

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF PENNSYLVANIA**

DEBORAH PIKE, individually and on behalf of all others similarly situated, Case No. 1:22-CV-165

v.

HCF MANAGEMENT, INC.

CLASS AND COLLECTIVE ACTION SETTLEMENT AGREEMENT AND RELEASE

Subject to the approval of the Court and pursuant to Rule 23 of the Federal Rules of Civil Procedure and § 216(b) of the Fair Labor Standards Act (“FLSA”), this Class and Collective Action Settlement Agreement and Release (“Settlement Agreement”), including the attached Exhibits, is entered into between: (a) Named Plaintiff Deborah Pike (referred to alternatively herein as “Class Representative,” “Plaintiff,” or “Named Plaintiff”), on behalf of herself and on behalf of each Settlement Class Member; and (b) HCF Management, Inc. (“HCF” or “Defendant”).¹ As provided below, the Parties hereby stipulate and agree that, in consideration of the promises and covenants set forth herein and upon the Effective Date, this Settlement Agreement is intended by the Parties to, and shall, fully and finally compromise, resolve, discharge, release, and settle the Released Claims and to dismiss these Actions, subject to the Court’s approval and to the terms and conditions set forth below, and without any admission or concession as to the merits of any claim or defense by any of the Parties.

NOW, THEREFORE, this Settlement Agreement is entered into by and among the Parties, by and through their respective counsel and representatives, and the Parties agree that upon the

¹ Capitalized terms used herein are defined in Section 1 below.

Effective Date: (1) the Actions shall be settled and compromised as between the Parties, and (2) the Final Approval Order and Judgment shall be entered dismissing the Actions, releasing all Released Claims, against all Releasees on all on the following terms and conditions:

1. Definitions

1.1. Actions: means the above-captioned lawsuit: *Deborah Pike, individually and on behalf of all others similarly situated, v. HCF Management, Inc.*, Case No. 1:22-cv-0165-SPB, pending in the United States District Court for the Western District of Pennsylvania.

1.2. Agreement or Settlement Agreement: means this Class and Collective Action Settlement Agreement and Release, including all Exhibits attached hereto.

1.3. Attorneys' Fees and Costs: means such funds as may be awarded by the Court to Class Counsel to compensate them for their fees, not to exceed the amount of \$125,000.00, plus costs and expenses in connection therewith up to \$15,000.00, as described more fully below. Upon approval of the Court, and within the specified period after the Effective Date, the Settlement Administrator will pay Class Counsels' Attorneys' Fees and Costs directly from the Settlement Fund.

1.4. Class Counsel: means Simon Paris, Esq. of Saltz, Mongeluzzi & Bendesky, P.C.

1.5. Class Member: means any individual who was a non-exempt employee of HCF during at least one of the affected pay periods included in the Covered Period as identified on Exhibit 1 attached hereto.

1.6. Class Representative, Plaintiff, or Named Plaintiff: Deborah Pike.

1.7. Class Settlement Notice or Settlement Notice: means the form of notice attached as Exhibit 2.

1.8. Court: means the United States District Court for the Western District of Pennsylvania.

1.9. Covered Period: means the three HCF pay periods during the Kronos Outage, December 11, 2021 through January 14, 2022.

1.10. Defendant: means the Defendant in this lawsuit, HCF Management, Inc., which for the purposes of this litigation and settlement expressly includes the following locations where HCF Management, Inc. managed payroll for the Class Members: Bowling Green Manor, Bradford Manor, Briarwood Village, Burton's Ridge, Celina Manor, Corry Manor, Court House Manor, Edinboro Manor, Fairview Manor, Fox Run Manor, Garbry Ridge, Hempfield Manor, Piqua Manor, Roselawn Manor, Shawnee Manor, St. Catherine's Manor of Fostoria, St. Catherine's Manor of Washington Court House, Sweden Valley Manor, The Manor at Greendale, The Manor at Perrysburg, The Ridge at Lancaster, The Village at the Greene, Van Wert Manor, Wapakoneta Manor, Warren Manor, and Corporate Office.

