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ORIGINAL FILED**  
Superior Court of California  
County of Los Angeles

JAN 30 2020

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By: Pedro Martinez, Deputy**

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16 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
17 **FOR THE COUNTY OF LOS ANGELES**

18 MARCOS GUILLEN, CHRISTINE KNAPP  
AND MYRA TAPIA, individually and on  
19 behalf of all others similarly situated,

Case No.: BC685116  
[With Reference to Case No. BC653867]

*Hon. Amy D. Hogue*

20 Plaintiffs,  
21 vs.

~~PROPOSED~~ AMENDED ORDER:

22 GRASSHOPPER HOUSE LLC, a California  
Limited Liability Company; GRASSHOPPER  
23 HOUSE PARTNERS LLC, a California  
Limited Liability Company; FEDERAL  
24 RECOVERY SYSTEMS LLC, a California  
Limited Liability Company; 6390 MEADOWS  
25 COURT LLC, a California Limited Liability  
Company; 6390A MEADOWS COURT LLC,  
26 a California Limited Liability Company;  
PASSAGES TEEN CENTER LLC, a  
27 California Limited Liability Company;  
PASSAGES SILVER STRAND LLC, a  
28 California Limited Liability Company;

- (1) PRELIMINARILY APPROVING CLASS ACTION SETTLEMENT;
- (2) CONDITIONALLY CERTIFYING A CLASS FOR SETTLEMENT PURPOSES ONLY;
- (3) APPROVING THE NOTICE OF SETTLEMENT; AND
- (4) SETTING A HEARING ON MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT

~~PROPOSED~~ ORDER

1 PASSAGES VENICE, LLC f/k/a PASSAGES  
2 MALIBU PHP, LLC, a California  
3 Limited Liability Company; PAX PRENTISS,  
an individual; CHRIS PRENTISS, an  
individual; and DOES 1 through 25, inclusive,

4 Defendants.

Date: January 30, 2020  
Time: 2:00 p.m.  
Dept.: SSC-7

**Complaint Filed: November 30, 2017**

5  
6 On January 30, 2020, at 2:00 p.m. in Department 7 of the above-entitled court, the Motion  
7 for Preliminary Approval of Class Action Settlement of Plaintiffs Marcos Guillen, Myra Tapia,  
8 and Christine Knapp, individually and on behalf of all others similarly situated (“Plaintiffs”), came  
9 on for hearing. Plaintiffs and Defendants were represented by counsel.

10 The Court, having considered the motion, the Declaration of Kyle Todd, the Declaration of  
11 the settlement administrator, the Stipulation of Class Action Settlement (“Stipulation” or  
12 “Settlement Agreement”) executed by the parties, as well as the Notice of Proposed Class Action  
13 Settlement (“Notice of Settlement”) attached as Exhibit “1” hereto, makes the following findings:

14 1. The parties to this action are Plaintiffs Marcos Guillen, Myra Tapia, and Christine  
15 Knapp, and Defendants Grasshopper House, LLC, Grasshopper House Partners, LLC, Federal  
16 Recovery Systems, LLC, 6390 Meadows Court, LLC, 6390A Meadows Court, LLC, Passages  
17 Teen Center, LLC, Passages Silver Strand, LLC, Passages Venice, LLC f/k/a Passages Malibu  
18 PHP, LLC (“Passages”) Pax Prentiss, and Chris Prentiss (along with Passages, collectively the  
19 “Defendants”). Plaintiffs seeks to represent a class of employees and independent contractors of  
20 Passages as set forth below.

21 2. After participating in an arms-length mediation session, Plaintiffs and Defendants  
22 have agreed to a proposed settlement of this action on behalf of the class that Plaintiffs seek to  
23 represent. The terms of the proposed settlement are fully set forth in the Settlement Agreement  
24 (included as Exhibit 2 to the Declaration of Kyle Todd in support of Plaintiffs’ motion for  
25 preliminary approval).

26 3. The terms of the proposed settlement including the following:

27 a. The proposed Classes consists of the (1) Independent Contractor Class,  
28 which includes all individuals who worked for Defendants as independent contractors in

1 California during the applicable Settlement Class Period, as defined below, as well as (2)  
2 the Non-Exempt Class, which includes all individuals who were employed by Defendants  
3 in California as non-exempt employees and/or therapists, clinicians, counselors, trainers, or  
4 instructors classified as exempt/salaried employees during the applicable Settlement Class  
5 Period, as defined below.

6 b. "Settlement Class Period" means March 13, 2013 through the earlier of: (i)  
7 the Date of Preliminary Approval of the Parties' settlement, inclusive; or (ii) December 4,  
8 2019.

9 c. In settlement, Passages will pay the gross amount of \$1,420,000, plus the  
10 employer's share of withholding taxes. From the gross settlement amount, the parties  
11 propose to deduct fees for settlement administration costs (\$12,750), payment to the Labor  
12 and Workforce Development Agency ("LWDA") of \$15,000 in settlement of claims under  
13 the California Labor Code Private Attorneys General Act ("PAGA"), a service and release  
14 payment to Plaintiffs in the amount of \$10,000 each, Class Counsel's reasonable and actual  
15 costs in an amount not to exceed \$25,000, and Class counsel's attorneys' fees as approved  
16 by the Court, but not to exceed \$473,333.33.

17 d. The amount remaining, after deductions approved by the Court, will be  
18 distributed to individual Settlement Class members in accordance with the formula  
19 specified in the Settlement Agreement.

20 4. The Parties propose that notice of this proposed settlement be sent to all Class  
21 members by regular mail and that Class members shall have sixty (60) days to opt out of or object  
22 to the settlement.

23 5. The proposed Class counsel are experienced and in their view, the proposed  
24 settlement is fair and reasonable.

25 7. The notice procedure set forth in the Settlement Agreement will adequately notify  
26 the Class of the settlement and of their right to opt out or object.

27 8. The Settlement Agreement and Notice include a proposed release which will bind  
28 those Class members who do not opt out of the Class. However, all Class members (regardless of

1 whether they opt out) will release the Released Parties from the Released PAGA Claims, as those  
2 terms are defined in the Settlement Agreement.

3 Based upon the foregoing, **IT IS HEREBY ORDERED THAT:**

4 1. The motion is granted.

5 2. The class action settlement, as set forth in the Settlement Agreement, is  
6 preliminarily approved pursuant to Rules of Court 3.766 and 3.769.

7 3. The proposed class action is provisionally certified as an opt-out class action under  
8 Section 382 of the Code of Civil Procedure solely for the purpose of the settlement of this matter,  
9 with the classes defined as specified in Paragraph 3 above and in the Settlement Agreement.

10 4. Plaintiffs Marcos Guillen, Myra Tapia, and Christine Knapp are appointed as the  
11 class representatives for the provisionally-certified classes.

12 5. Aaron C. Gundzik, Rebecca G. Gundzik, Kyle Todd, and Daniel Holzman are  
13 appointed as Class counsel for the provisionally-certified classes.

14 6. Phoenix Class Action Administration Solutions is approved as the Settlement  
15 Administrator.

16 7. The Notice of Settlement substantially in the form attached hereto as Exhibit 1 is  
17 approved and the Settlement Administrator is authorized to send the Notice of Settlement to the  
18 provisionally-certified classes. The Notice of Settlement will be printed in English and Spanish.

19 8. The Court preliminarily approves the application for payment to Class Counsel of  
20 reasonable fees attorneys' fees of up to one-third of the Gross Settlement Amount, up to  
21 \$473,333.33, Class counsel's reasonable costs and expenses not to exceed \$25,000, a payment to  
22 the California Labor Workforce Development Agency in the amount of \$15,000 and the fees and  
23 costs of settlement administration in the amount of \$11,000.

24 9. The Court preliminarily approves of the service and release awards to the class  
25 representative Plaintiffs Marcos Guillen, Myra Tapia, and Christine Knapp in the amount of  
26 \$10,000 each, respectively.

27 10. The Court directs the settlement administrator to mail the Notice of Settlement to  
28 the Class members in a manner consistent with the Settlement Agreement.

1 11. The Court preliminarily approves of the Class release in the Settlement Agreement.

2 12. The Court directs that any and all objections to the Settlement be sent to the  
3 Settlement Administrator and postmarked no later than sixty (60) calendar days after the Notice  
4 of Settlement is mailed or re-mailed.

5 13. The Court directs that all requests for exclusion must be sent to the Settlement  
6 Administrator and postmarked no later than sixty (60) calendar days after the Notice of  
7 Settlement is mailed or re-mailed.

8 14. A Final Approval Hearing on the question of whether the proposed class settlement  
9 should be finally approved as fair, reasonable, and adequate as to the members of the proposed  
10 settlement class, for approval of Class Counsel's Attorneys' Fees and Class Counsel's Costs, for  
11 approval of the service and release payment to the class representatives, for approval of the fees  
12 of the settlement administrator and for approval of the payment to the LWDA in settlement of all  
13 PAGA claims is set for 6/9/2020 at 11:00am in Department 7 of the above-  
14 entitled Court.

15 15. The Court orders that the papers in support of the final approval of the settlement  
16 and Plaintiffs' award of attorneys' fees and costs shall be filed by 16 court days prior to the Final  
17 Approval Hearing.

18 16. Based on the terms of the Settlement Agreement, the following sets forth the  
19 proposed schedule of events to occur with respect to the effectuation of the settlement:

Event	Date
Deadline for Defendants to provide Class data to settlement administrator	February 19, 2020
Deadline to mail Notice of Settlement to Class Members	March 2, 2020
Deadline to dispute workdays, opt out of or object to settlement	May 1, 2020
Deadline for settlement administrator to provide counsel with Declaration of Compliance and report regarding notice and exclusion process	May 6, 2020
Deadline to file motion for final	16 court days before final approval

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Event	Date
approval of the settlement and award of attorneys' fees and costs	hearing
Hearing on motion for final approval of the settlement, granting of final approval, and entry of judgment	6/9/2020 11:00am

Dated: 1/30/2020

**AMY D. HOGUE**

Hon. Amy D. Hogue

# Exhibit 1

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND HEARING DATE FOR COURT APPROVAL

*Guillen v. Grasshopper House LLC, et al.*

Los Angeles Superior Court Case Number BC685116

**Attention: If you are a current or former individual who worked at a Passages rehabilitation clinic as (1) an independent contractor, (2) a non-exempt employee and/or (3) a therapist, clinician, counselor, trainer, or instructor and are or were classified as an exempt/salaried employee, you may be entitled to receive money from a class action settlement.**

*The California Superior Court, County of Los Angeles authorized this notice.*

*This is not a solicitation from a lawyer.*

***Passages' records show that you worked as [an independent contractor, non-exempt employee or therapist, clinician, counselor trainer or instructor] for one or more of the Passages entities in Southern California during the period March 13, 2013 through [the earlier of preliminary approval date or December 4, 2019.] Based on these records, your estimated minimum settlement payment is <<estimate amount>>.***

**THIS NOTICE MAY AFFECT YOUR RIGHTS. PLEASE READ IT CAREFULLY.**

You are receiving this Notice because the Court has preliminarily approved a proposed settlement in a class action filed on behalf of independent contractors, non-exempt employees, and therapists, clinicians, counselors, trainers, and instructors who are or were classified as exempt/salaried employees and who worked at addiction treatment facilities commonly called Passages Malibu, Passages Ventura, Passages Venice, Passages Santa Monica or Passages Beverlywood (Los Angeles) from March 13, 2013 through [the earlier of preliminary approval date or December 4, 2019] (the "Covered Time Frame"). The proposed settlement will resolve all Released Claims (defined below) against Defendants Grasshopper House LLC, Grasshopper House Partners LLC, Federal Recovery Systems, LLC, 6390 Meadows Court LLC, 6390A Meadows Court LLC, Passages Teen Center LLC, Passages Silver Strand, LLC, Passages Venice, LLC f/k/a Passages Malibu PHP, LLC, Pax Prentiss, and Chris Prentiss (the "Defendants"), as well as affiliated entities Surfrider Malibu, LLC, Passages Beverlywood, LLC, Passages Brentwood, LLC, Passages Ventura Outpatient, LLC, Passages Ventura Sober Living, LLC,.

The Settlement resolves a class action and representative lawsuit about claims that Defendants classified workers as independent contractors that should have been treated as employees and, as a result, were denied the compensation, rest and meal breaks, reimbursements and other benefits that they were entitled to as employees. In addition, the Settlement resolves claims that Defendants did not allow Passages employees to take meal periods, did not authorize or permit rest periods, failed to pay employees for all hours worked, including overtime wages, provided unlawful wage statements, did not reimburse employees for necessary business expenses, did not timely provide wages (including final wages), violated California's Business and Professions Code and is liable for paying civil penalties under the California Private Attorney General Act ("PAGA"). Defendants deny all liability, assert that they properly compensated Passages' independent contractors and employees, provided meal periods, authorized and permitted rest periods, reimbursed necessary business expenses, have fully complied with all applicable wage and hour laws and that civil penalties under PAGA are not warranted. Defendants have entered into the Settlement solely for purposes of resolving this dispute.

The Settlement provides for settlement payments based on the workweeks and pay periods you worked at Passages during the period beginning on March 13, 2013 and ending on [the earlier of preliminary approval date or December 4, 2019].

**You will automatically receive a settlement payment and will be bound by the terms of the release described below, unless you properly submit a timely Request for Exclusion from the settlement (described below). This Notice explains the proposed settlement and provides an estimate of how much money you will receive as a settlement**

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payment if you do not exclude yourself from the settlement. If you do not want to be part of the settlement class, then you must submit a Request for Exclusion (described below) no later than **[60 days from mailing]** otherwise you will be bound by the terms of the settlement. However, the Request for Exclusion does not and will not exclude you from the portion of the Settlement related to the Released PAGA Claims.

- The Court handling this case still has to decide whether to grant final approval of the Settlement. Settlement payments will only be issued if the Court grants final approval of the Settlement.
- Additional information regarding the Settlement is available through the Settlement Administrator or Class Counsel, whose contact information is provided in this notice.

## BASIC INFORMATION

### 1. Why Did I Get This Notice?

Passages records show that:

- a. You performed work for Passages as an independent contractor during the period from March 13, 2013 to [the earlier of preliminary approval date or December 4, 2019]; and/or
- b. You were employed by Passages either as a non-exempt employee or an exempt therapist, clinician, counselor, trainer, or instructor and performed work at Passages Malibu, Passages Ventura, Passages Venice, Passages Santa Monica or Passages Beverlywood (Los Angeles) during the period from March 13, 2013 to [the earlier of preliminary approval date or December 4, 2019]

The lawsuit is known as *Guillen et al. v. Grasshopper House, LLC et al.*, and is pending in the Superior Court of California for the County of Los Angeles, Case No. BC685116 (the "Action"). Marcos Guillen, Christine Knapp, and Myra Tapia are called the Plaintiffs, and the entities and individuals they sued, Grasshopper House LLC, Grasshopper House Partners LLC, Federal Recovery Systems, LLC, 6390 Meadows Court LLC, 6390A Meadows Court LLC, Passages Teen Center LLC, Passages Silver Strand LLC, Passages Venice, LLC f/k/a Passages Malibu PHP, LLC, Pax Prentiss and Chris Prentiss, are called the Defendants. In addition, this settlement covers affiliated entities Surfrider Malibu, LLC, Passages Beverlywood, LLC, Passages Brentwood, LLC, Passages Ventura Outpatient, LLC, Passages Ventura Sober Living, LLC.

### 2. What is the Action about?

The Action generally involves claims under California's wage and hour laws. Plaintiffs work or worked at Passages' rehabilitation clinics. They allege that Plaintiffs and other workers who were classified as independent contractors were misclassified and should have been treated as employees and, as a result, were denied the compensation, rest and meal breaks, reimbursements and other benefits that they were entitled to as employees. Plaintiffs also allege that hourly employees, and salaried therapists, clinicians, counselors, trainers, and instructors were not treated correctly under California Labor Law and were not provided with all of the compensation and meal and rest breaks to which they were entitled. As a result, Plaintiffs allege they and the members of the Settlement Class (defined below) are entitled to recover unpaid wages, interest, damages, and statutory and PAGA civil penalties.

Defendants deny that they engaged in any wrongful conduct or that they violated the law in any way, and believe that Plaintiffs and the Settlement Class were properly compensated, and that its wage and hour practices were lawful. However, both Plaintiffs and Defendants believe that the Settlement is fair, adequate, and reasonable, and that it is in the best interest of the members of the Settlement Class (defined below).

### 3. Why is this lawsuit a class and representative action?

In a class action, someone sues on behalf of others who have similar alleged claims. The persons who sue are called the "Plaintiffs" (in this case the Plaintiffs are Marcos Guillen, Christine Knapp, and Myra Tapia). All of the people the Plaintiffs represent are a "class" or "class members." Similarly, in a representative PAGA action, the "Plaintiffs" sue on behalf of the State of California to recover PAGA civil penalties for alleged California Labor Code violations experienced by other

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class members. The settlement of PAGA civil penalties was submitted to the State of California for its review on [insert date].

The Court’s final approval of the Settlement will resolve: (i) the Released Claims (defined below) for all class members, except for those who exclude themselves from the class; and (ii) the Released PAGA Claims (defined below). On [insert date], the Honorable Amy D. Hogue issued an order conditionally certifying the Settlement Class for purposes of settlement only.

**5. Who is in the Settlement Class?**

The people eligible to receive a settlement payment are (1) all individuals who have worked at Passages as independent contractors in California during the Covered Time Frame, (2) all non-exempt employees who worked at Passages in California during the Covered Time Frame, and/or (3) all salaried therapists, clinicians, counselors, trainers, or instructors who worked at Passages in California during the Covered Time Frame. These three groups of people are called the “Settlement Class” or “Settlement Class Members.”

**6. Why is there a settlement?**

After conducting substantial investigation, including review of policies, payroll records and personnel files, both sides agreed to the Settlement to avoid the cost and risk of further litigation. The Settlement does not mean that any law was broken. Defendants deny all of the claims asserted in the Action and deny that they have violated any laws. Plaintiffs and their lawyers think the Settlement is in the best interests of all Settlement Class Members.

**THE LAWYERS REPRESENTING YOU**

**7. Do I have a lawyer in this case?**

The Court has appointed the following lawyers to serve as counsel for the Settlement Class:

Attorneys representing the class (“Class Counsel”) are:

<p>Aaron C. Gundzik GUNDZIK GUNDZIK HEEGER LLP 14011 Ventura Blvd., Suite 206E, Sherman Oaks, CA 91423 Telephone: (818) 290-7461 Facsimile: (818) 916-2316</p>	<p>Daniel M. Holzman CASKEY &amp; HOLZMAN 24025 Park Sorrento, Ste. 400 Calabasas, CA 91302 Telephone: (818) 657-1070 Facsimile: (818) 297-1775</p>	<p>Kyle Todd Law Offices of Kyle Todd 1055 West Seventh Street, Suite 1920 Los Angeles, CA 90017-2906 Telephone: (323) 208-9171 Facsimile: (323) 693-0822</p>
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**THE SETTLEMENT BENEFITS – WHAT YOU GET**

**8. What does the Settlement provide?**

The following is a summary of the settlement. The specific and complete terms of the proposed Settlement are stated in the Stipulation of Class Action Settlement (“Settlement Agreement”), a copy of which is filed with the Court. You can also obtain a copy of the Settlement Agreement from Class Counsel (see contact information in Section 4 above) or review it on the following website: [www.\\_\\_\\_\\_\\_](http://www._____).

Passages has agreed to pay \$1,420,000.00 to settle the claims alleged in the lawsuit. This amount is called the Gross Settlement Amount. Deducted from the Gross Settlement Amount will be settlement administration fees and costs (estimated not to exceed [INSERT], attorneys’ fees (not to exceed \$473,333.33, 33-1/3% of the Gross) Settlement Amount, attorneys’ actual costs (not to exceed \$25,000), enhancement awards to the Plaintiffs for their services as a Plaintiff and class representatives (not to exceed \$10,000 per Plaintiff), payment of payment of \$20,000.00 for PAGA civil penalties

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(the "PAGA Allocation"), and \$12,750 for the costs of administering the settlement, which will result in a maximum amount payable by Passages for distribution to Settlement Class Members (the "Net Settlement Amount").

Your settlement award has two parts. It is comprised of your Individual Settlement Payment and your PAGA Penalties Payment, as follows:

**Your Individual Settlement Payment:**

Seventy-five percent (75%) of the Net Settlement Amount will be apportioned to claims brought by Settlement Class Members who worked as independent contractors at any time between March 13, 2013 through [the earlier of preliminary approval date or December 4, 2019]. If you worked as independent contractor, your payment related to this work time will be calculated as follows: Compensable Settlement Units will be the sum of all income that Settlement Class Members earned as independent contractors during the Covered Time Frame. The dollars per settlement unit ("Settlement Unit Value") will be calculated by dividing the Compensable Settlement Units into the 75% of the Net Settlement Amount. The Settlement Unit Value will be multiplied by your individual settlement units (measured by your independent contractor income during the Covered Time Frame) to determine your distribution. Your payment will be reduced by any required legal and/or payroll-related deductions. Your payment will also be reduced by any previous settlement payment you received from Passages in connection with this Action, if any.

Twenty-five percent (25%) of the Net Settlement Amount will be apportioned to claims brought by Settlement Class Members who worked as non-exempt employees and/or salaried therapists, clinicians, counselors, trainers, or instructors.

If you worked as a non-exempt employee and/or a salaried therapist, clinician, counselor, trainers, or instructor, your payment related to this work time will be calculated as follows: Compensable Workweeks will be the sum of all workweeks that Settlement Class Members worked as non-exempt employees or salaried therapists, clinicians, counselors, trainers, or instructors during the Covered Time Frame. The dollars per compensable workweek ("Workweek Value") will be calculated by dividing the total weeks worked by all Settlement Class Members as non-exempt employees or salaried therapists, clinicians, counselors, trainers, or instructors during the Covered Time Frame during the Covered Time Frame into 25% of the Net Settlement Amount. The Workweek Value will be multiplied by the number of compensable work weeks you worked as a non-exempt employee and/or a salaried therapist, clinician, counselor, trainers, or instructor during the Covered Time Frame to determine the distribution. Your payment will be reduced by any required legal and/or payroll-related deductions.

If you worked as both (1) an independent contractor and (2) a non-exempt employee and/or a salaried therapist, clinician, counselor, trainers, or instructor, your payment will be the total of both calculations above.

The parties recognize that your Individual Settlement Payment is for wages, interest, and penalties. The parties agree that thirty-five percent (35%) of your Individual Settlement Payment shall be reported as wages on IRS Form W-2 and its state and local equivalents, sixty-five percent (65%) shall be reported as interest and penalties on IRS Form 1099 and its state and local equivalents.

**Your PAGA Penalties Payment:**

The PAGA Allocation is \$20,000.00. Seventy-five percent (75%) of the PAGA Allocation (\$15,000.00) will be distributed to the State of California and the Labor and Workforce Development Agency pursuant to California Labor Code section 2698, et seq. The remaining twenty-five percent (25%) of the PAGA Allocation (\$5,000.00) will be distributed to Settlement Class Members as follows: "Compensable Pay Periods" will be the sum of all pay periods Settlement Class Members worked at Passages during the Covered Time Frame. The dollars per Compensable Pay Period ("Pay Period Value") will be calculated by dividing twenty-five percent (25%) of the PAGA Allocation by the total Compensable Pay Periods. The Pay Period Value will be multiplied by the number of Compensable Pay Periods you worked as a member of the Settlement Class during the Covered Time Frame to determine your PAGA Penalties Payment. Your PAGA Penalties Payment will be paid out without reduction for any taxes or other withholdings.

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No benefit, including but not limited to 401(k), shall increase or accrue as a result of your Individual Settlement Payment or your PAGA Penalties Payment made as a result of this settlement.

To the extent you dispute any aspect of your Individual Settlement Payment or PAGA Penalties Payment, you must produce supporting evidence to the Settlement Administrator. Passages' records will be presumed determinative.

**9. What You Will Receive Under The Settlement.**

According to Defendants' records, you [worked a total of \_\_\_\_\_ weeks as a non-exempt employee and/or a salaried therapist, clinician, counselor, trainers, or instructor] [and] [earned total compensation in the amount of \$ \_\_\_\_\_ as an independent contractor] between March 13, 2013 and [the earlier of preliminary approval date or December 4, 2019]. According to Defendants' records, you received a settlement payment in connection with Defendants' settlement campaign in the amount of \$ \_\_\_\_\_.

Under the settlement, you will receive approximately \$ \_\_\_\_\_. This amount may increase or decrease based on various factors, including the number of class members who submit Requests for Exclusion, the amounts approved by the Court for attorneys' fees and costs, settlement administration costs, service and release payments to Plaintiffs, payment to the LWDA, and disputes by other class members regarding their total compensation and/or compensable workweeks during the Covered Time Frame. **To receive your settlement payment, you do not need to do anything. You will receive a settlement payment unless you exclude yourself from the settlement.**

**10. How do I get an Individual Settlement Payment and PAGA Penalties Payment?**

You will automatically be sent an Individual Settlement Payment in exchange for which you will give up your rights to be part of any other lawsuit against Passages, Chris Prentiss, or Pax Prentiss involving the same or similar legal claims as the ones in this case. It will be mailed to the address where this notice was mailed (unless you timely provide a forwarding address to the Settlement Administrator, or mail a timely Request for Exclusion).

You will automatically be sent a PAGA Penalties Payment. It will be mailed to the address where this notice was mailed (unless you timely provide a forwarding address to the Settlement Administrator).

**11. When will I get my payment?**

The Settlement Administrator will mail out settlement checks to members of the classes after the Court grants "final approval" of the Settlement. If the Court approves the settlement after a hearing on [insert date] (see "The Court's Final Approval Hearing") below, there may be appeals. If there are any appeals, resolving them could take some time, so please be patient. Please also be advised that you will only have 180 days after the Settlement Administrator mails your settlement check to cash it; otherwise it will be voided and the amount of your settlement payment will be sent to the California State Controller's Office Unclaimed Property Fund in your name and you will need to contact that agency to obtain your funds.

**12. What is being given up for the Individual Settlement Payment and PAGA Penalties Payment?**

Unless you submit a valid Request for Exclusion (described below), in exchange for the consideration provided you will release Passages Venice, LLC f/k/a Passages Malibu PHP, LLC, Grasshopper House, LLC, Grasshopper House Partners, LLC, Federal Recovery Systems LLC, 6390 Meadows Court, LLC, 6390A Meadows Court, LLC, Passages Teen Center, LLC, Passage Silver Strand, LLC, Surfrider Malibu, LLC, Passages Beverlywood, LLC, Passages Brentwood, LLC, Passages Ventura Outpatient, LLC, Passages Ventura Sober Living, LLC, Pax Prentiss, Chris Prentiss and all of their respective current and former parents, subsidiaries, predecessors and successors, and affiliated entities, and each of their respective officers, directors, employees, partners, shareholders, and agents, and any other successors, assigns, or legal representatives, including, without limitation for any and all federal and California state law wage-and-hour claims, rights, demands, liabilities, and/or causes of action of every nature and description, whether known or unknown, arising from or related to any and all claims that were asserted or could have been asserted based on the facts alleged in the Actions, including, without limitation, statutory, constitutional, contractual, and/or common law claims for wages, reimbursements, damages, unpaid costs, penalties (including penalties under the California Labor Code's Private Attorneys General Act of 2004, as amended, California Labor Code section 2699 et seq.), liquidated damages, punitive damages, interest, attorneys'

**FOR MORE INFORMATION CALL 1-800-\_\_\_\_\_.**

fees, litigation costs, restitution, or equitable relief. The Released Claims include, without limitation, California Labor Code sections 201, 201.3, 202, 203, 204, 210, 216, 218.5, 218.6, 226, 226.2, 226.3, 226.7, 246, 510, 512, 558, 1174(d), 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2802, 2810.5, 2804 and 2699, and any federal counterparts, and California Business and Professions Code section 17200, et seq. This release is for conduct occurring from March 13, 2013 through [the earlier of preliminary approval date or December 4, 2019]. The claims covered by this release are referred as the "Released Claims."

Also, in exchange for the consideration provided, the State of California, Plaintiffs and the Settlement Class Members will release the Released Parties from the Released PAGA Claims. The Released PAGA Claims means any and all individual and representative claims that could have been assessed upon and collected from the Released Parties under PAGA, including any and all claims for unpaid wages of whatever kind or nature recoverable under PAGA, whether known or unknown, based on the facts alleged in the Complaint including but not limited to California Labor Code sections California Labor Code sections 201, 201.3, 202, 203, 204, 210, 216, 218.5, 218.6, 226, 226.3, 226.7, 226.8, 246, 247.5, 248.5, 256, 510, 512, 515, 558, 558.1, 1174(d), 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2802, 2804, 2810.5, any resulting claim for attorneys' fees and costs under PAGA.

### 13. How will the costs of the lawsuit and the Settlement be Paid?

Subject to Court approval, Class Counsel will be paid up to one third of the Gross Settlement Amount (\$473,333.33) for their attorneys' fees and up to \$25,000.00 in costs, both of which will be paid from the Gross Settlement Amount. The Court may award less than these amounts. If lesser amounts are awarded, the differences will be included in the Net Settlement Amount.

In addition, and subject to Court approval, up to \$10,000.00 will be paid to each Plaintiff from the Gross Settlement Amount for their participation in this lawsuit and for taking on the risk of litigation. The Settlement Administrator's costs and fees associated with administering the Settlement, estimated not to exceed \$[INSERT], also will be paid from the Gross Settlement Amount. The Court may award less than these amounts. If lesser amounts are awarded, the differences will be included in the Net Settlement Amount and will be available for distribution to Settlement Class Members.

## YOUR OPTIONS

### 14. What rights do I have?

As a member of the settlement classes you have four options. Each option will affect your rights, which you should understand before making your decision. Your rights regarding each option, and the procedure you must follow to select each option, are explained below:

#### 1) You Can Do Nothing.

If you do nothing, you will remain a member of one or both of the settlement classes and will receive a settlement payment. You will also be bound by the release of claims set forth in Section \_\_\_ above. The payment will remain valid and negotiable for one hundred eighty (180) days from the date of the issuance. This deadline to cash the payment shall not be extended for you absent Court Order.

#### 2) You Can Contest the Calculation of Your Settlement Payment as Stated in this Notice.

You can contest the number of total compensation that you earned and/or the number of compensable workweeks you worked which are identified for you in Section 6 above. To do so, you must provide the Settlement Administrator with a written explanation of your position. The statement must also include your full name, current address and telephone number, and must identify this case (*Guillen v. Grasshopper House LLC, et al.*, LASC Case Number BC685116). You must provide written documentation supporting the amount of total compensation that you believe you earned and/or the number of compensable workweeks you believe that you worked; otherwise, the numbers listed above will be presumed correct. You must postmark your written statement no later than **[60 days from mailing]**. The Settlement Administrator will consider the documentation you submit and will communicate with you and the parties as necessary regarding the dispute to determine whether an adjustment is warranted before making a final determination regarding your settlement payment. The Settlement Administrator will mail you its final determination.

FOR MORE INFORMATION CALL 1-800-\_\_\_\_\_.

**3) You Can Exclude Yourself from the Settlement Class.**

If you do not want to remain a member of the settlement class, you can request exclusion (i.e., opt out) by sending the Settlement Administrator a written Request for Exclusion at the address specified in Section 14 below. A Request for Exclusion is a written statement unambiguously requesting to be excluded from the settlement class. The Request for Exclusion must be signed, and include the case name (*Guillen v. Grasshopper House LLC, et al.*, LASC Case Number BC685116), your name, current address and telephone number, and the last four digits of your social security number (for verification purposes). The Request for Exclusion must be signed, dated and mailed by First Class U.S. Mail, fax or e-mailed, postmarked, or otherwise time stamped no later than [+60 days from date of mailing] to:

Phoenix Class Administration Solutions

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

Email: \_\_\_\_\_

Website: \_\_\_\_\_

Requests for Exclusion that do not include all required information and/or that are not timely submitted will be deemed null, void, and ineffective. If you submit a valid and timely Request for Exclusion, you will not be bound by the settlement or the release of claims in Section \_\_ above; however, you will not receive any money under the settlement. You will also be barred from objecting to this settlement. By opting out of the settlement classes, you will retain whatever rights or claims you may have against Defendants.

The Request for Exclusion does not and will not exclude you from the Settlement of the Released PAGA Claims.<sup>1</sup>

**4) You Can Object to the Settlement.**

Any Settlement Class Member may object to the proposed Settlement of the Released Statutory Claims, or any portion thereof, by submitting a written objection to the Settlement Administrator or by filing a written objection, and supporting papers, with the Court by no later than [+60 days from mailing]. The Court is located at the following address:

Superior Court of the State of California  
County of Los Angeles  
312 North Spring Street  
Los Angeles, CA 90012

In addition, any written objection filed with the Court must also be mailed to the Settlement Administrator at the following addresses by regular U.S. Mail postmarked no later than [+60 days from date of mailing] to:

Phoenix Class Administration Solutions  
[insert info]

A written objection must contain the objecting person's full name, current address, and include all objections and the reasons therefore, and include any and all supporting papers (including, without limitation, all briefs, written evidence, and declarations). Any Settlement Class Member who files an objection remains eligible to receive his or her Individual Settlement Payment from the Settlement unless he or she submits a timely and valid Request for Exclusion.

**FINAL APPROVAL HEARING ON PROPOSED SETTLEMENT**

**15. When and where will the Court decide whether to approve the settlement?**

<sup>1</sup> You cannot exclude yourself from the Released PAGA claims because a PAGA representative action is brought on behalf of the State of California by an employee that has been given permission by the State of California to litigate on its behalf. Any settlement of a PAGA representative action, once approved, is binding on the State and forecloses future lawsuits by the State (or other employees acting on its behalf) that seek PAGA civil penalties for the settled alleged violations. Thus, because the claim for PAGA civil penalties belongs to the State and not individual employees, there is no mechanism for employees to exclude themselves from the Released PAGA Claims.

**FOR MORE INFORMATION CALL 1-800-\_\_\_\_\_.**

The Final Approval Hearing on the fairness and adequacy of the proposed settlement, the plan of distribution, the service and release payments to the Plaintiff, and Class Counsel's request for attorneys' fees and costs, and other issues will be held on \_\_\_\_\_, 2020 at \_\_\_\_\_.m., in Department 7 of the Los Angeles County Superior Court, Spring Street Courthouse, located at 312 N. Spring Street, Los Angeles, CA 90012. The hearing may be moved to a different date and/or time without additional notice. You may attend the Final Approval Hearing and be heard even if you do not submit an objection to the settlement. The Final Approval Hearing may be continued to another date without further notice. If you plan to attend the Final Approval Hearing, it is recommended that you contact the Settlement Administrator to confirm the date and time.

At this hearing, the Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will also decide how much to pay Class Counsel. After the hearing, the Court will decide whether to approve the Settlement. We do not know how long these decisions will take.

**16. Do I have come to the hearing?**

No. Class Counsel will answer any questions the judge may have. But you are welcome to come at your own expense. If you send an objection, you don't have to come to Court to talk about it. You may also pay (at your own expense) another lawyer to attend, but it is not required.

**17. May I speak at the hearing?**

If a Settlement Class Member wishes to appear at the Final Approval Hearing and orally present his or her objection to the Court, the objector's written statement should include the objector's statement of intent to appear at the Final Approval Hearing. Notwithstanding, in the discretion of the Court, any Class Member, or person purporting to object on behalf of any Class Member, may be received or considered by the Court at the Final Approval Hearing, regardless of whether a written notice of objection is filed or delivered to the Parties.

**18. NON-RETALIATION**

Defendants will not retaliate or take any adverse action against a class member for participating in the settlement.

**ADDITIONAL INFORMATION**

**19. How do I get more information?**

This Notice only summarizes the lawsuit and settlement. For more information, you may inspect the Court file at the Los Angeles County Superior Court, Spring Street Courthouse, located at 312 N. Spring Street, Los Angeles, CA 90012. You may also review the settlement agreement and other documents on-line at [www.\\_\\_\\_\\_](http://www.____) or you may contact the Settlement Administrator as follows:

Phoenix Class Administration Solutions

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

Email: \_\_\_\_\_

Website: \_\_\_\_\_

You may also contact Class Counsel at the address and telephone number provided in Section 7 above. If your address changes or is different from the address on the envelope enclosing this Notice, please promptly notify the settlement administrator.

**PLEASE DO NOT CALL OR WRITE THE COURT ABOUT THIS NOTICE**

**FOR MORE INFORMATION CALL 1-800-\_\_\_\_\_.**

**PROOF OF SERVICE**

**STATE OF CALIFORNIA, COUNTY OF LOS ANGELES**

I am employed in the County of Los Angeles, State of California. I am over the age of eighteen (18) and not a party to the within action. My business address is 14011 Ventura Blvd., Suite 206E, Sherman Oaks, CA 91423.

On January 28, 2020, I served the following document described as

- **[PROPOSED] AMENDED ORDER**

on the interested parties in this action:

(X) by serving ( ) the original (X) true copies thereof as follows:

**PLEASE SEE ATTACHED SERVICE LIST**

<p>( ) <b>BY MAIL</b> I caused such envelope to be deposited in the mail at Los Angeles, California. The envelope was mailed with postage thereon fully prepaid. I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. It is deposited with U.S. postal service on that same day in the ordinary course of business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date is more than one (1) day after date of deposit for mailing in affidavit.</p>	<p>( ) <b>BY FACSIMILE TRANSMISSION</b> I caused said document(s) to be transmitted by facsimile transmission to the name(s) and facsimile telephone number(s) of the person(s) named on the attached service list. The facsimile machine telephone number of the sending facsimile machine was (213) 542-2101. A transmission report was issued by the sending facsimile machine confirming that the transmission was completed without error. A true and correct copy of said transmission report is attached hereto.</p>
<p>( ) <b>BY OVERNIGHT DELIVERY</b> Said document was placed in an envelope designated by the express service center and placed for collection in a box regularly maintained by said carrier with whom we have a direct billing account, to be delivered to the office of the addressee listed above on the next business day.</p>	<p>(XX) <b>BY ELECTRONIC TRANSMISSION</b> I caused the above-described document to be electronically served through Case Anywhere pursuant to the Court's Order Authorizing Electronic Service dated March 19, 2018 to the names and email addresses listed on the Service List attached hereto.</p>

(X) STATE I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

( ) FEDERAL I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

(X) EXECUTED on January 28, 2020, at Sherman Oaks, California.

  
Nicole Salazar



# Electronic Service List

Case: **Guillen, et al. v. Grasshopper House LLC, et al.**  
Case Info: **BC685116, Los Angeles Superior Court**

**Caskey & Holzman**

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*Representing:* Marcos Guillen, individually and on behalf of all others similarly situated

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6390A Meadows Court LLC  
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Grasshopper House LLC  
Grasshopper House Partners LLC  
Passages Silver Strand LLC  
Passages Teen Center LLC