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9

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA

11 IN AND FOR THE COUNTY OF STANISLAUS
12

13 SHERRYANNE PRICE, TINA BRIA,
MONIQUE RODRIGUEZ, and
14 KRISTEENA TINNIN, on behalf of
themselves and all others similarly situated
15 and as proxies for the State of California,

16 Plaintiffs,

17 vs.

18 SUTTER VALLEY MEDICAL
FOUNDATION, a California corporation,
19 and DOES 1 through 50, inclusive,

20 Defendants.
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Case No. CV-19-001331 (consolidated with
CV-20-002132 and E.D.Cal. 20-cv-00482)

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

Judge: Hon. John R. Mayne
Dept.: 21

Complaint Filed: March 5, 2019

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1. This Joint Stipulation of Class Action and PAGA Settlement and Release (“**Agreement**” or “**Stipulation**”) is made by and between Plaintiffs Sherryanne Price, Tina Bria, Monique Rodriguez, and Kristeena Tinnin (“**Plaintiffs**”), on behalf of themselves and all others similarly situated and the general public, on behalf of themselves and all members of the Settlement Class, as defined below, and as proxy for the State of California, on the one hand, and Defendant Sutter Valley Medical Foundation (“**Defendant**”), on the other hand (collectively, “**the Parties**”), in the above-captioned matter.

DEFINITIONS

2. In addition to the terms defined above, the terms below shall have the following meanings:

A. **“Actions”** means Plaintiffs’ lawsuits captioned *Sherryanne Price and Tina Bria, on behalf of themselves and all others similarly situated, Plaintiffs, v. Sutter Valley Medical Foundation, a California corporation, and DOES 1 through 50, inclusive, Defendants*, originally filed on March 5, 2019, in the Superior Court for the County of Stanislaus, Case No. CV-19-001331 (“the *Price Action*”); *Monique Rodriguez, on behalf of herself and others similarly situated and aggrieved, Plaintiff, v. Sutter Valley Medical Foundation, a California Corporation; Sutter Gould Medical Foundation, a California corporation; and DOES 1 to 100, inclusive, Defendants*, originally filed on April 17, 2020, in the Superior Court for the County of Stanislaus, Case No. CV-20-002132, (“the *Rodriguez Action*”); and *Kristeena Tinnin v. Sutter Valley Medical Foundation, and DOES 1 through 20, inclusive, Defendants*, originally filed on April 2, 2020 in the Eastern District of California, Case No. 1:20-cv-00482 (“the *Tinnin Action*”).

B. **“Class” or “Settlement Class”** means all current and former non-exempt employees employed by Defendant and/or its predecessors from March 5, 2015 through April 2, 2023 (“the Class Period”).

C. **“Class Counsel”** means James R. Hawkins, Isandra Fernandez, Kacey E. Cook, and Lance Dacre of James Hawkins APLC; Zachary M. Crosner and Jamie Serb of Crosner Legal, P.C.; and Stan Mallison, Hector R. Martinez and Daniel C. Keller of Mallison & Martinez. The term “Class Counsel” shall be used synonymously with the term “Plaintiffs’ Counsel.”

1 D. **“Class Counsel Fees” and “Class Counsel Costs”** means the amount to be paid
2 to Class Counsel for fees and expenses, respectively, as approved by the Court, to compensate
3 Class Counsel for their legal work in connection with the Actions, and related litigation expenses
4 billed in connection with the Actions. t.

5 E. **“Class Data”** means information regarding Class Members that Defendant shall
6 compile from its records, as authorized by the Court, and transmit securely to the Settlement
7 Administrator, including each Class Member’s name, last known mailing address; Social Security
8 number; last known telephone number; dates of employment, and other information necessary for
9 the Settlement Administrator to calculate the number of Compensable Workweeks worked during
10 the Class and PAGA Periods.

11 F. **“Class Member” or “Settlement Class Member”** means a member of the Class,
12 as either a Participating Class Member or Non-Participating Class Member (including a Non-
13 Participating Class Member who qualifies as a PAGA-Eligible Employee.)

14 G. **“Class Members’ Released Claims”** means the claims being released by the
15 Participating Class Members, as described in Paragraph 24 below.

