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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

LAURA ORTIZ, an individual, on behalf of
herself and all others similarly situated,,

Plaintiff,

v.

CASA COLINA, INC., a California
Corporation, and DOES 1 through 100,,

Defendants.

Case No. BC682710
Assigned to: Hon. David S. Cunningham,
Dept. 11

**STIPULATION AND SETTLEMENT OF
CLASS, COLLECTIVE AND
REPRESENTATIVE ACTION**

Complaint Filed: November 7, 2017
FAC Filed:: September 11, 2020
Trial Date: None Set

STIPULATION AND SETTLEMENT OF CLASS
AND REPRESENTATIVE ACTION

I. Subject to final approval by the Court, which counsel and the Parties agree to diligently pursue and recommend in good faith, Plaintiffs Tiffany Schneidmiller and Maria Alicia Ortega (“Plaintiffs”), individually and on behalf of all others similarly situated and alleged aggrieved employees, on the one hand, and Defendants Casa Colina, Inc. and Casa Colina Hospital And Centers For Healthcare (“Defendants”), on the other hand (collectively, the “Parties” and individually, a “Party”), hereby agree to the following binding settlement of the class and representative actions designated Laura Ortiz v. Casa Colina, Inc., et al., Los Angeles County Superior Court Case No. BC682710¹ and Maria Alicia Ortega v. Casa Colina Hospital And Centers For Healthcare, et al., Los Angeles County Superior Court Case No. 21STCV20670 (the “Actions”), pursuant to the terms and conditions set forth below (the “Settlement,” “Settlement Agreement” or “Agreement”). Upon the Effective Date, and the payment by Defendants of all monies due under the Agreement, Plaintiffs shall file with the Court (1) a Satisfaction of Judgment; and (2) a declaration from the Settlement Administrator certifying that all payments have been distributed, as more fully set forth herein.

II. Definitions.

The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

A. “Actions.”

The cases entitled Laura Ortiz v. Casa Colina, Inc., et al., Los Angeles County Superior Court Case No. BC682710 (“the Ortiz/Schneidmiller Action”), and Maria Alicia Ortega v. Casa Colina Hospital And Centers For Healthcare, et al., Los Angeles County Superior Court Case No. 21STCV20670 (“the Ortega Action”), as amended.

¹ Laura Ortiz is no longer a party to this case and has been replaced as a proposed class representative by Plaintiff Tiffany Schneidmiller.

1 **B. “Aggrieved Employees.”**

2 All current and former non-exempt employees of Defendants employed in California during
3 the Aggrieved Employee Time Period. Individuals who opt out of the class shall still be deemed
4 Aggrieved Employees. Aggrieved Employees are “aggrieved employees” within the meaning of
5 California Labor Code section 2699(c).

6 **C. “Aggrieved Employee Time Period.”**

7 The period from October 20, 2016 through the date of preliminary approval.

8 **D. “Amended Complaint.”**

9 The amended complaint Plaintiff Tiffany Schneidmiller will file, upon seeking and
10 receiving Court approval, to add Maria Alicia Ortega as a named plaintiff, and add class, collective
11 and representative action allegations encompassing any and all of the Released Class Claims
12 (defined below), causes of action asserted in the *Ortega* action, causes of action under the Fair Labor
13 Standards Act, 29 U.S.C. § 201, *et seq.* (“FLSA”) to the extent the FLSA overlaps with the Released
14 Class Claims, and any and all other claims/causes of action encompassed by the Released Class
15 Claims.

16 **E. “Attorneys’ Fees and Costs.”**

17 The attorneys’ fees agreed upon by the Parties and approved by the Court for Class
18 Counsel’s litigation and resolution of the *Ortiz/Schneidmiller* Action and the *Ortega* Action, and all
19 costs incurred and to be incurred by Class Counsel in the *Ortiz/Schneidmiller* Action and the *Ortega*
20 Action, including, but not limited to, costs associated with documenting the Settlement, securing
21 the Court’s approval of the Settlement, any expert expenses, and securing dismissal of the
22 *Ortiz/Schneidmiller* Action and the claims in the *Ortega* Action which are covered by the Released
23 Class Claims as defined herein. Class Counsel will request attorneys’ fees not to exceed one-third
24 (1/3) of the Class Settlement Amount of \$750,000.00, which is a total of \$250,000.00. The costs
25 requested to be reimbursed will not exceed \$35,000.00. The attorneys’ fees and costs awarded are
26 subject to the Court’s approval. Such Attorneys’ Fees and Costs shall be paid from the Class
27 Settlement Amount. Class Counsel will be issued an IRS Form 1099 for the Attorneys’ Fees and
28

1 Costs detailed in this Section and shall be solely and legally responsible for paying all applicable
2 taxes on the payment made pursuant to this Section.

3 **F. "Claims Administrator."**

4 Phoenix Settlement Administrators shall be the third-party class action settlement
5 claims administrator as agreed to by the Parties and approved by the Court for the purposes of
6 administering this Settlement. The Parties each represent that they do not have any financial interest
7 in the Claims Administrator or otherwise have a relationship with the Claims Administrator that
8 could create a conflict of interest.

9 **G. "Claims Administration Costs."**

10 The costs payable from the Class Settlement Amount to the Claims Administrator
11 for administering this Settlement, including, but not limited to, printing, distributing, and tracking
12 documents for this Settlement, calculating estimated amounts per Class Member, tax reporting,
13 distributing the Class Settlement Amount, and providing necessary reports and declarations, and
14 other duties and responsibilities set forth herein to process this Settlement Agreement, and as
15 requested by the Parties. The Claims Administration Costs will be paid from the Class Settlement
16 Amount, including, if necessary, any such costs in excess of the amount represented by the Claims
17 Administrator as being the maximum costs necessary to administer the Settlement. The Claims
18 Administration Costs are currently estimated to be \$22,500.00. To the extent actual Claims
19 Administration Costs are greater than \$22,500.00, such excess amount will be deducted from the
20 Class Settlement Amount, subject to the Court's approval. The Claims Administration Costs will
21 be paid no sooner than fifteen (15) calendar days following the Effective Date.

22 **H. "Class Counsel."**

23 Burrows Law Firm, Novak Law Firm, PC, and Haines Law Group, APC, shall be
24 appointed Class Counsel upon approval by the Court.

25 **I. "Class List."**

26 A complete list of all Class Members that Defendants will diligently and in good
27 faith compile from their records and provide to the Claims Administrator within twenty-one (21)
28 calendar days after Preliminary Approval of this Settlement. The Class List will be formatted in a

1 readable Microsoft Office Excel spreadsheet and will include each Class Member's full name, most
2 recent mailing address, telephone number, Social Security number, dates of employment (*i.e.*, hire
3 date and termination date, if applicable), approximate number of workweeks, and any other relevant
4 information needed to calculate settlement payments.

5 **J. "Class Member(s)" or "Settlement Class."**

6 All current and former non-exempt employees of Defendants employed in California
7 at any time during the Class Period.

8 **K. "Class Period."**

9 The period from November 7, 2013 through the date of preliminary approval.

10 **L. "Class Representative Enhancement Payment."**

11 The amount to be paid to Plaintiffs in recognition of their effort and work in
12 prosecuting the Actions on behalf of Class Members and for their general release of claims. Subject
13 to the Court granting Final Approval of this Settlement Agreement, Plaintiffs will request Court
14 approval of a Class Representative Enhancement Payment of \$5,000.00 for Plaintiff Tiffany
15 Schneidmiller and \$5,000.00 to Plaintiff Maria Alicia Ortega. Plaintiffs will be issued an IRS Form
16 1099 in connection with their respective Class Representative Enhancement Payments. Plaintiffs
17 shall be solely and legally responsible for paying any and all applicable taxes on this payment and
18 shall hold Defendants harmless from any claim or liability for taxes, penalties or interest arising as
19 a result of the payment. The Class Representative Enhancement Payments will be paid from the
20 Class Settlement Amount and will be in addition to Plaintiffs' Individual Settlement Payment paid
21 pursuant to the Settlement, and are conditioned on the execution of a stand-alone settlement
22 agreement and general release of all claims (which includes Plaintiffs' Released Claims and shall
23 be set forth more-fully in the stand-alone settlement agreement and general release of all claims).
24 Defendants make no representations as to the tax treatment or legal effect of the payment called for
25 herein, and Plaintiffs are not relying on any statement or representation by Defendants or their
26 counsel in this regard.

