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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO

ROBERTO HERRERA, an individual, for the
real party in interest, the State of California, and
on behalf of other current and former employees

Plaintiff,

vs.

SCRIPPS HEALTH; and DOES 1 through 50,

Defendants.

Case No.: 37-2020-00017515-CU-OE-CTL

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

1 **JOINT STIPULATION OF CLASS ACTION SETTLEMENT AND RELEASE**

2 This Joint Stipulation of Class Action Settlement and Release (“Settlement” or “Settlement
3 Agreement”) is made and entered into by and between Plaintiff Roberto Herrera (“Plaintiff” or “Class
4 Representative”), as an individual and on behalf of all others similarly situated, and Defendant Scripps
5 Health (“Defendant”) (collectively the “Parties”).

6 **DEFINITIONS**

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

9 1. “Action” means *Roberto Herrera et. al v. Scripps Health*, No. 37-2020-00017515-CU-
10 OE-CTL (San Diego County Superior Court).

11 2. “Attorneys’ Fees and Costs” means attorneys’ fees agreed upon by the Parties and
12 approved by the Court for Class Counsel’s litigation and resolution of the Action, and all out-of-pocket
13 costs incurred and to be incurred by Class Counsel in the Action, including but not limited to fees and
14 expenses of experts, investigation expenses, postage, telephone, and photocopying charges, costs
15 associated with documenting the Settlement, providing any notices required as part of the Settlement or
16 Court order, securing the Court’s approval of the Settlement, administering the Settlement, and obtaining
17 entry of a Judgment terminating the Action. Class Counsel will request attorneys’ fees not in excess of
18 one-third (1/3) of the Class Settlement Amount, or Five Hundred Thousand Dollars (\$500,000). The
19 Attorneys’ Fees and Costs will also mean and include the additional reimbursement of any costs and
20 expenses associated with Class Counsel’s litigation and settlement of the Action, up to Thirty Thousand
21 Dollars (\$30,000), subject to the Court’s approval. Defendant has agreed not to oppose Class Counsel’s
22 request for fees and reimbursement of costs as set forth above.

23 3. “Class Counsel” means Mashiri Law Firm, APC and The Jami Law Firm P.C.

24 4. “Class List” means a complete list of all Class Members that Defendant will diligently
25 and in good faith compile from its records and provide to the Settlement Administrator and to Class
26 Counsel within thirty (30) calendar days after Preliminary Approval of this Settlement. The Class List
27 will be formatted in Microsoft Office Excel or other acceptable format as requested by a third-party
28 administrator, and will include each Class Member’s full name; most recent mailing address and

1 telephone number; Social Security number; dates of employment; the respective number of Pay Periods
2 that each Class Member utilized Paid Time Off during the Class Period as a non-exempt employee; and
3 any other relevant information needed to calculate settlement payments.

4 5. "Class Member(s)" or "Settlement Class" means all persons who worked for Scripps
5 Health as a non-exempt, hourly employee in California and utilized paid time off pursuant to Scripps'
6 "Paid Time Off" or "Sick Pay for Employees Not Eligible for PTO" policies at any time between May
7 26, 2016 and the date of Preliminary Approval.

8 6. "Class Period" means the period from May 26, 2016 to the date of Preliminary
9 Approval.

10 7. "Class Representative Enhancement Payments" means the amounts to be paid to
11 Plaintiff in recognition of his effort and work in prosecuting the Action on behalf of Class Members, and
12 for his general release of claims. Subject to the Court granting final approval of this Settlement
13 Agreement and subject to the exhaustion of any and all appeals, Plaintiff will request Court approval of a
14 Class Representative Enhancement Payment of Fifteen Thousand Dollars (\$15,000).

15 8. "Class Settlement Amount" means the Class Settlement Amount of One Million Five
16 Hundred Thousand Dollars (\$1,500,000) to be paid by Defendant in full satisfaction of this agreement
17 and in exchange for all Released Claims arising from or reasonably related to the Action. The Class
18 Settlement Amount includes all Individual Settlement Payments, Attorneys' Fees and Costs, the Class
19 Representative Enhancement Payment, the Labor and Workforce Development Agency Payment, and
20 Settlement Administration Costs. This Class Settlement Amount has been agreed to by Plaintiff and
21 Defendant based on the aggregation of the agreed-upon settlement value of individual claims. In no
22 event will Defendant be liable for more than the Class Settlement Amount. There will be no reversion of
23 the Class Settlement Amount to Defendant. Defendant will be separately responsible for any employer
24 payroll taxes required by law, including the employer FICA, FUTA, and SDI contributions, which shall
25 not be paid from the Class Settlement Amount.

