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[Additional Counsel Listed Below Caption]

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SANTA CLARA

LILLIAN AUDYCKI, individually and on behalf
of all others similarly situated,

Plaintiff,

vs.

STANFORD HEALTH CARE, a Corporation;
and DOES 1 through 50, inclusive,

Defendants.

Case No. 19CV347173

Assigned to Hon. Judge Sunil R. Kulkarni in
Department 1

[Consolidated with Case Nos. 19CV360010
and 20CV365879]

**JOINT STIPULATION OF CLASS
ACTION AND PAGA SETTLEMENT
AND RELEASE OF CLAIMS**

Complaint Filed: May 1, 2019

TAWNYA COOGAN on behalf of herself, all
others similarly situated, and all aggrieved
employees,

Plaintiff,

vs.

STANFORD HEALTH CARE, and DOES 1
through 10, inclusive,

Defendants.

Case No. 19CV360010

Complaint Filed: December 12, 2019

JOSEPH FERLATTE, as an individual and on behalf
of all others similarly situated,

Plaintiffs,

vs.

STANFORD HEALTH CARE, a California nonprofit
corporation; and DOES 1 through 50, inclusive,

Defendants.

Case No. 20CV365879
Complaint Filed: March 30, 2020

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IT IS HEREBY STIPULATED, by and between Plaintiffs Lillian Audycki (a.k.a. Lillian Moore), Tawnya Coogan, and Joseph Ferlatte (“Plaintiffs”), on behalf of themselves and on behalf of the Settlement Class, and Defendant Stanford Health Care (“Defendant”), and subject to the approval by the Court, that the consolidated actions described below are hereby settled under the terms and conditions set forth in this Joint Stipulation of Class Action and PAGA Settlement and Release of Claims (the “Stipulation”) and that the Court shall enter judgment subject to the definitions, recitals, and terms set forth in this Stipulation.

I. DEFINITIONS

- A. “Action” shall mean the civil action entitled *Lillian Audycki v. Stanford Health Care*, Santa Clara County Superior Court, Case No. 19CV347173, filed on May 1, 2019, along with the consolidated cases *Tawnya Coogan v. Stanford Health Care*, Santa Clara County Superior Court, Case No. 19CV360010, filed on December 12, 2019 and *Joseph Ferlatte v. Stanford Health Care*, Santa Clara County Superior Court, Case No. 20CV365879 filed on March 30, 2020.
- B. “Agreement” or “Settlement Agreement” or “Stipulation” means this Joint Stipulation of Class Action and PAGA Settlement and Release of Claims.
- C. “Aggrieved Employees” means anyone who meets one or more the following three definitions: (1) all of Defendant’s past and present non-exempt California employees who were paid any shift differential wages reflected on wage statements through the Lawson payroll system during the PAGA Period; (2) all of Defendant’s past and present non-exempt non-union California employees who worked at least one shift of 3.5 hours or more for Defendant during the PAGA Period; and (3) all former non-exempt California employees who were paid non-discretionary incentive wages (including, but not limited to, shift differential wages) and sick pay in the same workweek from Defendant and whose employment ended, either voluntarily or involuntarily, at any time during the PAGA Period. An individual Aggrieved Employee may also be a Class Members if he or she falls within the “Class Member” definition. This definition is for settlement purposes only and is not an admission of any wrongdoing by Defendant.

- 1 D. "Aggrieved Employee Data" means information regarding Aggrieved Employees that
2 Defendant will compile from its available, existing, electronic records and will provide
3 to the Settlement Administrator. It shall be formatted as a Microsoft Excel spreadsheet
4 and shall include all of the following information: (i) each Aggrieved Employee's full
5 name; (ii) each Aggrieved Employee's last-known address; (iii) each Aggrieved
6 Employee's Social Security and Employee ID numbers; and (iv) the number of pay
7 periods worked by each Aggrieved Employee during the PAGA Period.
- 8 E. "Class Counsel" means the attorneys of record for the Class Representatives and Class
9 Members, *i.e.*, Eric A. Grover and Robert W. Spencer of Keller Grover LLP, 1965
10 Market Street, San Francisco, California 94103; Larry W. Lee of Diversity Law Group,
11 P.C., 515 S. Figueroa Street, Suite 1250, Los Angeles, California 90071; Dennis S. Hyun,
12 Hyun Legal, APC, 515 S. Figueroa Street, Suite 1250, Los Angeles, California 90071;
13 Edward W. Choi, Law Offices of Choi & Associates, 515 S. Figueroa Street, Suite 1250,
14 Los Angeles, California 90071; and William L. Marder, Polaris Law Group, 501 San
15 Benito Street, Suite 200, Hollister, California 95023.
- 16 F. "Class Counsel Award" means the amount the Court authorizes as an award of attorneys'
17 fees, expenses, and litigation costs granted to Class Counsel and paid from the Maximum
18 Settlement Amount in recognition of Class Counsel's efforts and risks in prosecuting the
19 Action.
- 20 G. "Class Data" means information regarding Class Members that Defendant will compile
21 from its available, existing electronic records and provide to the Settlement
22 Administrator. It shall be formatted as a Microsoft Excel spreadsheet and shall include
23 all of the following information: (i) each Class Member's full name; (ii) each Class
24 Member's last-known mailing address; (iii) each Class Member's Social Security and
25 Employee ID numbers; and (iv) the number of Qualified Class Pay Periods/Qualified
26 PAGA Pay Periods worked by each Class Member the Class Period.
- 27 H. "Class Members" means anyone who meets one or more the following three definitions:
28 (1) all of Defendant's past and present non-exempt California employees who were paid

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any shift differential wages reflected on wage statements through the Lawson payroll system during the Class Period; (2) all of Defendant’s past and present non-exempt non-union California employees who worked at least one shift of 3.5 hours or more for Defendant during the Class Period; and (3) all former non-exempt California employees who were paid non-discretionary incentive wages (including, but not limited to, shift differential wages) and sick pay in the same workweek from Defendant and whose employment ended, either voluntarily or involuntarily, at any time during the Class Period.

- I. “Class Period” shall mean the time period from and including May 1, 2018 through April 1, 2023.
- J. “Class Representative Incentive Awards/General Release Payments” means the amount that the Court authorizes to be paid to Class Representatives from the Maximum Settlement Amount, in addition to their respective Individual Settlement Payment and Individual PAGA Payment, in recognition of Class Representatives’ efforts and risks in assisting with the prosecution of the Action.
- K. “Class Representatives” means the named Plaintiffs, i.e., Lillian Audycki (a.k.a. Lillian Moore), Tawnya Coogan, and Joseph Ferlatte.
- L. “Court” means the Santa Clara County Superior Court.
- M. “Defendant” means Stanford Health Care.
- N. “Defense Counsel” means Michael D. Bruno, Fletcher Alford, and Seth Weisburst, Gordon & Rees Scully Mansukhani, LLP, 275 Battery Street, Suite 2000, San Francisco, California 94111.
- O. “Effective Date” shall be the later of the following: (a) if no objections to the settlement are submitted, or if any and all timely objections have been submitted and then withdrawn, then the date the Court enters the Final Approval Order; or (b) if one or more timely objections to the settlement have been submitted, 61 calendar days after the Court enters the Final Approval Order; or (c) if any appeal, writ, or other appellate proceeding opposing the Court’s Final Approval Order has been filed, five court days after any

1 appeal, writ, or other appellate proceedings opposing the settlement have been finally
2 and conclusively dismissed with no right to pursue further remedies or relief.

3 P. “Final Approval Order” means the Court’s order granting final approval of the
4 Settlement.

5 Q. “First Amended Complaint” means the January 25, 2021 First Amended Consolidated
6 Class and Representative Action Complaint for Damages on file in this consolidated
7 action.

8 R. “Individual PAGA Payment” means the amount payable to each Aggrieved Employee
9 from the PAGA Payment. An individual who is entitled to both an Individual Settlement
10 Payment and an Individual PAGA Payment will receive one check incorporating both
11 amounts as part of each settlement distribution.

12 S. “Individual Settlement Payment” means the amount payable from the Net Settlement
13 Amount to each Settlement Class Member.

14 T. “LWDA” means the California Labor & Workforce Development Agency.

15 U. “LWDA Payment” means the 75% of the \$500,000 PAGA Payment (i.e., \$375,000) that
16 will be paid to the LWDA pursuant to PAGA.

17 V. “Maximum Settlement Amount” means \$15,000,000, which sum includes all payments
18 contemplated by this Agreement, including but not limited to the Individual Settlement
19 Payments, the Individual PAGA Payments, the LWDA Payment, the Class
20 Representative Incentive Awards/General Release Payments, the Class Counsel Award,
21 and the Settlement Administration Costs. This is a non-reversionary settlement. Except
22 as provided for in Paragraph III.L.2.a.(3), in no event shall Defendant be liable for more
23 than the Maximum Settlement Amount of \$15,000,000. The Parties agree and
24 acknowledge that Defendant will pay its portion of the employer’s payroll taxes in
25 addition to the Maximum Settlement Amount.

26 W. “Net Settlement Amount” means the Maximum Settlement Amount minus the sum of
27 the Class Representative Incentive Awards/General Release Payments (up to \$60,000
28 total), the Class Counsel Award (up to a maximum of \$5,000,000), Class Counsel Costs

and Expenses (estimated to be no more than \$150,000), the PAGA Payment (\$500,000), and the Settlement Administration Costs (estimated to be no more than \$64,500), resulting in an estimated Net Settlement Amount of \$9,225,500.

X. “Notice of Class and PAGA Action Settlement” means the notice substantially similar to the notice attached to this Stipulation as **Exhibit 1**.