1 **M. “Class Settlement Amount.”**

2 The sum of no more than \$750,000.00 to be paid by Defendants in full satisfaction
3 of all claims arising from the Actions. The Class Settlement Amount includes all Individual
4 Settlement Payments to Class Members (including all Employee Paid Taxes), Individual PAGA
5 Settlement Payments to Aggrieved Employees, the Class Representative Enhancement Payments to
6 Plaintiffs, Claims Administration Costs to the Claims Administrator, the Labor and Workforce
7 Development Agency Payment, and the Attorneys’ Fees and Costs. Defendants will be responsible
8 for any and all Employer Paid Taxes required by law on the wage portions of the Individual
9 Settlement Payments to Class Members, separate and in addition to the Class Settlement Amount.

10 **N. “Effective Date.”**

11 The date on which the Final Award becomes final. For purposes of this Section, the
12 Final Award “becomes final” only after the Court grants the Motion for Final Approval and upon
13 service of the Notice of Entry of Order and Judgment, the claims released by this settlement are
14 dismissed in the *Ortega* Action, and upon the latter of: (i) if no appeal and/or objection is filed, the
15 expiration date of the time for the filing or noticing of any appeal from, or other challenge to, the
16 Order Granting Final Approval and/or Judgment (this time period shall not be less than seventy (70)
17 calendar days after the Court’s Order is entered); (ii) the date of affirmance of an appeal of the Order
18 Granting Final Approval and/or Judgment becomes final under the California Rules of Court; or
19 (iii) the date of final dismissal of any appeal from the Order Granting Final Approval and/or
20 Judgment or the final dismissal of any proceeding on review of any court of appeal decision relating
21 to the Order Granting Final Approval.

22 **O. “Final Approval” or “Final Award.”**

23 The Court entering an Order Granting Final Approval of the Settlement Agreement.

24 **P. “Employee Paid Taxes.”**

25 Taxes paid by an individual employee, including Federal Insurance Contributions
26 Act, federal income tax, state disability insurance, state income tax payments.

1 **Q. “Employer Paid Taxes.”**

2 Taxes paid by the employer, including Federal Unemployment Tax Act, Federal
3 Insurance Contributions Act, state unemployment insurance, and Employee Training Tax payments.

4 **R. “Individual Settlement Payment.”**

5 Each Class Member’s share of the Net Settlement Amount, which shall be distributed
6 to the Class Members, less any and all Employer Paid Taxes required by law as a result of the
7 payment of the amount allocated to such Class Member as set forth herein.

8 **S. “Individual PAGA Settlement Payment.”**

9 Each Aggrieved Employee’s pro rata share of twenty-five percent (25%) of the
10 PAGA Settlement Amount.

11 **T. “LWDA Notice.”**

12 The Parties agree that Plaintiff Schneidmiller will submit Notice to the Labor and
13 Workforce Development Agency (“LWDA”) of this Settlement along with a copy of this Settlement
14 Agreement within ten (10) calendar days of its execution by all Parties and Class Counsel, and will
15 thereafter submit a copy of any judgment or any other order (*e.g.*, the Final Award) providing for
16 an award of civil penalties in conformity with Labor Code Section 2699(l).

17 **U. “LWDA Payment.”**

18 The amount that the Parties have agreed to pay to the LWDA in connection with the
19 California Private Attorneys General Act of 2004 (“PAGA”). The Parties have agreed that
20 \$40,000.00 of the Class Settlement Amount will be allocated to the resolution of any Class
21 Members’ claims arising under PAGA (“PAGA Settlement Amount”) as set forth in the Released
22 Aggrieved Employee Claims. Pursuant to PAGA, \$30,000.00 (75%) of the PAGA Settlement
23 Amount will be paid to the LWDA and \$10,000.00 (25%) of the PAGA Settlement Amount will be
24 included in the Net Settlement Amount.

25 **V. “Net Settlement Amount.”**

26 The portion of the Class Settlement Amount remaining after deduction of the
27 approved Class Representative Enhancement Payment, Claims Administration Costs, LWDA
28 Payment, PAGA Settlement Amount, and the Attorneys’ Fees and Costs. The Net Settlement

1 Amount is to be paid to Class Members as Individual Settlement Payments, including all Employee
2 Paid Taxes.

3 **W. "Notice of Class Action Settlement."**

4 The document substantially in the form attached as Exhibit 1 that will be mailed to
5 Class Members' last known addresses and which will provide Class Members with information
6 regarding the Actions and information regarding the Settlement.

7 **X. "Notice of Objection."**

8 The Court may hear from any Settlement Class Member who attends the final
9 approval hearing and asks to speak regarding his or her objection. In order for any Settlement Class
10 member to object to this Settlement, or any term of it, the person making the objection must not
11 submit a request for exclusion (i.e., must not opt out). While not required, the preferred method by
12 which any Settlement Class member may to object to this Settlement, or any term of it, is that the
13 objecting Class Member, by no later than forty-five (45) days after the Notice of Proposed Class
14 Action Settlement was initially mailed to the Settlement Class members, mail or fax to the
15 Settlement Administrator a written statement of the grounds of objection, signed by the objecting
16 Settlement Class member or his or her attorney, along with all supporting papers. The Settlement
17 Administrator shall immediately upon receipt transmit to the Parties' counsel copies of all objections
18 and supporting papers. The Parties then shall file any objections received in this manner and all
19 supporting papers with the Court as soon as practicable but not more than three (3) business days
20 after receipt. A Settlement Class member may appear personally or through an attorney, at his or
21 her own expense, at the Final Approval hearing to present his or her objection directly to the Court.
22 If a Settlement Class member objects to this Settlement, the Settlement Class member will remain
23 a member of the Settlement Class and if the Court approves this Agreement, the Settlement Class
24 member will be bound by the terms of the Settlement and Final Approval in the same way and to
25 the same extent as a settlement class member who does not object. The Court retains final authority
26 with respect to the consideration and admissibility of any Settlement Class member objections.
27 Neither the Parties nor their counsel will solicit or otherwise encourage Class Members to submit
28

1 written objections to the Settlement Agreement or appeal from the Order and Judgment. Class
2 Counsel will not represent any Class Members with respect to any such objections to this Settlement.

3 **Y. "Notice Packet."**

4 The Notice of Class Action Settlement Individual Settlement Payment calculations,
5 and Individual PAGA Payment calculations to include workweek information.

6 **Z. "PAGA Settlement Amount."**

7 The Parties have agreed that \$40,000.00 of the Class Settlement Amount will be allocated
8 to the resolution of any Aggrieved Employees' claims arising under the PAGA ("PAGA Settlement
9 Amount"). Seventy-five percent (75%) of the PAGA Settlement Amount, Thirty Thousand Dollars
10 and Zero Cents (\$30,000.00) will be payable to the LWDA, and the remaining twenty-five percent
11 (25%), or Ten Thousand Dollars and Zero Cents (\$10,000.00) of the PAGA Settlement Amount will
12 be distributed to the Aggrieved Employees on a pro rata basis.

13 **AA. "Plaintiffs."**

14 Plaintiff Tiffany Schneidmiller and Maria Alicia Ortega.

15 **BB. "Plaintiffs' Released Claims."**

16 Upon the Effective Date, and as a condition of receiving any portion of their Class
17 Representative Enhancement Payment, Plaintiffs shall fully and finally release the Released Parties
18 from any and all claims, known and unknown, under federal, state and/or local law, statute,
19 ordinance, regulation, common law, or other source of law, including but not limited to claims
20 arising from or related to their employment with Defendants and their compensation while an
21 employee of Defendants. Plaintiffs' Released Claims include, but are not limited to, all claims
22 asserted in, arising from, or related to the Actions and the Released Class Claims (defined below).
23 Plaintiffs' Released Claims include all claims for unpaid wages, including, but not limited to, failure
24 to pay minimum wages, straight time compensation, overtime compensation, double-time
25 compensation, and interest; the calculation of the regular rate of pay; wages related to alleged illegal
26 time rounding; failure to pay wages at least twice each calendar month; missed/short/late/interrupted
27 meal period, rest period, and/or recovery period wages/premiums; failure to provide meal periods;
28 failure to authorize and permit rest periods and/or recovery periods; the calculation of meal period,