26 9. "Court" means the San Diego County Superior Court.

27 10. "Defendant" means Defendant Scripps Health.

28 11. "Effective Date" means the later of: (i) if no timely objections are filed, or are

1 withdrawn prior to Final Approval, then the date of Final Approval; or (ii) if a Class Member files an
2 objection to the Settlement, the Effective Date shall be the sixty-first (61) calendar day after the date of
3 Final Approval, provided no appeal is initiated by an objector; or (iii) if a timely appeal is initiated by an
4 objector, then the Effective Date will be the date of final resolution of that appeal (including any requests
5 for rehearing and/or petitions for certiorari), resulting in final judicial approval of the Settlement.

6 12. "Final Approval" means the date on which the Court enters an order granting final
7 approval of the Settlement Agreement.

8 13. "Individual Settlement Payment" means each Participating Class Member's respective
9 share of the Net Settlement Amount.

10 14. "Labor and Workforce Development Agency Payment" means the amount that the
11 Parties have agreed to pay to the Labor and Workforce Development Agency ("LWDA") in connection
12 with the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*, "PAGA").
13 The Parties have agreed that One Hundred Fifty Thousand Dollars (\$150,000) of the Class Settlement
14 Amount will be allocated to the resolution of Class Members' claims arising under PAGA. Pursuant to
15 PAGA, Seventy-Five Percent (75%), or One Hundred Twelve Thousand Five Hundred Dollars
16 (\$112,500), of the PAGA Settlement Amount will be paid to the California Labor and Workforce
17 Development Agency, and Twenty-Five Percent (25%), or Thirty Seven Thousand Five Hundred
18 Dollars (\$37,500), of the PAGA Settlement Amount will be included in the Net Settlement Amount.

19 15. "Net Settlement Amount" means the portion of the Class Settlement Amount remaining
20 after deducting the Attorneys' Fees and Costs, the Class Representative Enhancement Payment, the
21 Labor and Workforce Development Agency Payment, and Settlement Administration Costs. The Net
22 Settlement Amount will be distributed to Participating Class Members. There will be no reversion of the
23 Net Settlement Amount to Defendant.

24 16. "Notice of Objection" means a Class Member's valid and timely written objection to the
25 Settlement Agreement. For the Notice of Objection to be valid, it must include: (i) the objector's full
26 name, signature, address, and telephone number, (ii) a written statement of all grounds for the objection
27 accompanied by any legal support for such objection; (iii) copies of any papers, briefs, or other
28 documents upon which the objection is based; and (iv) a statement whether the objector intends to appear

1 at the final fairness hearing. Any Class Member who does not submit a timely written objection to the
2 Settlement, or who fails to appear at the final fairness hearing, will be foreclosed from objecting to the
3 Settlement and seeking any adjudication or review of the Settlement, by appeal or otherwise.

4 17. "Notice Packet" means the Notice of Class Action Settlement, substantially in the form
5 attached as **Exhibit A**.

6 18. "Paid Time Off" means paid time off from work for non-exempt employees pursuant to
7 Scripps' policies regarding "Paid Time Off" or "Sick Pay for Employees Not Eligible for PTO."

8 19. "Pay Period" means any two-week pay period in which a Class Member utilized Paid
9 Time Off during the Class Period. All Class Members who utilized Paid Time Off during the Class
10 Period will be credited with at least one Pay Period.

11 20. "Parties" means Plaintiff and Defendant collectively.

12 21. "Participating Class Members" means all Class Members who do not submit timely and
13 valid Requests for Exclusion.

14 22. "Plaintiff" means Plaintiff Roberto Herrera.

15 23. "Preliminary Approval" means the date on which the Court enters an order granting
16 preliminary approval of the Settlement Agreement.

