The remaining 25% of the PAGA Penalties payment, or \$7,500.00, 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 first page of this Notice. If you are also an Aggrieved Employee, an approximation of your Individual PAGA Payment will also appear on the first page of this Notice.

**Individual Class Payment:** Your Individual Class Payment is based on the number Workweeks you worked, as represented in Defendant’s records, in comparison to the total number of Workweeks worked by all Class Members during the Class Period (August 29, 2019 to XXXX). Ninety percent (90%) 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 ten percent (10%) of each Class Member’s Individual Class Payment will be treated as a payment in settlement of alleged claims for unpaid wages. The 10% allocated as unpaid wages will be reduced by applicable payroll tax withholdings and deductions and reported on a Form W-2.

**Individual PAGA Payment:** If you worked for Defendant from August 30, 2022 to XXXX (“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. 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 a 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. *See, e.g., Robinson v So. County Oil*, 53 Cal. App. 476 (2020).

## HOW YOU GET A PAYMENT

### 9. HOW DO I RECEIVE A PAYMENT?

**You do not need to do anything to receive a payment.** 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 \_\_\_\_\_, 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, Individual Class Payments and Individual PAGA Payments will be mailed to Participating Class Members and Aggrieved Employees approximately 30 days after the Court's approval of the Settlement becomes final so long as there are no appeals.

**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](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 Defendant 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 all of Defendant's parents, successors and affiliates ("Released Parties"). The releases become effective once the GSA is fully funded by Defendant.

**Released Class Claims:** The "Released Class Claims" shall include all claims, rights, demands, liabilities, and causes of action, in law or in equity, arising at any time during the Class Period for the claims brought by Plaintiff in the Operative Class Complaint, or that could have been brought by Plaintiff,

based on the facts alleged therein or in the PAGA Notice, including: (i) all claims, rights, demands, liabilities, and causes of action, in law or in equity, arising at any time during the Class Period for the claims brought by Plaintiff in the Operative Class Complaint, or that could have been brought by Plaintiff, based on the facts alleged therein or in the PAGA Notice, including claims for: (1) failure to pay minimum and straight time wages (including, but not limited to, due to alleged off-the-clock work, rounding, improper calculation of wages, and otherwise underpaid wages), (2) failure to pay overtime wages (including, but not limited to, due to alleged off-the-clock work, rounding, improper calculation of wages, and otherwise underpaid wages), (3) failure to provide meal periods (including, but not limited to, alleged non-compliant first and second meal breaks, remaining on premises or on-duty during meal periods, off-the-clock work, rounding, improper calculation of meal period premiums, and any failure to pay meal period premiums), (4) failure to provide rest periods (alleged non-compliant rest breaks, insufficient or interrupted rest breaks, remaining on premises or on-duty during rest breaks, off-the-clock work, rounding, improper calculation of rest period premiums, and any failure to pay rest period premiums), (5) failure to timely pay earned wages during employment and/or at termination, (6) failure to provide accurate wage statements and maintain required records, (7) failure to indemnify employees for expenditures; (8) failure to produce requested employment records; and (9) unfair business practices; and (ii) Any and all causes of action, claims, rights, damages, punitive or statutory damages, penalties, liabilities, expenses, and losses alleged in the Operative Class Complaint, or that could have been alleged based upon the facts alleged in the operative complaint during the Class Period (“Released Class Claims”). To the extent based on facts alleged in the Actions or the PAGA Letter, the Released Class Claims encompass, but are not limited to, all claims pursuant to the applicable IWC Wage Order (including Wage Order 4-2001), and Labor Code §§ 98.6 201, 201.3, 202, 203, 204, 210, 216, 218.5, 218.6, 225.5, 226, 226.3, 226.6, 226.7, 227.3, 232, 232.5, 233, 234, 245, 246, 247.5, 248.2, 248.5, 432, 432.5, 432.7, 510, 512, 558, 558.1, 1024.5, 1102.5, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 1198.5, 1199, 1527, 2698, 2699, 2802, 2810.5, 3366, 3457, 6401, 8397.4. . Nothing in this Agreement shall release any claims that were not alleged in the Operative Class Complaint or could not have been alleged based on the facts alleged in the Operative Class Complaint or PAGA Notice. Nothing in this release shall release or limit any obligation created by this Agreement.