1 rest period, and/or recovery period premiums; reimbursement for all necessary business expenses;
2 payment for all hours worked, including off-the-clock work; wage statements; deductions; failure
3 to keep accurate records; failure to provide suitable seating; unlawful deductions and/or
4 withholdings from wages; unfair business practices; penalties, including, but not limited to,
5 recordkeeping penalties, wage statement penalties, minimum-wage penalties, and waiting-time
6 penalties; and attorneys' fees and costs. Plaintiffs' Released Claims include all claims arising under
7 the California Labor Code (including, but not limited to, sections 200, 201, 201.3, 202, 203, 204,
8 205.5, 206, 210, 216, 218, 218.5, 218.6, 221, 222, 222.5, 223, 224, 225, 225.5, 226, 226.3, 226.7,
9 226.8, 227.3, 246, 247.5, 248.5, 256, 450, 510, 511, 512, 515, 516, 550, 551, 552, 558, 1174, 1174.5,
10 1175, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.2, 1198, 1198.5, 2698 *et seq.*, 2699 *et seq.*, and
11 2802); all claims arising under: the Wage Orders of the California Industrial Welfare Commission;
12 the California Private Attorneys General Act of 2004 (PAGA); California Business and Professions
13 Code section 17200, *et seq.*; the California Civil Code, to include sections 3287, 3336 and 3294; 8
14 CCR § 11100; California Code of Civil Procedure § 1021.5; the California common law of contract;
15 the FLSA, 29 U.S.C. §§ 201, *et seq.*; 29 CFR 778.223; 29 CFR 778.315; federal common law; and
16 the Employee Retirement Income Security Act, 29 U.S.C. §§ 1001, *et seq.* (ERISA). Plaintiffs'
17 Released Claims also include all claims for lost wages and benefits, emotional distress, retaliation,
18 punitive damages, and attorneys' fees and costs arising under federal, state, or local laws for
19 discrimination, harassment, retaliation, and wrongful termination, such as, by way of example only,
20 (as amended) 42 U.S.C. § 1981, Title VII of the Civil Rights Act of 1964, the Americans with
21 Disabilities Act (ADA), the Age Discrimination in Employment Act (ADEA), and the California
22 Fair Employment and Housing Act (FEHA); and the law of contract and tort. This release excludes
23 the release of claims not permitted by law, including but not limited to claims brought for workers'
24 compensation benefits.

25 Plaintiffs' Released Claims include all claims, whether known or unknown. Even if
26 Plaintiffs discover facts in addition to or different from those that they now know or believe to be
27 true with respect to the subject matter of Plaintiffs' Released Claims, those claims will remain
28

1 released and forever barred. Thus, Plaintiffs expressly waive and relinquish the provisions, rights
2 and benefits of section 1542 of the California Civil Code, which reads:

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

7 **CC. "Preliminary Approval."**

8 The Court's order granting preliminary approval of the Settlement Agreement.

9 **DD. "Qualified Settlement Account."**

10 The fund established by the Claims Administrator pursuant to Internal Revenue
11 Code Section 1.468B-1.

12 **EE. "Released Aggrieved Employee Claims."**

13 All Aggrieved Employees, including those who timely and effectively exclude
14 themselves from the Released Class Claims (Settlement), shall nevertheless be bound by this
15 Released Aggrieved Employee Claims provision and shall receive a pro rata portion of 25% of the
16 PAGA Settlement Amount. Aggrieved Employees who timely and effectively exclude themselves
17 from the Released Class Claims (Settlement) shall have their PAGA claims released only for the
18 Aggrieved Employee Time Period. All Aggrieved Employees, on behalf of themselves and their
19 respective former and present representatives, agents, attorneys, heirs, administrators, successors,
20 and assigns, shall release the Released Parties from the Released Aggrieved Employee Claims
21 which include the Released Class Claims detailed below, any and all known and unknown claims
22 asserted in the Actions, as amended, and wage and hour claims, PAGA claims seeking civil
23 penalties, rights, demands, liabilities and causes of action of any nature or description arising from
24 or related to the facts and claims alleged in the Actions, as amended, or that could have been
25 alleged in the Actions based on the facts and claims alleged in the Complaint, the First Amended
26 Complaint, the Second Amended Complaint, and the October 20, 2017, September 11, 2020, and
27 June 2, 2021 LWDA exhaustion letters ("Released Aggrieved Employee Claims"). The Released
28 Aggrieved Employee Claims include, but are not limited to, all claims for overtime wage

1 violations, minimum wage violations, reporting time pay violations, meal period violations, rest
2 period violations, waiting time penalties, wage statement violations, unpaid earned wages, record
3 keeping violations, failure to pay all final wages at termination, and failure to reimburse necessary
4 business expenses, The Released Aggrieved Employee Claims include, but are not limited to, all
5 such claims arising under: California Labor Code sections: 201, 201.3, 202, 203, 204, 204.1,
6 204.2, 210, 216, 225.5, 226, 226.3, 226.7, 510, 512, 516, 558, 1174, 1182.12, 1194, 1194.2, 1197,
7 1198, 2698 *et seq.*, 2699 *et seq.*, 2802, and 2804.

8 **FF. "Released Class Claims."**

9 As of the date of the Order Granting Final Approval, and only after the Settlement
10 has been fully funded by Defendant, all Class Members shall fully and finally release Released
11 Parties of the Released Class Claims. The Released Class Claims include any and all claims, wage
12 and hour claims, rights, demands, liabilities and causes of action of any nature or description
13 alleged/asserted in the Actions, as amended, arising from or related to the facts and claims alleged
14 /asserted in the Actions, that could have been alleged/asserted in the Actions based on the facts
15 and claims alleged in the Actions, as amended during the Class Period, and the facts and claims
16 asserted in, arising from or related to, or could have been alleged in: the PAGA letter dated
17 October 20, 2017 which was sent to the LWDA on behalf of Laura Ortiz and other alleged
18 aggrieved employees and which is identified on the LWDA's website as LWDA-CM-364673-17;
19 the PAGA letter dated September 11, 2020 which was sent to the LWDA on behalf of Plaintiff
20 Tiffany Schneidmiller and other alleged aggrieved employees and which is identified on the
21 LWDA's website as LWDA-CM-805908-20; and/or the PAGA letter dated June 2, 2021 which
22 was sent to the LWDA on behalf of Plaintiff Maria Alicia Ortega and other alleged aggrieved
23 employees and which is identified on the LWDA's website as LWDA-CM-833879-21.

24 The Released Class Claims include all claims for unpaid wages, including, but not
25 limited to, failure to pay minimum wages, straight time compensation, overtime compensation,
26 double-time compensation, and interest; the calculation of the regular rate of pay; wages related to
27 alleged unlawful time rounding; reporting time pay; on-call pay; failure to pay wages at least twice
28 each calendar month; missed/short/late/interrupted meal period, rest period, and/or recovery period

1 wages/premiums; failure to provide meal periods; failure to authorize and permit rest periods and/or
2 recovery periods; the calculation of meal, rest, and/or recovery period premiums; reimbursement for
3 all necessary business expenses; payment for all hours worked, including off-the-clock work; failure
4 to provide accurate itemized wage statements; failure to keep accurate records; unfair business
5 practices; penalties, including, but not limited to, recordkeeping penalties, wage statement penalties,
6 minimum-wage penalties, and waiting-time penalties; and attorneys' fees and costs; for civil and
7 statutory penalties, including wage statement penalties, record keeping penalties, minimum wage
8 penalties, penalties for personnel file violations; attorneys' fees and costs; and unfair business
9 practices related to the Released Class Claims. The Released Class Claims include, but are not
10 limited to, all such claims arising under: California Labor Code sections 201, 201.3, 202, 203, 204,
11 204.1, 204.2, 210, 216, 218.5, 218.6, 225.5, 226, 226.3, 226.7, 510, 512, 516, 558, 558, 1174,
12 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2698 *et seq.*, 2699 *et seq.*, 2802, and 2804; claims
13 arising under the California Private Attorneys General Act of 2004 ("PAGA"); all claims relating
14 to the Released Class Claims under the California Business and Professions Code section 17200,
15 *et seq.*; the Release shall also include all claims relating to the Released Class Claims under the
16 applicable Wage Orders of the California Industrial Welfare Commission (including, but not limited
17 to, IWC Wage Order No 5-2001). The Released Class Claims shall include those under the Fair
18 Labor and Standards Act ("FLSA"); California Civil Code sections 3287, 3288, 3289; California
19 Code of Civil Procedure § 1021.5; and the California common law of contract. This release excludes
20 the release of claims not permitted by law, including but not limited to claims brought for workers'
21 compensation benefits.

22 Class Members who timely cash or otherwise negotiate their Settlement Payment
23 Check will be deemed to have opted into the Actions for purposes of the FLSA and, as to those
24 Class Members, the Released Class Claims include any and all claims the Class Members may have
25 under the FLSA asserted in the Actions, arising from or related to the facts and claims alleged in the
26 Actions, or that could have been alleged in the Actions based on the facts and claims alleged in the
27 Actions, as amended, during the Class Period. Only those Class Members who timely cash or
28 otherwise negotiate their Settlement Payment Check will be deemed to have opted into the Actions

1 for purposes of the FLSA and thereby release and waive any of their claims under the FLSA arising
2 under or relating to the alleged claims.