17 24. "Released Claims" means any and all claims, rights, demands, liabilities, and causes of
18 action under state and federal law for unpaid wages, damages, penalties, interest, and attorneys' fees
19 arising from, or reasonably related to, the claims asserted in the Second Amended Complaint and
20 previously filed Complaints in this Action, during the Class Period, including without limitation: (i) all
21 claims for unpaid sick pay wages; (ii) all claims for wage statement violations; (iii) all claims for the
22 failure to timely pay wages during employment; (iv) all claims for the failure to timely pay wages upon
23 termination; and (v) related claims asserted under the California Business & Professions Code sections
24 17200, *et seq.*, and California Labor Code sections 2698, *et seq.*

25 25. "Released Parties" means Defendant, its past or present officers, directors, shareholders,
26 employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and
27 reinsurers, and its respective successors and predecessors in interest, subsidiaries, affiliates, related
28 entities, parents, and attorneys, if any.

1 26. “Request for Exclusion” means a timely letter submitted by a Class Member indicating a
2 request to be excluded from the Settlement. The Request for Exclusion must: (i) set forth the name,
3 address, telephone number and last four digits of the Social Security Number of the Class Member
4 requesting exclusion; (ii) be signed by the Class Member; (iii) be returned to the Settlement
5 Administrator; (iv) clearly state that the Class Member does not wish to be included in the Settlement;
6 and (v) be faxed or postmarked on or before the Response Deadline.

7 27. “Response Deadline” means the deadline by which Class Members must postmark or
8 fax to the Settlement Administrator Requests for Exclusion, or postmark Notices of Objection to the
9 Settlement Administrator. The Response Deadline will be thirty (30) calendar days from the initial
10 mailing of the Notice Packet by the Settlement Administrator, unless the thirtieth (30th) calendar day
11 falls on a Sunday or State holiday, in which case the Response Deadline will be extended to the next day
12 on which the U.S. Postal Service is open.

13 28. “Settlement Administration Costs” means the costs payable from the Class Settlement
14 Amount to the Settlement Administrator for administering this Settlement, including, but not limited to,
15 printing, distributing, and tracking documents for this Settlement, tax reporting, distributing the Class
16 Settlement Amount, and providing necessary reports and declarations, as requested by the Parties. The
17 Settlement Administration Costs will be paid from the Class Settlement Amount, including, if necessary,
18 any such costs in excess of the amount represented by the Settlement Administrator as being the
19 maximum costs necessary to administer the Settlement. Based on an estimated Settlement Class of
20 Twenty-Six Thousand (26,000) Class Members, the Settlement Administration Costs are currently
21 estimated to be Ninety Four Thousand Seven Hundred Fifty Dollars (\$94,750).

22 29. “Settlement Administrator” means Phoenix Class Action Administration Solutions or
23 any other third-party class action settlement administrator agreed to by the Parties and approved by the
24 Court for the purposes of administering this Settlement. The Parties each represent that they do not have
25 any financial interest in the Settlement Administrator or otherwise have a relationship with the
26 Settlement Administrator that could create a conflict of interest.

27 **TERMS OF AGREEMENT**

28 The Plaintiff, on behalf of himself and the Settlement Class, and Defendant agree as follows:

1 30. Funding of the Class Settlement Amount. Defendant will make a one-time deposit of the
2 Class Settlement Amount of One Million Five Hundred Thousand Dollars (\$1,500,000) into a Qualified
3 Settlement Account to be established by the Settlement Administrator. Defendant will pay the
4 employer's share of payroll taxes separately. After the Effective Date, the Class Settlement Amount will
5 be used for: (i) Individual Settlement Payments; (ii) the Labor and Workforce Development Agency
6 Payment; (iii) the Class Representative Enhancement Payment; (iv) Attorneys' Fees and Costs; and (v)
7 Settlement Administration Costs. Defendant will deposit the Class Settlement Amount and the
8 employer's share of payroll taxes within thirty (30) calendar days after the Effective Date ("Funding
9 Date").

10 31. Attorneys' Fees and Costs. Defendant agrees not to oppose or impede any application or
11 motion by Class Counsel for Attorneys' Fees and Costs of not more than Five Hundred Thousand
12 Dollars (\$500,000), plus the reimbursement of all out-of-pocket costs and expenses associated with Class
13 Counsel's litigation and settlement of the Action (including expert fees, investigations expenses,
14 photocopying, etc.), not to exceed Thirty Thousand Dollars (\$30,000), both of which will be paid from
15 the Class Settlement Amount.