1.11. Defense Counsel: means Robert Pivonka and Christopher Kuhn of Rolf Goffman Martin Lang LLP.

1.12. Effective Date: shall be the first day after the first date on which all of the following have occurred:

1.12.1. Plaintiff and Defendant's duly authorized representatives have executed this Agreement;

1.12.2. The Court has preliminarily approved this settlement;

1.12.3. Reasonable notice has been sent to all Class Members as set forth herein;

1.12.4. The Court has held a Fairness Hearing under Rule 23(e), has entered an order granting final approval of the settlement that is the same in all

material respects as that set forth in this Agreement, has entered final judgment, has awarded Named Plaintiff any Service Award, and has awarded Class Counsel their reasonable Attorneys' Fees and Costs; and

1.12.5. Only if there are written objections filed before the Fairness Hearing and those objections are not later withdrawn, the last of the following events to occur:

1.12.5.1. If no appeal is filed, then the date on which the time to appeal the Final Approval Order and Judgment has expired with no appeal or any other judicial review having been taken or sought; or

1.12.5.2. If an appeal of the Final Approval Order and Judgment has been timely filed or other judicial review was taken or sought, the date that Order is finally affirmed by an appellate court with no possibility of subsequent appeal or other judicial review or the date the appeals or any other judicial review are finally dismissed with no possibility of subsequent appeal or other judicial review.

1.12.6. It is the intention of the Parties that the settlement shall not become effective until the Court's Final Approval Order and Judgment has become completely final and until there is no timely recourse by an appellant or objector who seeks to contest the settlement.

1.13. Exclusion Date: means the date, to be set by the Court, by which an Exclusion Request must be submitted to the Settlement Administrator for a Class Member to be excluded from the Settlement Class.

1.14. Exclusion Request: means the written communication that must be submitted to the Settlement Administrator and postmarked on or before the Exclusion Date by a Class Member who wishes to be excluded ("Opt-out") from the Settlement Class.

1.15. Fairness Hearing: means the hearing to be conducted by the Court about its determination of the fairness, adequacy, and reasonableness of the Settlement Agreement in accordance with Rule 23(e) and the FLSA.

1.16. Final Approval Order and Judgment or Final Approval: means the final order to be entered by the Court that grants final approval of the settlement and enters judgment dismissing these Actions with prejudice and that: (i) conforms to this Settlement Agreement; (ii) approves the settlement and the Settlement Agreement as fair, adequate, and reasonable; (iii) confirms the certification of the Settlement Class for purposes of the settlement only; (iv) confirms that any Settlement Class Member who is a current distributor shall be deemed to have executed and agreed to be bound by the Amendment and Arbitration Agreement; and (v) issues such other determinations as the Court or the Parties deem necessary and appropriate in order to approve the settlement and implement the Settlement Agreement.

1.17. FLSA Collective Members: means those individuals who under § 216(b) of the FLSA endorse the payment from the Settlement Fund as a valid opt-in consent-to-join form.

1.18. Notice Program: means the plan approved by the Court for disseminating the Settlement Notice as set forth herein.

1.19. Objection Date: means the date, to be set by the Court, by which objections to the Settlement must be submitted by Class Members.

1.20. Party or Parties: means the Named Plaintiff and/or Defendant.

1.21. Preliminary Approval: means the order to be entered by the Court, substantially in the form of Exhibit 3, that:

- (a) preliminarily approves this Settlement Agreement;
- (b) sets the date of the Fairness Hearing;

(c) appoints the Plaintiff's Counsel as Class Counsel for the Settlement Class Members;

(d) approves the forms of Settlement Notice and the Notice Program;

(e) sets the date that Settlement Notice should issue;

(f) sets the end of the Notice Period;

(g) sets the Exclusion Date and Withdrawal Date; and

(h) sets the deadline for filing objections to the settlement.

1.22. Released Claims: mean any and all claims, demands, causes of action, rights to relief, fees and liabilities of any kind, whether known or unknown, either that were asserted in or could have been asserted in the Action, that the Settlement Class Members have or may have against any of the Releasees (as defined below), during the Covered Period, including, but not limited to, all claims under common law contract, tort, or other law, as well as all claims under federal, state, local, or foreign laws, including but not limited to all claims arising under Pennsylvania or Ohio law, or other applicable state's statutory law that are derivative of, or in any way related to, any wage and hour, overtime, benefits or other claims based on the Settlement Class Members' failure to be paid proper overtime in a timely fashion. Released Claims shall include any and all FLSA claims in addition to all claims set forth in this Section above. Releasees likewise release and forever discharge any claims against the Named Plaintiff and Settlement Class for any outstanding overpayments for overtime during the Covered Period.

1.23. Releasees: means HCF and any and all current and former parents, subsidiaries, related companies or entities, partnerships, joint ventures, or other affiliates, and, with respect to each of them, all of their predecessors and successors, benefits plans and programs, insurers, contractors, subcontractors, successors, and assigns, and, with respect to each such entity, any and

all of its past, present, and future employees, trustees, officers, directors, stockholders, owners, representatives, assigns, attorneys, administrators, fiduciaries, agents, insurers, trustees, and any other persons acting by, through, under, or in concert with any of these persons or entities and their successors and assigns.