16 H. **“Class Notice”** means the Court-Approved Notice of Pendency of Class Action
17 Settlement and Final Hearing, to be mailed to Class Members in the form, without material
18 variation, attached as Exhibit A and incorporated by reference into this Agreement.

19 I. **“Class Period”** means the period from March 5, 2015 through April 2, 2023.

20 J. **“Class Period End Date”** means April 2, 2023.

21 K. **“Class Representatives”** means Sherryanne Price, Tina Bria, Monique Rodriguez
22 and Kristeena Tinnin, the named Plaintiffs in the operative complaints in the Actions, who are
23 seeking Court approval to serve as the Class Representatives.

24 L. **“Class Representatives’ Service Award”** means the amount to be paid to the
25 Class Representatives for initiating the Actions and providing services in support of the Actions,
26 as approved by the Court.

27 M. **“Compensable Workweeks”** means the number of calendar weeks that the Class
28 Member was employed by Defendant as a non-exempt employee in California during the Class

1 Period, including the PAGA Period.

2 N. **“Court”** means the Stanislaus County Superior Court presiding over the
3 settlement approval process.

4 O. **“Defense Counsel”** means Thomas E. Geidt, Teresa W. Ghali and Amanda M.
5 Osowski of GBG LLP.

6 P. **“Effective Date”** is the date on which the Settlement becomes “Final,” which
7 means the latest date on which the following events have occurred: (i) the Superior Court has
8 granted Final Approval and entered its Final Judgment approving the Settlement, without material
9 modification, if there are no objections to the Settlement or if any and all objections have been
10 formally withdrawn by the time of the Final Approval order; or (ii) if there are any objections, the
11 day after the deadline for filing a notice of appeal from the Final Judgment has passed without a
12 timely appeal having been filed; or (iii) if a timely appeal from the Final Judgment is filed, the
13 day after the appellate court affirms the Judgment and issues a remittitur.

14 Q. **“Final Approval”** means the Court’s order granting final approval of the
15 Settlement. “Final Approval Hearing” means the Court’s hearing on the motion for Final
16 Approval of the Settlement.

17 R. **“Final Judgment”** means the Judgment entered by the Court upon granting Final
18 Approval of the Settlement.

19 S. **“Individual Class Payment”** means the Participating Class Member’s pro rata
20 share of the Net Settlement Amount calculated according to the number of Compensable
21 Workweeks worked during the Class Period, as explained below in Paragraph 20.

22 T. **“Individual PAGA Payment”** means the pro rata share of 25% of the PAGA
23 Payment, calculated according to the number of Compensable Workweeks worked during the
24 PAGA Period by the Class Members, whether or not they requested to be excluded from the
25 Settlement, as explained below in Paragraph 21.

26 U. **“LWDA”** means the California Labor and Workforce Development Agency.

27 V. **“LWDA PAGA Payment”** means the 75% share of the PAGA Payment paid to
28 the LWDA under Labor Code section 2699(i).

1 W. **“Maximum Settlement Amount”** means Eight Million Dollars (\$8,000,000.00),
2 which is the total amount Defendant shall have to pay under the Settlement, except as provided in
3 Paragraph 23 below, regarding employer payroll taxes on the wage payments being made under
4 the Settlement, and potentially as provided in Paragraph 40 below regarding an increase in the
5 workweek amount. The Maximum Settlement Amount will be used to pay Individual Class
6 Payments, Individual PAGA Payments, the LWDA PAGA Payment, the Class Counsel Award
7 for fees and costs, the Class Representatives’ Service Awards, and the Settlement Administration
8 Costs. This excludes the employer’s contribution of payroll taxes due on the settlement payments
9 apportioned as wages, which Defendant will pay outside of the Maximum Settlement Amount.

10 X. **“Net Settlement Amount”** means the Maximum Settlement Amount, less the
11 Class Counsel Award, the Class Representatives’ Service Award, the PAGA Payment, and the
12 Settlement Administration Costs.

13 Y. **“Non-Participating Class Member”** means any Class Member who opts out of
14 the Settlement by sending the Settlement Administrator a valid and timely Request for Exclusion.

15 Z. **“Objection”** means a Class Member’s valid and timely submission of a written
16 objection to the Settlement to the Settlement Administrator within the Response Deadline,
17 provided that the Class Member did not submit a Request for Exclusion.