16 32. Class Representative Enhancement Payment. In exchange for general releases, and in
17 recognition of their effort and work in prosecuting the Action on behalf of Class Members, Defendant
18 agrees not to oppose or impede any application or motion for a Class Representative Enhancement
19 Payment of Fifteen Thousand Dollars (\$15,000) to Plaintiff. The Class Representative Enhancement
20 Payment will be paid from the Class Settlement Amount and will be in addition to Plaintiff's Individual
21 Settlement Payment paid pursuant to the Settlement. Plaintiff will be solely and legally responsible to
22 pay any and all applicable taxes on the Class Representative Enhancement Payment.

23 33. Settlement Administration Costs. The Settlement Administrator will be paid for the
24 reasonable costs of administration of the Settlement and distribution of payments from the Class
25 Settlement Amount, which is currently estimated to be Ninety Four Thousand Seven Hundred Fifty
26 Dollars (\$94,750). These costs, which will be paid from the Class Settlement Amount, will include, *inter*
27 *alia*, the required tax reporting on the Individual Settlement Payments, the issuing of 1099 and W-2 IRS
28 Forms, distributing Notice Packets, calculating and distributing the Class Settlement Amount, and

1 providing necessary reports and declarations.

2 34. Labor and Workforce Development Agency Payment. Subject to Court approval, the
3 Parties agree that the amount of One Hundred Fifty Thousand Dollars (\$150,000) from the Class
4 Settlement Amount will be designated for satisfaction of Plaintiff's and Class Members' PAGA claims.
5 Pursuant to PAGA, Seventy-Five Percent (75%), or One Hundred Twelve Thousand Five Hundred
6 Dollars (\$112,500), of this sum will be paid to the LWDA and Twenty-Five Percent (25%), or Thirty
7 Seven Thousand Seven Hundred Dollars (\$37,500), will become part of the Net Settlement Amount.

8 35. Net Settlement Amount. The entire Net Settlement Amount will be distributed to
9 Participating Class Members. No portion of the Net Settlement Amount will revert to or be retained by
10 Defendant.

11 36. Individual Settlement Payment Calculations. Individual Settlement Payments will be
12 calculated and apportioned from the Net Settlement Amount based on the number of Pay Periods during
13 which a Class Member utilized Paid Time Off during the Class Period. Specific calculations of
14 Individual Settlement Payments will be made as follows:

15 36(a) The Claims Administrator will calculate the total number of non-exempt
16 Pay Periods in which each Class Member utilized Paid Time Off during the
17 Class Period and the aggregate total number of non-exempt Pay Periods in
18 which Class Members utilized Paid Time Off during the Class Period.

19 36(b) To determine each Class Member's estimated "Individual Settlement
20 Payment," the Settlement Administrator will use the following formula:
21 The Net Settlement Amount will be divided by the aggregate total number
22 of Pay Periods in which all Class Members utilized Paid Time Off, resulting
23 in the "Pay Period Value." Each Class Member's "Individual Settlement
24 Payment" will be calculated by multiplying each individual Class Member's
25 total number of Pay Periods by the Pay Period Value.

26 36(c) The Individual Settlement Payment will be reduced by any required
27 deductions for each Participating Class Member as specifically set forth
28 herein, including employee-side tax withholdings or deductions.

1 36(d) The entire Net Settlement Amount will be disbursed to all Class Members
2 who do not submit timely and valid Requests for Exclusion. If there are any
3 valid and timely Requests for Exclusion, the Settlement Administrator shall
4 proportionately increase the Individual Settlement Payment for each
5 Participating Class Member according to the number of Workweeks
6 worked, so that the amount actually distributed to the Settlement Class
7 equals 100% of the Net Settlement Amount.

8 37. No Credit Toward Benefit Plans. The Individual Settlement Payments made to
9 Participating Class Members under this Settlement, as well as any other payments made pursuant to this
10 Settlement, will not be utilized to calculate any additional benefits under any benefit plans to which any
11 Class Members may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k)
12 plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan.
13 Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions,
14 or amounts to which any Class Members may be entitled under any benefit plans.

15 38. Administration Process. The Parties agree to cooperate in the administration of the
16 settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in
17 administration of the Settlement.

18 39. Delivery of the Class List. Within thirty (30) calendar days of Preliminary Approval,
19 Defendant will provide the Class List to the Settlement Administrator and to Class Counsel.

20 40. Notice by First-Class U.S. Mail. Within ten (10) calendar days after receiving the Class
21 List from Defendant, the Settlement Administrator will mail a Notice Packet to all Class Members via
22 regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class
23 List.