3 The following language will be printed on the reverse of each Settlement Payment
4 Check, or words to this effect: "By endorsing or otherwise negotiating this check, I acknowledge
5 that I read, understood, and agree to the terms set forth in the Notice of Class Action Settlement and
6 I consent to join in the Fair Labor Standards Act ("FLSA") portion of the [Actions], elect to
7 participate in the settlement of the FLSA claims, and agree to release all of my FLSA claims that
8 are covered by the Settlement."

9 Upon entry of Judgment, Class Members are precluded from filing a wage and hour
10 action under the Fair Labor Standards Act against the Released Parties for claims and/or causes of
11 action encompassed by the Released Class Claims which are extinguished and precluded pursuant
12 to the holding in *Rangel v. PLS Check Cashers of California, Inc.*, 899 F.3d 1106 (2018).

13 Following entry of Judgment, counsel for Plaintiff Maria Alicia Ortega shall request
14 dismissal with prejudice of the claims asserted in the *Ortega* Action which are covered by the
15 Released Class Claims as set forth herein. Entry of dismissal of the *Ortega* Action by the Court is
16 an express condition precedent to the Settlement Payment.

17 This release excludes the release of claims not permitted by law.

18 **GG. "Released Parties."**

19 Defendants (Casa Colina, Inc, and Casa Colina Hospital and Centers for Healthcare)
20 and their parents, subsidiaries, affiliated companies (including but not limited to, Casa Colina
21 Centers for Rehabilitation, Inc. (TLC – Transitional Living Center); Padua Village, Inc.; Casa
22 Colina Comprehensive Outpatient Rehabilitation Services, Inc. (CORS); Casa Colina Medical
23 Office Building, LLC; Casa Colina Centers for Rehabilitation Foundation; and Casa Colina
24 Diagnostic Imaging Center (DIC)), past, present and future agents, employees, servants, officers,
25 directors, managing agents, members, owners (whether direct or indirect), general partners, limited
26 partners, trustees, representatives, shareholders, stockholders, mortgagees or ground lessors,
27 attorneys, parents, subsidiaries, equity sponsors, related companies/corporations and/or
28 partnerships, tempotary staffing firms, divisions, assigns, predecessors, successors, insurers,

1 consultants, joint venturers, joint employers, potential and alleged joint employers, temporary
2 staffing agencies, dual employers, potential and alleged dual employers, co-employers, potential
3 and alleged co-employers, common law employers, potential and alleged common law employers,
4 contractors, affiliates, service providers, alter-egos, alleged alter-egos, vendors, affiliated
5 organizations, any person and/or entity with potential or alleged to have joint liability, and all of
6 their respective past, present and future employees, directors, officers, members, owners, agents,
7 representatives, payroll agencies, attorneys, stockholders, fiduciaries, parents, subsidiaries, other
8 service providers, and assigns and any and all persons acting under, by, through or in concert with
9 any of them.

10 **HH. "Request for Exclusion."**

11 A notice submitted by a Class Member requesting to be excluded from the
12 Settlement. For the Request for Exclusion to be valid, it must include the Class Member's full name,
13 signature, address, telephone number and a written statement requesting to be excluded from this
14 Settlement. The Request for Exclusion must be returned by mail or fax to the Claims Administrator
15 at the specified address or facsimile number and postmarked or faxed on or before the Response
16 Deadline. The date of the postmark or fax receipt confirmation will be the exclusive means to
17 determine whether a Request for Exclusion has been timely submitted. A Class Member who does
18 not submit a timely and valid Request for Exclusion from the Settlement will be deemed a Class
19 Member and will be bound by all terms of the Settlement Agreement if the Settlement is granted
20 Final Approval by the Court. Any Class Member who timely submits a valid Request for Exclusion
21 will not receive payment from the Settlement, and will not be bound by the terms of the Settlement
22 Agreement or Judgment (with the exception of claims arising under the PAGA). Eligible Aggrieved
23 Employees will receive their share of the employee portion of the PAGA Settlement Amount and
24 will be deemed to have released any claims arising out of PAGA (Released Aggrieved Employee
25 Claims), regardless of whether they submit a Request for Exclusion.

26 **II. "Response Deadline."**

27 The deadline by which Class Members must mail or fax to the Claims Administrator
28 valid Requests for Exclusion, or workweek disputes. The Response Deadline will be forty-five (45)

1 calendar days from the initial mailing of the Notice Packet by the Claims Administrator, unless the
2 45th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended
3 to the next day on which the U.S. Postal Service is open. The Response Deadline for Requests for
4 Exclusion or workweek disputes will be extended fifteen (15) calendar days for any Class Member
5 who is re-mailed a Notice Packet by the Claims Administrator, unless the 15th day falls on a Sunday
6 or Federal holiday, in which case the Response Deadline will be extended to the next day on which
7 the U.S. Postal Service is open. The Response Deadline may also be extended by express agreement
8 between Class Counsel and Defendants. Under no circumstances, however, will the Claims
9 Administrator have the authority to unilaterally extend the deadline for Class Members to submit a
10 Request for Exclusion or workweek disputes.

11 **JJ. "Satisfaction of Judgment."**

12 Upon the Effective Date and payment by Defendants of all monies due under the
13 Settlement Agreement and entry of the Order Granting Final Approval, Plaintiff Schneidmiller shall
14 file with the Court (1) a Satisfaction of Judgment; and (2) a declaration from the Settlement
15 Administrator certifying that all payments have been distributed, pursuant to this agreement.

16 **KK. "Settlement Payment Check."**

17 The payment to Class Members. The back of the Settlement Payment Check shall
18 state, immediately below the space where the check is to be endorsed by the payee: "By endorsing
19 or otherwise negotiating this check, I acknowledge that I read, understood, and agree to the terms
20 set forth in the Notice of Class Action Settlement and I consent to join in the Fair Labor Standards
21 Act ("FLSA") portion of the [Action], elect to participate in the settlement of the FLSA claims, and
22 agree to release all of my FLSA claims that are covered by the Settlement."

23 **III. Funding of the Class Settlement Amount.**

24 Within fifteen (15) calendar days after the Effective Date of the Settlement,
25 Defendants will make a one-time deposit of all approved and claimed amounts from the Class
26 Settlement Amount into a Qualified Settlement Account to be established by the Claims
27 Administrator. Within fourteen (14) calendar days of the funding of the Settlement, the Claims
28 Administrator will issue payments to: (a) Class Members; (b) the Labor and Workforce

1 Development Agency (LWDA); (c) Aggrieved Employees; (d) Plaintiffs; and (e) Class Counsel.
2 The Claims Administrator will also issue a payment to itself for Court-approved services performed
3 in connection with the Settlement. Defendants have no obligation to deposit such funds prior to the
4 deadline set forth herein.

5 **IV. Attorneys' Fees and Costs.**

6 Defendants agree not to unreasonably oppose or impede any application by Class
7 Counsel, including counsel for Plaintiff Tiffany Schneidmiller and counsel for Plaintiff Maria Alicia
8 Ortega, for attorneys' fees or the reimbursement of costs and expenses associated with Class
9 Counsel's litigation and settlement of the claims covered by the Actions. No counsel shall be
10 entitled to attorneys' fees or costs for work performed in the Actions other than as provided in this
11 Settlement Agreement. The instant Settlement Agreement is the exclusive means for recovery of
12 attorneys' fees and costs incurred in the Actions by any attorney, law firm and/or other legal services
13 provider.

14 **V. Class Representative Enhancement Payment.**

15 In exchange for a general release and in recognition of their effort and work in
16 prosecuting the Actions on behalf of Class Members, Defendants agree not to unreasonably oppose
17 or impede any application or motion for a Class Representative Enhancement Payments in the
18 amount of up to \$5,000.00 for Plaintiff Tiffany Schneidmiller and up to \$5,000.00 for Plaintiff Maria
19 Alicia Ortega. The Class Representative Enhancement Payments will be paid from the Class
20 Settlement Amount and will be in addition to Plaintiffs' Individual Settlement Payments paid
21 pursuant to the Settlement, and is conditioned on the execution of a stand-alone settlement
22 agreement and general release of all claims. Plaintiffs will be solely and legally responsible to pay
23 any and all applicable taxes on the payment made pursuant to this Section and will indemnify and
24 hold Defendants harmless from any claim or liability for taxes, penalties, or interest arising as a
25 result of the payment.