1.24. Service Award: means the \$2,500.00 payment to Named Plaintiff to be paid from the Settlement Fund to compensate them for their efforts on behalf of the Class Members.

1.25. Settlement Administrator: means the notice provider and/or claims administrator appointed by the Court in its Preliminary Approval Order.

1.26. Settlement Class or Settlement Class Member: any (a) Class Member who does not submit a valid Exclusion Request; (b) Named Plaintiff; and (c) FLSA Collective Member.

1.27. Settlement Fund or Common Fund: A qualified settlement fund established under Internal Revenue Code § 468B and Treasury Regulation § 1.468B-1, to be funded by Defendant in the amount of \$337,261.92, which includes Attorneys' Fees (up to \$125,000.00) plus Costs awarded by the Court (up to \$15,000), costs associated with notice and settlement administration (up to \$40,000), any Service Awards (up to \$2,500), and payments to Settlement Class Members as set forth in the Final Plan of Allocation approved by the Court. Unclaimed funds from the Settlement Fund, either in the form of uncashed checks issued to Settlement Class Members or overpayments for notice and administration costs will revert to HCF after all Settlement Class Members payments from the Settlement Fund are cashed or voided.

1.28. Settlement Notice Period or Notice Period: means the Period Set by the Court for Class Members to review the Settlement Notice, determine whether they want to participate or exclude themselves or object, as applicable.

1.29. Withdrawal Date: means the date to be set by the Court by which a Class Member must contact Class Counsel to withdraw from the Action.

2. Jurisdiction

2.1. The parties stipulate that the Court has jurisdiction over the Parties and the subject matter of these Actions, which includes both federal and state-law claims.

2.2. If the Settlement Agreement is fully and finally approved, the Court will dismiss the Actions with prejudice. In the event there is a dispute concerning the enforcement of the terms of this Settlement Agreement, the Parties agree to confer in good faith in an attempt to resolve any such dispute before initiating any subsequent enforcement action.

2.3. The Parties stipulate that, for settlement purposes only, the Settlement Class satisfies the requirements of Rule 23 of the Federal Rules of Civil Procedure and Section 216(b) of the FLSA, and therefore approval of this Settlement Agreement is appropriate. In so stipulating, Defendant does not waive or abandon any defenses or arguments it may have that certification of the FLSA collective action is improper or that certification of the Rule 23 class is improper. Defendant's consent to certification for settlement purposes only is in no way an admission that Rule 23 or Section 216(b) certification would be proper absent a settlement.

2.4. Failure to obtain the Preliminary or Final Approval of this Settlement Agreement in the same or substantially similar formats proposed to the Court, including, but not limited to, any failure as a result of any appeal of the Court's Final Approval Order and Judgment, will cause this Settlement Agreement to be void and unenforceable and to have no further force and effect.

3. Statement of No Admission

3.1. Defendant denies liability upon any claim or cause of action presented or alleged or that could have been presented or alleged in the Actions, and Defendant denies that the Settlement Class is entitled to relief of any kind in these Actions.

3.2. This Settlement Agreement does not constitute an admission by Defendant as to the merits, validity, or accuracy of the allegations or claims made against them in the Actions and may not be construed as or deemed an admission of liability, culpability, negligence, willfulness, or wrongdoing on the part of Defendant.

3.3. Nothing in this Settlement Agreement is intended by the Parties or may be used by anyone for any purpose inconsistent with this Settlement Agreement, or may be introduced in any way as evidence, to show or establish any misconduct, or improper practices, plans, or policies, or any violation of any federal, state, or local law, statute, ordinance, regulation, rule, or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this Settlement Agreement may be used in any proceeding in this Court that has as its purpose the enforcement of the Settlement Agreement.

4. Claims of the Plaintiff and Benefits of Settlement

4.1. Plaintiff believes that the claims asserted in the Actions have merit and that the evidence supports their claims. However, the Parties recognize and acknowledge the expense, complexities, and length of continued proceedings necessary to prosecute the Actions through trial and through appeals, along with the uncertain nature of certain damages and affirmative defenses.

4.2. The Parties have considered the uncertain outcome and the risk of these Actions, especially the multi-party, collective, and class action components of these Actions, as well as the difficulties, delays, and risks of collection inherent in litigation.

4.3. Plaintiff and Class Counsel believe that the Settlement Agreement confers substantial benefits upon Plaintiff and the Settlement Class Members and is fair, reasonable, adequate, and in the best interests of Plaintiff and the Settlement Class Members.

5. Waiver, Release and Dismissal

5.1. Upon the Effective Date, all Settlement Class Members will be bound by the terms and conditions of this Settlement Agreement.

5.2. Upon the Effective Date, each Settlement Class Member, on behalf of themselves and their respective agents, representatives, executors, estates, heirs, administrators, attorneys, insurers, successors and assigns shall be deemed to have forever released and discharged the Releasees from any and all Released Claims, shall covenant not to sue the Releasees with respect to any Released Claims, and will be permanently and forever barred from suing or otherwise asserting any Released Claim against any of the Releasees.

5.3. In exchange for this release of claims by the Settlement Class, Defendant will pay the sum of \$337,261.92 into the Settlement Fund within ten (10) business days after the Effective Date. At their discretion, Defendant may pay this amount into the Settlement Fund earlier.

5.4. Notwithstanding any other provision of this Settlement Agreement, nothing in this Settlement Agreement is intended to restrict any Settlement Class Member from contacting, assisting, or cooperating with any government agency; provided, however, that no Settlement Class Member shall seek or accept damages, reinstatement, or similar personal relief as to any Released Claim.

5.5. It is agreed that because the Settlement Class Members are so numerous, it is impossible or impractical to have each Settlement Class Member execute this Settlement Agreement. The Settlement Notice will advise all Settlement Class Members of the binding nature

of the release, and Named Plaintiff's signing of this Settlement Agreement, when approved by the Court and such approval has become final, fully effectuates the above releases on behalf of all Settlement Class Members. The checks issued to all Settlement Class Members shall also state "Signing and cashing this settlement check constitutes your intention to opt-in to the Collective Action pursuant to § 216(b) of the Fair Labor Standards Act and be bound by the Settlement Agreement" on the back of each check as well as the statement: "This check cannot be negotiated without a signature."

5.6. The Parties agree to seek an order dismissing the Actions with prejudice and such other and additional orders upon the Final Approval Order and Judgment.

6. Required Events and Cooperation by the Parties

6.1. As soon as reasonably practicable after execution of the Settlement Agreement, the Parties shall submit the Settlement Agreement, including all Exhibits, to the Court for its Preliminary Approval and shall jointly move the Court for entry of an order, substantially in the form of Exhibit 3, which by its terms shall:

6.1.1. Determine preliminarily that this Settlement Agreement and the terms set forth herein fall within the range of reasonableness meriting possible Final Approval and dissemination of Settlement Notice as set forth herein;

6.1.2. Schedule the Fairness Hearing to: (i) determine finally whether the proposed settlement satisfies the applicable requirements of Rule 23; (ii) review objections, if any, regarding the Settlement Agreement; (iii) consider the fairness, reasonableness, and adequacy of the Settlement Agreement and its terms; (iv) consider Class Counsel's application for an award of attorneys' fees and reimbursement of expenses; (v) determine the validity of any Exclusion Requests and exclude from the Class those persons who are eligible to exclude themselves under

the terms set forth herein and who validly and timely exclude themselves by the Exclusion Date; and (vi) consider whether the Court shall issue the Final Approval Order and Judgment, approving the settlement and dismissing the Actions with prejudice.

6.1.3. Set a briefing schedule for: (i) a joint motion for final approval; (ii) Class Counsel's motion for attorneys' fees and expenses; and (iii) Named Plaintiff's motion for any Service Awards;

6.1.4. Approve the proposed Settlement Notices and Notice Program;

6.1.5. Direct the Settlement Administrator to cause the Settlement Notice to be disseminated in the manner set forth in the Notice Program on or before the Settlement Notice Deadline;

6.1.6. Determine that the Settlement Notice and the Notice Program: (i) meet the requirements of Rule 23(c)(3) and due process; (ii) are the best practicable notice under the circumstances; (iii) are reasonably calculated, under the circumstances, to apprise applicable Class Members of the pendency of the Action(s), their right to object to the proposed Settlement, exclude themselves from the settlement, or participate within the timeframe provided herein; and (iv) are reasonable and constitute due, adequate, and sufficient notice to all those entitled to receive notice.

6.1.7. Require each Class Member who wishes to exclude himself or herself from the Settlement to submit a timely and valid written Exclusion Request, on or before the Exclusion Date, to the Settlement Administrator;

6.1.8. Order that all Settlement Class Members will be bound by all proceedings, orders, and judgments in the Actions;

6.1.9. Require any Settlement Class Member who wishes to object to the fairness, reasonableness or adequacy of the Settlement Agreement, to the award of Attorneys' Fees

and Expenses, or to any Service Awards, to submit to the Court, Class Counsel, and Defense Counsel by the Objection Date a statement of his or her objection; and

6.1.10. Establish the following:

6.1.10.1. The date and time of the Fairness Hearing;

6.1.10.2. The date by which the Settlement Notices shall issue;

6.1.10.3. The date by which any Exclusion Request, any objections,

and any withdrawal request are due.