24 41. Confirmation of Contact Information in the Class Lists. Prior to mailing, the Settlement
25 Administrator will perform a search based on the National Change of Address Database for information
26 to update and correct for any known or identifiable address changes. Any Notice Packets returned to the
27 Settlement Administrator as non-deliverable on or before the Response Deadline will be sent promptly
28 via regular First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement

1 Administrator will indicate the date of such re-mailing on the Notice Packet. If no forwarding address is
2 provided, the Settlement Administrator will promptly attempt to determine the correct address using a
3 skip-trace, or other search using the name, address and/or Social Security number of the Class Member
4 involved, and will then perform a single re-mailing. Those Class Members who receive a re-mailed
5 Notice Packet, whether by skip-trace or by request, will have either (i) an additional fifteen (15) calendar
6 days or (ii) until the Response Deadline, whichever is later, to submit a Request for Exclusion or an
7 objection to the Settlement.

8 42. Notice Packets. All Class Members will be mailed a Notice Packet. Each Notice Packet
9 will provide: (i) information regarding the nature of the Action; (ii) a summary of the Settlement's
10 principal terms; (iii) the Settlement Class definition; (iv) the total number of Pay Periods in which each
11 respective Class Member utilized Paid Time Off during the Class Period; (v) each Class Member's
12 estimated Individual Settlement Payment and the formula for calculating Individual Settlement
13 Payments; (vi) the dates which comprise the Class Period; (vii) instructions on how to submit Requests
14 for Exclusion or Notices of Objection; (viii) the deadlines by which the Class Member must postmark or
15 fax Request for Exclusions, or postmark Notices of Objection to the Settlement; and (ix) the claims to be
16 released.

17 43. Disputed Information on Notice Packets. Class Members will have an opportunity to
18 dispute the information provided in their Notice Packets. To the extent Class Members dispute their
19 employment dates or the number of Pay Periods on record, Class Members may produce evidence to the
20 Settlement Administrator showing that such information is inaccurate. The Settlement Administrator will
21 decide the dispute. Defendant's records will be presumed correct, but the Settlement Administrator will
22 evaluate the evidence submitted by the Class Member and will make the final decision as to the merits of
23 the dispute. All disputes will be decided within ten (10) business days of the Response Deadline.

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

1 until (i) the Response Deadline or (ii) fifteen (15) calendar days from the date of the cure letter,
2 whichever date is later, to postmark or fax a revised Request for Exclusion. If the revised Request for
3 Exclusion is not postmarked or received by fax within that period, it will be deemed untimely.

4 45. Request for Exclusion Procedures. Any Class Member wishing to opt-out from the
5 Settlement Agreement must sign and fax or postmark a written Request for Exclusion to the Settlement
6 Administrator within the Response Deadline. In the case of Requests for Exclusion that are mailed to the
7 Settlement Administrator, the postmark date will be the exclusive means to determine whether a Request
8 for Exclusion has been timely submitted. A Request for Exclusion that is not received by the Settlement
9 Administrator will be deemed ineffective unless the Class Member submits documentary evidence
10 conclusively demonstrating that they took all necessary steps to comply with the opt-out procedures
11 herein and that the Settlement Administrator's failure to receive their Request for Exclusion was due to
12 forces outside of their control.

13 46. Right to Rescission: Notwithstanding any other provision of this Agreement, Defendant
14 shall retain the right, in the exercise of its sole discretion, to nullify the settlement within fifteen (15) days
15 of expiration of the opt-out deadline, if more than 5% of the Class Members opt out of the settlement by
16 timely submitting Request for Exclusion forms. In the event of such a rescission, Defendant will be
17 responsible for all Administration Costs incurred to the date of rescission, and no party may use the fact
18 that the Parties agreed to settle this case as evidence of Defendant's liability in this lawsuit or the lack
19 thereof. All signatories and their counsel agree not to encourage opt-outs. Defendant, Class Counsel and
20 Class Representatives each specifically agree not to solicit opt-outs, directly or indirectly, through any
21 means. In order to exercise its rights under this paragraph, Defendant must give written notice to Class
22 Counsel and to the Court no later than fifteen (15) days after the deadline for Class Members to submit
23 Request for Exclusion forms to the Claims Administrator.

24 47. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class Member
25 who does not affirmatively opt-out of the Settlement Agreement by submitting a timely and valid
26 Request for Exclusion will be bound by all of its terms, including those pertaining to the Released
27 Claims, as well as any Judgment that may be entered by the Court if it grants final approval to the
28 Settlement.