1 **VI. Claims Administration Costs.**

2 The Claims Administrator will be paid for the reasonable costs of administration of
3 the Settlement and distribution of payments from the Class Settlement Amount, which are currently
4 estimated to be \$22,500.00.

5 The Parties hereby acknowledge that the Claims Administration Costs may increase
6 above the current estimate of \$22,500.00 and that any such additional Claims Administration Costs
7 that are approved by the Parties' counsel and the Court shall be taken out of the Class Settlement
8 Amount.

9 **VII. Labor and Workforce Development Agency Payment.**

10 Subject to Court approval, the Parties agree that \$40,000.00 of the Class Settlement
11 Amount (LWDA Payment) will be designated for satisfaction of Plaintiff's and Class Members'
12 PAGA claims (the "PAGA Settlement Amount") and release of the Released Aggrieved Employee
13 Claims. Pursuant to the PAGA, \$30,000.00 (75%) of the PAGA Settlement Amount will be paid to
14 the LWDA and \$10,000.00 (25%) of the PAGA Settlement Amount will be paid to Aggrieved
15 Employees on a pro rata basis based on the total number of Workweeks (defined below).

16 **VIII. Net Settlement Amount.**

17 The Net Settlement Amount will be used to satisfy Individual Settlement Payments
18 to Class Members from the Settlement Class in accordance with the terms of this Settlement.

19 **IX. Individual Settlement Payment Calculations.**

20 Individual Settlement Payments will be calculated and apportioned from the Net
21 Settlement Amount based on the number of workweeks a Class Member worked during the Class
22 Period. Specific calculations of Individual Settlement Payments will be made as follows:

23 (a) The Claims Administrator will calculate the total number of weeks worked
24 (weeks in which at least one day was worked) by each Class Member
25 ("Individual Workweeks") and the total number of weeks worked by all Class
26 Members ("Class Workweeks") during the Class Period.

27 (b) To determine each Class Member's Individual Settlement Payment, the
28 Claims Administrator will use the following formula: Individual Settlement

1 Payment = (Individual Workweeks ÷ Class Workweeks) × Net Settlement
2 Amount.

3 The Individual Settlement Payment will be reduced by any required deductions for
4 each Class Member as set forth herein, including Employee Paid Taxes. The Individual Settlement
5 Payments will be allocated as follows: one-third (1/3) to wages, one-third (1/3) to interest, and one-
6 third (1/3) to penalties.

7 The Individual Settlement Payments made to Class Members under this Settlement,
8 and any other payments made pursuant to this Settlement, will not be utilized to calculate any
9 additional benefits under any benefit plans to which any Class Members may be eligible, including,
10 but not limited to, profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation
11 plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention
12 that this Settlement Agreement will not affect any rights, contributions, or amounts to which any
13 Class Members may be entitled under any benefit plans.

14 Defendants represent that there are approximately 2,450 Settlement Class Members
15 from November 7, 2013 through February 1, 2022. If the number of Class Members increases by
16 more than 10% (*i.e.*, if the total number of Settlement Class members increases by 11% or more)
17 between February 1, 2022 through the date of Preliminary Approval, Plaintiff has the option to
18 nullify the settlement agreement. Plaintiff shall provide 10 business days' notice of such intent to
19 nullify prior to taking any action with the court. During this 10 day nullification notice period,
20 Defendants at their exclusive discretion may agree to increase the Gross Settlement Amount
21 proportionately for any excess increase in the total number of Settlement Class members. For
22 example, if the total number of Settlement Class members increases by 11%, the Gross Settlement
23 Amount will increase by 1% (actual increase minus the 10% tolerated increase). In the alternative,
24 Defendants shall have the exclusive option to modify the applicable Class Period to a date prior to
25 Preliminary Approval to avoid incurring the pro rata increase.

1 **X. Individual PAGA Settlement Payment Calculations.**

2 Individual PAGA Settlement Payments will be calculated and apportioned from the
3 Ten-Thousand Dollars and Zero Cents (\$10,000.00) remaining PAGA Settlement Payment as
4 follows:

- 5 (a) The Settlement Administrator will calculate the total number of Aggrieved
6 Employees.
- 7 (b) The Settlement Administrator will calculate the total number of
8 Workweeks.
- 9 (c) To determine each Individual PAGA Settlement Payment, the Claims
10 Administrator will use the following formula: the remaining PAGA
11 Settlement Payment of Ten-Thousand Dollars and Zero Cents (\$10,000)
12 will be divided by the total number of Workweeks for all Aggrieved
13 Employees, and Aggrieved Employees will receive a pro rata share of the
14 remaining PAGA Settlement Payment based on their number of
15 Workweeks.

16 **XI. Claims Administration Process.**

17 1. The Parties agree to cooperate in the administration of the Settlement and to
18 make all reasonable efforts to control and minimize the costs and expenses incurred in
19 administration of the Settlement. The Claims Administrator will provide the following services:

- 20 a. Establish and maintain a Qualified Settlement Account.
- 21 b. Calculate the Individual Settlement Payment and Individual PAGA
22 Settlement Payment each Class Member and Aggrieved Employee is eligible
23 to receive.
- 24 c. Translate the Notice Packet into Spanish by request of Class Members.
- 25 d. Print and mail the Notice Packet.
- 26 e. Establish and maintain a toll-free information telephone support line to assist
27 Class Members who have questions regarding the Notice Packet.
- 28

- 1 f. Establish and maintain a website with information to assist Class Members,
2 including the posting of Notice of Class Settlement and notice of final
3 judgment.
- 4 g. Conduct additional address searches for mailed Notice Packets that are
5 returned as undeliverable.
- 6 h. Process Requests for Exclusion, calculate Class Members' Individual
7 Settlement Payment, field inquiries from Class Members, and administer any
8 Requests for Exclusion. This service will include settlement proceed
9 calculation, printing and issuance of Settlement Payment Checks, and
10 preparation of IRS W-2 and 1099 Tax Forms. Basic accounting for and
11 payment of employee tax withholdings and forwarding all payroll taxes and
12 penalties to the appropriate government authorities will also be included as
13 part of this service.
- 14 i. Issuing to Plaintiffs, Class Members, and Plaintiffs' Counsel any W-2, 1099,
15 or other tax forms as may be required by law for all amounts paid pursuant
16 to this Settlement.
- 17 j. Provide declarations and/or other information to the Court as requested by
18 the Parties and/or the Court.
- 19 k. Provide weekly status reports to counsel for the Parties.
- 20 l. Post Notice of Entry of Judgment on its website for 30 days post entry.
- 21 2. Within twenty-one (21) days of Preliminary Approval, Defendants will
22 provide the Class List to the Claims Administrator.
- 23 3. Within fourteen (14) calendar days after receiving the Class List from
24 Defendants, the Claims Administrator will mail a Notice Packet to all Class Members via regular
25 First-Class U.S. Mail, using the last known mailing addresses identified in the Class List.
- 26 4. Prior to mailing, the Claims Administrator will perform a search based on the
27 National Change of Address Database for information to update and correct any known or
28 identifiable address changes. Any Notice Packets returned to the Claims Administrator as non-

1 deliverable on or before the Response Deadline will be sent promptly via regular First-Class U.S.
2 Mail to the forwarding address affixed thereto and the Claims Administrator will indicate the date
3 of such re-mailing on the Notice Packet. If no forwarding address is provided, the Claims
4 Administrator will promptly attempt to determine the correct address using a skip-trace, or other
5 search using the name, address and/or Social Security number of the Class Member involved, and
6 will then perform a single re-mailing. Those Class Members who receive a re-mailed Notice Packet,
7 whether by skip-trace or by request, will have between the later of (a) an additional fifteen (15)
8 calendar days or (b) the Response Deadline to postmark a Request for Exclusion or Notice of
9 Objection to the Settlement.

10 5. All Class Members will be mailed a Notice Packet containing the forms
11 attached as Exhibit 1 as approved by the Court.

12 6. Class Members will have an opportunity to dispute the information provided
13 in their Notice Packets. To the extent Class Members dispute the number of workweeks to which
14 they have been credited or the amount of their Individual Settlement Payment, Class Members may
15 produce evidence to the Claims Administrator showing that such information is inaccurate. Absent
16 evidence rebutting Defendants' records, Defendants' records will be presumed determinative.
17 However, if a Class Member produces evidence to the contrary, the Claims Administrator will
18 evaluate the evidence submitted by the Class Member and will make the final decision as to the
19 number of eligible workweeks that should be applied and/or the Individual Settlement Payment to
20 which the Class Member may be entitled. The workweek dispute must be returned by mail or fax
21 to the Claims Administrator at the specified address or facsimile number and postmarked or faxed
22 on or before the Response Deadline. The date of the postmark or fax receipt confirmation will be
23 the exclusive means to determine whether a workweek dispute has been timely submitted. All such
24 disputes are to be resolved not later than fourteen (14) calendar days after the Response Deadline.

