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Gordon Rees Scully Mansukhani, LLP 633 West Fifth Street, 52nd floor Los Angeles, CA 90071

1 Defendants Eskaton Properties Incorporated and California Healthcare Consultants, Inc. 2 ("Defendants" or "Eskaton") submit this Response to Plaintiffs' Khayo Sishi, Sandeep Purewal, 3 Vanessa Barber, and Cherra Redd's ("Plaintiffs") Motion for Final Approval of Class Action 4 Settlement. 5 On January 20, 2023, the Court granted preliminary approval of the settlement. Plaintiffs 6 file a motion for final approval of the class action settlement; the hearing is set for July 28, 2023. 7 Should the Court grant final approval on July 28, 2023, without objections or appeals, funding 8 of this class action settlement is due within 20 business days, or August 25, 2023. However, due 9 to financial difficulties experienced by Defendants, the parties have stipulated to a modification 10 to the settlement funding terms (paragraph 29.a of the Settlement Agreement), as follows: 11 1. Within twenty (20) business days of the Effective Date, Defendants shall transfer One 12 Million Dollars (\$1,000,000.00) of the Gross Settlement Amount to the Qualified Settlement 13 Fund(s). 14 2. Within fifty-five (55) business days of the Effective Date, Defendants shall transfer 15 the remaining Four Million Five Hundred Thousand Dollars (\$4,500,000.00) of the Gross 16 Settlement Amount, plus Defendants' Payroll Taxes on the full Gross Settlement Amount, to 17 the Qualified Settlement Fund(s). 18 Defendants are currently awaiting signatures from Class Counsel on Addendum C, 19 attached hereto, and will immediately file upon receipt of signatures from Class Counsel. 20 21 Dated: July 17, 2023 GORDON REES SCULLY MANSUKHANI, LLP 22 By: 23 Linh T. Hua 24 Christie E. Yang Attorneys for Defendants ESKATON PROPERTIES INCORPORATED and 26 CALIFORNIA HEALTHCARE CONSULTANTS, INC. 27

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EXHIBIT A

ADDENDUM C TO CLASS ACTION SETTLEMENT AGREEMENT AND RELEASE

Gordon Rees Scully Mansukhani, LLP 633 West Fifth Street, 52nd floor Los Angeles, CA 90071

ADDENDUM C TO CLASS ACTION SETTLEMENT AGREEMENT AND RELEASE

- 1. This Addendum C to Class Action Settlement Agreement and Release (the "Settlement") is entered into between Plaintiffs Khayo Sishi, Sandeep Purewal, Vanessa Barber, and Cherra Redd ("Plaintiffs"), individually and on behalf of all other similarly-situated persons, the State of California, and the Aggrieved Employees, and Defendants Eskaton Properties Incorporated and California Healthcare Consultants, Inc. ("Defendants"), subject to the approval of the Court. Plaintiffs and Defendants are collectively referred to as the "Parties."
- 2. By way of this Addendum C, the Parties seek to modify the Funding of Settlement (Settlement § 29) of the Gross Settlement Amount to the Qualified Settlement Fund(s).
- 3. Through this Addendum C, the Parties hereby replace Paragraph 29.a of the Class Action Settlement Agreement and Release, with the following language:

Funding of Settlement. Within twenty (20) business days of the Effective Date, Defendants shall transfer One Million Dollars (\$1,000,000.00) of the Gross Settlement Amount to the Qualified Settlement Fund(s). Within fifty-five (55) business days of the Effective Date, Defendants shall transfer the remaining Four Million Five Hundred Thousand Dollars (\$4,500,000.00) of the Gross Settlement Amount, plus Defendants' Payroll Taxes on the full Gross Settlement Amount, to the Qualified Settlement Fund(s). Only the Settlement Administrator shall have access to the Qualified Settlement Fund(s). Defendants and Released Parties shall not have access to the Gross Settlement Amount, or to any earned interest, once those funds are deposited into the Qualified Settlement Fund(s). The Gross Settlement Amount is fully non-reversionary. All disbursements shall be made from the Qualified Settlement Fund(s).

- 4. In support of this Addendum C to modify the Funding of Settlement, Defendants will submit a declaration with information to substantiate the necessity of the modified Funding of Settlement, attached hereto as Exhibit A.
- 5. Pursuant to Addendum B, Class Counsel is defined as Schneider Wallace Cottrell Konecky LLP, Lawyers for Justice, PC, and Capstone Law APC.
- 6. This Addendum C may be executed in one or more counterparts, including by facsimile or email. All executed counterparts and each of them shall be deemed to be one and the same instrument. All executed copies of this Addendum C, and photocopies thereof (including facsimile and/or emailed copies of the signature pages), shall have the same force and effect and shall be as legally binding and enforceable as the original.

IN WITNESS WHEREOF, the Parties' Counsel have executed this Addendum C to the Settlement Agreement as follows:

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ADDENDUM C TO CLASS ACTION SETTLEMENT AGREEMENT AND RELEASE

Gordon Rees Scully Mansukhani, LLP 633 West Fifth Street, 52nd floor Los Angeles, CA 90071

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PROOF OF SERVICE

I am a resident of the State of California, over the age of eighteen years, and not a party to the within action. My business address is: Gordon Rees Scully Mansukhani, LLP 633 West Fifth Street, 52nd floor, Los Angeles, CA 90071. On **July 17, 2023**, I served the within documents:

DEFENDANTS' RESPONSE TO PLAINTIFFS' MOTION FOR FINAL APPROVAL OF THE CLASS ACTION SETTLEMENT

	By Personal Service. I caused the document(s) listed above to be personally served
ш	to the person(s) at the address(es) set forth below.

- BY U.S. MAIL. By placing the document(s) listed above in a sealed envelope with postage thereon fully prepaid, in United States mail in the State of California at Los Angeles, addressed as set forth below.
- BY OVERNIGHT SERVICE. By placing a true copy thereof enclosed in a sealed envelope, at a station designated for collection and processing of envelopes and packages for overnight delivery by FedEx as part of the ordinary business practices of Gordon & Rees LLP described below, addressed as follows:
- BY ELECTRONIC. By transmitting via ELECTRONIC MAIL the document(s) listed above to the electronic mail (e-mail) address as follows:

Carolyn H. Cottrell, Esq.
Ori Edelstein, Esq.
Michelle S. Lim, Esq.
Kristabel Sandoval, Esq.
SCHNEIDER WALLACE COTTE

SCHNEIDER WALLACE COTTRELL KONECKY LLP

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Tel: (415) 421-7100 Fax: (415) 421-7105

Email: ccottrell@schneiderwallace.com

oedelstein@schneiderwallace.com mlim@schneiderwallace.com ksandoval@schneiderwallace.com

Attorneys for Plaintiff Khayo Sishi

I am readily familiar with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with the U.S. Postal Service on that same day with postage thereon fully prepaid in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after the date of deposit for mailing in affidavit.

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

Executed on **July 17, 2023** at Los Angeles, California.

Christie Yang