6.2. The Parties represent and acknowledge that each intends to implement the Settlement Agreement. The Parties shall, in good faith, cooperate and assist with and undertake all reasonable actions and steps to accomplish all required events on the schedule set by the Court, and shall use their best efforts to implement all terms and conditions of the Settlement Agreement.

7. Settlement Administration

7.1. Subject to approval by the Court, the Settlement Administrator shall be responsible for mailing the Settlement Notices; receiving and logging and Exclusion Requests; researching and updating addresses through skip-traces and similar means; answering questions from Settlement Class Members; reporting on the status of the claims administration to counsel for the Parties; preparing a declaration regarding its due diligence in the claims administration process; providing the Parties with data regarding Exclusion Requests; distributing settlement checks; reporting and paying, as necessary, applicable taxes on settlement payments; and doing such other things as the Parties may direct.

7.2. Within seven (7) days after the Court's Preliminary Approval, Defendant will provide to the Settlement Administrator a database listing of the names, last known addresses,

overtime payments delayed during the Covered Period, and payment owed from the Settlement Fund pursuant to the Agreement.

7.3. The Settlement Administrator will perform the following functions in accordance with the terms of this Settlement Agreement, the Preliminary Approval Order, and the Final Approval Order and Judgment:

7.3.1. Provide for the Settlement Notices (with the Fairness Hearing dates) to be sent by mail to all Class Members that can be identified through a reasonable effort;

7.3.2. Provide to Defense Counsel and Class Counsel, ten (10) days after the Withdrawal Date and Objection Date: (i) a list of the Class Members whose Settlement Notices have been returned to the Settlement Administrator as undeliverable along with a report indicating steps taken by the Settlement Administrator to locate updated address information for such Class Members and to resend the Settlement Notices, and/or whose Settlement Notices have been forwarded to an updated address by the United States Postal Service; (ii) a list of all Settlement Class Members who have submitted an exclusion request; and (iii) a separate list of the names and addresses of all Class Members who have submitted documents indicating that they wish to object to the settlement.

7.3.3. Mail settlement payments to Settlement Class Members, as ordered by the Court in the Proposed Final Approval Order, in accordance with this Settlement Agreement and Final Plan of Allocation approved by the Court, including but not limited to: ensuring that the checks issued to all Settlement Class Members shall have appropriate agreed-upon language on the back of each check: (i) “This check cannot be negotiated without a signature;” and (ii) “Signing and cashing this settlement check constitutes your intention to opt-in to the Collective Action pursuant to § 216(b) of the Fair Labor Standards Act and be bound by the Settlement.”

7.3.4. Convey payment(s) for Attorneys' Fees and Costs to Class Counsel by wire transfer to Saltz, Mongeluzzi, & Bendesky, P.C., as ordered by the Court in the Final Approval Order, in accordance with the Settlement Agreement;

7.3.5. Mail Service Awards to Named Plaintiff, as ordered by the Court in the Final Approval Order, either directly or through Class Counsel;

7.3.6. Establish, designate, and maintain a Settlement Fund for the Lawsuit as a "qualified settlement fund" under Internal Revenue Code § 468B and Treasury Regulation § 1.468B-1;

7.3.7. Maintain the assets of the Settlement Fund in a non-interest-bearing escrow account segregated from the assets of Defendant and any person related to Defendant;

7.3.8. Obtain employer identification numbers for the Settlement Fund pursuant to Treasury Regulation § 1.468B-2(k)(4);

7.3.9. Prepare and file federal income tax returns for the Settlement Fund, as well as any other tax filings the Class Settlement Fund must make under federal, state, or local law;

7.3.10. Settlement payments to Settlement Class Members shall be treated as liquidated damages, paid without withholdings and reported on an IRS Forms 1099;

7.3.11. Provide Defendant with copies of all tax reporting and filings made for the Settlement Fund, including copies of the checks and IRS Forms 1099 issued to Settlement Class Members and Named Plaintiff, and any other documentation to show that the tax reporting and filings were timely transmitted to the claimants and the applicable taxing authorities;

7.3.12. Pay any additional tax liabilities (including penalties and interest) that arise from the establishment and administration of the Settlement Fund solely from the assets of the Settlement Fund without any recourse against Defendant for additional monies;

7.3.13. Liquidate any remaining assets of the Settlement Fund after all payments to the Settlement Class Members, Class Counsel, and Named Plaintiff have been made and all tax obligations have been satisfied, and distribute all unclaimed remaining funds to HCF as a reverter;

7.3.14. Provide Defendant with copies of all signed and cashed settlement checks; and

7.3.15. Notify the Parties that the Settlement Fund will be terminated unless the Parties contact the Settlement Administrator within ten (10) business days.

7.4. The Parties will be jointly responsible for providing the Settlement Administrator with the necessary information to facilitate notice and claims administration (including, but not necessarily limited to, the full legal name, last known address, overtime payments delayed and settlement payments for Named Plaintiff and each Class Member).

7.5. In the event a Settlement Class Member disputes the accuracy of information upon which settlement payments are calculated, the Parties agree that Defendant's business records will be conclusive as to the dates and hours a Settlement Class Member worked.

7.6. Class Counsel will calculate settlement payments to each Settlement Class Member under this Settlement Agreement and provide this information to the Settlement Administrator for purposes of processing the settlement checks.

7.7. The costs of notice and administration of the settlement will be paid from the Settlement Fund.

8. Notice to the Settlement Class, Objection, Exclusion and Withdrawal Rights

8.1. Within two (2) weeks of the date the Court grants Preliminary Approval of the Settlement, as the Court may direct, the Parties shall direct the Administrator to disseminate the Settlement Notices via U.S. Mail with Tracking pursuant to the Notice Program, in a manner that comports with constitutional due process and the requirements of Rule 23, as set forth below:

8.2. The Parties agree that all Class Members who receive Settlement Notices shall have a period of thirty (30) days to file any Exclusion Request or objection.

8.3. Claims administration expenses and notice expenses shall be paid from the Settlement Fund.

8.4. The Settlement Notices shall comply with the requirements of Rule 23 and shall:

8.4.1. contain a short, plain statement of the background of the Actions and the proposed Settlement;

8.4.2. describe the proposed Settlement relief as set forth in this Settlement Agreement, including the requests of Class Counsel for Attorneys' Fees and Costs and Service Awards as described in this Settlement Agreement;

8.4.3. inform Class Members that, if they do not exclude themselves from the Settlement, they may be eligible to receive relief;

8.4.4. describe the procedures for participating in the Settlement and advising recipients of this Notice of their rights, including their right to exclude themselves from the settlement, or object to the Settlement;

8.4.5. explain the scope of the Release, and the impact of the proposed Settlement Agreement on any existing litigation, arbitration or other proceeding;

8.4.6. state that any relief to Class Members under the Settlement Agreement is contingent on the Court's Final Approval of the proposed Settlement Agreement;

8.4.7. explain that Counsel for the Parties may not advise on the tax consequences of participating or not participating in the Settlement;

and

8.4.8. provide that any objection to the Settlement Agreement and any papers submitted in support of said objection will be considered only if the Settlement Class Member making an objection is not a Named Plaintiff and has submitted timely notice of his or her intention to do so, with the grounds for the objection, and has served copies of such papers he or she proposes to submit at the Fairness Hearing on Class Counsel and Defense Counsel on or before the Objection Date, as specified in the Settlement Notice.

8.5. Any Settlement Class Member who intends to object to any aspect of the settlement, including the requested Attorneys' Fees and Costs, or Service Award, must do so on or before the Objection Date. To object, the Settlement Class Member must file a written objection with the Court on or before the Objection Date and serve it via first-class mail on Class Counsel and Defense Counsel and include: the name, address, telephone number, and email address of the Person objecting and, if represented by counsel, of his/her counsel. An objecting Settlement Class Member must state, specifically and in writing, all objections and the basis for any such objections and must state whether he/she intends to appear at the Fairness Hearing, either with or without counsel. Any Settlement Class Member who fails to file and timely submit and serve a written objection in accordance with this Agreement shall not be permitted to object to the approval of the Settlement Agreement at the Fairness Hearing. The Parties may take discovery on an expedited basis regarding the objection from the objector and related third parties.

8.6. Prior to the Fairness Hearing, Class Counsel shall provide to the Court documentation that the Settlement Notices were provided in accordance with the Notice Program.

8.7. A Class Member who wishes to file an Exclusion Request must do so on or before the Exclusion Date. To exclude himself or herself, the applicable Class Member must complete and send to the Settlement Administrator an Exclusion Request as set forth herein that is post-marked no later than the Exclusion Date. The Exclusion Request must be personally signed by the applicable Class Member requesting exclusion; contain the Class Member's full name, address, and phone number; and contain a statement that indicates a desire to be excluded from the Settlement Class. So-called "mass" or "class" exclusions on behalf of multiple individuals or groups shall not be allowed.

8.8. Except for those Class Members who timely and properly file an Exclusion Request, as applicable, who submit a notice of intent to withdraw to Class Counsel by the Withdrawal Date, all other Class Members, including those who do not respond to the Notice, will be deemed to be Settlement Class Members for all purposes under the Settlement Agreement, and upon the Effective Date, will be bound by its terms and conditions and the release of claims described therein and will be bound by the judgment dismissing these Actions on the merits.

8.9. Any Class Member, who properly files an Exclusion Request excluding him or herself from the Settlement Class shall: (a) not be bound by any orders or judgments entered relating to the settlement, including but not limited to the Release of Claims; (b) not be entitled to relief under, or be affected by, the Settlement Agreement; (c) not gain any rights by the Settlement Agreement; or (d) not be entitled to object to any aspect of the Settlement. For any Class Member who files an Exclusion Request, the statute of limitations for the Class Member's claims will begin to run again upon the Effective Date.

9. Payment from the Settlement Fund

9.1. All settlement payments made to Settlement Class Members under this Settlement Agreement shall be considered non-employee compensation.

9.2. For tax reporting purposes, except as provided in 9.3 below, Defendant, or as applicable the Settlement Administrator, shall report all settlement payments made to Settlement Class Members as non-employee compensation to the Settlement Class Members receiving settlement payments.

9.3. Settlement Class Members will be responsible for reporting such amounts on their tax returns and paying all applicable taxes on such amounts. Settlement Class Members agree to indemnify and hold Class Counsel, Defense Counsel, the Parties and the Settlement Administrator harmless from any and all liability that may result from, or arise in connection with their failure to file and pay such taxes on any amounts received pursuant to this settlement. No Settlement Funds shall be disbursed from the Settlement Fund until the Effective Date, except for costs payable to the Settlement Administrator for dissemination of Settlement Notice pursuant to the Notice Plan.

9.4. In the event the Actions are not finally dismissed or are vacated or reversed on appeal, all Settlement Funds shall be immediately returned to Defendant.

10. Settlement Fund Allocation

10.1. No Settlement Class Member will be required to submit a claim form to receive a share of the Settlement Fund.

10.2. The Parties agree to allocate the Settlement Fund to Class Members pursuant to the Final Plan of Allocation, as follows: Each non-exempt employees who was employed for at least one of the three affected pay periods will receive \$25.00 (2,206 employees @ \$25 = \$55,150.00)

and each Employee who worked overtime and had an overtime payment delayed will also receive 50% of the overtime amount delayed paid as liquidated damages (collectively totaling \$99,611.92).

10.3. The payment to each Settlement Class Member shall be set forth in the Final Plan of Allocation prepared by Class Counsel and submitted to the Court for approval at the Final Fairness Hearing.

10.4. Checks will be negotiable for 180 days. Ninety (90) days after the checks are sent by the Settlement Administrator, the Settlement Administrator will review the Settlement Fund account for uncashed checks and attempt to contact Settlement Class Members who have not cashed their checks to remind them of the negotiable period. If the Settlement Class Member requests a new check, the Settlement Administrator will void the original check and reissue a check negotiable for forty-five (45) days. Checks that are not cashed within the negotiable period will not result in unclaimed property under state-law. Any unclaimed funds shall be paid to HCF as a reverter.

10.5. The Named Plaintiff may petition the Court for approval of Service Awards in the amount of \$2,500.00 in recognition of their time and efforts in serving the Settlement Class by helping Class Counsel formulate claims and assisting in the Actions and settlement process. Defendant will not object to the Named Plaintiff's petition for Service Award. This Service Award is separate from and in addition to the shares of the Settlement Fund that the Named Plaintiff may be eligible to receive as a Settlement Class Member, although the payment will be made from the Settlement Fund. Final approval of the Agreement is not contingent upon the Court granting the requested Attorneys' Fees and Costs and Service Award in full.

10.6. Defendant and Defense Counsel will cooperate with Class Counsel to provide information from Defendant's records for purposes of locating Class Members and preparing the Final Plan of Allocation.

11. Attorneys' Fees and Costs

11.1. Class Counsel agrees to make an application to the Court for an award of Attorneys' Fees and Expenses in the Actions, and Defendant agrees not to oppose such application so long as it is made in accordance with the Settlement Agreement. Class Counsel shall not request Attorneys' Fees more than \$125,000, plus litigation costs not to exceed \$15,000. If awarded by the Court, the Settlement Administrator shall pay Class Counsel directly within ten (10) days of the Effective Date.

12. Miscellaneous Provisions

12.1. The Parties agree to take all steps as may be reasonably necessary to secure approval of the Settlement Agreement, to the extent not inconsistent with its terms, and will not take any action adverse to each other in obtaining Court approval, and, if necessary, appellate approval of the Settlement Agreement in all respects.