1 48. Releases by Participating Class Members. Upon the Effective Date, and except as to
2 such rights or claims as may be created by this Settlement Agreement, each Participating Class Member,
3 together and individually, on their behalf and on behalf of their respective spouses, heirs, executors,
4 administrators, agents, and attorneys, shall fully and forever release and discharge all of the Released
5 Parties, or any of them, from each of the Released Claims during the Class Period.

6 49. Objection Procedures. To object to the Settlement Agreement, a Class Member must
7 postmark a valid Notice of Objection to the Settlement Administrator on or before the Response
8 Deadline. The Notice of Objection must be signed by the Class Member and contain all information
9 required by this Settlement Agreement. The postmark will be deemed the exclusive means for
10 determining that the Notice of Objection is timely. Class Members who both fail to timely object in the
11 manner specified above or who fail to appear at the Final Approval Hearing so that their objections may
12 be heard by the Court will be deemed to have waived all objections to the Settlement and will be
13 foreclosed from making any objections, whether by appeal or otherwise, to the Settlement Agreement.
14 At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members
15 to submit written objections to the Settlement Agreement or appeal from the Order and Judgment. Class
16 Counsel will not represent any Class Members with respect to any such objections to this Settlement.

17 50. Certification Reports Regarding Individual Settlement Payment Calculations. The
18 Settlement Administrator will provide Defendant's counsel and Class Counsel a weekly report that
19 certifies the number of Class Members who have submitted valid Requests for Exclusion, objections to
20 the Settlement, and whether any Class Member has submitted a challenge to any information contained
21 in their Notice Packet. Additionally, the Settlement Administrator will provide to counsel for both Parties
22 any updated reports regarding the administration of the Settlement Agreement as needed or requested.

23 51. Distribution Timing of Individual Settlement Payments. Within fourteen (14) calendar
24 days after the Funding Date, the Settlement Administrator will issue payments to: (i) Participating Class
25 Members; (ii) the Labor and Workforce Development Agency; (iii) Plaintiff; and (iv) Class Counsel.
26 The Settlement Administrator will also issue a payment to itself for Court-approved services performed
27 in connection with the Settlement.

28 52. Un-cashed Settlement Checks. Funds represented by Individual Settlement Payment

1 checks returned as undeliverable and Individual Settlement Payment checks remaining un-cashed for
2 more than one hundred and twenty (120) calendar days after issuance will be tendered to the State
3 Controller's Office, Unclaimed Property Division.

4 53. Certification of Completion. Upon completion of administration of the Settlement, the
5 Settlement Administrator will provide a written declaration under oath to certify such completion to the
6 Court and counsel for all Parties.

7 54. Treatment of Individual Settlement Payments. All Individual Settlement Payments will
8 be allocated as follows: (i) Twenty-Five Percent (25%) of each Individual Settlement Payment will be
9 allocated as wages for which IRS Forms W-2 will be issued; and (ii) Seventy-Five (75%) will be
10 allocated as non-wages for which IRS Forms 1099-MISC will be issued.

11 55. Administration of Taxes by the Settlement Administrator. The Settlement Administrator
12 will be responsible for issuing to Plaintiff, Participating Class Members, and Class Counsel any W-2,
13 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement. The
14 Settlement Administrator will also be responsible for forwarding all payroll taxes and penalties to the
15 appropriate government authorities.

16 56. Tax Liability. Defendant makes no representation as to the tax treatment or legal effect
17 of the payments called for hereunder, and Plaintiff and Participating Class Members are not relying on
18 any statement, representation, or calculation by Defendant or by the Settlement Administrator in this
19 regard.

20 57. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES
21 OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS
22 AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY")
23 ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND
24 NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES
25 OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR
26 WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED
27 OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES
28 TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE

1 ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS
2 OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX
3 ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS
4 AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY
5 ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY
6 UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO
7 ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
8 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
9 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF
10 ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER
11 SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
12 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
13 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
14 AGREEMENT.

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

19 59. Nullification of Settlement Agreement. In the event that: (i) the Court does not finally
20 approve the Settlement as provided herein; or (ii) the Settlement does not become final for any other
21 reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null
22 and void. Any order or judgment entered by the Court in furtherance of this Settlement Agreement will
23 likewise be treated as void from the beginning.

24 60. Preliminary Approval Hearing. Plaintiff will obtain a hearing before the Court to request
25 the Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary Approval Order
26 for: (i) conditional certification of the Settlement Class for settlement purposes only, (ii) preliminary
27 approval of the proposed Settlement Agreement, (iii) setting a date for a final fairness hearing. The
28 Preliminary Approval Order will provide for the Notice Packet to be sent to all Class Members as

1 specified herein. In conjunction with the Preliminary Approval hearing, Plaintiff will submit this
2 Settlement Agreement, which sets forth the terms of this Settlement, and will include the proposed
3 Notice of Class Action Settlement, **attached as Exhibit A**. Class Counsel will be responsible for
4 drafting all documents necessary to obtain preliminary approval.

5 61. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the
6 deadlines to postmark Requests for Exclusion or objections to the Settlement Agreement, and with the
7 Court's permission, a final fairness hearing will be conducted to determine the Final Approval of the
8 Settlement Agreement along with the amounts properly payable for: (i) Attorneys' Fees and Costs; (ii)
9 the Class Representative Enhancement Payment; (iii) Individual Settlement Payments; (iv) the Labor
10 and Workforce Development Agency Payment; (v) all Settlement Administration Costs. The final
11 fairness hearing will not be held earlier than thirty (30) calendar days after the Response Deadline. Class
12 Counsel will be responsible for drafting all documents necessary to obtain final approval. Class Counsel
13 will also be responsible for drafting the attorneys' fees and costs application to be heard at the final
14 approval hearing.

15 62. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by the
16 Court or after the final fairness hearing, the Parties will present the Judgment to the Court for its
17 approval. After entry of the Judgment, the Court will have continuing jurisdiction solely for purposes of
18 addressing: (i) the interpretation and enforcement of the terms of the Settlement, (ii) Settlement
19 administration matters, and (iii) such post-Judgment matters as may be appropriate under court rules or
20 as set forth in this Settlement Agreement.

21 63. Release by Plaintiff. Upon the Effective Date, in addition to the claims being released by
22 all Participating Class Members, Plaintiff will release and forever discharge the Released Parties, to the
23 fullest extent permitted by law, of and from any and all claims, known and unknown, asserted and not
24 asserted, which Plaintiff has or may have against the Released Parties as of the date of execution of this
25 Settlement Agreement. To the extent the foregoing release is a release to which Section 1542 of the
26 California Civil Code or similar provisions of other applicable law may apply, Plaintiff expressly waives
27 any and all rights and benefits conferred upon them by the provisions of Section 1542 of the California
28 Civil Code or similar provisions of applicable law which are as follows:

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

7 64. Exhibits Incorporated by Reference. The terms of this Settlement Agreement include the
8 terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth
9 herein. Any Exhibits to this Settlement Agreement are an integral part of the Settlement.

10 65. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the
11 entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements
12 may be deemed binding on the Parties. The Parties expressly recognize California Civil Code Section
13 1625 and California Code of Civil Procedure Section 1856(a), which provide that a written agreement is
14 to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and
15 the Parties agree that no such extrinsic oral or written representations or terms will modify, vary, or
16 contradict the terms of this Settlement Agreement.

17 66. Amendment or Modification. No amendment, change, or modification to this Settlement
18 Agreement will be valid unless in writing and signed, either by the Parties or their counsel.

19 67. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
20 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
21 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
22 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
23 effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each
24 other and use their best efforts to effectuate the implementation of the Settlement. If the Parties are
25 unable to reach agreement on the form or content of any document needed to implement the Settlement,
26 or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement,
27 the Parties may seek the assistance of the Court to resolve such disagreement.

28 68. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,

1 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

2 69. California Law Governs. All terms of this Settlement Agreement and Exhibits hereto
3 will be governed by and interpreted according to the laws of the State of California.

4 70. Execution and Counterparts. This Settlement Agreement is subject only to the execution
5 of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All
6 executed counterparts and each of them, including electronic (e.g., DocuSign), facsimile, and scanned
7 copies of the signature page, will be deemed to be one and the same instrument.

8 71. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
9 Settlement Agreement is a fair, adequate and reasonable settlement of the Action and have arrived at this
10 Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account
11 all relevant factors, present and potential. The Parties further acknowledge that they are each represented
12 by competent counsel and that they have had an opportunity to consult with their counsel regarding the
13 fairness and reasonableness of this Settlement.

14 72. Invalidity of Any Provision. Before declaring any provision of this Settlement
15 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
16 possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement
17 valid and enforceable.

18 73. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class
19 certification for purposes of this Settlement only; except, however, that Plaintiff or Class Counsel may
20 appeal any reduction to the Attorneys' Fees and Costs below the amount they request from the Court,
21 and either party may appeal any court order that materially alters the Settlement Agreement's terms.

22 74. Class Action Certification for Settlement Purposes Only. The Parties agree to stipulate to
23 class action certification for purposes of the Settlement only. If, for any reason, the Settlement is not
24 approved, the stipulation to certification will be void. The Parties further agree that certification for
25 purposes of the Settlement is not an admission that class action certification is proper under the standards
26 applied to contested certification motions and that this Settlement Agreement will not be admissible in
27 this or any other proceeding as evidence that either (i) a class action should be certified or (ii) Defendant
28 is liable to Plaintiff or any Class Member, other than according to the Settlement's terms.

1 75. Non-Admission of Liability. The Parties enter into this Settlement to resolve the dispute
2 that has arisen between them and to avoid the burden, expense and risk of continued litigation. In
3 entering into this Settlement, Defendant does not admit, and specifically denies, that it violated any
4 federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or
5 any other applicable laws, regulations or legal requirements; breached any contract; violated or breached
6 any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with
7 respect to its employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any
8 of the negotiations connected with it, will be construed as an admission or concession by Defendant of
9 any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to
10 enforce the terms of this Settlement, this Settlement Agreement and its terms and provisions will not be
11 offered or received as evidence in any action or proceeding to establish any liability or admission on the
12 part of Defendant or to establish the existence of any condition constituting a violation of, or a non-
13 compliance with, federal, state, local or other applicable law.

14 76. No Public Comment: The Parties and their counsel agree that they will not issue any
15 press releases, initiate any contact with the press, respond to any press inquiry, or have any
16 communication with the press about the fact, amount, or terms of the Settlement.

17 77. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement
18 or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or
19 constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

20 78. Enforcement Actions. In the event that one or more of the Parties institutes any legal
21 action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement
22 or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be
23 entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including
24 expert witness fees incurred in connection with any enforcement actions.

25 79. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
26 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed
27 more strictly against one party than another merely by virtue of the fact that it may have been prepared
28 by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations

1 between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

2 80. Representation By Counsel. The Parties acknowledge that they have been represented
3 by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and
4 that this Settlement Agreement has been executed with the consent and advice of counsel. Further,
5 Plaintiff and Class Counsel warrant and represent that there are no liens on the Settlement Agreement.

6 81. All Terms Subject to Final Court Approval. All amounts and procedures described in
7 this Settlement Agreement herein will be subject to final Court approval.

8 82. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good
9 faith and execute all documents to the extent reasonably necessary to effectuate the terms of this
10 Settlement Agreement.

11 83. Binding Agreement. The Parties warrant that they understand and have full authority to
12 enter into this Settlement Agreement, and further intend that this Settlement Agreement will be fully
13 enforceable and binding on all parties, and agree that it will be admissible and subject to disclosure in
14 any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that
15 otherwise might apply under federal or state law.

16
17 **READ CAREFULLY BEFORE SIGNING**

18
19 **PLAINTIFF**

20 Dated: 04/13/2022

Roberto Herrera
21 Roberto Herrera

22 **DEFENDANT SCRIPPS HEALTH**

23 Dated: 04 / 19 / 2022

Chris D. Van Gorder
24 Chris Van Gorder
25 President and CEO
26
27
28

APPROVED AS TO FORM

MASHIRI LAW FIRM

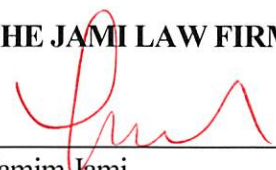
Dated: April 13, 2022

By: 

Alex Asil Mashiri
Attorney for Plaintiff Roberto Herrera

THE JAMI LAW FIRM P.C.

Dated: April 13, 2022

By: 

Tamim Jami
Attorney for Plaintiff Roberto Herrera

AMES KARANJIA LLP

Dated: 04 / 19 / 2022

By: 

Jeffrey P. Ames
Attorneys for Defendant Scripps Health

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SIGNED

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The document has been completed.