**Released PAGA Claims:** If you are an Aggrieved Employee (i.e. if you worked for Defendant during the PAGA Period), you will also release all claims for PAGA civil penalties that are alleged or reasonably could have been alleged based on the facts alleged in the Operative PAGA Complaint or alleged in Plaintiff’s notice to the LWDA, including but not limited to, any and all claims for PAGA Penalties pursuant to Wage Order 4-2001, and Labor Code §§ 98.6 201, 201.3, 202, 203, 204, 210, 216, 218.5, 218.6, 225.5, 226, 226.3, 226.6, 226.7, 227.3, 232, 232.5, 233, 234, 245, 246, 247.5, 248.2, 248.5, 432, 432.5, 432.7, 510, 512, 558, 558.1, 1024.5, 1102.5, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 1198.5, 1199, 1527, 2698, 2699, 2802, 2810.5, 3366, 3457, 6401, 8397.4 (the “Released PAGA Claims”). The Released PAGA Claims are those that accrued during the PAGA Period only. The State of California shall release all and any PAGA claims rights, demands, liabilities, penalties, fines, debts and causes of action, arising from the PAGA claims pled in the Operative PAGA Complaint or LWDA notice; or that could have been pled in the Actions based on the allegations therein.

## EXCLUDING YOURSELF FROM THE SETTLEMENT

### 12. HOW DO I EXCLUDE MYSELF FROM 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 [45 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:

ILYM Group, Inc.  
*Casteen Dental Corporation 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 Defendant during the PAGA Period (August 30, 2022 through XXXX). If you ask to be excluded, you may be able to sue (or continue to sue) Defendant in the future.

### 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 Defendant 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 [45 days after Class Notice is Mailed].

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

No. If you exclude yourself, you will not receive any money from this Settlement. However, if you timely exclude yourself from the Settlement, you will retain the right to pursue your own legal action against Defendant, 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.

John G. Yslas  
john.yslas@wilshirelawfirm.com  
Samantha A. Smith  
Samantha.smith@wilshirelawfirm.com  
Jeffrey C. Bills  
jbills@wilshirelawfirm.com  
Aram Boyadjian  
aboyadjian@wilshirelawfirm.com  
Andrew Sandoval  
andrew.sandoval@wilshirelawfirm.com  
**WILSHIRE LAW FIRM**  
3055 Wilshire Blvd., 12th Floor  
Los Angeles, California 90010  
Telephone: (213) 381-9988  
Facsimile: (213) 381-9989

## **16. HOW WILL THE LAWYERS BE PAID?**

Class Counsel will ask the Court to approve \$360,000.00 (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 [AMOUNT] 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 Karla Morales in the amount of \$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?**

If you don't think the Settlement is fair, you can object to some or all of the Settlement. You can either object to the Settlement in person at the Final Approval Hearing or you can submit a written objection. Written objections and notices of intent to appear at the Final Approval Hearing must be mailed to the Settlement Administrator and postmarked on or before \_\_\_\_\_, 2025, at the following address:

ILYM Group, Inc.  
*Casteen Dental Corporation Settlement*  
XXXXX  
City, State, XXXXX  
Email:  
Fax

The written objection should 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. 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.

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

## **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 \_\_\_\_\_ on \_\_\_\_\_ in Division J of the Kern County Superior Court (Metropolitan Division) located at 1215 Truxtun Ave, Bakersfield, California 93301, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. 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 Payments and the Class Counsel Fees and Litigation Expenses Payments.

## **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 the Defendant 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 the Court-appointed Settlement Administrator,

[INSERT] by calling toll free 1-800\_\_\_\_\_, or you can write to the Administrator at the following address:

ILYM Group, Inc.

*Casteen Dental Corporation* Settlement

XXXXX

City, State, XXXXX

Email:

Fax

**PLEASE DO NOT TELEPHONE THE COURT OR CASTEEN DENTAL CORPORATION'S COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS. YOU MAY, HOWEVER, CALL CLASS COUNSEL OR THE SETTLEMENT ADMINISTRATOR, LISTED ABOVE.**

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE