

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

Monica Garcia v. Compassionate Heart Senior Care, Inc. dba Home Instead Senior Care,
Orange County Superior Court,
Case No. 30-2022-01294409-CU-OE-CXC and 30-2023-01349739-CU-OE-CXC.

PLEASE READ THIS NOTICE CAREFULLY. THIS NOTICE RELATES TO A SETTLEMENT OF CLASS ACTION AND PAGA LITIGATION.

I. BACKGROUND OF THE CASE

On November 30, 2022, former employee Monica Garcia (“Plaintiff”) filed a lawsuit alleging wage and hour violations against Compassionate Heart Senior Care, Inc. dba Home Instead Senior Care (“Defendant”) (Plaintiff and Defendant are collectively referred to as the “Parties”). The lawsuit was filed in Superior Court of the State of California for Orange County (“Court”), Case No. 30-2022-01294409-CU-OE-CXC.

The Action alleges Defendant failed to pay minimum and straight time wages, overtime wages, failed to provide meal periods, failed to authorize and permit rest periods, failed to timely pay final wages at termination, failed to provide accurate itemized wage statements, failed to indemnify employees for expenditures; and therefore engaged in unfair competition and owes penalties under PAGA.

On September 15, 2023, Plaintiff filed a PAGA Representative Action, Orange County Superior Court Case No. 30-2023-01349739-CU-OE-CXC, alleging violation of the Private Attorney General Act (“PAGA”) and seeking civil penalties under PAGA based on the following claims: (1) Failure to Pay for All Hours Worked, Including Minimum , Straight Time, and Overtime Wages; (2) Failure to Provide Meal Periods; (3) Failure to Authorize and Permit Rest Breaks; (4) Failure to Pay All Earned Wages Twice Per Month; (5) Failure to Maintain Accurate Records of Hours Worked and Meal Periods; (6) Failure to Timely Pay All Wages at Termination; (7) Failure to Furnish Accurate Itemized Wage Statements; and (8) Failure to Indemnify for Necessary Expenditures.

The lawsuits are referred to here as the “Action” or “Actions.”

Defendant denies all claims, denies that Plaintiff and the Class Members and aggrieved employees are entitled to any recovery, and asserts affirmative defenses in response to Plaintiff’s claims.

The Actions have been actively litigated. There have been on-going investigations, and an exchange of extensive documentation and information. Based upon the negotiations, and all known facts and circumstances, including the various risks and uncertainties related to legal actions, the Parties reached a class-wide Settlement. By settling, the Parties will avoid the risks associated with a lengthy litigation process. Despite agreeing to and supporting the Settlement, Defendant continues to deny all allegations and claims.

The Parties have entered into a Joint Stipulation of Class and PAGA Settlement (“Settlement,” or “Agreement”), which has been preliminarily approved by the Court. The Settlement has been reached between the Parties on behalf of:

- (1) all persons employed by Defendant in an hourly, non-exempt position in California during the Class Period (defined as June 5, 2018 through October 18, 2024) (“Class Members”); and
- (2) all persons employed by Defendant in an hourly, non-exempt position in California during the PAGA Period (defined as February 3, 2022 through October 18, 2024) (“PAGA Members”)

II. ESTIMATED INDIVIDUAL AWARD

You have received this notice because Defendant’s records indicate you are a Class Member and/or PAGA Member. This notice is to advise you of how you can participate in or be excluded from the Settlement.

Based on Defendant’s records, your Individual Class Award is estimated to be \$<<MERGED_ClassAward>> (less applicable withholdings) and your Individual PAGA Award is estimated to be \$\$<<MERGED_PAGAAward>>. The actual amount you may receive may be more or less than the amount estimated depending on the number of Class Members who choose to exclude themselves from the Settlement, the actual number of Workweeks worked by Participating Class Members, and on the distributions approved and allocated by the Court. If no amount is stated for your Individual PAGA Award, then you are not eligible for an Individual PAGA Award 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 <<MERGED_ClassWW>> workweeks during the Class Period, and you worked <<MERGED_PAGAPP>> pay periods during the PAGA Period.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether or not you act. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement. The Court will also decide whether to enter a judgment that approves the releases of claims by Class Members and PAGA Members in accordance with the terms of the Settlement.

III. SUMMARY OF SETTLEMENT

1. Under the terms of the Settlement, Defendant agrees to pay the Maximum Settlement Amount of Two Hundred Eleven Thousand Three Hundred Eighty-Seven Dollars and Thirteen Cents (\$211,387.13), which is inclusive of all amounts Defendant is required to pay under the Settlement, including all Individual Class Awards to Participating Class Members, all Individual PAGA Awards to PAGA Members, the LWDA Payment, the employer portion of applicable taxes, Plaintiff's Enhancement Award, Class Counsel's Attorneys' Fees and Costs, and Administration Expenses. The entire Maximum Settlement Amount will be fully paid out and no portion of the Maximum Settlement Amount will revert back to Defendant.

2. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Maximum Settlement Amount, the amounts of which will be decided by the Court at the Final Approval Hearing:

a. Up to \$7,950.00 in Administration Expenses to the Administrator for costs of administration of the Settlement.

b. Up to \$10,000.00 as allocated as PAGA penalties, 75% of which will be paid to the LWDA and 25% of which will be distributed as Individual PAGA Awards to PAGA Members on a pro-rata basis based on the number of pay periods worked by all PAGA Members during the PAGA Period.

c. Up to \$70,462.38 (33.3% of the Maximum Settlement Amount) to Class Counsel for attorneys' fees and up to \$9,000.00 for litigation costs and expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.

d. Up to \$10,000.00 as Plaintiff's Enhancement Award for Plaintiff in recognition of her effort and work in prosecuting the Action and in exchange for an individual general release of all claims.

3. After making the above deductions in amounts approved by the Court, the Administrator will distribute the remaining amount (the "Net Settlement Amount") as Individual Class Awards to Participating Class Members. The Individual Class Awards to Participating Class Members are calculated on a pro-rata basis based on the number of Workweeks worked by all Participating Class Members during the Class Period and all pay periods worked by PAGA Members during the PAGA Period based on the Class Data provided by Defendant.

4. Each Individual Class Award to a Participating Class Member will be attributed 20% as wages and 80% as penalties and interest. The Administrator will report the portions paid as penalties and interest via IRS 1099 form, along with the Class Members' PAGA Payments (if applicable), and will report portions attributed to wages via IRS form W-2. The Administrator will pay employer payroll taxes owed on the wage portion of Individual Class Awards. The Administrator will deduct employee payroll taxes from the wage portion of Individual Class Awards. Although the Parties have agreed to these allocations, neither side is giving you any advice on whether your payment(s) are taxable or how much you might owe in taxes. You are solely responsible for correctly characterizing any payments made pursuant to the Settlement for tax purposes and for paying any taxes on the amounts received. You should consult a tax advisor if you have any questions about the tax consequences of the Settlement.

5. Settlement Checks Should Be Cashied 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 PAGA Member who did not cash his or her settlement check. If your settlement check is lost or misplaced, you should contact the 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

6. Releases of Claims. Upon Final Approval being granted by the Court, every Class Member who does not opt out of the Settlement (i.e., Participating Class Member), will release Defendant and the Released Parties from the Released Claims as described below. Additionally, every PAGA Member will release Defendant and the Released Parties from the Released PAGA Claims as described below. In other words, if you are a Class Member and you do not exclude yourself from the Settlement Class, you will be deemed to have entered into the release and to have released the below-described Released Claims. If the Settlement is not approved by the Court or does not become final for some other reason, the Action will continue as though the Settlement never occurred and without prejudice to any Party.

a. “Released Parties” means (i) Compassionate Heart Senior Care, Inc. dba Home Instead Senior Care (“Defendant”), (ii) Defendant’s past and present direct and indirect parent companies and franchisor; (iii) the respective past and present direct and indirect subsidiaries and affiliates of any of the foregoing; (iv) the past and present shareholders, directors, officers, agents, employees, attorneys, insurers, members, partners, managers, contractors, agents, consultants, representatives, administrators, fiduciaries, benefit plans, transferees, predecessors, successors and assigns of any of the foregoing; and (v) any individual or entity which could be jointly liable with any of the foregoing.

b. Release By Participating Class Members. As of the Effective Date, Plaintiff and all Participating Class Members fully, finally, and forever release, compromise, and discharge the Released Parties from all claims under the California Labor Code, Wage Orders, regulations, and/or any other provisions of state or federal law against the Released Parties that were alleged in the Action and those that reasonably could have been alleged in the Action based on Plaintiff’s factual allegations asserted in the Action and any amendments thereto, including, without limitation, all claims for (1) Failure to Pay Minimum and Straight Time Wages; (2) Failure to Pay Overtime Wages; (3) Failure to Provide Meal Periods; (4) Failure to Authorize and Permit Rest Periods; (5) Failure to Timely Pay Final Wages at Termination; (6) Failure to Provide Accurate Itemized Wage Statements; (7) Failure to Indemnify Employees for Expenditures; and (8) Unfair Business Practices, and any other Labor Code violations that were alleged in the Action, or that could have been alleged in the Action based on the facts alleged in the Action, which includes, but is not limited to, alleged violations of Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 227.3, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, Code of Civil Procedure section 1021.5, Business and Professions Code section 17200, *et seq.* during the Class Period (June 5, 2018 through October 18, 2024).

c. Release By PAGA Members and State of California. As of the Effective Date, Plaintiff, all PAGA Members, and the State of California fully, finally, and forever release, compromise, and discharge the Released Parties from all claims for civil penalties under the California Labor Code, Wage Orders, regulations, and/or any other provisions of state and federal law against the Released Parties that were alleged in the Action and that reasonably could have been alleged in the Action based on the factual allegations contained in the operative complaints in the Action and any amendments thereto, including, without limitation, all claims for civil penalties under PAGA (Labor Code § 2698 *et seq.*) related to all claims for (1) Failure to Pay for All Hours Worked, Including Minimum , Straight Time, and Overtime Wages; (2) Failure to Provide Meal Periods; (3) Failure to Authorize and Permit Rest Breaks; (4) Failure to Pay All Earned Wages Twice Per Month; (5) Failure to Maintain Accurate Records of Hours Worked and Meal Periods; (6) Failure to Timely Pay All Wages at Termination; (7) Failure to Furnish Accurate Itemized Wage Statements; and (8) Failure to Indemnify for Necessary Expenditures , and any other Labor Code violations that were alleged in the Action, or that could have been alleged in the Action based on the facts alleged in the Action, which includes, but is not limited to, alleged violations of Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 227.3, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2802, during the PAGA Period (February 3, 2022 through October 18, 2024).

IV. YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

If you worked for Defendant during the Class Period and/or the PAGA Period, your options under the Settlement are as follows:

Do Nothing	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Award and an Individual PAGA Award (if applicable). In exchange, you will give up your right to assert the Released Claims against the Defendant and the Released Parties (defined above), and if applicable, the Released PAGA Claims. Your check(s) will be sent to the same address as this notice. If you move or change your mailing address be sure to notify the Administrator as soon as possible.
You can exclude yourself (i.e., opt-out) of the Class Settlement but not the PAGA Settlement Response Deadline is January 31, 2025.	If you do not wish to participate in the Settlement, you can opt-out by sending the Administrator a written Request for Exclusion. The Request for Exclusion must contain: your full name, signature with date, the case name and number of the Action; and a clear statement indicating that you want to be excluded from the Settlement. The Request for Exclusion must be signed, dated, and mailed by First Class U.S. Mail, or the equivalent, to the Administrator. All Requests for Exclusion must be postmarked no later than the Response Deadline. Any individual who submits a Request for Exclusion will not be allowed to object to the terms of the Settlement.

Participating Class Members can object to the Class Settlement but not the PAGA Settlement Response Deadline is January 31, 2025.	Any Class Member who does not exclude himself/herself from the Settlement (i.e., a Participating Class Member) may object to the terms of the Settlement by filing a written objection with the Court and mailing a copy to the Administrator, no later than the Response Deadline. A written objection must contain: your full name, signature with date, the case name and number of the Action, a clear statement indicating that you object to the Settlement, each specific reason in support of the objection along with any legal support for each objection, a clear statement indicating whether you are represented by counsel and whether you intend to appear at the Final Approval Hearing. If the Court rejects the objection, you will nevertheless be bound by the terms of the Settlement.
Participating Class Members can participate in the Final Approval Hearing	<p>The Court's Final Approval Hearing is scheduled to take place on March 14, 2025, at 1:30 p.m. in Department CX-103 of the Superior Court of California for the County of Orange located at 751 West Santa Ana Boulevard, Santa Ana, California 92701.</p> <p>You don't have to attend, but you have the right to appear (or hire an attorney to appear on your behalf at your own cost) at the Final Approval Hearing. If you do not exclude yourself from the settlement, you may object orally at the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts and legal support for your objection. If the Court rejects the objection, you will nevertheless be bound by the terms of the Settlement.</p> <p>It's possible the Court will reschedule the Final Approval Hearing. Check the Court's website for the most current information or contact Class Counsel to verify the date and time of the Final Approval Hearing.</p>
You can dispute the calculation of your Workweeks / Pay Periods Dispute Deadline is January 31, 2025.	The number of Class Period workweeks and/or PAGA Period Pay Periods you worked based on Defendant's records are stated above. If you disagree with either of these numbers, you can dispute them by submitting a timely written Workweek Dispute to the Administrator. The Workweek Dispute must be signed, dated, and mailed by First Class U.S. Mail, or the equivalent, to the Administrator. All Workweek Disputes must be postmarked no later than the Dispute Deadline. Unless you submit documentary evidence in support of your dispute, Defendant's records will be determinative. All Workweek Disputes will be resolved and decided by the Court, and the Court's decision on all disputes will be final and binding.

V. HOW TO CONTACT THE ADMINISTRATOR

ILYM Group, Inc.
 P.O. Box 2031
 Tustin, CA 92781
 Telephone: (888) 250-6810
 Fax: (888) 845-6185
 Email: claims@ilymgroup.com

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you should consult the detailed "Joint Stipulation of Class Action and PAGA Settlement" which is on file with the Clerk of the Court and can be accessed at <https://ilymgroup.com/Compassionateheart>. The pleadings and other records in this Action, including the Settlement, may be examined at any time during regular business hours at the Office of the Clerk of the Orange County Superior Court at 751 West Santa Ana Boulevard, Santa Ana, California 92701.

If you want additional information about this Action and its proceedings, you can contact the Administrator or Class Counsel in this Action:

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PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS.

BY ORDER OF THE SUPERIOR COURT.