25 7. Defective Submissions. If a Class Member's Request for Exclusion is
26 defective as to the requirements listed herein, that Class Member will be given an opportunity to
27 cure the defect(s). The Claims Administrator will mail the Class Member a cure letter within three
28 (3) business days of receiving the defective submission to advise the Class Member that his or her

1 submission is defective and that the defect must be cured to render the Request for Exclusion valid.
2 The Class Member will have until the later of (a) the Response Deadline or (b) fifteen (15) calendar
3 days from the date of the cure letter, whichever date is later, to postmark or fax a revised Request
4 for Exclusion.

5 8. Request for Exclusion Procedures. Any Class Member wishing to opt-out
6 from the Settlement Agreement must sign and postmark or fax a written Request for Exclusion to
7 the Claims Administrator within the Response Deadline. The date of the postmark on the return
8 mailing envelope or the fax receipt confirmation will be the exclusive means to determine whether
9 a Request for Exclusion has been timely submitted. All Requests for Exclusion will be submitted
10 to the Claims Administrator, who will certify jointly to Class Counsel and Defendants' Counsel the
11 Requests for Exclusion that were timely submitted. Any Class Member who does not timely seek
12 exclusion will be bound by the terms of this Settlement Agreement. Any Class Member who timely
13 submits a valid Request for Exclusion will not receive payment from the Settlement, and will not
14 be bound by the terms of the Settlement Agreement or Judgment (with the exception of claims
15 arising under PAGA). Eligible Aggrieved Employees will receive their share of the employee
16 portion of the PAGA Settlement Amount and will be deemed to have released any claims arising
17 out of PAGA, regardless of whether they submit a Request for Exclusion.

18 **XII. NULLIFICATION OF THE SETTLEMENT AGREEMENT.**

19 1. Defendants' Option to Nullify the Settlement Agreement. If five percent
20 (5%) or more of the Class Members opt out of the Settlement (or are otherwise excluded),
21 Defendants, in their sole discretion, shall have the option of nullifying the Settlement Agreement.
22 In such a case, the Parties and any funds to be awarded under this Settlement Agreement shall be
23 returned to their respective statuses as of the date and time immediately prior to the execution of
24 this Agreement, and the Parties shall proceed in all respects as if this Settlement Agreement had not
25 been executed, except that any fees already incurred by the Claims Administrator shall be paid by
26 Defendants.

27 2. Nullification of the Settlement Agreement. In the event: (i) the Court does
28 not enter the Preliminary Approval Order and approve the Released Class Claims specified herein;

(ii) the Court does not finally approve the Settlement as provided herein; (iii) Defendants exercise their option to nullify the Settlement Agreement based on an excessive number of opt-outs, as described in the above Section; or (iv) the Settlement does not become final for any other reason (e.g., an objection by the LWDA), this Settlement Agreement shall be null and void. A reduction of the Attorneys' Fees and Costs and/or any Class Representative Enhancement Payment(s) shall not be grounds for nullification of this Settlement. If the Settlement is nullified, any order or judgment entered by the Court in furtherance of this Settlement Agreement shall be treated as void from the beginning, and the Stipulations and Recitals contained herein shall be of no force or effect, and shall not be treated as an admission by the Parties or their counsel. In such a case, the Parties and any funds to be awarded under this Settlement Agreement shall be returned to their respective statuses as of the date and time immediately prior to the execution of this Settlement Agreement, and the Parties shall proceed in all respects as if this Settlement Agreement had not been executed, except that any fees already incurred by the Claims Administrator shall be paid equally by both Parties.

3. Settlement Terms Bind All Class Members Who Do Not Opt Out. Any Class Member who does not affirmatively opt out of the Settlement Agreement by submitting a timely and valid Request for Exclusion will be bound by all its terms, including those pertaining to the Released Class Claims.

XIII. Certification Reports Regarding Individual Settlement Payment Calculations.

1. The Claims Administrator will provide Defendants' counsel and Class Counsel a weekly report which certifies: (a) the number of Class Members who have submitted valid Requests for Exclusion; (b) any objections submitted to the Settlement along with a copy of any such objection; and (c) whether any Class Member has submitted a challenge to any information contained in his/her Notice Packet. Additionally, the Claims Administrator will provide to counsel for both Parties any updated reports regarding the administration of the Settlement Agreement as needed or requested.

2. Uncashed Settlement Checks. Any checks issued by the Claims Administrator to Class Members will be negotiable for one-hundred eighty (180) calendar days.

1 After one-hundred eighty (180) calendar days from the date of mailing, the checks shall become
2 null and void, and any monies remaining in the distribution account shall be distributed to the
3 Controller of the State of California to be held pursuant to the Unclaimed Property Law, California
4 Civil Code § 1500 et seq., for the benefit of those Settlement Class members who did not cash their
5 checks until such time that they claim their property. The Settling Parties agree that this disposition
6 results in no "unpaid residue" under California Civil Procedure Code § 384, as the entire Settlement
7 Payment will be paid out to Settlement Class members, whether or not they all cash their Settlement
8 Checks. Therefore, Defendants will not be required to pay any interest on said amount.

9 3. Certification of Completion. Upon completion of administration of the
10 Settlement, the Claims Administrator will provide a written declaration under oath to certify such
11 completion to the Court and counsel for all Parties.

12 **XIV. Tax Treatment of Individual Settlement Payments.**

13 All Individual Settlement Payments will be allocated as follows: one-third (1/3) of each
14 Individual Settlement Payment will be allocated as wages and two-thirds (2/3) will be allocated as
15 non-wages. The portion allocated to wages will be reported on an IRS Form W-2 and the portion
16 allocated to non-wages will be reported on an IRS Form-1099 by the Claims Administrator. The
17 Individual Settlement Payments will be reduced by any required deductions for each Class Member,
18 including Employee Paid Taxes owed by the Class Members as a result of the wage component,
19 resulting in a net wage component. The Claims Administrator will issue a check and W-2 Form to
20 each Class Member for the wage component. The Claims Administrator will issue a second check
21 and IRS Form-1099 for the remaining non-wages component. No withholding shall be made on the
22 non-wages portion of the Individual Settlement Payment. The Claims Administrator shall be
23 responsible for issuing the payments and calculating and withholding all required state and federal
24 taxes. The Claims Administrator shall determine the eligibility for, and the amounts of, any
25 Individual Settlement Payments under the terms of this Settlement Agreement. Any disputes not
26 resolved by the Claims Administrator concerning the administration of the Settlement will be
27 resolved by the Court, under the laws of the State of California. Prior to any such involvement of
28

1 the Court, counsel for the Parties will confer in good faith to resolve the dispute without the necessity
2 of involving the Court.

3 **XV. Administration of Taxes by the Claims Administrator.**

4 1. Tax Liability. Defendants make no representation as to the tax treatment or
5 legal effect of the payments called for hereunder, and Plaintiffs and Class Members are not relying
6 on any statement, representation, or calculation by Defendants or by the Claims Administrator in
7 this regard. Plaintiffs and Class Members understand and agree they will be solely responsible for
8 the payment of their share of any taxes and penalties assessed on the payments described herein.

9 2. Circular 230 Disclaimer. EACH PARTY TO THIS SETTLEMENT
10 AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY"
11 AND EACH PARTY TO THIS SETTLEMENT AGREEMENT OTHER THAN THE
12 ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES
13 THAT (1) NO PROVISION OF THIS SETTLEMENT AGREEMENT, AND NO WRITTEN
14 COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR
15 ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY
16 SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE
17 RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES
18 TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE
19 ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS
20 OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX
21 ADVICE) IN CONNECTION WITH THIS SETTLEMENT AGREEMENT, (B) HAS NOT
22 ENTERED INTO THIS SETTLEMENT AGREEMENT BASED UPON THE
23 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO
24 ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY
25 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY
26 OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
27 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
28 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF

1 ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF
2 WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
3 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
4 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
5 SETTLEMENT AGREEMENT.

6 **XVI. Releases.**

7 1. No Prior Assignments. The Parties and their counsel represent, covenant, and
8 warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to
9 assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand,
10 action, cause of action or right herein released and discharged.