Y. “PAGA” means the California Labor Code Private Attorneys General Act of 2004, Labor Code §§ 2698, *et seq.*

Z. “PAGA Payment” means the \$500,000 portion of the Maximum Settlement Amount that is allocated to the settlement of claims for civil penalties under PAGA, 25% (\$125,000) of which will be paid to the Aggrieved Employees and 75% (\$375,000) of which will be paid to the LWDA.

AA. “PAGA Period” means the time period from and including May 1, 2018 through April 1, 2023.

BB. “PAGA Released Claims” means all allegations and claims for PAGA civil penalties based on any and all underlying Labor Code violations alleged or referenced in the First Amended Complaint or in the notice letters sent to the LWDA regarding claims for PAGA civil penalties in this consolidated lawsuit or in any of the underlying lawsuits referred to in Section I.A. above.

CC. “Parties” means Plaintiffs and Defendant, collectively, and “Party” shall mean any of the Plaintiffs or Defendant, individually.

DD. “Payment Ratio – Aggrieved Employee” means the respective number of Qualified PAGA Pay Periods for each Aggrieved Employee divided by the total number of Qualified PAGA Pay Periods for all Aggrieved Employees.

EE. “Payment Ratio” means the respective number of Qualified Class Pay Periods for each Settlement Class Member divided by the total number of Qualified Class Pay Periods for all Settlement Class Members.

FF. “Plaintiffs” shall mean the named Plaintiffs, i.e., Lillian Audycki (a.k.a. Lillian Moore), Tawnya Coogan, and Joseph Ferlatte.

1 GG. “Preliminary Approval Order” means an order granting preliminary approval of the
2 settlement.

3 HH. “Preliminary Approval Date” means the date on which the Court enters an order granting
4 preliminary approval of the settlement.

5 II. “Qualified Class Pay Periods” means and includes any and all pay periods (as reflected
6 in Defendant’s records) during which (1) a Class Member was paid any shift differential
7 wages reflected on wage statements through the Lawson payroll system during the Class
8 Period; (2) a non-exempt non-union Class Member worked at least one shift of 3.5 hours
9 or more for Defendant during the Class Period; and/or (3) a former non-exempt Class
10 Member was paid non-discretionary incentive wages (including, but not limited to, shift
11 differential wages) and sick pay in the same workweek from Defendant and whose
12 employment ended, either voluntarily or involuntarily, at any time during the Class
13 Period.

14 JJ. “Qualified PAGA Pay Periods” means and includes any and all pay periods (as reflected
15 in Defendant’s records) during which (1) an Aggrieved Employee was paid any shift
16 differential wages reflected on wage statements through the Lawson payroll system
17 during the PAGA Period; (2) a non-exempt non-union Aggrieved Employee worked at
18 least one shift of 3.5 hours or more for Defendant during the PAGA Period; and/or (3) a
19 former non-exempt Aggrieved Employee was paid non-discretionary incentive wages
20 (including, but not limited to, shift differential wages) and sick pay in the same workweek
21 from Defendant and whose employment ended, either voluntarily or involuntarily, at any
22 time during the PAGA Period.

23 KK. “Qualified Settlement Fund” or “QSF” means the qualified settlement fund that will be
24 set up by the Settlement Administrator and into which the Maximum Settlement Amount
25 shall be deposited and from which disbursements shall be made.

26 LL. “Released Claims” means: As of the date of the funding of the Maximum Settlement
27 Amount and in exchange for the consideration provided by this Settlement, Class
28 Representatives, Aggrieved Employees, and Settlement Class Members (i.e., those Class

Members who do not submit a timely and valid request for exclusion from the Settlement), and by operation of the contemplated final judgment shall have, fully, finally, and forever settled and released Defendant, and Defendant’s affiliates, parents, and each of their company-sponsored employee benefit plans, and their respective successors and predecessors in interest, all of their respective officers, directors, employees, administrators, fiduciaries, trustees and agents, and each of their past, present and future officers, directors, shareholders, employees, agents, principals, heirs, representatives, attorneys, accountants, auditors, consultants, insurers, and reinsurers (“Released Parties”) of all claims, charges, complaints, liens, demands, penalties, claims for attorneys’ fees, causes of action, obligations, damages and liabilities, known or suspected, that each Settlement Class Member or Aggrieved Employee had, now has, or may hereafter claim to have against the Released Parties, and that were asserted in the Action, or that arise from or could have been asserted based on any of the facts, circumstances, transactions, events, occurrences, acts, disclosures, statements, omissions or failures to act alleged in the Action that have arisen during the Class Period (“the Released Claims”). The Released Claims specifically include, but are not limited to, violations of Labor Code §§ 201-203, 226, 226.7, 246, 512, 2802, and 2698 *et. seq.*; applicable IWC Wage Orders, including but not limited to Nos. 3-2001 and 5-2001; and Business & Professions Code § 17200, *et. seq.* This release shall not apply to claims for workers’ compensation benefits, unemployment insurance benefits, pension or retirement benefits, or any other claim or right that as a matter of law cannot be waived or released. Further, with the exception of class and PAGA claims for (1) derivative waiting time penalties (Labor Code §§ 201-203) based on violations of Labor Code § 246, and (2) claims related to inaccurate or non-compliant wage statements under Labor Code § 226, nothing in this Settlement affects *Andrew Veitch, et al. v. Stanford Health Care*, Santa Clara County Superior Court, Case No. 22CV395001.

MM. “Released Parties” shall mean Defendant Stanford Health Care and all of Defendant’s affiliates, parents, and each of their company-sponsored employee benefit plans, and their

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1 Action and shall have no bearing on, and shall not be admissible or considered in
2 connection with, the issue of whether any class or sub-class should be certified in any
3 other lawsuit.

4 B. Settlement Negotiations. The Parties participated in a mediation with respected mediator
5 Steven J. Rottman, Esq. on January 26, 2023. As part of the mediation process, the
6 Parties exchanged the information necessary to engage in productive settlement
7 negotiations. The mediated negotiations resulted in the settlement described in this
8 Stipulation to resolve this Action in its entirety.

9 C. Benefits of Settlement. Plaintiffs and Class Counsel recognize the expense and length of
10 continued proceedings that would be necessary to litigate this dispute through trial and
11 through any possible appeals. Plaintiffs also have taken into account the uncertainty and
12 risks regarding the outcome of further litigation and the difficulties and delays inherent
13 in any such litigation. Plaintiffs and Class Counsel also are aware of the burdens of proof
14 necessary to establish liability for the claims asserted in the Action, both generally and
15 in response to Defendant's defenses thereto, and the difficulties in establishing damages
16 and civil penalties for the Class Members and Aggrieved Employees. Based on those
17 factors, Plaintiffs and Class Counsel have determined that the terms set forth in this
18 Agreement represent a fair, adequate, and reasonable settlement and are in the best
19 interests of the Class Members, the LWDA, and the Aggrieved Employees.

20 D. Defendant's Reasons for Settlement. Defendant has concluded that any further defense
21 of this litigation would be protracted and expensive for all Parties. Substantial amounts
22 of Defendant's time and resources have been devoted and, unless this Settlement is made,
23 will continue to be devoted to the defense of the claims asserted by Plaintiffs, Class
24 Members, and the Aggrieved Employees. In reaching its decision to enter into this
25 Settlement, Defendant also has taken into account the risks of further litigation.
26 Defendant denies each of the allegations and claims asserted against it in the Action.
27 Despite continuing to contend that it is not liable for any of the claims that Plaintiffs have
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1 asserted, Defendant nonetheless has agreed to settle in the manner and upon the terms set
2 forth in this Agreement to put to rest the claims asserted in the Action.

3 E. Class Members' Claims. The Class Representatives contend that their allegations have
4 merit and give rise to liability on Defendant's part. This Agreement is a compromise of
5 disputed claims. The monies being paid as part of the settlement are genuinely disputed
6 and the Parties agree that the provisions of California Labor Code § 206.5 are not
7 applicable to this settlement. Because there is a good faith dispute as to whether any
8 wages are due, the release of claims does not violate California Labor Code § 206.5.
9 Nothing contained in this Agreement, no documents referred to in this Agreement, and
10 no action taken to carry out this Agreement may be construed or used as an admission by
11 or against the Class Members or Class Counsel regarding the merits or lack of merit of
12 the claims asserted.

13 F. Aggrieved Employees' Claims. Plaintiffs contend that the PAGA allegations have merit
14 and give rise to liability on the part of Defendant. This Agreement is a compromise of
15 disputed claims. The monies being paid as part of the settlement are genuinely disputed
16 and the Parties agree that the provisions of Labor Code § 206.5 are not applicable to this
17 settlement. Nothing contained in this Agreement, no documents referred to in this
18 Agreement, and no action taken to carry out this Agreement may be construed or used as
19 an admission by or against the Aggrieved Employees or Class Counsel as to the merits
20 or lack of merit of the claims asserted.

21 G. Defendant's Defenses. Defendant claims that the Released Claims and the PAGA
22 Released Claims have no merit and do not give rise to liability. This Agreement is a
23 compromise of disputed claims. The monies being paid as part of the Settlement are
24 genuinely disputed and the Parties agree that the provisions of California Labor Code
25 § 206.5 are not applicable to this settlement. Because there is a good faith dispute as to
26 whether any wages are due, the release of claims does not violate California Labor Code
27 § 206.5. Nothing contained in this Agreement, no documents referred to in this
28 Agreement, and no action taken to carry out this Agreement may be construed or used as

an admission by or against Defendant as to the merits or lack of merit of the claims asserted.