18 AA. **“PAGA”** means the California Private Attorneys General Act (Labor Code §§
19 2698. *et seq.*).

20 BB. **“PAGA-Eligible Employees”** means current and former non-exempt employees
21 who were employed by Defendant in non-exempt positions during the PAGA Period defined in
22 Paragraph DD below.

23 CC. **“PAGA Payment”** means One Hundred Thousand Dollars (\$100,000.00), which
24 is the total amount of PAGA civil penalties to be paid from the Maximum Settlement Amount,
25 subject to the Court’s approval, in settlement of the PAGA claims in this Action. Of this amount,
26 75% (\$75,000.00) will be paid to the LWDA and 25% (\$25,000.00) will be distributed as the
27 Individual PAGA Payments to the PAGA-Eligible Employees, whether or not they opt out of the
28 Class Settlement.

1 DD. **“PAGA Period”** means the period from October 25, 2018 through April 2, 2023.

2 EE. **“PAGA-Released Claims”** means the PAGA claims being released as described
3 in Paragraph 25 below.

4 FF. **“Participating Class Member”** means a Class Member who does not submit a
5 valid and timely Request for Exclusion from the Settlement.

6 GG. **“Preliminary Approval Order”** means the Court’s Order granting preliminary
7 approval of the Settlement.

8 HH. **“Released Parties”** means Defendant, and all of its former and present parents,
9 corporate members, subsidiaries, divisions, and affiliated companies, and their respective officers,
10 directors, employees, partners, shareholders, agents, insurers, successors, assigns, and legal
11 representatives.

12 II. **“Released Class Claims Period”** for Participating Class Members means the
13 period from March 5, 2015 through April 2, 2023.

14 JJ. **“Released PAGA Claims Period”** for PAGA Eligible Employees means the
15 PAGA Period.

16 KK. **“Request for Exclusion”** means a Class Member’s valid and timely submission of
17 a written request to the Settlement Administrator to be excluded from the Class Settlement,
18 signed by the Class Member.

19 LL. **“Response Deadline”** means 45 days after the Settlement Administrator mails the
20 Class Notice to the Class Members, and shall be the last date on which Class Members may mail
21 or fax (1) Requests for Exclusion from the Settlement, (2) an Objection to the Settlement, or (3) a
22 dispute over the number of Compensable Workweeks attributed to them in the Class Notice,
23 unless the Response Deadline is extended by up to seven days as the result of a re-mailing of the
24 Class Notice, as explained below in Paragraph 34..

25 MM. **“Settlement”** means the final and complete disposition of the Action effected by
26 this Agreement and the Judgment.

27 NN. **“Settlement Administrator”** or **“Administrator”** means Phoenix Settlement
28 Administrators, the neutral entity the Parties have agreed to appoint to administer the Settlement,

1 subject to approval by the Court.

2 OO. “**Settlement Administration Costs**” means the Court-approved fees and
3 reasonable costs incurred by the Settlement Administrator to administer the Settlement, to be
4 reimbursed to the Settlement Administrator from the Maximum Settlement Amount.

5 **RECITALS**

6 3. **Price Complaint.** On March 5, 2019, Plaintiff Sherryanne Price filed her initial
7 Complaint in this Action in Stanislaus County Superior Court on behalf of herself and all others
8 similarly situated. On or about July 2, 2019, Plaintiff filed a First Amended Complaint adding
9 Tina Bria as a Plaintiff. Plaintiffs Price and Bria’s operative complaint alleges California claims
10 for (1) failure to pay wages, including overtime and minimum wages; (2) failure to provide meal
11 periods or compensation in lieu thereof; (3) failure to provide rest periods or compensation in lieu
12 thereof; (4) failure to reimburse business expenses under Labor Code section 2802; (5) failure to
13 timely pay wages due at termination; (6) failure to provide accurate wage statements; and (7) and
14 violation of the Unfair Competition Law (“UCL”).

15 4. **Rodriguez Complaint.** On April 17, 2020, Plaintiff Monique Rodriguez filed her
16 initial Complaint in the *Rodriguez* Action in Stanislaus Superior Court, on behalf of herself and
17 others similarly situated and aggrieved, asserting the following claims: (1) recovery of unpaid
18 minimum wages and liquidated damages; (2) recovery of unpaid overtime; (3) failure to provide
19 meal periods or compensation in lieu thereof; (4) failure to provide rest periods or compensation
20 in lieu thereof; (5) failure to provide accurate wage statements; (6) waiting time penalties; (7)
21 violation of the UCL; and (8) PAGA civil penalties.

22 5. **Tinnin Complaint.** On April 2, 2020, Plaintiff Kristeena Tinnin filed her
23 Complaint in the *Tinnin* Action in the Eastern District of California, asserting a collective
24 overtime claim under the Fair Labor Standards Act (“FLSA”), various individual California wage
25 and hour claims on behalf of Tinnin only, and a PAGA-only claim. The *Tinnin* complaint was
26 amended on January 15, 2021 to assert a class claim on behalf of Defendant’s non-exempt
27 employees. Aside from the FLSA claim, the operative complaint in *Tinnin* alleges California
28 claims for (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to

1 provide lawful itemized wage statements; (4) failure to provide rest periods or premium wages in
2 lieu thereof; (5) failure to provide meal periods or premium wages in lieu thereof; (6) failure to
3 pay all wages owed upon termination; (7) violation of the UCL; and (8) PAGA civil penalties.

4 **6. Intervention.** On January 6, 2023, Judge John Mayne of the Stanislaus County
5 Superior Court granted Tinnin's Motion to Intervene to Ensure Adequate Settlement ("Motion to
6 Intervene") in the *Price* and *Rodriguez* Actions for the purpose of participating in scheduled pre-
7 trial settlement discussions.

8 **7. Consolidation.** On January 25, 2023, the Court consolidated the *Price* and
9 *Rodriguez* cases, designating the *Price* case, Case No. CV-19-001331, the lead case.

10 **8. Mediation.** On January 30, 2023, the Parties in the *Price*, *Rodriguez* and *Tinnin*
11 Actions participated in a full-day, arms-length mediation before Michael Loeb of JAMS. With
12 the assistance of the mediator, the Parties were able to come to a settlement of the claims in the
13 Actions, subject to the Court's approval. The settlement was memorialized in a Memorandum of
14 Understanding, subject to later completion of this long-form Settlement Agreement.

15 **9. Benefits of Settlement to Plaintiffs and the Class Members.** Plaintiffs and
16 Class Counsel recognize the expense and length of continued proceedings necessary to litigate
17 Plaintiffs' disputes in these Actions through trial and through any possible appeals. Plaintiffs
18 have also taken into account the uncertainty and risks of the outcome of further litigation, and the
19 difficulties and delays inherent in such litigation. Plaintiffs and Class Counsel also are aware of
20 the burdens of proof necessary to establish liability for the claims asserted in the Lawsuit, both
21 generally and in response to Defendant's defenses thereto, and the difficulties in establishing
22 damages, penalties, restitution and other relief sought in the Actions. Plaintiffs and Class Counsel
23 also have taken into account Defendant's agreement to enter into a settlement that confers
24 substantial benefits upon the Class Members. Based on the foregoing, Plaintiffs and Class
25 Counsel have determined that the Settlement set forth in this Agreement is fair, adequate, and
26 reasonable and is in the best interests of all Class Members.

27 **10. Defendant's Reasons for Settlement.** Defendant has concluded that further
28 defense of the Actions would be protracted and expensive. Substantial amounts of Defendant's

1 time, energy, and resources have been, and unless this Settlement is completed, shall continue to
2 be, devoted to the defense of the claims asserted by Plaintiffs. Defendant also has taken into
3 account the risks of further litigation in reaching its decision to enter into this Settlement. Even
4 though Defendant contends that it is not liable for any of the claims alleged by Plaintiffs in the
5 Actions and denies any liability whatsoever, Defendant, nonetheless, has agreed to settle in the
6 manner and upon the terms set forth in this Stipulation and to fully and finally put to rest the
7 claims alleged in the Actions.

8 **CLASS CERTIFICATION**

9 11. **Stipulated Settlement Class.** Solely for purposes of settling the Actions, the
10 Parties have agreed to the certification of a Settlement Class consisting of all current and former
11 non-exempt employees who have been employed by Defendant in non-exempt positions during
12 the Class Period..

13 12. **Certification Is for Settlement Only.** For purposes of this Settlement, the Parties
14 stipulate and agree that the requisites for establishing class certification with respect to the Class
15 have been met and are met. More specifically, for purposes of settlement only, the Parties
16 stipulate and agree that the Settlement Class is ascertainable and so numerous as to make it
17 impracticable to join all Class Members; and that there are common questions of law and fact
18 including, but not limited to, whether Defendant failed to provide meal periods and/or to pay meal
19 premiums in lieu thereof at the correct regular rate of compensation as required under Labor Code
20 section 226.7, including whether Defendant improperly rounded meal period times; whether
21 defendant failed to authorize and permit rest breaks and/or to pay rest break premiums in lieu
22 thereof at the correct regular rate of compensation as required under Labor Code section 226.7;
23 whether Defendant failed to accurately pay overtime, minimum, or regular wages, by improperly
24 rounding pay, failing to pay for off the clock work, or failed to pay overtime at the correct regular
25 rate of pay; whether Defendant failed to reimburse employees for business expenses under Labor
26 Code section 2802; whether Defendant failed to furnish accurate, itemized wage statements to all
27 Class Members in accordance with Labor Code section 226; and whether Defendant is liable to
28

1 the Class Members for derivative waiting time penalties pursuant to Labor Code section 203,
2 among other common issues.

3 **13. Consolidation of Lawsuits for Purposes of Court Approval.** The Parties agree
4 that the claims plead in the Lawsuits are related, and that it makes sense to enter into a global
5 settlement of the claims contained in all three cases. The *Price* and *Rodriguez* Actions were
6 consolidated for all purposes on January 25, 2023. Promptly following the execution of this
7 Agreement, the Parties will file a stipulation and order requesting approval to file an amended
8 complaint in *Price*, adding Plaintiffs Rodriguez and Tinnin, their claims and counsel.
9 Accordingly, the Parties will submit preliminary and final approval motions in the *Price* Action in
10 Stanislaus County Superior Court. Upon approval of this Settlement and the running of any
11 appeals periods, the Parties to the *Tinnin* Action will take the necessary steps to request that the
12 *Tinnin* Action be dismissed in its entirety with prejudice.

13 **14. Certification Stipulation Nullified if Settlement Not Approved.** Should this
14 Settlement not become final, for whatever reason, the fact that the Parties were willing to stipulate
15 provisionally to class certification as part of the Settlement shall have no bearing on, and shall not
16 be admissible in connection with, the issue of whether a class should be certified in a non-
17 settlement context in the Actions. Defendant expressly reserves its right to oppose class
18 certification should this Settlement not become final.

19 **MONETARY TERMS OF THE SETTLEMENT**

20 **15. Maximum Settlement Amount.** The claims of all members of the Settlement
21 Class and the PAGA-Eligible Employees, collectively, are settled for a maximum sum of Eight
22 Million Dollars (\$8,000,000) ("the Maximum Settlement Amount"). This Maximum Settlement
23 Amount is inclusive of the Class Counsel Fees and Class Counsel Costs; the Class
24 Representatives' Service Award to Plaintiffs Sherryanne Price, Tina Bria, Monique Rodriguez
25 and Kristeena Tinnin; the Settlement Administration Costs and the PAGA Payment to the LWDA
26 and the PAGA-Eligible Employees, all as approved by the Court. This excludes the employer's
27 contribution of payroll taxes due on the settlement payments apportioned as wages, which
28 Defendant will pay outside of (in addition to) the Maximum Settlement Amount.

1 **16. Class Counsel Fees and Class Counsel Costs.** Class Counsel shall be entitled to
2 request attorneys' fees in an amount not to exceed, in the aggregate for the three Actions, one-
3 third (33.33%) of the Maximum Settlement Amount, not to exceed Two Million Six Hundred
4 Sixty-Six Thousand Four Hundred Dollars (\$2,666,400.00), plus reasonable costs not to exceed
5 Ninety Thousand Dollars (\$90,000). Class Counsel's request for such attorneys' fees and costs
6 shall be subject to approval by the Court. Defendant agrees not to oppose or object to Class
7 Counsel's requests for attorneys' fees or reasonable costs. In the event the Court awards Class
8 Counsel less than these (or any other) requested amounts, the difference shall become part of the
9 Net Settlement Amount and shall be distributed to Participating Class Members as part of their
10 Individual Settlement Awards. Class Counsel shall be solely and legally responsible to pay all
11 applicable taxes due on the Class Counsel Award. Class Counsel shall provide the Settlement
12 Administrator with properly completed and signed copies of IRS Form W-9 in order for the
13 Settlement Administrator to process the Class Counsel Award approved by the Court. The
14 Settlement Administrator shall issue an IRS Form 1099 to Class Counsel for the amount of the
15 Class Counsel Award.