11 2. It is the desire of Plaintiff, Class Members (except those who exclude
12 themselves from the Settlement), and Defendants to fully, finally, and forever settle, compromise,
13 and discharge the Released Class Claims and the Released Aggrieved Employee Claims. Upon the
14 Final Approval by the Court of this Settlement Agreement, and except as to such rights or claims as
15 may be created by this Settlement Agreement, the Class Members shall fully release and discharge
16 the Released Parties from any and all Released Class Claims for the entire Class Period and the
17 Aggrieved Employees shall fully release and discharge the Released Parties from any and all
18 Released Aggrieved Employee Claims for the entire PAGA Period. This release shall be binding
19 on all Class Members who have not timely submitted a valid and complete Request for Exclusion,
20 including each of their respective attorneys, agents, executors, representatives, guardians ad litem,
21 heirs, successors, and assigns, and shall inure to the benefit of the Released Parties, who shall have
22 no further or other liability or obligation to any Class Member with respect to the Released Class
23 Claims or Aggrieved Employee Released Claims, except as expressly provided herein.

24 **XVII. Preliminary Approval Hearing.**

25 1. Plaintiffs will obtain a hearing before the Court to request Preliminary
26 Approval of the Settlement Agreement and the entry of a Preliminary Approval Order for: (a)
27 conditional certification of the Settlement Class for settlement purposes only, (b) Preliminary
28

1 Approval of the proposed Settlement Agreement, and (c) setting a date for a Final
2 Approval/Settlement Fairness Hearing.

3 2. The Preliminary Approval Order will provide for the Notice Packet to be sent
4 to all Class Members as specified herein. In conjunction with the Preliminary Approval Hearing,
5 Plaintiffs will submit this Settlement Agreement and will include the proposed Notice Packet.

6 3. Class Counsel will be responsible for drafting all documents necessary to
7 obtain Preliminary Approval, subject to review by Defendants' counsel. Any failure by the Court
8 to fully and completely approve the Settlement Agreement which has the effect of preventing the
9 full and complete approval of the Settlement Agreement as written and agreed to by the Parties will
10 result in this Settlement Agreement, and all obligations under this Settlement Agreement, being
11 nullified and voided.

12 **XVIII. Final Settlement Approval Hearing and Entry of Judgment.**

13 1. Upon expiration of the Response Deadline, and with the Court's permission,
14 a Final Approval/Settlement Fairness Hearing will be conducted to determine the Final Approval of
15 the Settlement Agreement along with the amounts properly payable for: (a) Individual Settlement
16 Payments; (b) the LWDA Payment; (c) the Individual PAGA Settlement Payments; (d) the
17 Attorneys' Fees and Costs; (e) the Class Representative Enhancement Payment; and (f) all Claims
18 Administration Costs.

19 2. Depending on the Court's availability, the Parties will request that the Final
20 Approval Hearing will be held no later than forty-five (45) calendar days after the Response
21 Deadline. A violation of this provision shall not serve as grounds for nullification of this Agreement.

22 3. Class Counsel will be responsible for drafting all documents necessary to
23 obtain Final Approval, subject to review by Defendants' counsel. Class Counsel will also be
24 responsible for drafting the Attorneys' Fees and Costs application to be heard at the Final
25 Approval/Settlement Fairness Hearing. Any failure by the Court to fully and completely approve
26 the Settlement Agreement will result in this Settlement Agreement entered into by the Parties, and
27 all obligations under this Settlement Agreement, being nullified and voided. Upon such failure, any
28 order or judgment entered by the Court in furtherance of this Settlement Agreement shall be treated

1 as void from the beginning, and the Stipulations and Recitals contained herein shall be of no force
2 or effect and shall not be treated as an admission by the Parties or their counsel. In such a case, the
3 Parties and any funds to be awarded under this Settlement Agreement shall be returned to their
4 respective statuses as of the date and time immediately prior to the execution of this Settlement
5 Agreement, and the Parties shall proceed in all respects as if this Settlement Agreement had not
6 been executed, except that any fees already incurred by the Claims Administrator shall be paid
7 equally by both Parties.

8 **XIX. Judgment and Continued Jurisdiction.**

9 The Court shall retain jurisdiction with respect to the interpretation, implementation,
10 and enforcement of the terms of this Settlement Agreement and all orders and judgments entered in
11 connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court
12 for purposes of interpreting, implementing, and enforcing the Settlement embodied in this
13 Settlement Agreement and all orders and judgments entered in connection therewith.

14 **XX. Other Provisions.**

15 1. Exhibits Incorporated by Reference. The terms of this Settlement include the
16 terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set
17 forth herein. Any Exhibits to this Settlement are an integral part of the Settlement.

18 2. Entire Agreement. This Settlement Agreement and any attached Exhibits
19 constitute the entirety of the Parties' settlement terms. No other prior or contemporaneous written
20 or oral agreements may be deemed binding on the Parties.

21 3. Amendment or Modification. This Settlement Agreement may be amended
22 or modified only by a written instrument signed by counsel for all Parties or their successors-in-
23 interest and approved by the Court.

24 4. Authorization to Enter Into Settlement Agreement. Counsel for all Parties
25 warrant and represent they are expressly authorized by the Parties whom they represent to negotiate
26 this Settlement Agreement and to take all appropriate action required or permitted to be taken by
27 such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other
28 documents required to effectuate the terms of this Settlement Agreement. The Parties and their

1 counsel will cooperate with each other and use their best efforts to effect the implementation of the
2 Settlement. If the Parties are unable to reach agreement on the form or content of any document
3 needed to implement the Settlement, or on any supplemental provisions that may become necessary
4 to effectuate the terms of this Settlement, the Parties may seek the assistance of Jeff Krivis, Esq.
5 (mediator) to resolve such disagreement.

6 5. Binding on Successors and Assigns. This Settlement Agreement will be
7 binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously
8 defined.

9 6. California Law Governs. All terms of this Settlement Agreement and
10 Exhibits hereto will be governed by and interpreted according to the laws of the State of California.

11 7. Execution and Counterparts. This Settlement Agreement is subject only to
12 the execution of all Parties. However, the Settlement Agreement may be executed in one or more
13 counterparts. All executed counterparts and each of them, including electronic signatures (*e.g.*,
14 DocuSign), facsimile and scanned copies of the signature page, will be deemed to be one and the
15 same instrument. The Parties expressly agree to the use of authorized electronic signature (*e.g.*,
16 DocuSign).

17 8. Acknowledgement that the Settlement is Fair and Reasonable. The Parties
18 believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the
19 *Ortiz/Schneidmiller* Action and the *Ortega* Action and have arrived at this Settlement after arm's-
20 length negotiations and in the context of adversarial litigation, taking into account all relevant
21 factors, present and potential. The Parties further acknowledge that they are each represented by
22 competent counsel and that they have had an opportunity to consult with their counsel regarding the
23 fairness and reasonableness of this Settlement.

24 9. Invalidity of Any Provision. Before declaring any provision of this
25 Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the
26 fullest extent possible consistent with applicable precedents so as to define all provisions of this
27 Settlement Agreement valid and enforceable.

28

1 10. Class Action Certification for Settlement Purposes Only. The Parties agree
2 to stipulate to class certification only for purposes of the Settlement. If, for any reason, the
3 Settlement is not approved, the stipulation to certification will be void. The Parties further agree
4 that certification for purposes of the Settlement is not an admission that class action certification is
5 proper under the standards applied to contested certification motions and that this Settlement
6 Agreement will not be admissible in this or any other proceeding as evidence that either: (a) a class
7 action should be certified or (b) Defendants are liable to Plaintiffs or any Class Member, other than
8 according to the Settlement's terms.

9 11. Non-Admission of Liability. The Parties enter into this Settlement
10 Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense,
11 and risk of continued litigation. In entering into this Settlement Agreement, Defendants do not
12 admit, and specifically deny, they have violated any federal, state, or local law; violated any
13 regulations or guidelines promulgated pursuant to any statute or any other applicable laws,
14 regulations or legal requirements; breached any contract; violated or breached any duty; engaged in
15 any misrepresentation or deception; or engaged in any other unlawful conduct with respect to their
16 employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any of the
17 negotiations connected with it, shall be construed as an admission or concession by Defendants of
18 any such violations or failures to comply with any applicable law. Except as necessary in a
19 proceeding to enforce the terms of this Settlement Agreement, this Settlement Agreement and its
20 terms and provisions shall not be offered or received as evidence in any action or proceeding to
21 establish any liability or admission on the part of Defendants or to establish the existence of any
22 condition constituting a violation of, or a non-compliance with, federal, state, local or other
23 applicable law.