III. TERMS OF AGREEMENT

- A. Settlement Consideration to be paid by Defendant. If the Effective Date occurs, Defendant shall pay the monetary sum specified in this Agreement, i.e., the Maximum Settlement Amount. Except as provided for in Paragraph III.L.2.a.(3), in no event shall Defendant be required to pay more than the Maximum Settlement Amount (excluding the employer's share of payroll taxes, which shall be paid by Defendant in addition to the Maximum Settlement Amount).
- B. Limited Release By All Settlement Class Members. As of the funding of the Maximum Settlement Amount, plus Defendant's share of employer-side payroll taxes, in exchange for the consideration set forth in this Agreement, Plaintiffs and the Settlement Class Members will release the Released Parties from the Released Claims for the Class Period. Plaintiffs and the Settlement Class Members may hereafter discover facts or legal arguments in addition to or different from those they now know or currently believe to be true with respect to the claims, causes of action and legal theories of recovery in this Action which are the subject matter of the Released Claims. Nonetheless, the discovery of new facts or legal arguments shall in no way limit the scope or definition of the Released Claims, and by virtue of this Agreement, Plaintiffs and Settlement Class Members shall be deemed to have, and, by operation of the final judgment approved by the Court shall have, fully, finally, and forever settled and released all of the Released Claims as defined in this Agreement.
- C. General Release by Plaintiffs Only. In addition to the release in Section III.B, in consideration for their Class Representative Incentive Awards/General Release Payments, the Class Representatives may hereafter discover facts in addition to or different from those he now knows or believes to be true with respect to the subject matter of the Released Claims, but upon the Effective Date, shall be deemed to have, and by operation of the contemplated final judgment shall have, fully, finally, and forever settled

1 and released any and all of the Released Claims, whether known or unknown, suspected
2 or unsuspected, contingent or non-contingent, which now exist, or heretofore have
3 existed, upon any theory of law or equity now existing, including, but not limited to,
4 conduct that is negligent, intentional, with or without malice, or a breach of any duty,
5 law or rule, without regard to the subsequent discovery or existence of such different or
6 additional facts. Additionally, the Class Representatives release the Released Parties of
7 all claims, charges, complaints, liens, demands, causes of action, obligations, damages
8 and liabilities, known or suspected, arising from their employment with Defendant,
9 including, without limitation: (1) the Civil Rights Act of 1964, as amended; (2) 42 U.S.C.
10 § 1981; (3) the California Fair Employment and Housing Act; (4) Section 503 of the
11 Rehabilitation Act of 1973; (5) the Americans with Disabilities Act; (6) the Fair Labor
12 Standards Act (including the Equal Pay Act); (7) the California and the United States
13 Constitution; (8) the California Labor Code; (9) the Family and Medical Leave Act; (10)
14 the California Family Rights Act; (11) the Worker Adjustment and Retraining
15 Notification Act; (12) the Employee Retirement Income Security Act; (13) the
16 Immigration Reform and Control Act; (14) the California Business and Professions
17 Code, sections 17200, *et. seq.*; (15) the California Government Code; and (16) the
18 California Wage Orders (collectively “Claim” or “Claims”), which the Class
19 Representative now has, owns or holds, or claims to have, own or hold, or which the
20 Class Representative at any time heretofore had, owned or held, or claimed to have, own
21 or hold against any of the Released Parties up to and including, as of the Effective Date.
22 In exchange for the consideration provided to them under the Settlement, Class
23 Representatives shall waive any and all rights each of them may have under Civil Code
24 section 1542 which provides:

25 **A GENERAL RELEASE DOES NOT EXTEND**
26 **TO CLAIMS THAT THE CREDITOR OR**
27 **RELEASING PARTY DOES NOT KNOW OR**
28 **SUSPECT TO EXIST IN HIS OR HER FAVOR AT**
THE TIME OF EXECUTING THE RELEASE
AND THAT, IF KNOWN BY HIM OR HER
WOULD HAVE MATERIALLY AFFECTED HIS

**OR HER SETTLEMENT WITH THE DEBTOR
OR RELEASED PARTY.**

Cal. Civ. Code § 1542. Accordingly, if the facts relating in any manner to this Settlement are found hereafter to be other than or different from the facts now believed to be true, the release of claims contained in the Plaintiffs' General Release shall be effective as to all unknown claims.

D. PAGA Release: As of the Effective Date, Plaintiffs, individually and as representatives acting as proxies or agents of the LWDA, a State of California Executive Branch Agency, in this Action, agree to release the Released Parties of and from any and all claims for civil penalties, attorneys' fees, and litigation costs under the California Labor Code Private Attorneys General Act of 2004, Labor Code §§ 2698, *et seq.*, as alleged in the First Amended Complaint on file in the Action for the PAGA Period, i.e., the PAGA Released Claims.

E. Conditions Precedent: This settlement will become final and effective only upon the occurrence of all of the following events:

1. The Court enters a Preliminary Approval Order of the settlement;
2. The Court enters a Final Approval Order;
3. The Effective Date occurs; and
4. Defendant does not invoke its right to revoke the settlement as described in Paragraph III.Q herein.

F. Nullification of Settlement Agreement. In the event that the Court denies preliminary or final approval of this Agreement, it fails to become effective, or it is reversed, withdrawn or modified by the Court, or in any way prevents or prohibits Defendant from obtaining a complete resolution of the claims as described herein:

1. This Agreement shall be void *ab initio* and of no force or effect, and shall not be admissible in any judicial, administrative or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural; and

2. None of the Parties to this settlement will be deemed to have waived any claims, objections, defenses or arguments in the Action.

G. Tax Liability. The Parties make no representations as to the tax treatment or legal effect of the payments called for by this Agreement, and Plaintiffs, Settlement Class Members, Aggrieved Employees, and the Parties are not relying on any statement or representation by any of the other Parties in this regard. Plaintiffs, Settlement Class Members understand and agree that they will be responsible for the payment of their respective portions of any taxes and penalties assessed on the Class Representative Incentive Awards/General Release Payments, Individual Settlement Payments, and Individual PAGA Payments described in this Stipulation and will be solely responsible for any penalties or other obligations resulting from their personal tax reporting of all such payments.

H. Circular 230 Disclaimer. Each Party to this Agreement acknowledges and agrees that: (1) no provision of this Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department circular 230 (31 CFR part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his, her or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any other Party or any attorney or advisor to any other Party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty that may be imposed on the acknowledging party, and (3) no attorney or adviser to any other Party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement.

- 1 I. Preliminary Approval Motion. At the earliest practicable time, Plaintiffs shall file with
2 the Court a Motion for Preliminary Approval and supporting papers, which shall include
3 this Agreement. Plaintiffs shall provide a courtesy draft of these papers to Defense
4 Counsel at least three court days before filing the documents.
- 5 J. Settlement Administrator. By accepting the role as Settlement Administrator, the
6 Settlement Administrator is bound to all of the terms, conditions, and obligations
7 described in this Settlement Agreement. Among these obligations, the Settlement
8 Administrator shall have sole and exclusive responsibility for calculating Individual
9 Settlement Payments and Individual PAGA Payments; processing and transmitting
10 payments to the Class Representatives, Class Counsel, the LWDA, Settlement Class
11 Members, and Aggrieved Employees; printing the Notice of Class and PAGA Action
12 Settlement and mailing it to the Class Members and Aggrieved Employees as directed by
13 the Court; providing a toll-free telephone number and email address for Class Member
14 communications; receiving, processing, and reporting Requests for Exclusion and
15 Notices of Objection; sending a postcard reminder to Settlement Class Members and
16 Aggrieved Employees 60 days before the check void date; distributing tax forms;
17 providing declaration(s) as necessary in support of preliminary and/or final approval of
18 this Agreement; and such other tasks as the Parties mutually agree or the Court orders
19 the Settlement Administrator to perform. The Settlement Administrator shall keep the
20 Parties timely apprised of the performance of all of the Settlement Administrator's
21 responsibilities. Defendant and Defense Counsel shall have no responsibility for
22 validating or ensuring the accuracy of the Settlement Administrator's work. Plaintiffs,
23 Class Counsel, Defendant, and Defense Counsel shall not bear any responsibility for
24 errors or omissions in the calculation or distribution of Individual Settlement Payments,
25 Individual PAGA Payments or any other distribution of monies contemplated by this
26 Agreement.
- 27 K. Notice Procedure.
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1. Class Data and Aggrieved Employee Data. No later than 21 calendar days after the Preliminary Approval Date and only after Defendant receives sufficient and reasonable assurance that the Settlement Administrator will maintain the confidentiality of the Class Data and Aggrieved Employee Data, Defendant shall provide the Settlement Administrator with the Class Data and Aggrieved Employee Data for purposes of preparing and mailing the Notice of Class and PAGA Action Settlement to Class Members and Aggrieved Employees, as well as undertaking its other obligations. The Settlement Administrator shall be obligated to keep the Class Data and Aggrieved Employee Data confidential and shall take reasonable and necessary precautions to maintain the confidentiality of the data. The Settlement Administrator shall not distribute or use the Class Data, Aggrieved Employee Data or any information contained therein for any purpose other than to administer this settlement.
2. Notice of Class and PAGA Action Settlement.
 - a) The Notice of Class and PAGA Action Settlement shall be in a form substantially similar to the form attached to this Stipulation as **Exhibit 1**. The Notice of Class and PAGA Action Settlement shall instruct Class Members and Aggrieved Employees to keep the Settlement Administrator apprised of their current mailing addresses, to which the Settlement Payments will be mailed following the Effective Date. The Notice of Class and PAGA Action Settlement shall set forth the release to be given by Settlement Class Members in exchange for an Individual Settlement Payment.
 - b) The Notice of Class and PAGA Action Settlement shall be individualized by inclusion of each Class Member's number of Qualified Pay Periods (Class and PAGA) and the Settlement Administrator's calculation of each Class Member's estimated gross Individual Settlement Payment if that

Class Member does not request exclusion from the Settlement and each Aggrieved Employee's estimated Individual PAGA Payment.

3. Notice By First Class U.S. Mail. Upon receipt of the Class Data and Aggrieved Employee Data, the Settlement Administrator will perform a search based on the National Change of Address Database to update and correct any known or identifiable address changes. No later than 28 calendar days after receiving the Class and Aggrieved Employee Data from Defendant as provided in this Stipulation, the Settlement Administrator shall mail copies of the Notice of Class and PAGA Action Settlement to all Class Members and Aggrieved Employees via regular First-Class U.S. Mail. The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Class Member and Aggrieved Employee. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Class Member and Aggrieved Employee.
4. Undeliverable Notices. Any mailed Notice of Class and PAGA Action Settlement that is returned to the Settlement Administrator as not having been delivered on or before the Response Deadline shall be re-mailed to the forwarding address affixed to it. If no forwarding address is provided, the Settlement Administrator promptly shall attempt to determine a correct address by lawful use of skip-tracing and by other searches using the name, address, and Social Security number of the Class Member or Aggrieved Employee involved and, if another mailing address is identified by the Settlement Administrator, then shall perform a re-mailing to that Class Member or Aggrieved Employee. In addition, if any Notices of Class and PAGA Action Settlement that are addressed to Class Members or Aggrieved Employees who are employed by Defendant at the time of mailing are returned to the Settlement Administrator as non-delivered and no forwarding address is provided, the Settlement Administrator shall so notify Defendant. Defendant then will request that the currently-employed Class

Member or Aggrieved Employee provide a corrected address and will transmit to the Administrator any corrected address provided by the Class Member or Aggrieved Employee. In the event of remailing of the Notice of Class and PAGA Action Settlement, the Class Member and/or Aggrieved Employee shall have an additional 15 calendar days to respond to the Notice, *i.e.*, opt-out, object and/or dispute his or her Qualified Pay Periods.

5. Disputes Regarding Qualified Class Pay Periods. A Class Member and/or Aggrieved Employee who disagrees with the number of Qualified Class Pay Periods (Class and/or PAGA) stated on that Class Member or Aggrieved Employee's Notice of Class and PAGA Action Settlement will have the opportunity to provide documentation and/or an explanation to show a different number of pay periods having been worked during the Class Period. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. Disputes may be sent via First Class U.S. Mail and shall be postmarked no later than the Response Deadline. The postmark date of mailing shall be deemed to be the exclusive means for determining whether a dispute was timely submitted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual Settlement Payments under the terms of this Agreement. The Settlement Administrator's determination of the eligibility for and the amount of any Individual Settlement Payment or Individual PAGA Payment shall be binding upon the Settlement Class Member and/or Aggrieved Employee and the Parties.

6. Disputes Regarding Administration of Settlement. Any disputes not resolved by the Settlement Administrator concerning the administration of the settlement will be resolved by the Court under the laws of the State of California. Before any such involvement of the Court, counsel for the Parties will confer in good faith to resolve the disputes without the necessity of involving the Court.

7. Requests for Exclusion.

- 1 a) The Notice of Class and PAGA Action Settlement shall state that Class
2 Members who wish to exclude themselves from the class action settlement
3 must submit a written Request for Exclusion by the Response Deadline.
4 The written Request for Exclusion must state that the Class Member wishes
5 to exclude himself or herself from the class action settlement and (1) must
6 contain the name, address, and the Employee ID number of the person
7 requesting exclusion; (2) must be signed by the Class Member; (3) must be
8 postmarked by the Response Deadline and returned to the Settlement
9 Administrator at the specified mailing address; and (4) must contain a
10 typewritten or handwritten notice stating in substance: “I wish to opt out of
11 the settlement of the class action lawsuit entitled *Audycki v. Stanford Health*
12 *Care.*”
- 13 b) The Request for Exclusion will not be valid if it is not timely submitted
14 and/or if it does not comply with the requirements set forth above in
15 Paragraph III.K.7(a). The date of the postmark on the return mailing
16 envelope for the Request for Exclusion shall be the exclusive means used
17 to determine whether the Request for Exclusion was timely submitted. If
18 the Settlement is approved by the Court, Class Members who fail to submit
19 a valid and timely written Request for Exclusion on or before the Response
20 Deadline shall be Settlement Class Members who are bound by all terms of
21 the settlement and any Final Approval Order entered in this Action.
- 22 c) Any Class Member who requests to be excluded from the class action
23 settlement will not be entitled to an Individual Settlement Payment and will
24 not be bound by the terms of the class action settlement or have any right to
25 object, appeal or comment thereon. Nothing in this settlement or Settlement
26 Agreement will constitute or be construed as a waiver of any defense that
27 Defendant or the Released Parties have or could assert against anyone who
28 timely serves a Request for Exclusion.

- 1 d) Aggrieved Employees cannot request to be excluded from the settlement of
2 the PAGA Released Claims. Class Members who are Aggrieved
3 Employees cannot request to be excluded from the settlement of the PAGA
4 Released Claims.
- 5 e) No later than five calendar days after the Response Deadline, the Settlement
6 Administrator shall provide counsel for the Parties with a final list of the
7 Class Members who have timely submitted written Requests for Exclusion.
- 8 f) At no time shall any of the Parties or their counsel solicit or otherwise
9 encourage Class Members to submit Requests for Exclusion from the
10 settlement.

11 8. Objections.

- 12 a) The Notice of Class and PAGA Action Settlement shall state that Class
13 Members who wish to object to the settlement in writing must file with the
14 Court and mail to the Parties, at the addresses provided in the Notice of
15 Class and PAGA Action Settlement, a typed or written statement of
16 objection (“Notice of Objection”) by the Response Deadline. The postmark
17 date of a mailed objection shall be deemed to be the exclusive means for
18 determining whether a Notice of Objection was timely submitted.
- 19 b) The Notice of Objection must be signed by the Class Member and state (1)
20 the case name and number; (2) the name of the Class Member; (3) the
21 address of the Class Member; (4) the Class Member’s Employee ID
22 number; and (4) the basis for the objection and any supporting documents.
23 Class Members may also appear at the Final Approval Hearing to orally
24 object to the Settlement by following the instruction in the Notice of Class
25 and PAGA Action Settlement. Class Members who fail to make objections
26 in the manner specified above and in the Notice of Class and PAGA Action
27 Settlement may be deemed to have waived any objections and to be
28

foreclosed from making any objections to the settlement, whether by appeal or otherwise.

- c) At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to file or serve written objections to the settlement or to appeal from the Final Approval Order.
- d) Class Members who submit a written Request for Exclusion are not entitled to object to the settlement. In the event that a Class Member submits both a Request for Exclusion and a Notice of Objection, the Request for Exclusion will be valid and the Notice of Objection will be invalid.
- e) Plaintiffs and/or Defendant may file oppositions to any properly-submitted Notices of Objection no later than 10 calendar days prior to the date of the final approval hearing.
- f) Defendant shall not be responsible for the fees, costs, or expenses incurred by Plaintiffs, Class Counsel, Class Members or Aggrieved Employees arising from or related to any objection to the Settlement Agreement or related to any appeals thereof.

L. Funding and Allocation of the Maximum Settlement Amount. This is a non-reversionary settlement in which Defendant is required to pay the entirety of the Maximum Settlement Amount, contingent on the occurrence of the Effective Date (plus the employer's share of the payroll taxes). No amount of the Maximum Settlement Amount will revert to Defendant. Upon satisfaction of the preconditions described in this Settlement and pursuant to the timeline and instructions below, Defendant will deposit the Maximum Settlement Amount into a Qualified Settlement Fund ("QSF") to be established by the Settlement Administrator.

1. Funding Due Date. Defendant will pay the \$15,000,000 Maximum Settlement Amount (plus the employer's share of all payroll taxes) to the Settlement Administrator within 30 calendar days of the Effective Date.

2. Payments to Settlement Class Members and Aggrieved Employees.

1 a) Calculation of Individual Settlement Payments. Every Settlement Class
2 Member is entitled to an Individual Settlement Payment without the need to
3 submit a claim form. Individual Settlement Payments shall be paid from
4 the Net Settlement Amount and shall be paid under the formula set forth in
5 this Stipulation.

6 (1) Using the Class Data, the Settlement Administrator will calculate the total
7 number of Qualified Class Pay Periods for all Settlement Class Members.
8 The number of Qualified Class Pay Periods for each Settlement Class
9 Member then will be divided by the total number of Qualified Class Pay
10 Periods for all Settlement Class Members. The result of that division will
11 be the "Payment Ratio" for each Settlement Class Member. Each
12 Settlement Class Member's Payment Ratio then will be multiplied by the
13 Net Settlement Amount to calculate that Settlement Class Member's share
14 of the Net Settlement Amount, except that no gross Individual Settlement
15 Payment will be less than \$25. If a calculated payment is less than \$25, it
16 will be increased to the \$25 minimum. The Settlement Administrator will
17 take any minimum payments into account before calculating the Class
18 Member payments. A share of the Net Settlement Amount will be
19 provided only to those individuals who satisfy the definition of Settlement
20 Class Members, *i.e.*, Class Members who do not submit a timely and valid
21 Request for Exclusion.

22 (2) The Parties recognize and agree that the formula provided in this
23 Stipulation for allocating the Net Settlement Amount to be paid to the
24 Settlement Class Members is reasonable and designed to provide a fair
25 settlement to the Settlement Class Members.

26 (3) Defendant represents that there are approximately 876,423 Qualified
27 Class Pay Periods, based on the definition of Class Members, Class
28 Period, and Qualified Class Pay Periods in Sections I.H, I.I, and I.II above.

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If the number of Qualified Class Pay Periods is more than 5% higher than the 876,423 estimate at the end of the Class Period, then the Maximum Settlement Amount will increase proportionally for the number of Qualified Class Pay Periods over 920,244.

