an individual; and DOES 1 through 50, inclusive,

Defendants.

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This Class Action Settlement Agreement and Release of Claims ("Settlement Agreement," "Settlement" or "Agreement"), is entered into between Plaintiff Megan Marie Zuzevich ("Plaintiff" or "Class Representative"), as an individual, and on behalf of others similarly situated, and as a private attorney general, on the one hand, and Defendants Mission Oaks Counseling and Wellness Center, Inc., Tristen Vance Henderson, and Michelle Christine Wonders (collectively, "Defendants"), on the other hand (Plaintiff and Defendants are collectively, the "Parties").

I. <u>RECITALS.</u>

- 1. On Dec. 18, 2019, Plaintiff filed a putative class action complaint in the Ventura County Superior Court styled Zuzevich et al., v. Mission Oaks Counseling and Wellness Center, Inc., et al. (case no. 56-2019-00537478-CU-OE-VTA) ("Action"), as an individual and on behalf of all others similarly situated. Plaintiff alleged the following wage and hour claims: (1) unpaid minimum wages, (2) unpaid overtime, (3) meal period violations, (4) rest period violations, (5) paystub violations, (6) waiting time penalties, (7) unreimbursed business expenses, and (8) unfair business practices.
- 2. On Dec. 27, 2019, Plaintiff sent written notification to the Labor and Workforce Development Agency ("LWDA") and Defendants regarding various Labor Code sections allegedly violated by Defendants.
- 3. On March 2, 2020, Plaintiff filed a First Amended Complaint which added claims for declaratory relief and civil penalties pursuant to the California *Labor Code's* Private Attorneys General Act ("PAGA").
- 4. In May 2020, the Parties agreed to attend an early mediation, subject to a 50% sampling of information and documents and the completion of the *Belaire-West* notice process.
- 5. On August 3, 2020, the contact information was released to Class Counsel pursuant to the *Belaire-West* notice process.
- 6. In August 2020, Defendants provided Class Counsel with the 50% sampling of documents which consisted of documents relating to its policies/practices, time and payroll records, and employment contracts.
- 7. On September 17, 2020, the Parties participated in a mediation with experienced wage and hour class action mediator Marc Feder. The Parties were able to reach an agreement in principle at the mediation and executed a Memorandum of Understanding.
- 8. For purposes of this Settlement only, Defendants do not dispute Plaintiff's contention that there is sufficient evidence to support the requisites for class certification. The Parties agree that certification for purposes of the Settlement is in no way an admission that class certification is proper under the more stringent standard applied for litigation purposes. If for any reason this Settlement does not become final, the certification will have no force or effect and will immediately be revoked. Specifically, for purposes of this Settlement only, the Parties agree that:
 - a. There are approximately 29 Class Members (2,716 workweeks) projected by Class Counsel through January 17, 2021, which is so numerous as to make it impractical to join all Settlement Class Members;

- b. The Settlement Class is ascertainable from Defendants' records;
- c. Common questions of law and fact exist;
- d. The claims of the Class Representative are typical of the claims of the Class Members and the Class Representative is an adequate representative of the Class and should be appointed as such;
- e. Plaintiff, the Law Offices of Eric A. Boyajian, APC, and Nareg S. Kitsinian, Esq. are adequate to represent the Settlement Class and should be appointed as Class Representatives and Class Counsel, respectively;
- f. The prosecution of separate actions by individual members of the Settlement Class would create the risk of inconsistent or varying adjudications, which could establish incompatible standards of conduct;
- g. Questions of law and fact common to the members of the Class predominate over questions affecting individual members of the Class and a class action is superior to other available means for the fair and efficient adjudication of the controversy; and
- 9. By entering into this Settlement, Defendants admit no liability or wrongdoing, and explicitly deny any liability or wrongdoing of any kind arising from the claims alleged in the Action. This Settlement shall not constitute an admission by Defendants as to any interpretation of applicable law or as to the merits, validity, or accuracy of any of the claims made against it in the Action, or that the claims alleged are suitable for class treatment. Additionally, Defendants reserve the right to contest any issues relating to class certification and liability if the settlement is not approved. This Settlement is entered into solely for the purpose of compromising highly disputed claims.

II. <u>DEFINITONS.</u>

- 10. "Order of Preliminary Approval" or "Preliminary Approval Order" refers to the order of the Court granting preliminary approval of this Settlement.
- 11. "Order of Final Approval" refers to the order of the Court granting final approval of this Settlement and entering a judgment approving this Settlement on substantially the same terms provided herein or as may be modified by subsequent agreement of the Parties.
- 12. "Class Period" refers to the time period from December 18, 2015 through the date of the Preliminary Approval Order.
- 13. "PAGA Period" refers to the time period from December 27, 2018 through the date of the Preliminary Approval Order.
- 14. "Class," "Class Members," "Settlement Class" or "Settlement Class Members" refers to all current and former employees of Defendants who were employed by Defendants in the State of California during the Class Period who were paid on a piece-rate basis (excluding licensed psychologists). The Class consists of the following subclass:

- a. "Aggrieved Employees" refers to Class Members who worked during the PAGA Period.
- 15. "Participating Class Members" refers to all Class Members who do not opt-out of the Settlement.
- 16. "Class Counsel" refers to Eric A. Boyajian and Amaras Zargarian from the Law Offices of Eric A. Boyajian, APC, and Nareg S. Kitsinian of Kitsinian Law Firm.
- 17. "Class List" refers to the list of Class Member information to be provided to the Administrator by Defendants.
- 18. "Class Notice" refers to the Notice of Proposed Class Action Settlement, attached hereto as Exhibit A.
- 19. "Defense Counsel" refers to Jonathan Fraser Light and Chandra A. Beaton from LightGabler.
- 20. "Administrator" or "Settlement Administrator" refers to Phoenix Settlement Administrators, the third-party administrator whom the Parties have selected to administer the Settlement in accordance with the terms set forth herein, subject to the approval of the Court.
- 21. "Gross Settlement Amount" or "GSA" refers to the maximum amount which Defendants are obliged to pay under this Agreement, which equals \$246,700. The GSA does not include Employer-side Taxes, which Defendants must also pay in addition to the GSA.
- 22. "Employer-side Taxes" shall mean and refer to Defendants' share of federal, state and/or local payroll taxes that are owed on the portion of any Participating Class Member's Settlement Share that constitutes wages.
- 23. "Employee-side Taxes and Withholdings" shall mean the employee's share of any and all applicable federal, state or local income and payroll taxes including, but not limited to those collected under authority of the Federal Insurance Contributions Act ("FICA"), FUTA and/or SUTA on the portion of any Participating Class Member's Settlement Share that constitutes wages. The Employee-side Taxes and Withholdings will be withheld from and paid out of the Net Settlement Amount.
- 24. "Final Approval Hearing" means the hearing set by the Court for the purpose of issuing the Order of Final Approval and determining, *inter alia*, (1) the fairness, adequacy, and reasonableness of the Settlement, (2) the Service Payment to Plaintiff, and (3) the fees and costs of Class Counsel.
- 25. "Effective Date" shall mean as follows: If no Class Member or any person claiming to have standing submits an objection or otherwise purports to object to the Settlement Agreement, then the Effective Date is the date of the Court's entry of an Order of Final Approval. If any Class Member or any person claiming to have standing submits an objection or otherwise purports to object to the Settlement Agreement, then the Effective Date is the date of the first to occur of the following: (1) 15 days after the date for seeking appellate review of the Court's Order of Final Approval has passed without a timely appeal or request for review having been made (i.e., 45 days after entry of the trial court's Order of Final Approval); or (2) if an appeal, review, or writ is sought from the Order of Final

Approval, then the next day after the Order of Final Approval is affirmed or the appeal, review or writ is dismissed or denied, and the Order of Final Approval is no longer subject to further judicial review.

- 26. "Net Settlement Amount" or "NSA" refers to the Gross Settlement Amount, less the Court-approved (a) fees and costs of the Administrator, (b) Service Payment of Plaintiff, and (c) fees and costs of Class Counsel.
- 27. "Response Deadline" means thirty (30) days after the Administrator mails the Class Notice to Class Members.
- 28. "Settlement Share" refers to the payment that a Participating Class Member is entitled to receive pursuant to the Settlement.
- 29. "Qualified Settlement Fund" or "QSF" means an account that will qualify and be characterized as a Qualified Settlement Fund under the provisions of the U.S. Treasury Regulations 1.468B-1 and 1.468B-5, to be set up as provided below, and into which the Gross Settlement Amount is to be deposited as agreed herein, to be administered in a manner consistent with applicable law and the terms of this Settlement.
- 30. "Released Parties" refers to Tristen Vance Henderson, Michelle Christine Wonders, and Mission Oaks Counseling and Wellness Center, Inc. and all of their subsidiaries, affiliates, shareholders, members, parents, principals, heirs, representatives, agents (including, without limitation, any accountants, auditors, consultants, insurers, reinsurers, attorneys and any past or present officers, directors, and employees) predecessors, successors, and assigns.

III. <u>APPLICATION FOR APPROVAL OF THE SETTLEMENT, CLASS CERTIFICATION, DISSEMINATION OF NOTICE, AND SETTING OF FINAL APPROVAL HEARING.</u>

31. Promptly upon the full execution of this Agreement, Plaintiff shall apply to the Court for approval of the Settlement, including an Order of Preliminary Approval that, amongst other things, (a) preliminarily approves the Settlement under the legal standards relating to the approval of class action settlements; (b) preliminarily certifies the Class for settlement purposes only; (c) approves the Class Notice and authorizes dissemination of the same; (d) preliminarily approves Plaintiff as a Class Representative; (e) preliminarily approves the Law Offices of Eric A. Boyajian and Kitsinian Law Firm as Class Counsel; (f) preliminarily approves the PAGA allocation, (f) preliminarily approves Phoenix to serve as Administrator; and (g) sets a Final Approval Hearing and briefing schedule. Should this Settlement not become effective for any reason, the fact that the Parties stipulated to certification of a Settlement Class shall have no bearing on and shall not be admissible on the question of whether a class action should be certified in a non-settlement context.

IV. CONSIDERATION FOR THE SETTLEMENT.

32. Gross Settlement Amount.

The Parties agree to settle this Action for the Gross Settlement Amount of \$246,700, and value the PAGA civil penalties relating to the Aggrieved Employees at 30% of the GSA.

The Settlement is an all-in non-reversionary settlement and there shall be no reversion to Defendants. The Gross Settlement Amount and other actions and forbearances taken by Defendants are

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paid in full and final settlement of (a) the Released Claims, (b) the fees and costs of the Administrator, (c) the Service Payment of Plaintiff, (d) the PAGA civil penalties, and (e) the fees and costs of Class Counsel.

The Gross Settlement Amount plus the Employer-side Taxes shall be deposited into the QSF as follows:

Defendants shall make the initial payment of \$123,350 (plus Employer-side Taxes) within fourteen (14) calendar days after the Effective Date. Defendants shall make the second payment of \$123,350 (plus Employer-side Taxes) no later than January 15, 2022.

33. Allocation of the Gross Settlement Amount.

Subject to Court approval, the Gross Settlement Amount of \$246,700 shall be allocated as follows:

- Up to \$3,950 for the fees and costs of the Administrator; (i)
- (ii) \$3,000 Service Payment to Plaintiff;
- Up to \$20,000 to Class Counsel for costs; and (iii)
- (iv) \$86,345 payment to Class Counsel for attorneys' fees.

The remainder constitutes the Net Settlement Amount of \$133,405, which shall be allocated as follows: 30% shall be allocated as PAGA civil penalties, out of which 75% shall be paid to the LWDA ("LWDA Payment") and 25% shall be paid to Aggrieved Employees ("PAGA Bounty").

Reasonable Fees and Costs of the Settlement Administrator. 34.

All of the Administrator's fees and costs, which are not to exceed \$3,950 unless otherwise approved by the Court, will be paid out of the Gross Settlement Amount from the QSF.

35. Service Payment to Plaintiff.

Subject to Court approval, Plaintiff will apply for a Service Payment not to exceed \$3,000 in consideration for her efforts on behalf of the Class. Any Service Payment approved by the Court will be paid out of the Gross Settlement Amount and shall be in addition to Plaintiff's Settlement Share under the terms of the Settlement. In addition to the claims released under the Settlement, and as set forth in greater detail below, Plaintiff will also provide a general release which includes a California Civil Code section 1542 waiver. The Administrator will issue an IRS Form 1099 for any Service Payment approved by the Court. Defendants do not oppose this proposed Service Payment.

36. Reasonable Attorneys' Fees and Costs to Class Counsel.

Subject to Court approval, Class Counsel will apply to the Court for an award of attorneys' fees and costs incurred in connection with the prosecution of this matter. Class Counsel will apply to the Court for an award of attorneys' fees in an amount up to \$86,345 or thirty-five percent (35%) of the Gross Settlement Amount, and declared costs of up to \$20,000. Defendants do not oppose Class Counsel's request. The fees and costs awarded to Class Counsel by the Court shall be paid out of the Gross Settlement Amount from the QSF. The Settlement Administrator shall issue an IRS Form 1099 to Class Counsel in connection with this payment.

 Class Counsel will file a motion for attorneys' fees, costs, and Service Payment with the Court.

In the event that a lesser sum is awarded for Class Counsel's attorneys' fees and costs, or for the Service Payment to Plaintiff, the approval by the Court of any such lesser sum(s) shall not be grounds for Plaintiff and/or Class Counsel to terminate the Settlement, but such an order shall be appealable by them. In the event that such an appeal is filed, final funding and administration of the portion of the attorneys' fees and/or costs award and/or service payment in dispute will be segregated and stayed pending the exhaustion of appellate review. If, after the exhaustion of any such appellate review, additional amounts are distributable to the Participating Class Members, the cost of administration of the payments to them will be paid out of such additional amounts and not by Defendants. Any amount not awarded in attorneys' fees, costs and Service Payment shall be added to the Net Settlement Amount and distributed to the Participating Class Members in accordance with the terms of the Settlement.

37. <u>Tax Treatment of Settlement Shares.</u>

For the purpose of taxes and required withholdings, the Parties agree that the various Net Settlement Amounts allocated to each Class, excluding the PAGA Bounty, shall be treated as follows: 20% of each Participating Class Member's Settlement Share is in settlement of wage claims, and so is subject to wage withholdings and shall be reported on an IRS Form W-2. 80% of each Participating Class Member's Settlement Share is in settlement of claims for interest and penalties and shall be reported on an IRS Form 1099.

100% of each Aggrieved Employees' share of the PAGA Bounty is a penalty and shall be reported on an IRS Form 1099.

The Class Representative's service award shall issue on a 1099 basis.

Prior to the distribution of Settlement Shares, the Administrator shall calculate the total taxes and withholdings required as a result of the wage portion of the Settlement Share and such actual amount will be deducted therefrom. The Parties understand that Participating Class Members who receive Settlement Shares under this Settlement shall be solely responsible for any and all individual tax obligations on the non-wage portion of their Settlement Share.

38. No Effect on Employee Benefit Plans.

Neither this Settlement nor any amounts paid hereunder will modify any previously credited hours, days, or weeks of service under any employee benefit plan, policy or bonus program sponsored by Defendants.

39. Undistributed Funds.

In the event that any checks mailed to Participating Class Members remain uncashed after the expiration of 180 days, or an envelope mailed to a Participating Class Member is returned and no forwarding address can be located for the Participating Class Member after reasonable efforts have been made (including but not limited to skip tracing), then any such checks shall become null and void, and such monies shall be distributed to the Controller of the State of California, to be held pursuant to the Unclaimed Property Law, California *Civil Code* section 1500, *et seq.*, in the name of the respective Participating Class Member. The Parties agree that this disposition results in no

"unpaid residue or unclaimed or abandoned class member funds" as discussed in California Code of Civil Procedure section 384, subd.(b).

V. <u>ADMINISTRATION OF THE SETTLEMENT.</u>

40. <u>Duties of the Administrator.</u>

return envelope); (iii) updating its website in the manner described below; (iv) performing necessary additional skip traces on any notices and/or checks returned as undeliverable; (v) calculating the Settlement Shares of the Participating Class Members; (vi) resolving disputes during the administration process in the manner described below; (vii) reporting to Class Counsel and Defense Counsel regarding administration of the Settlement; (viii) establishing the QSF in the manner described below; (ix) preparing and mailing settlement checks to the Participating Class Members; (x) preparing and mailing the Court-approved payments to itself, the Class Representative, and Class Counsel; (xi) preparing all appropriate tax forms required in connection with the payments called for by this Settlement and remitting those forms and all required payments to the appropriate governmental agencies; (xii) preparing a final report summarizing the administration of the Settlement; and (xiii) generally performing all normal and customary duties associated with the administration of such settlements.

Within 7 calendar days of the Response Deadline, the Administrator shall provide the report to Class Counsel and Defense Counsel regarding the administration of the Class Notice, including number of opt-out, objections, etc. ("Class Notice Report").

The Administrator shall perform the duties required by this Settlement by, among other things,

and without limitation, (i) receiving and updating through normal and customary procedures the list of

Class Members to be produced by Defendants, so that it is updated prior to the mailing of the Class Notice; (ii) populating, printing and mailing the Court-approved Class Notice (along with self-addressed

41. Dispute Resolution.

The Administrator shall have the initial responsibility for resolving any disputes that arise during the administration of the Settlement including, without limitation, disputes regarding whether a Class Member is entitled to a Settlement Share and, if so, the amount thereof. In resolving such disputes, Defendants' employment records shall be presumed accurate and correct, and shall be final and binding unless the information submitted by the individual (e.g., time records, wage statements, employment records, etc.) proves otherwise. In the event that the Administrator cannot resolve a dispute based upon a review of Defendants' records, the Administrator will schedule a call with Class Counsel and Defense Counsel to discuss and resolve the dispute. After such call, the Administrator will resolve the dispute and such resolution will be final and binding on the Class Member.

42. Establishing the Qualified Settlement Fund.

The Administrator shall be responsible for establishing a QSF upon the Court's approval to do so, which approval the Parties will jointly seek. The QSF will be taxed as a separate entity for purposes of all federal, state, and local taxes, and the Parties agree to treat the QSF on a basis consistent therewith. Any interest accrued shall inure to the benefit of the Class. The Gross Settlement Amount shall be deposited into the QSF. Defendants may, at their discretion, deposit the Gross Settlement Amount at an earlier date.

43. <u>Timing of Disbursement.</u>

Within 7 calendar days of Defendants' deposit of the <u>initial</u> payment of the GSA into the QSF (i.e., 21 calendar days after the Effective Date), the Administrator shall mail the following: Class Counsels' payments of attorneys' fees and costs, issue payment to itself, and the Service Payment to Plaintiff.

Within 7 calendar days of Defendants' deposit of the <u>second</u> half of the payment of the GSA into the QSF, the Administrator shall mail the following: Settlement Shares to the Participating Class Members, and the LWDA payment to the LWDA.

VI. <u>CLASS LIST, NOTICE TO CLASS MEMBERS, PARTICIPATION IN THE SETTLEMENT, AND SETTLEMENT SHARES.</u>

44. Provision of the Class List.

Within 7 calendar days of the Court's entry of the Order of Preliminary Approval, Defendants shall provide the Administrator with the Class List containing the following for each Class Member: (i) name, (ii) last known address, (iii) social security number, and (iv) dates of employment during the applicable period.

45. Escalator.

If, at the time of Preliminary Approval, the total work weeks exceed 2,716 by more than 10% (more than 272 weeks), then the GSA shall automatically increase in proportion to the increased percentage of work weeks.

46. Notice to Class Members.

The Class Notice shall be in English only. It shall include the allocations of the Gross Settlement Amount as discussed in paragraph 33. The Class Notice shall be individualized for each Class Member and contain each person's number of workweeks worked (and pay periods for Aggrieved Employees) and estimated Settlement Share. The Class Notice shall be substantially similar to the form attached hereto as Exhibit A.

Promptly upon receipt of the Class List, the Administrator shall access the National Change of Address Database ("NCOA") and update the addresses provided by Defendants. Within 7 days after receipt of the Class List, the Administrator shall mail the Class Notice to each Class Member via first-class mail, except that the notice relating to Plaintiff shall be emailed to Class Counsel. For each notice returned as undeliverable before the Response Deadline, the Administrator shall promptly attempt to determine a correct address using its best efforts, including skip tracing, and shall resend the notice to any new address determined thereby.

47. Participation in the Settlement.

Class Members are not required to file claims in order to be eligible to participate in this Settlement and receive their Settlement Share. Every Class Member who does not opt out will be a Participating Class Member and receive a share of the Net Settlement Amount. If three or more Class Members opt out of the Settlement, Defendants have the right (but not the obligation) to void the

costs. Defendants must exercise this right, if at all, within 14 calendar days after receipt of the Class Notice Report from the Administrator.

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Allocation of the Net Settlement Amount and Calculation of Settlement Shares.

Settlement. If Defendants exercise this right then they shall solely be responsible for administrative

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The amount of each Participating Class Member's Settlement Share of the Net Settlement Amount shall be determined by the Administrator as follows:

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First, 30% shall be allocated to PAGA penalties. From the PAGA penalties, 75% shall be paid to the LWDA and 25% shall be allocated to Aggrieved Employees.

Next, the Administrator shall determine (a) the total number of workweeks worked by Participating Class Members during the Class Period; and (b) the total number of pay periods worked by Participating Aggrieved Employees during the PAGA Period.

For purposes of this calculation, (a) workweeks will be calculated based on the number of weeks in which a Class Member worked at least one day, and (b) pay periods will be calculated based on the number of periods in which an Aggrieved Employee worked at least one day.

The total number of workweeks each Participating Class Member was employed during the Class Period will then be divided by the total number of workweeks that all Participating Class Members were employed during the Class Period, resulting in a payment ratio for each Participating Class Member.

The payment ratio for each Participating Aggrieved Employee will be calculated in a similar fashion except that the ratio will be based on pay periods instead of weeks.

Procedures for Challenges. 49.

A Class Member may, before the Response Deadline, dispute the amount of his or her Settlement Share, and the data used to calculate it, by timely sending a written notice to the Administrator informing the Administrator of the nature of the dispute and providing any records or documentation supporting his or her position. In response to such a challenge, Defendants will first verify the accuracy of the information contained in their records. Next, Class Counsel and Defense Counsel will make a good faith effort to resolve the dispute informally. If Class Counsel and Defense Counsel are unable to agree, the dispute shall be resolved by the Administrator after examination of the records provided by the Class Member and Defendants. The Administrator's determination will be final and binding.

If, before the Response Deadline, an individual not previously identified in the Class List asserts his or her membership in the Class and seeks recovery under the Settlement, the Administrator shall provide Class Counsel and Defense Counsel with the evidence submitted by the individual. To be eligible for recovery under this Settlement, individuals must provide sufficient proof to the Administrator supporting their request for inclusion, including specific evidence establishing that they qualify as a Class Member as defined herein. If Class Counsel and Defense Counsel agree an individual is not a Class Member, the Administrator will inform the individual that his or her request for inclusion has been rejected. If Class Counsel and Defense Counsel are unable to agree, the dispute shall be resolved by the Administrator after examination of the records provided by the Class Member and Defendants. The Administrator's determination will be final and binding.

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VII. EXCLUSIONS, OBJECTIONS AND BINDING EFFECT OF SETTLEMENT.

Right of Class Members to Opt Out of Settlement. 50.

The Class Notice will advise the Class Members of their right to exclude themselves or opt out of the Settlement. To be effective, requests for exclusion must (a) be submitted in writing to the Administrator, postmarked before the Response Deadline (i.e., no later than thirty (30) calendar days from the date of mailing of the Class Notice); (b) contain the individual's full name, current home (or mailing) address, and the last four digits of his or her social security number; (c) identify the case name; and (d) include written affirmation of his or her desire to opt out of the Settlement, containing the following or substantially similar language:

"I elect to opt-out of the Zuzevich et al., v. Mission Oaks Counseling and Wellness Center, Inc., et al. class action settlement. I understand that by doing so, I will not be able to participate in the settlement and will not receive a share of the settlement."

The Administrator shall email copies of any opt-outs received to all counsel within 48 hours of its receipt of same. The Class Notice shall include the specific address to which requests for exclusion must be mailed as well as a summary of the foregoing. Any Member who timely requests exclusion from this Settlement shall not have any rights under the Settlement, shall not be entitled to receive a Settlement Share, shall not be bound by the Settlement or the Order of Final Approval, and shall not have the right to file an objection to the Settlement.

The timeframe to submit a request to opt out of the Settlement will not be increased for returned mailings.

Right of Class Members to Object to Settlement. 51.

The Class Notice will advise each Class Member of his or her right to object to the Settlement. To be effective, written objections must (a) be mailed to the Administrator, postmarked before the Response Deadline (i.e., no later than thirty (30) calendar days from the date of mailing of the Class Notice); (b) clearly identify the case name and number; (c) contain the objector's full name, current home (or mailing) address, and the last four digits of his or her social security number; (d) clearly and concisely state all grounds for the objection; (e) indicate whether the objector is represented by counsel and, if so, identify such counsel; (f) indicate whether the objector and/or his or her counsel intend to appear at the Final Approval Hearing; (g) be signed by the objector or his or her counsel; and (h) provide true and correct copies of any exhibit(s) the objector and/or his or her counsel intends to offer at the Final Approval Hearing.

The Class Notice shall include the specific address to which objections must be mailed as well as a summary of the foregoing. Any Participating Class Member whose objection is overruled will be deemed to be subject to the terms of this Settlement and the Court's Order of Final Approval. Any Participating Class Member who fails to make a written objection or fails to make an objection at the Final Approval Hearing shall be deemed to have waived his or her right to object to the Settlement.

The timeframe to submit an objection will not be increased for returned mailings.

52. Binding Effect on Participating Class Members.

All Participating Class Members will be bound by the terms and conditions of this Settlement, the Court's Order of Final Approval, and the releases set forth herein.

VIII. <u>RELEASES</u>

53. Released Claims.

Upon full payment by Defendants of the GSA (plus Employer-Side taxes) into the QSF, and in exchange for the consideration provided herein, the Participating Class Members hereby forever and completely release and discharge Defendants and the Released Parties from the following claims:

Participating Class Members shall release the Released Parties from any and all claims, debts, liabilities, demands, obligations, penalties, guarantees, costs, expenses, attorney's fees, damages, actions or causes of action of whatever kind or nature, whether known or unknown, contingent or accrued, that were alleged or that reasonably could have been alleged based on the facts alleged in the First Amended Complaint, on behalf of the Class and that arose during the Class Period, including, but not limited to claims for (1) unpaid minimum wages; (2) unpaid overtime wages; (3) premium wages for not providing lawful rest periods; (5) penalties for not providing lawful wage statements; (6) waiting time penalties for not providing all wages due upon discharge; (7) unreimbursed business expenses; and (8) unfair business practices, and any other claims arising during the Class Period, whether known or unknown, that were or could have been alleged based on the specific factual allegations in the First Amended Complaint.

54. Released PAGA Claims.

Upon full payment by Defendants of the GSA (plus Employer-Side taxes) into the QSF, it is understood and agreed that Plaintiff, individually and on behalf of the Labor and Workforce Development Agency, releases Defendants and Released Parties from any and all claims for civil penalties that arose during the PAGA Period, as outlined in Plaintiff's PAGA Notice dated December 27, 2019, including but not limited to claims for civil penalties relating to allegations of (1) unpaid minimum wages (Cal. Lab. Code § 1197.1); (2) unpaid overtime wages (Cal. Lab. Code § 2699); (3) premium wages for not providing lawful meal periods (Cal. Lab. Code § 2699); (4) premium wages for not providing lawful rest periods (Cal. Lab. Code § 2699); (5) penalties for not providing lawful wage statements (Cal. Lab. Code § 226.3); (6) untimely payment of wages (Cal. Lab. Code § 210); (7) record-keeping violations (Cal. Lab. Code § 2699); (8) unreimbursed business expenses (Cal. Lab. Code § 2699); and (9) independent contractor misclassification (Cal. Lab. Code § 226.8).

55. Release by Plaintiff.

Upon full payment by Defendants of the GSA (plus Employer-Side taxes) into the QSF, and in consideration for the receipt of the Service Payment, Plaintiff on behalf of herself and her spouse, heirs, successors and assigns expressly additionally releases any and all claims, charges, complaints, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, penalties and expenses of any nature whatsoever, relating to her employment with Defendants, or the termination/separation of her employment, including but not

limited to claims for infliction of emotional distress; defamation; wrongful discharge; retaliation; violation of any federal, state, or other governmental statute, regulation, or ordinance, including, without limitation violation of Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, the Family and Medical Leave Act, the California Fair Employment and Housing Act, the California Family Rights Act, the California Labor Code or any Industrial Welfare Commission Wage Order, and the Employee Retirement Income Security Act. In addition, Plaintiff expressly waives and relinquishes all rights and benefits afforded by Section 1542 of the Civil Code of the State of California and does so understanding and acknowledging the significance of the waiver of Section 1542. Section 1542 of the Civil Code of the State of California states:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Notwithstanding the provisions of Section 1542, and for the purpose of implementing a full and complete release and discharge of Defendants and the Released Parties, Plaintiff expressly acknowledges that this Settlement is intended to include in its effect all claims that Plaintiff knows of, as well as all claims that she does not know of or suspect to exist in her favor against Defendants and the Released Parties, and that this Settlement contemplates the extinguishment of any such claims.

IX. FINAL SETTLEMENT APPROVAL.

56. A Final Approval Hearing shall be held for the purpose of considering, *inter alia*, (a) the fairness, adequacy, and reasonableness of the Settlement; (b) the Service Payment to Plaintiff; (c) the fees and costs of Class Counsel, (d) the PAGA penalties; and (e) the propriety of any timely objections, as well as Class Counsel and Defense Counsel's response thereto. The date of the Final Approval Hearing shall be set by the Court and notice of such shall be provided to Class Members in the Class Notice. Although the Court may continue the Final Approval Hearing without further notice to the Settlement Class Members, the Administrator's website will be updated to provide this information.

Upon final approval of the Settlement, Plaintiff will respectfully request the Court enter an Order of Final Approval:

- (i) Approving the Settlement, adjudging the terms thereof to be fair, reasonable, and adequate, and directing consummation of its terms and provisions;
- (ii) Approving payment to the Administrator;
- (iii) Approving the Service Payment to Plaintiff;
- (iv) Approving Class Counsel's application for fees and costs;
- (v) Entering judgment in this Action and implementing the Releases consistent with the terms of this Settlement; and
- (vi) Retaining jurisdiction to the extent necessary over the subject matter of the Action and over the Parties and Settlement Class Members to enforce the terms of the Settlement.

The Final Approval Order and Judgment shall contain findings and rulings to the effect that Participating Class Members who cash their settlement checks provided to them under this Settlement thereby indicate their desire to opt-in to a class settlement of FLSA claims. Accordingly, the cashing of a settlement check shall constitute binding and irrefutable evidence that the Participating Class Member

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in question desired and intended to, and did, opt in to an FLSA settlement and released all claims under the Fair Labor Standards Act of 1938, as amended. To that end, the back of each Participating Class Members' settlement check shall contain the following limited endorsement:

"By endorsing this check, I am agreeing to be bound by the Settlement Agreement, and the release of claims set forth therein, in the Class Action case entitled *Zuzevich et al.*, v. Mission Oaks Counseling and Wellness Center, Inc., et al. (case no. 56-2019-00537478-CU-OE-VTA).

Signature _____ Dated: _____

The Judgment will be published on the Administrator's website for one hundred twenty (120) days following the Effective Date.

X. <u>TERMINATION OF THE SETTLEMENT.</u>

57. Grounds for Termination of the Settlement.

Either Party may terminate this Settlement if the Court declines to enter the Order of Preliminary Approval in substantially the form agreed and submitted by the Parties (incidental or minor changes ordered by the Court are not grounds for termination), or the Settlement as agreed does not become final for any reason. The terminating party must give written notice to the other party no later than 10 days after the Court acts. If the Settlement is terminated, Defendants shall have no obligation to make any payments under the Settlement. The Party who terminates the Settlement shall be fully responsible for payment to the Administrator for its costs incurred.

58. Effect of Termination.

If the Settlement is terminated in accordance with the terms set forth herein (a) the Settlement shall have no force or effect, and no party shall be bound by any of its terms, except as otherwise provided herein; (b) the Order of Preliminary Approval shall be vacated; (c) the Settlement and all negotiations, statements, and proceedings related thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be restored to their respective positions in the Action prior to the settlement; and (d) neither this Settlement Agreement, nor the filings in connection with the approval thereof being sought, shall be admissible or offered into evidence in the Action or in any other action for any reason whatsoever.

XI. <u>MISCELLANEOUS TERMS.</u>

59. Mutual Cooperation.

The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement Agreement, including but not limited to, executing and amending such documents and taking such other actions as may reasonably be necessary to implement the terms of this Settlement Agreement. The Parties shall use their best efforts, including all efforts contemplated by this Settlement Agreement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Settlement Agreement and the terms set forth herein. None of the Parties nor their respective counsel, employees, or agents, shall solicit or encourage any Class Members to exclude themselves from the Settlement or object to the Settlement.

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60. Publicity.

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Class Counsel and Plaintiff agree to discuss the terms of this Settlement only in declarations submitted to a court to establish Class Counsel's adequacy to serve as class counsel, in declarations submitted to a court in support of motions for preliminary approval, final approval, for attorneys' fees/costs, and any other pleading filed with the Court in conjunction with the Settlement, and in discussions with Class Members in the context of administrating this Settlement until the Preliminary Approval Order is issued. Class Counsel and Plaintiff agree that they shall not issue any press releases or press statements regarding the Settlement, identify Defendants or Defense Counsel by name in any media including Class Counsel's website, or have any communications with the press or media about the Action or the Settlement.

61. Interim Stay of Proceedings.

Pending the completion of the approval process, the Parties agree to a stay of all proceedings in the Action except those necessary to implement the Settlement itself.

62. Notices.

Any notices, requests, demands, or other communications required or necessitated by this Settlement Agreement shall be in writing and, except as provided elsewhere in this Settlement Agreement, shall be delivered as follows:

> (i) If to Plaintiff or Class Counsel, then to:

> > Eric A. Boyajian, Esq. (eric@loeab.com) Law Offices of Eric A. Boyajian, APC 450 N. Brand Blvd., Suite 600 Glendale, CA 91203

Nareg S. Kitsinian, Esq. (nareg@kitsinianlaw.com) Kitsinian Law Firm 6739 Odessa Ave. Van Nuys, CA 91406

(ii) If to Defendants or Defense Counsel, then to:

> Jonathan Fraser Light, Esq. (ilight@lightgablerlaw.com) Chandra A. Beaton, Esq. (cbeaton@lightgablerlaw.com) LightGabler 760 Paseo Camarillo, Suite 300 Camarillo, CA 93010

63. Retention of Jurisdiction by the Court.

Following approval of the Settlement and the Court's entry of the Order of Final Approval, the Court shall retain jurisdiction for the purpose of addressing any issues which may arise with respect to the administration of the Settlement or the enforcement of the Settlement's terms pursuant to California Code of Civil Procedure section 664.6.

64. Entire Agreement.

This Settlement Agreement and the attached exhibits set forth the entire agreement of the Parties and supersede any and all prior agreements and all negotiations leading up to the execution of the Settlement Agreement, whether oral or written, regarding the terms contained herein.

65. Modification or Amendment.

This Settlement may not be modified, amended or altered except in a writing signed by the Parties or their authorized legal representatives, or as ordered by the Court.

66. Choice of Law.

This Settlement shall be governed by and construed, enforced and administered in accordance with the laws of the State of California.

67. Construction.

This Agreement is entered into freely and voluntarily without duress or undue pressure or influence of any kind or nature whatsoever and neither Party has relied on any promises, representations or warranties regarding the subject matter hereof other than as set forth in this Agreement. Each Party has been represented by counsel in the settlement negotiations leading up to, and in connection with the preparation and execution of, this Settlement Agreement. The Parties acknowledge and agree that all Parties had an equal hand in drafting this Agreement so that it shall not be deemed to have been prepared or drafted by one Party or another. All Parties waive the provisions of California Civil Code section 1654 (and any other equivalent state, federal, or local provision), which provides, in part, that "the language of a contract should be interpreted most strongly against the Party who caused the uncertainty to exist."

68. Execution in Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Electronic signatures (including DocuSign, AdobeSign, and the like) shall have the same force and effect as wet signatures. Any signature to this Agreement transmitted by email, PDF, or facsimile and any copies of any signatures are valid and binding.

69. Authority.

The individuals signing this Agreement represent and warrant that they are authorized to execute this Agreement and to take all appropriate action required and permitted to be taken by this Agreement, except such action that is the prerogative of the Court.

70. Attorneys' Fees, Costs and Expenses.

Except as otherwise specifically provided for herein, each party shall bear her/its own attorneys' fees, costs and expenses, taxable or otherwise, incurred by them in or arising out of this action, and shall not seek reimbursement thereof from any other party to this Agreement, except that Class Counsel shall

1	APPROVED AS TO FORM	AND CONTENT:
2		LAW OFFICES OF ERIC A. BOYAJIAN, APC
3	11/5/2020	Evic Boyajian
4	DATE:	Eric A. Boyajian
5		Attorneys for Plaintiff
6		KITSINIAN LAW FIRM
7	11/5/2020	DocuSigned by:
8	DATE:	Marca Eitsinian
9		Nareg S. Kitsinian Attorney for Plaintiff
10		LIGHTGABLER
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12	DATE:	Longthon Program Links
13		Jonathan Fraser Light Chandra A. Beaton
14		Attorneys for Defendants
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Class Action Settlement Agreement and Release of Claims - Page 18 of 18

1	be entitled to recover reasonable atte	orneys' fees and costs relating to the enforcement of the Judgment	
2	only in the event that such enforcement action is necessary due to a default by Defendants of the payments required pursuant to this Agreement.		
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4		PLAINTIFF	
5	DATE:		
6		Megan Zuzevich	
7			
8		DEFENDANT MISSION OAKS COUNSELING AND WELLNESS CENTER, INC.	
9	11 /10 /2020	DocuSigned by:	
10	DATE:	Whitney Dunchew	
11		Print Name: Whitney Dunehew	
12		Title: Operations Director	
13			
14		DEFENDANT HENDERSON	
15		DocuSigned by:	
16	DATE:		
17		TRISTEN VANCE HENDERSON	
18			
19		DEFENDANT WONDERS DocuSigned by:	
	DATE: 11/11/2020	12m_	
20 21	DAIL.	MICHELLE CHRISTINE WONDERS	
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Class Action Settlement Agreement and Release of Claims - Page 17 of 18

1	APPROVED AS TO FORM AND CONTENT:		
2		LAW OFFICES OF ERIC A. BOYAJIAN, APC	
3			
4	DATE:	·	
5		Eric A. Boyajian Attorneys for Plaintiff	
6		KITSINIAN LAW FIRM	
7			
8	DATE:	Nareg S. Kitsinian	
9		Attorney for Plaintiff	
10		LIGHTGABLER	
11		Dom 1	
12	DATE: 11/11/2020	Cafed-	
13		Jonathan Fraser Light Chandra A. Beaton	
14		Attorneys for Defendants	
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