24 12. Captions. The captions and section numbers in this Settlement Agreement
25 are inserted for the reader's convenience, and in no way define, limit, construe or describe the scope
26 or intent of the provisions of this Settlement Agreement.

27 13. Waiver. No waiver of any condition or covenant contained in this Settlement
28 Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to

1 imply or constitute a further waiver by such party of the same or any other condition, covenant, right
2 or remedy.

3 14. Enforcement Action. If one or more of the Parties institutes any legal action
4 or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or
5 to declare rights and/or obligations under this Settlement, the successful Party or Parties will be
6 entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs,
7 including expert witness fees incurred in connection with any enforcement actions.

8 15. Mutual Preparation. The Parties have had a full opportunity to negotiate the
9 terms and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will
10 not be construed more strictly against one Party than another merely by virtue of the fact that it may
11 have been prepared by counsel for one of the Parties, it being recognized that, because of the arm's-
12 length negotiations between the Parties, all Parties have contributed to the preparation of this
13 Settlement Agreement.

14 16. Representation by Counsel. The Parties acknowledge that they have been
15 represented by counsel throughout all negotiations that preceded the execution of this Settlement
16 Agreement and that this Settlement Agreement has been executed with the consent and advice of
17 counsel and reviewed in full. Further, Plaintiffs and Class Counsel warrant and represent that there
18 are no liens on the Settlement Agreement.

19 17. All Terms Subject to Final Court Approval. All amounts and procedures
20 described in this Settlement Agreement herein will be subject to final Court approval.

21 18. Cooperation and Execution of Necessary Documents. All Parties will
22 cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate
23 the terms of this Settlement Agreement.

24 19. Confidentiality. Neither Plaintiffs nor Plaintiffs' Counsel shall issue any
25 press release or announcement of any kind related in any way to the Settlement. Plaintiffs and
26 Plaintiffs' Counsel agree that, prior to Preliminary Approval of the Settlement, they will keep the
27 terms of this Settlement confidential except for purposes of communicating with Plaintiffs only.
28 Plaintiffs shall be informed that the Settlement is confidential and shall be advised to keep the

1 Settlement confidential. From and after Preliminary Approval of the Settlement, the Class Members
2 (including Plaintiffs and Class Counsel) may: (1) as required by law; (2) as required under the terms
3 of the Settlement; or (3) as required under counsel's duties and responsibilities as Class Counsel,
4 comment regarding the specific terms of the Settlement. In all other cases, Plaintiffs and Class
5 Counsel agree to limit their statements regarding the terms of the Settlement, whether oral, written
6 or electronic (including the world wide web), to say the Class Action has been resolved and that
7 Plaintiffs and Class Counsel are satisfied with the Settlement terms. Nothing in this Section is
8 intended to interfere with Class Counsel's duties and obligations to faithfully discharge their duties
9 as Class Counsel, including but not limited to, communicating with Class Members regarding the
10 Settlement. This Settlement shall not be advertised or mentioned on any source, including Plaintiffs'
11 Counsels' personal or firm website(s).

12 The parties stipulate and agree, pursuant to California Code of Civil Procedure
13 section 583.330(a), to extend the time within which this action must be brought to trial pursuant to
14 Code of Civil Procedure sections 583.310 through 583.360, by that period of time from Preliminary
15 Approval to the date of Final Approval or upon written notice from either party of an intent to
16 resume litigation, and that said period of time shall not be included in the computation of the five-
17 year period specified in Code of Civil Procedure section 583.310.

18 20. Binding Agreement. The Parties warrant that they understand and have full
19 authority to enter into this Settlement, intend that this Settlement Agreement will be fully
20 enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure
21 in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions
22 that otherwise might apply under federal or state law. Plaintiffs, and not their respective
23 representative(s), must personally execute this Settlement Agreement.

24 | *The Settlement Agreement consists of 35 pages, inclusive of the signature pages.*

Dated: _____

Plaintiff Tiffany Schneidmiller

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23 representative(s), must personally execute this Settlement Agreement.

24 *The Settlement Agreement consists of 35 pages, inclusive of the signature pages.*

25 Dated: 9/19/2022

26 Tiffany Schneidmiller
Plaintiff Tiffany Schneidmiller

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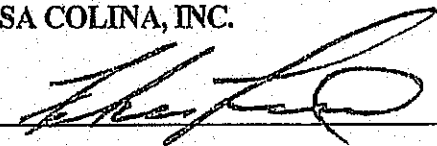
1 Dated: Sep 19, 2022

Maria Alicia Ortega
Maria Alicia Ortega (Sep 19, 2022 12:08 PDT)

Plaintiff Maria Alicia Ortega

CASA COLINA, INC.

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5 Dated: September 15, 2022


Felice L. Loverso, Ph.D.
Please Print Name of Authorized Signatory

CASA COLINA HOSPITAL AND CENTERS
OF HEALTHCARE

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10 Dated: September 15, 2022


Felice L. Loverso, Ph.D.
Please Print Name of Authorized Signatory

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15 APPROVED AS TO FORM

BURROWS LAW FIRM

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17
18 Dated:

Christopher L. Burrows, Esq.
Attorneys for Plaintiff Tiffany Schneidmiller

NOVAK LAW FIRM, PC

19
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22 Dated:

Sean M. Novak, Esq.
Attorneys for Plaintiff Tiffany Schneidmiller

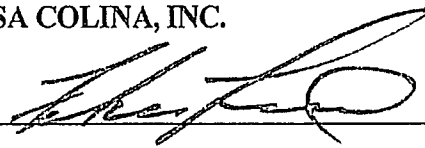
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Dated: _____

Plaintiff Maria Alicia Ortega

CASA COLINA, INC.

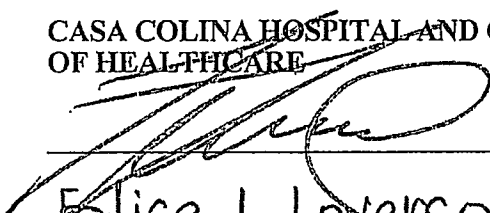
Dated: September 15, 2022



Felice L. Loverso, Ph.D.
Please Print Name of Authorized Signatory

CASA COLINA HOSPITAL AND CENTERS
OF HEALTHCARE

Dated: September 15, 2022



Felice L. Loverso, Ph.D.
Please Print Name of Authorized Signatory

APPROVED AS TO FORM

BURROWS LAW FIRM

Dated: 9-19-22



Christopher L. Burrows, Esq.
Attorneys for Plaintiff Tiffany Schneidmiller

NOVAK LAW FIRM, PC

Dated: _____

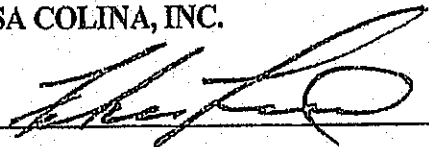
Sean M. Novak, Esq.
Attorneys for Plaintiff Tiffany Schneidmiller

1 Dated: _____

2 Plaintiff Maria Alicia Ortega

3 CASA COLINA, INC.

4
5 Dated: September 15, 2022

6 
7 Felice L. Loverso, Ph.D.
8 Please Print Name of Authorized Signatory

9 CASA COLINA HOSPITAL AND CENTERS
10 OF HEALTHCARE


11 Dated: September 15, 2022

12 
13 Felice L. Loverso, Ph.D.
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15 APPROVED AS TO FORM

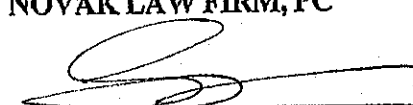
16 BURROWS LAW FIRM

17
18 Dated: 9-19-22

19 
20 Christopher L. Burrows, Esq.
21 Attorneys for Plaintiff Tiffany Schneidmiller


22 NOVAK LAW FIRM, PC

23 Dated: 9-19-22

24 
25 Sean M. Novak, Esq.
26 Attorneys for Plaintiff Tiffany Schneidmiller

1 Dated: 9-15-22

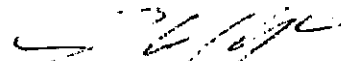
HAINES LAW GROUP, PC



Paul Haines, Esq.
Attorneys for Plaintiff Maria Alicia Ortega

8 SHEPPARD, MULLIN, RICHTER &
9 HAMPTON LLP

10 Dated: September 15, 2022



Jason W. Kearnaghan
Attorneys for Defendants Casa Colina, Inc. and
Casa Colina Hospital and Centers for Healthcare