- b) Calculation of Individual PAGA Payments: Using the Aggrieved Employee Data, the Settlement Administrator will calculate the total number of Qualified PAGA Pay Periods for all Aggrieved Employees. The number of Qualified PAGA Pay Periods for each Aggrieved Employee then will be divided by the total number of Qualified PAGA Pay Periods for all Aggrieved Employees. The result of that division will be the Payment Ratio for each Aggrieved Employee. Each Aggrieved Employee's Payment Ratio then will be multiplied by the \$125,000 portion of the PAGA Payment that is allocated for distribution to the Aggrieved Employees to calculate each Aggrieved Employee's Individual PAGA Payment.
- c) Tax Allocation. For tax purposes, Individual Settlement Payments shall be allocated and treated as 20% wages and 80% statutory penalties and interest. For tax purposes, Individual PAGA Payments shall be allocated and treated as 100% statutory penalties. The Settlement Administrator will be responsible for issuing and mailing all required IRS Form W-2s and 1099s.
- d) Mailing. Individual Settlement Payments and Individual PAGA Payments shall be mailed by regular First-Class U.S. Mail to Settlement Class Members' and Aggrieved Employees' last known mailing addresses no later than 60 calendar days after the Effective Date.
- e) Uncashed Checks. Any checks issued to Settlement Class Members shall remain valid and negotiable for 180 calendar days from the date of their issuance. In the event any Individual Settlement Payment or Individual PAGA Payment settlement checks have not been cashed by the check cashing deadline, upon Court approval, the Settlement Administrator shall

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tender the funds represented by any such uncashed checks to Legal Aid at Work.

3. Class Representative Incentive Awards/General Release Payments.

- a) Plaintiffs will each apply for a Class Representative Incentive Award/General Release Payment of up to \$20,000 for each Plaintiff for their time, effort, and risk in bringing and prosecuting this Action. The Class Representative Incentive Awards/General Release Payments shall be in addition to Plaintiffs' Individual Settlement Payment and Individual PAGA Payment.
- b) The Settlement Administrator shall pay the Class Representative Incentive Awards/General Release Payments to Plaintiffs from the Maximum Settlement Amount no later than 60 calendar days after the Effective Date. Any portion of the requested Class Representative Incentive Awards/General Release Payments that is not awarded to the Class Representatives shall become part of the Net Settlement Amount.
- c) The Settlement Administrator shall issue an IRS Form 1099 — MISC to Plaintiffs for each of their Class Representative Incentive Awards/General Release Payments. Plaintiffs shall be solely and legally responsible to pay any and all applicable taxes on the Class Representative Incentive Awards/General Release Payments and shall hold Defendant and the Released Parties harmless from any claim or liability for taxes, penalties, or interest arising as a result of the Class Representative Incentive Awards/General Release Payments.
- d) If the Court reduces or does not approve the requested Class Representative Incentive Awards/General Release Payments, Plaintiffs shall not have the right to revoke this Settlement Agreement, and it will remain binding, nor will Plaintiffs seek, request, or demand an increase in the Maximum Settlement Amount on that basis.

4. Class Counsel Award.

- a) In consideration for settling the Action and in exchange for the release of the Released Parties for all Released Claims, Class Counsel intends to apply for an award of attorneys' fees of one-third of the Maximum Settlement Amount, including any escalated amount if the Escalator is triggered. (i.e., \$5,000,000 of the \$15,000,000 Maximum Settlement Amount), plus actual costs and litigation expenses estimated not to exceed \$150,000. Said amounts shall be paid exclusively from the Maximum Settlement Amount.
- b) Any portion of the requested Class Counsel Award that is not awarded to Class Counsel shall be part of the Net Settlement Amount and shall be distributed to Settlement Class Members as provided in this Agreement.
- c) The Settlement Administrator shall deliver the Class Counsel Award to Class Counsel from the Maximum Settlement Amount no later than 60 calendar days after the Effective Date.
- d) Class Counsel shall be solely and legally responsible to pay all applicable taxes on the payment made pursuant to this Paragraph (III.L.4). The Settlement Administrator shall issue an IRS Form 1099-MISC to Class Counsel for each payment made pursuant to this Paragraph.
- e) In the event that the Court reduces or does not approve the requested Class Counsel Award, Plaintiffs and Class Counsel shall not have the right to modify or revoke the Settlement, and the Settlement will remain binding, nor will Plaintiffs or Class Counsel seek, request, or demand an increase in the Maximum Settlement Amount on that basis.

5. PAGA Payment. \$500,000 shall be allocated from the Maximum Settlement Amount for settlement and release of claims for civil penalties under PAGA, i.e., the "PAGA Payment." The Settlement Administrator shall pay 75% of that \$500,000 payment, i.e., \$375,000, to the LWDA (the "LWDA Payment") and the remaining 25% of that \$500,000 payment, i.e., \$125,000, to the Aggrieved

Employees according to the formula described in Paragraph III.L.2.(b). The first payment shall be made no later than 60 calendar days after the Effective Date. Class Counsel will take all action required by California Labor Code § 2699(l).

6. Settlement Administration Costs. The Settlement Administrator shall be paid from the Maximum Settlement Amount for the costs of administration of the Settlement. The Settlement Administrator has agreed to a fee not to exceed \$64,500. The Settlement Administrator shall be paid \$64,500 for the settlement administration costs no later than 60 calendar days after Defendant provides funds to the Settlement Administrator for disbursement under this Agreement.

M. Mutual Full Cooperation. The Parties agree to cooperate fully with each other to accomplish the terms of this Settlement Agreement, including but not limited to executing the necessary documents and taking such other action as reasonably may be necessary to implement the terms of this Settlement Agreement. As soon as practicable after executing this Settlement Agreement, Class Counsel and Plaintiffs shall, with the assistance and cooperation of Defendant and Defense Counsel, take all necessary steps to secure the Court's Preliminary and Final Approval of this Settlement Agreement. The Parties also agree to cooperate in the settlement administration process. The Parties each represent they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest. Class Counsel also will notify Defense Counsel if subpoenaed or upon receipt of any other request for documents or information regarding any other action filed or potential action against the Released Parties that covers or includes any Settlement Class Members and the Released Claims or any Aggrieved Employees and the PAGA Released Claims. The Parties understand and agree that nothing in this Paragraph shall be construed to require either Party to agree to any changes to the material terms of this Settlement Agreement for the purposes of securing Court approval or otherwise.

1 N. Preliminary Approval Hearing. Plaintiffs will request preliminary approval of the
2 settlement, entry of a Preliminary Approval Order for preliminary approval of the
3 proposed Agreement, and the setting of a date for a final-approval hearing. The
4 Preliminary Approval Order shall provide for the Notice of Class and PAGA Action
5 Settlement to be sent to all Class Members as specified in this Stipulation. In conjunction
6 with the preliminary approval hearing, Plaintiffs shall submit this Agreement, which sets
7 forth the terms of this settlement, and will include the proposed Notice of Class Action
8 Settlement.

9 O. Motion for Approval of the Class Representative Incentive Awards/General Release
10 Payments, the Class Counsel Award, and the Settlement Administration Costs. No later
11 than 16 court days before the final approval hearing, Plaintiffs shall file with the Court a
12 motion for approval of the Class Representative Incentive Awards/General Release
13 Payments, the Class Counsel Award, and the Settlement Administration Costs. Plaintiffs
14 shall provide a courtesy draft of those motion papers to Defense Counsel at least three
15 court days before filing the documents.

16 P. Final Approval Motion. No later than 16 court days before the final approval hearing,
17 Plaintiffs shall file with the Court a Motion for Final Approval, which motion shall
18 request final approval of the settlement. Plaintiffs shall provide a courtesy draft of those
19 motion papers to Defense Counsel at least three court days before filing the documents.

20 1. Declaration by Settlement Administrator. The Settlement Administrator shall
21 submit a declaration in support of Plaintiffs' Motion for Final Approval of this
22 Settlement. That declaration shall detail the number of Notices of Class and
23 PAGA Action Settlement mailed and re-mailed to Class Members, the number of
24 undeliverable Notices of Class Action Settlement, the number of timely Requests
25 for Exclusion, the number of Notices of Objection received, the amount of the
26 average Individual Settlement Payment, the average Individual PAGA Payment,
27 the settlement administration costs, and any other information that the Parties
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mutually agree to include or that the Court orders the Settlement Administrator to provide.

2. Final Approval Order. The Parties shall present a proposed Final Approval Order to the Court, consistent with the terms and conditions of this Agreement, for the Court's approval and judgment thereon.

Q. Option to Revoke Settlement. Defendant has the unilateral right to revoke this Agreement if, after the Response Deadline, the number of Class Members who have submitted timely and valid written Requests for Exclusion equals at least 5% of all Class Members. If Defendant exercises the option to terminate this Agreement, (a) Defendant shall provide written notice to Class Counsel within 15 calendar days after the Response Deadline, at which time this Agreement shall be void *ab initio*, (b) Defendant shall pay all settlement administration costs incurred up through that date and/or as a result of the termination, and (c) the Parties shall proceed in all respects as if this Agreement had not been executed.

R. Interim Stay of Proceedings. Pending the final approval hearing to be conducted by the Court, the Parties agree to stay all proceedings in the Action except such proceedings as are necessary or desirable to implement and complete the Settlement.

S. Nullification of Settlement Agreement. In the event that (i) the Court denies preliminary approval, (ii) the Court denies final approval, (iii) the Court does not enter a final judgment as provided in this Stipulation, or (iv) the settlement does not become final for any other reason, this Agreement shall be null and void and any order or judgment entered by the Court in furtherance of this settlement shall be treated as void from the beginning. In such a case, the Parties shall be returned to their respective statuses as of the date and time immediately before the execution of this Agreement, and the Parties shall proceed in all respects as if this Agreement had not been executed, except that any costs already incurred by the Settlement Administrator shall be paid by equal apportionment among the Parties, except as otherwise specified in Paragraph III.Q. If an appeal is filed from the Court's final judgment, or any other appellate review is sought, administration of the

1 settlement shall be stayed pending final resolution of the appeal or other appellate review.
2 In that event, within 30 calendar days of that notification, the Parties shall pay any costs
3 by equal apportionment that were incurred by the Settlement Administrator before it was
4 notified of the filing of an appeal from the Court's final judgment or of any other
5 appellate review.

6 T. No Effect on Employee Benefits. Amounts paid to Plaintiffs, Settlement Class Members,
7 and Aggrieved Employees under this Agreement shall be deemed not to be pensionable
8 earnings and shall not have any effect on the eligibility for, or calculation of, any of the
9 employee benefits (e.g., vacations, holiday pay, retirement plans, etc.) of the Plaintiffs,
10 the Settlement Class Members, and Aggrieved Employees.

11 U. Headings. The descriptive headings of any paragraphs or sections of this Agreement are
12 inserted for convenience of reference only and do not constitute a part of this Agreement.

13 V. Amendment or Modification. This Agreement may be amended or modified only by a
14 written instrument that (1) is signed by counsel for all Parties or their successors-in-
15 interest, (2) is signed by the Parties or their successors-in-interest, and (3) if the Court's
16 approval is required, is as approved by the Court.

17 W. Entire Agreement. This Agreement and any attached Exhibits constitute the entire
18 Agreement among these Parties. Apart from the representations, warranties and
19 covenants contained and memorialized in this Agreement and its Exhibits, no oral or
20 written representations, warranties or inducements have been made to any Party
21 concerning this Agreement or its Exhibits.

22 X. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
23 represent they are expressly authorized by the Parties whom they represent to negotiate
24 this Agreement and to take all appropriate actions required or permitted to be taken by
25 those Parties under this Agreement to effectuate its terms, and to execute any other
26 documents required to effectuate the terms of this Agreement. The person signing this
27 Agreement on behalf of Defendant represents and warrants that he or she is authorized
28 to sign this Agreement on behalf of Defendant. Plaintiffs represent and warrant that they

are authorized to sign this Agreement and that he has not assigned or transferred to any third-party or encumbered any claim, or part of a claim, demand, cause of action or any rights herein released and discharged or covered by this Agreement.

Y. Binding on Successors and Assigns. The provisions of this Settlement Agreement shall run in perpetuity. This Agreement shall be binding upon and inure to the benefit of the successors or assigns of the Parties to this Agreement, including the Settlement Class Members and the LWDA.

Z. California Law Governs. All terms of this Agreement and its Exhibits and any disputes arising under this Agreement shall be governed by and interpreted in accordance with the laws of the State of California.

AA. Counterparts. This Agreement may be executed in one or more counterparts and electronically by DocuSign. All executed counterparts and each of them shall be deemed to be one and the same instrument, provided that counsel for the Parties to this Agreement shall exchange among themselves copies or originals of the signed counterparts.

BB. This Settlement Is Fair, Adequate and Reasonable. The Parties believe this Settlement to be a fair, adequate and reasonable settlement of this Action and have arrived at this Agreement after extensive arm's-length negotiations, taking into account all relevant factors, present and potential. The Parties further agree that this Settlement Agreement shall not be construed in favor of or against any Party by reason of the extent to which any Party or his, her or its counsel participated in the drafting of this Settlement Agreement.

CC. Jurisdiction of the Court. The Parties agree that the Court shall retain jurisdiction with respect to the interpretation, implementation and enforcement of the terms of this Agreement and all orders and judgments entered in connection therewith. The Parties to this Agreement and their counsel submit to the jurisdiction of the Court for purposes of interpreting, implementing and enforcing the settlement embodied in this Agreement and all orders and judgments entered in connection with this Agreement. In any proceeding to enforce its terms of this Agreement under Code of Civil Procedure § 664.6 and any

other applicable statute or law, the prevailing party will be entitled to reasonable attorneys' fees and costs.

DD. Invalidity of Any Provision. Before declaring any provision of this Agreement to be invalid, the Court first shall attempt to construe those provisions as valid to the fullest extent possible consistent with applicable precedents so as to hold all provisions of this Agreement valid and enforceable.

EE. Waiver of Certain Appeals. Provided that the Court does not materially modify the terms of this Agreement, the Parties (1) agree to waive all appeals from any orders of the Court before final approval of the settlement and (2) further agree to waive all appeals from the Court's final approval of the settlement.

FF. Confidentiality of Documents. After the expiration of any appeals period, Plaintiffs, the Settlement Administrator, and Class Counsel shall maintain the confidentiality of all settlement-related documents and other information obtained from the other Party in the Action, unless necessary for appeal or such documents are ordered to be disclosed by the Court or by a subpoena.

GG. No Admissions by the Parties. Plaintiffs have asserted and continue to assert that the Released Claims have merit and give rise to liability on Defendant's part. Defendant asserts that the Released Claims have no merit and do not give rise to any liability. This Agreement is a compromise of disputed claims. Nothing contained in this Agreement, no documents referred to in this Agreement and no action taken to carry out this Agreement may be construed or used as an admission by or against the Defendant or Plaintiffs or Class Counsel as to the merits or lack of merit of the claims asserted.

HH. Class Representatives and Class Counsel agree not to issue a press release or otherwise notify the media about the terms of the Settlement or advertise or market any of the terms of the Settlement through written, recorded, or electronic communications. In addition, Class Counsel will not put details about the settlement on their website, unless no reference is made to the case name or Defendant. Class Representatives and Class Counsel further agree that if they are contacted regarding this case, they will take

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reasonable steps to determine whether the contacting party is a member of the Class. If the contacting party is not a Class Member or the legal representative of a Class Member, they will state only that the lawsuit exists and has been resolved. However, this will not prevent Class Counsel from undertaking required submissions and disclosures that are required to obtain approval of the Settlement, and carry out their duties as Class Counsel to communicate with Class Members.

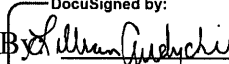
By signing below, the Parties indicate their approval of the form of this Settlement Agreement and its exhibits.

IN WITNESS WHEREOF, this Joint Stipulation of Class and PAGA Action Settlement is executed by the Parties and their duly authorized attorneys as of the day and year set forth below.

IT IS SO AGREED:

DATED: 3/23/2023

LILLIAN AUDYCKI A.K.A. LILLIAN MOORE

DocuSigned by:
 By: 
 1E756BB87606429...

DATED: 3/24/2023

TAWNYA COOGAN

DocuSigned by:
 By: 
 DF181C285D4341C...

DATED: 3/23/2023

JOSEPH FERLATTE

DocuSigned by:
 By: 
 C8AB68A79ED3441...

KELLER GROVER LLP

1965 Market Street, San Francisco, CA 94103
 Tel. 415.543.1305 | Fax 415.543.7861

1 DATED: _____
 2
 3

STANFORD HEALTH CARE

4 By: _____
 5 Linda Hoff
 6 Chief Financial Officer
 7

8 **APPROVED AS TO FORM:**
 9

10 DATED: 3/28/2023
 11

KELLER GROVER LLP

12 DocuSigned by:
 13 Robert Spencer
 14 By: 63BAAB8C75E34DC
 15 ERIC A. GROVER
 16 ROBERT W. SPENCER
 17 Attorneys for Plaintiff
 18 TAWNYA COOGAN
 19

20 DATED: March 23, 2023
 21
 22

LAW OFFICES OF CHOI & ASSOCIATES

23 By: Edward W. Choi
 24 EDWARD W. CHOI
 25 Attorneys for Plaintiffs
 26 LILLIAN AUDYCKI and
 27 JOSEPH FERLATTE
 28

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DATED: March 23, 2023

HYUN LEGAL, APC

By: 
 DENNIS S. HYUN
Attorneys for Plaintiffs
 LILLIAN AUDYCKI and
 JOSEPH FERLATTE

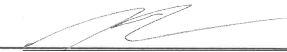
DATED: March 23, 2023

POLARIS LAW GROUP

By: 
 WILLIAM L. MARDER
Attorneys for Plaintiffs
 LILLIAN AUDYCKI and
 JOSEPH FERLATTE

DATED: March 23, 2023

DIVERSITY LAW GROUP, P.C.

By: 
 LARRY W. LEE
Attorneys for Plaintiffs
 LILLIAN AUDYCKI and
 JOSEPH FERLATTE

March 28, 2023 | 12:50 PM PDT

DATED: _____

STANFORD HEALTH CARE

DocuSigned by:
Linda Hoff
By: 5F310C1754794A4...
Linda Hoff
Chief Financial Officer

APPROVED AS TO FORM:

DATED: _____

KELLER GROVER LLP

By: _____
ERIC A. GROVER
ROBERT W. SPENCER
Attorneys for Plaintiff
TAWNYA COOGAN

DATED: _____

LAW OFFICES OF CHOI & ASSOCIATES

By: _____
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Attorneys for Plaintiffs
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DATED: _____

HYUN LEGAL, APC

By: _____
DENNIS S. HYUN
Attorneys for Plaintiffs
LILLIAN AUDYCKI and
JOSEPH FERLATTE

DATED: _____

POLARIS LAW GROUP

By: _____
WILLIAM L. MARDER
Attorneys for Plaintiffs
LILLIAN AUDYCKI and
JOSEPH FERLATTE

DATED: _____

DIVERSITY LAW GROUP, P.C.

By: _____
LARRY W. LEE
Attorneys for Plaintiffs
LILLIAN AUDYCKI and
JOSEPH FERLATTE

KELLER GROVER LLP
1965 Market Street, San Francisco, CA 94103
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DATED: March 27, 2023

**GORDON REES SCULLY
MANSUKHANI, LLP**

By: 
MICHAEL D. BRUNO
FLETCHER C. ALFORD
SETH WEISBURST
Attorneys for Defendant
STANFORD HEALTH CARE

EXHIBIT 1

Lillian Audycki v. Stanford Health Care
SANTA CLARA SUPERIOR COURT CASE NO. 19CV347173
NOTICE OF CLASS AND PAGA ACTION SETTLEMENT

*You are not being sued. This notice affects your rights. Please read it carefully.
A California Court authorized this Notice. This is not a solicitation from a lawyer.*

To: “Class Members,” who are defined to include persons who worked for Defendant Stanford Health Care (“Defendant”) in California at any time from and including May 1, 2018 through April 1, 2023 (the “Class Period”) who meet one or more of the following three definitions:

- all of Defendant’s past and present non-exempt California employees who were paid any shift differential wages reflected on wage statements through the Lawson payroll system during the Class Period;
- all of Defendant’s past and present non-exempt non-union California employees who worked at least one shift of 3.5 hours or more for Defendant during the Class Period; and
- all former non-exempt California employees who were paid non-discretionary incentive wages (including, but not limited to, shift differential wages) and sick pay in the same workweek and whose employment ended, either voluntarily or involuntarily, at any time during the Class Period.

All persons who meet the Class Member definition are also considered “Aggrieved Employees” under the terms of the settlement of certain California Labor Code Private Attorneys General Act of 2004, Labor Code §§ 2698, *et seq.* (“PAGA”) claims. This definition is for settlement purposes only and is not an admission of any wrongdoing by Defendant.

You have received this Notice because Defendant’s records indicate that you are a Class Member and Aggrieved Employee and are entitled to a settlement payment.

YOUR ESTIMATED CLASS AND PAGA PAYMENTS
According to Defendant’s records, you worked a total of ____ Qualified Class Pay Periods during the Class Period and your estimated gross Individual Settlement is approximately \$____.
According to Defendant’s records, you worked a total of ____ Qualifying PAGA Pay Periods during the PAGA Period your estimated Individual PAGA Payment \$____.
Based on the above, your total estimated gross payment from the Settlement is approximately \$____.

On _____, 2023, the Honorable Sunil R. Kulkarni of the Santa Clara County Superior Court granted preliminary approval of this class action and PAGA settlement. **Unless you choose to opt out of the Class Settlement by following the procedures described below, you will be deemed a Class Member and, if the Court grants final approval of the settlement, you will be mailed a check for your share of the Net Settlement Amount.** The Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at _____.m. on _____, 2023 in Department 1 of the Santa Clara County Superior Court located at 191 North First Street, Santa Clara, California 95113.

The Final Approval Hearing may be rescheduled by the Court to another date and/or time. Please check with the Settlement Administrator or Class Counsel for any scheduling changes. Contact information is provided below. As discussed below, you may also review the Court’s online records at www.scefilings.org.

If you move, you must send the Settlement Administrator your new address; otherwise, you may not receive your settlement payment. It is your responsibility to keep a current address on file with the Settlement Administrator.

Summary of the Litigation

Plaintiffs Lillian Audycki, Tawnya Coogan, and Joseph Ferlatte, individually and on behalf of other current and former non-exempt employees, allege that Defendant violated California state labor laws as a result of its alleged failure to, among other things: (1) provide employees who were paid shift differentials with wage statements that accurately reported hours worked; (2) provide employees with all required meal and rest breaks; (3) properly calculate sick-pay for employees who were paid sick pay in the same workweek the employees were paid a shift differential; and (4) reimburse employees their business expenses.

On January 26, 2023, the parties participated in a mediation with Steven J. Rottman, Esq., a neutral, experienced, and well-respected class action mediator. After the exchange of relevant information and evidence, the parties agreed to enter into settlement negotiations in an attempt to informally resolve the claims in the case. With Mr. Rottman's guidance, the parties were able to negotiate a complete settlement of Plaintiffs' claims.

Counsel for Plaintiffs, and the attorneys appointed by the Court to represent the class, Keller Grover LLP, Diversity Law Group, Hyun Legal, APC, Law Offices of Choi & Associates, and Polaris Law Group (collectively, "Class Counsel"), have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. While Class Counsel believe that the claims alleged in this lawsuit have merit, Class Counsel also recognize that the risk and expense of continued litigation justify settlement. Based on the foregoing, Class Counsel believe the proposed settlement is fair, adequate, reasonable, and in the best interests of Class Members.

Defendant has denied, and continues to deny, the factual and legal allegations in the case, and believes that it has valid defenses to Plaintiffs' claims. By agreeing to settle, Defendant is not admitting liability on any of the factual or legal allegations or claims in the case or that the case can or should proceed as a class action. Defendant has agreed to settle the case as part of a compromise with Plaintiffs.

Summary of The Proposed Settlement Terms

Plaintiffs and Defendant have agreed to settle the underlying class claims in exchange for a Maximum Settlement Amount of \$15,000,000. This amount is inclusive of: (1) all Individual Settlement Payments; (2) Class Representative Incentive Awards/General Release Payments of \$20,000 each, to Lillian Audycki, Tawnya Coogan, and Joseph Ferlatte for their services on behalf of the Class, and for a release of all claims arising out of their employment with Defendant; (3) \$5,000,000 in attorneys' fees and actual litigation expenses estimated not to exceed \$150,000; (4) a \$500,000 settlement of claims under the Labor Code Private Attorneys General Act of 2004 ("PAGA"), inclusive of a \$375,000 payment to the California Labor and Workforce Development Agency ("LWDA") and a \$125,000 payment ("PAGA Payment") to all Aggrieved Employees; and (5) reasonable Settlement Administrator's fees and expenses currently estimated at \$64,500. After deducting the above payments, a total of approximately \$9,225,500 (the "Net Settlement Amount") will be allocated to Class Members who do not opt out of the Settlement. Additionally, all PAGA Members will receive a proportional share of the \$125,000 PAGA Payment, regardless whether they opt out of the Settlement Class. In addition, Defendant will pay its portion of the employer's payroll taxes in addition to the Maximum Settlement Amount.

Payments from Net Settlement Amount based on Qualified Class Pay Periods. "Qualified Class Pay Periods" means and includes any and all pay periods (as reflected in Defendant's records) during which (1) a Class Member was paid any shift differential wages reflected on wage statements through the Lawson payroll system during the Class Period; (2) a non-exempt non-union Class Member worked at least one shift of 3.5 hours or more for Defendant during the Class Period; and/or (3) a former non-exempt Class Member was paid non-discretionary incentive wages (including, but not limited to, shift differential wages) and sick pay in the same workweek from Defendant and whose employment ended, either voluntarily or involuntarily, at any time during the Class Period.

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

Defendant will calculate the total number of Qualified Class Pay Periods worked by each Class Member during the time period from and including May 1, 2018 through April 1, 2023 (the “Class Period”). To determine each Settlement Class Member’s estimated gross share of the Net Settlement Amount, the Settlement Administrator will use the following formula: Using the Class Data, the Settlement Administrator will calculate the total number of Qualified Class Pay Periods for all Settlement Class Members. The number of Qualified Class Pay Periods for each Settlement Class Member then will be divided by the total number of Qualified Class Pay Periods for all Settlement Class Members. The result of that division will be the “Payment Ratio” for each Settlement Class Member. Each Settlement Class Member’s Payment Ratio then will be multiplied by the Net Settlement Amount to calculate that Settlement Class Member’s share of the Net Settlement Amount, except that no gross Individual Settlement Payment will be less than \$25. Individual Settlement Payments will be reduced by any required deductions, including employee-side tax withholdings or deductions.

According to Defendant’s records, you worked a total of ____ Qualified Class Pay Periods during the Class Period and your estimated gross Individual Settlement is approximately \$____.

Payments from PAGA Payment. “Qualified PAGA Pay Periods” means and includes any and all pay periods (as reflected in Defendant’s records) during which (1) an Aggrieved Employee was paid any shift differential wages reflected on wage statements through the Lawson payroll system during the PAGA Period; (2) a non-exempt non-union Aggrieved Employee worked at least one shift of 3.5 hours or more for Defendant during the PAGA Period; and/or (3) a former non-exempt Aggrieved Employee was paid non-discretionary incentive wages (including, but not limited to, shift differential wages) and sick pay in the same workweek from Defendant and whose employment ended, either voluntarily or involuntarily, at any time during the PAGA Period. Defendant will calculate the total number of Qualified PAGA Pay Periods worked by each Aggrieved Employee during the time period from and including May 1, 2018 through April 1, 2023 (the “PAGA Period”) and the aggregate total number of Qualified PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period. To determine each Aggrieved Employee’s estimated PAGA Payment, the Settlement Administrator will use the following formula: Using the Aggrieved Employee Data, the Settlement Administrator will calculate the total number of Qualified PAGA Pay Periods for all Aggrieved Employees. The number of Qualified PAGA Pay Periods for each Aggrieved Employee then will be divided by the total number of Qualified PAGA Pay Periods for all Aggrieved Employees. The result of that division will be the Payment Ratio for each Aggrieved Employee. Each Aggrieved Employee’s Payment Ratio then will be multiplied by the \$125,000 portion of the PAGA Payment that is allocated for distribution to the Aggrieved Employees to calculate each Aggrieved Employee’s Individual PAGA Payment. A Request for Exclusion does not exclude an Aggrieved Employee from the release of claims under California Labor Code §§ 2698, *et seq.* and all Aggrieved Employees will receive their portion of the PAGA Amount even if he or she submits a valid Request for Exclusion.

According to Defendant’s records, you worked a total of ____ Qualifying PAGA Pay Periods during the PAGA Period your estimated Individual PAGA Payment \$____.

Your Total Estimated Gross Payment: Based on the above, your total estimated gross payment from the Settlement is approximately \$____. If you believe the pay period information provided above is incorrect, please contact the Settlement Administrator to dispute the calculation. You must attach all documentation in support of your dispute (such as check stubs). All disputes must be postmarked on or before [insert date of Response Deadline] and must be sent to:

Settlement Administrator
c/o Phoenix Settlement Administrators

If you dispute the information stated above, Defendant’s records will control unless you are able to provide documentation that establishes otherwise.

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

Timing of Payment. The Court will hold a Final Approval Hearing on _____, 2023 to decide whether to approve the Settlement. If the Court approves the Settlement, after that, there may be appeals. If there are appeals, it is uncertain whether they will be resolved and when. Resolving appeals can take time, often more than a year. You can check on the progress of the case by contacting the Settlement Administrator or as discussed below by visiting the Court's website, or going in person to the Clerk's office. *Please be patient.*

Taxes on Settlement Payments. Settlement Class Members' Individual Settlement Payments from the Net Settlement Amount will be allocated as 20% wages for which an IRS Form W-2 will be issued and 80% as non-wages for which an IRS Form 1099 will be issued (if required). Aggrieved Employees' Individual PAGA Payments from the PAGA Payment will be allocated as 100% non-wages for which an IRS Form 1099 will issue (if required). Class Members should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement.

Fee and Cost Award for Class Counsel. Class Counsel will request attorneys' fees in the amount of up to \$5,000,000, which represents one third of the Maximum Settlement Amount. Class Counsel will also request reimbursement of reasonable and actual litigation expenses incurred in prosecuting this Action, not to exceed \$150,000. The Court will not determine the amount of fees and costs until the Final Approval Hearing. If any portion of the amounts requested for attorneys' fees and costs are not awarded by the Court, that portion will be included in the Net Settlement Amount for distribution to Settlement Class Members. These attorneys' fees and costs shall compensate Class Counsel for the work they have performed and the expenses they have incurred in this Action. Class Members are not personally responsible for any of Class Counsel's attorneys' fees and costs.

Incentive Awards and General Release Payments to the Class Representatives. Class Counsel will also seek Incentive Awards of no more than \$20,000 for each of the Plaintiffs (Lillian Audycki, Tawnya Coogan, and Joseph Ferlatte) for acting as representative plaintiffs on behalf of the Class and signing a general release of all claims. These payments will be in addition to whatever payments each is otherwise entitled to as a Class Member. If approved by the Court, this amount will be paid from the Maximum Settlement Amount for their risk and service on behalf of the Class, which included, among other things, reviewing documents, providing written statements, participating in meetings with Class Counsel, and performing other services of that nature, as well as their general release of all claims against Defendant.

Your Options Under the Settlement

Option 1 – Automatically Receive a Payment from the Settlement

If you want to receive your payment from the Settlement, then no further action is required on your part. You will automatically be issued a payment of your share of the Settlement if and when the Settlement receives final approval by the Court.

If the Court grants final approval of the Settlement, you will be mailed a check for your share of the Net Settlement Amount and be deemed to have released or waived the Released Claims. If you are an Aggrieved Employee, your check will include your share of the PAGA Payment and you will be deemed to have released or waived the PAGA Released Claims:

Released Claims: All claims, charges, complaints, liens, demands, causes of action, obligations, damages and liabilities, known or suspected, that each Settlement Class Member or Aggrieved Employee had, now has, or may hereafter claim to have against the Released Parties, and that were asserted in the Action, or that arise from or could have been asserted based on any of the facts, circumstances, transactions, events, occurrences, acts, disclosures, statements, omissions or failures to act alleged in the Action that have arisen during the Class Period. The Released Claims specifically include, but are not limited to, violations of Labor Code §§ 201-203, 226, 226.7, 246, 512, 2802, and 2698 *et. seq.*; applicable IWC Wage Orders, including but not limited to Nos. 3-2001 and 5-2001; and Business & Professions Code § 17200, *et. seq.* This release shall not apply to claims for workers' compensation benefits, unemployment insurance benefits, pension or retirement benefits, or any other claim or right that as a matter of law cannot be waived or released. Further, with the exception of class and PAGA claims for (1) derivative waiting time penalties (Labor Code §§ 201-203) based on violations of Labor Code § 246, and (2) claims related to inaccurate

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

or non-compliant wage statements under Labor Code § 226, nothing in this Settlement affects *Andrew Veitch, et al. v. Stanford Health Care*, Santa Clara County Superior Court, Case No. 22CV395001.

Released PAGA Claims: All allegations and claims for PAGA civil penalties based on any and all underlying Labor Code violations alleged or referenced in the First Amended Complaint or in the notice letters sent to the LWDA regarding claims for PAGA civil penalties in this consolidated lawsuit or in any of the underlying lawsuits.

Option 2 – Opt Out of the Settlement

If you do not wish to participate in the Class Settlement, you may exclude yourself from participating by submitting a written request to the Settlement Administrator expressly and clearly indicating that you desire to be excluded from the Class Settlement. The written request for exclusion must include your name, signature, and a brief statement to the effect that you wish to opt out of the Settlement of the class action lawsuit entitled *Audycki v. Stanford Health Care*. Sign, date, and mail the request for exclusion by First Class U.S. Mail to the address below.

Settlement Administrator
c/o Phoenix Settlement Administrators

The Request for Exclusion must be postmarked no later than _____, 2023 [insert Response Deadline]. If you submit an untimely Request for Exclusion, your Request for Exclusion will be rejected, and you will be included in the Settlement Class.

If you choose **Option 2**, you will no longer be a Class Member, and you will:

- Not Receive an Individual Settlement Payment from the Net Settlement Amount.
- Not release the Released Claims.
- If you are an Aggrieved Employee, you will still release the Released PAGA Claims and receive an Individual PAGA Payment.

Option 3 – Object to the Settlement

You may object to the proposed Settlement in writing. You may also appear at the Final Approval Hearing at your expense, either in person, telephonically, or through an attorney, provided you notify the Court of your intention to do so. All written objections, supporting papers and/or notices of intent to appear at the Final Approval Hearing must (a) clearly identify the case name and number (*Audycki v. Stanford Health Care*, Case No. 19CV347173), (b) be submitted to the Court either by mailing the objection to: Clerk of the Court, Superior Court of California, County of Santa Clara, 191 N. 1st Street, San Jose, California 95113, or by filing in person at the same location; (c) also be mailed to the law firms identified in the “Additional Information” section below and Michael D. Bruno, Esq., Gordon Rees Scully Mansukhani LLP, 275 Battery Street, Suite 200, San Francisco, California 94111; and (d) be filed or postmarked on or before [insert Response Deadline].

All written objections must be mailed to the Settlement Administrator and postmarked no later than _____ 2023 [insert Response Deadline]. By submitting an objection, you are not excluding yourself from the Settlement. To exclude yourself from the Settlement, you must follow the directions described above. Please note that you cannot both object to the Settlement and exclude yourself. You must choose one option only. In the event that you submit both a Request for Exclusion and an Objection, the Request for Exclusion will be valid and Objection will be invalid.

You may also, if you wish, appear at the Final Approval Hearing set for _____, 2023 at _____ m. in Department 1 of the Santa Clara Superior Court, and discuss your objection with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the hearing.

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

The judge overseeing this case encourages remote appearances. (As of August 15, 2022, the Court's remote platform is Microsoft Teams.) Class members who wish to appear remotely should contact class counsel at least three days before the hearing if possible. Instructions for appearing remotely are provided at https://www.sccscourt.org/general_info/ra_teams/video_hearings_teams.shtml and should be reviewed in advance. Class members may appear remotely using the Microsoft Teams link for Department 1 (Afternoon Session) or by calling the toll free conference call number for Department 1. Any class member who wishes to appear in person should check in at Court Services (1st floor, Downtown Superior Courthouse, 191 N. 1st St., San Jose) and wait for a sheriff's deputy to escort him or her to the courtroom for the hearing.

If you choose **Option 3**, you will still be entitled to the money from the settlement. Whether or not the Court overrules your objection, you are deemed bound to the Settlement and to have released the Released Claims, and, if you are an Aggrieved Employee, the Released PAGA Claims.

Additional Information

This Notice summarizes the proposed Settlement. For the precise terms and conditions of the Settlement, please see the Settlement Agreement. You can get a copy of the Settlement Agreement and other case documents by calling 1-8xx-xxx-xxxx, or by writing to the Settlement Administrator at [insert address]. The pleadings and other records in this litigation, including the Settlement Agreement, may be examined (a) online on the Superior Court of California, County of Santa Clara's Electronic Filing and Service Website at www.sccfiling.org and typing in the case number 19CV347173, or (b) in person at Records, Superior Court of California, County of Santa Clara, 191 N. 1st Street, San Jose, California 95113, between the hours of 8:30 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays and closures.

Notice of Final Judgment. Should the Court granted final approval of this Settlement, a copy of the Final Order and Judgment will be available at [INSERT PHOENIX WEBSITE URL]

You also can contact Class Counsel:

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Robert Spencer, Esq.
Keller Grover LLP
1965 Market Street,
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Phone: (415) 543-1305

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William L. Marder, Esq.
Polaris Law Group
501 San Benito St. Suite 200
Hollister, CA 95023

PLEASE DO NOT CALL THE COURT, DEFENDANT, OR DEFENDANT'S COUNSEL WITH ANY QUESTIONS RELATED TO THE SETTLEMENT.

Questions? Contact the Settlement Administrator toll free at 1-*-***-******