12.2. The Named Plaintiff and Defendant's signatory hereby represent that they are fully authorized to enter this Settlement Agreement and bind the Parties hereto to the terms and conditions hereof.

12.3. The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement Agreement, including, but not limited to, execution of such documents and to take such other action as may reasonably be necessary to implement the terms of this Settlement Agreement. The Parties to this Settlement Agreement 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 implement and support this Settlement Agreement and the terms and conditions set forth herein.

12.4. Class Counsel will use their best efforts for, will cooperate with Defense Counsel on, and will exercise good faith in obtaining the most participation possible in the settlement and to otherwise implement and support this Settlement Agreement and the terms and conditions set forth herein.

12.5. As soon as practicable after execution of this Settlement Agreement, Class Counsel shall, with the assistance and cooperation of Defendant and Defense Counsel, take all necessary steps to secure the Court's final approval of this Settlement Agreement.

12.6. The Parties agree to a stay of all proceedings in the Action(s), except such proceedings as may be necessary to complete and implement the Settlement Agreement, pending Final Court Approval of the Settlement Agreement.

12.7. This Settlement Agreement shall be interpreted and enforced under federal law and under the laws of the State of Pennsylvania without regard to its conflicts of law provisions.

12.8. If Settlement Class Members ask Defendant about the settlement, it will direct questions to Class Counsel, the Settlement Website, or the Settlement Administrator.

12.9. Upon stipulation or with Court approval, the Parties may alter the above dates or time periods. The Parties may also make other non-substantive revisions to the Settlement Notice or other documents as necessary.

12.10. All the Parties acknowledge that they have been represented by competent, experienced counsel throughout all arms-length negotiations which preceded the execution of this Settlement Agreement and that this Settlement Agreement is made with advice of counsel who have jointly prepared this Settlement Agreement.

12.11. The Parties to this Settlement Agreement participated jointly in its negotiation and preparation. Accordingly, it is agreed that no rule of construction will apply against any Party or in favor of any Party, and any uncertainty or ambiguity will not be interpreted against one Party and in favor of the other.

12.12. The terms and conditions of this Settlement Agreement constitute the exclusive and final understanding and expression of all agreements between the Parties with respect to the resolution of the Actions. The Named Plaintiff, on her own behalf and on behalf of the Settlement Class they represent, and Defendant accept entry of this Agreement based solely on its terms, and not in reliance upon any representations or promises other than those contained in this Settlement Agreement. This Settlement Agreement may be modified only by writing and signed by the original Named Plaintiff and Defendant, or their duly authorized representatives, and approved by the Court.

12.13. This Settlement Agreement and the attachments hereto contain the entire agreement between the Parties relating to the Settlement Agreement and transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a party or a party's legal counsel, are merged in this Settlement Agreement. No rights may be waived except in writing.

12.14. This Settlement Agreement may be executed in one or more actual or electronically reproduced counterparts, all of which will be considered one and the same instrument and all of which will be considered duplicate originals.

12.15. In the event one or more of the provisions contained in this Settlement Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect the same shall not affect any other provision of this Settlement Agreement but this Settlement Agreement shall

be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.

12.16. This Settlement Agreement shall be binding upon the Parties and their respective heirs, trustees, executors, administrators, successors, and assigns.

12.17. In the event of conflict between this Settlement Agreement and any other document prepared pursuant to the settlement, the terms of the Settlement Agreement supersede and control. Captions in this Settlement Agreement are for convenience and do not in any way define, limit, extend, or describe the scope of this Agreement or any provision in it.

12.18. Unless otherwise stated herein, any notice to the Parties required or provided for under this Settlement Agreement will be in writing and may be sent by electronic mail, hand delivery, or U.S. mail, postage prepaid, as follows:

If to Class Counsel
Simon Paris
Saltz, Mongeluzzi & Bendesky, P.C.
120 Gibraltar Rd., Suite 218
Horsham, PA 19144

If to Defense Counsel
Robert Pivonka
Rolf Goffman Martin Lang LLP
31105 Bainbridge Road, Suite 4
Cleveland, OH 44139

IN WITNESS WHEREOF, the Parties hereto have caused this Settlement Agreement to be executed.

CLASS COUNSEL:

DATED: 6/8/23



Simon Paris, Esq.
Saltz, Mongeluzzi & Bendesky, P.C.

DEFENDANT:

Dated: 6/8/23

Defendant HCF Management, Inc.

By: Jenny Monce

Its: VICE PRESIDENT - HUMAN RESOURCES

DEFENSE COUNSEL:

Dated: 6/8/2023

Rolf Goffman

Robert Pivonka
Rolf Goffman Martin Lang LLP
31105 Bainbridge Road, Suite 4
Cleveland, OH 44139