16 **17. Class Representatives' Service Award.** For purposes of this Settlement only, the
17 Parties agree to the designation of Plaintiffs Sherryanne Price, Tina Bria, Monique Rodriguez and
18 Kristeena Tinnin as the Class Representatives. In recognition of their time and effort in bringing
19 and presenting the Actions and for releasing the Plaintiffs' Released Claims, Plaintiffs shall
20 request a Class Representatives' Service Award not to exceed Ten Thousand Dollars
21 (\$10,000.00) per Plaintiff. Plaintiffs' request for such award shall be subject to approval by the
22 Court. Defendant agrees not to oppose or object to Plaintiffs' request for a Class Representatives'
23 Service Award that does not exceed this amount. The Class Representatives' Service Award will
24 be in addition to Plaintiffs' Individual Settlement Payments paid pursuant to the Settlement. The
25 Settlement Administrator shall issue an IRS Form 1099 to Plaintiffs for their Class
26 Representatives' Service Award. Plaintiffs shall be solely and legally responsible to pay any and
27 all applicable taxes due on their Class Representatives' Service Award. Any amount requested by
28 Plaintiffs for the Class Representatives' Service Award and not awarded by the Court shall

1 become part of the Net Settlement Amount and shall be distributed to Participating Class
2 Members as part of their Individual Settlement Awards.

3 **18. Settlement Administration Costs.** Subject to the Court's approval, Defendants
4 shall reimburse the Settlement Administration Costs, which are estimated not to exceed Forty
5 Thousand Dollars (\$40,000), to be paid from the Maximum Settlement Amount. Prior to the
6 filing of Plaintiffs' Motion for Final Approval of the Settlement, the Settlement Administrator
7 shall provide the Parties with a statement detailing the Settlement Administration Costs to date.

8 **19. PAGA Payments.** Defendant shall pay a total of One Hundred Thousand Dollars
9 and No Cents (\$100,000.00) to resolve the claims asserted by Plaintiffs in the Actions, as proxy
10 for the State of California and by the State of California itself (including the LWDA), for civil
11 penalties under PAGA. Seventy-five percent (75%) of this amount (\$75,000.00) will be paid to
12 the LWDA. The remaining twenty-five percent (25%) (\$25,000.00) will be distributed to the
13 PAGA-Eligible Employees, based on their proportionate share of Compensable Workweeks
14 worked during the PAGA Period.

15 **20. Individual Class Payments.** The Settlement Administrator will determine the
16 Net Settlement Amount by deducting the Class Counsel Fees and Costs, the Class
17 Representatives' Service Award, the PAGA Payment, and the Settlement Administration Costs
18 from the Maximum Settlement Amount. The Settlement Administrator will distribute the
19 Individual Class Payments to the Participating Class Members from the Net Settlement Amount.
20 The Administrator will calculate each Participating Class Member's Individual Class Payment by
21 determining the total number of Compensable Workweeks worked by all Participating Class
22 Members during the Class Period, dividing that number into the Net Settlement Amount to
23 determine the per-workweek value of each Compensable Workweek, and then multiplying that
24 sum by the number of Compensable Workweeks worked by each Participating Class Member
25 during the Class Period.

26 **21. Individual PAGA Payments.** The Settlement Administrator will calculate each
27 eligible employee's Individual PAGA Payment by dividing the 25% portion of the PAGA
28 Payment to be distributed to those individuals, i.e. Twenty-Five Thousand Dollars and Zero Cents

1 (\$25,000.00), by the total number of Compensable Workweeks worked by all of the PAGA-
2 Eligible Employees during the PAGA Period to derive the per-workweek value of the Individual
3 PAGA Payments, and then multiplying that sum by the number of Compensable Workweeks
4 worked by each such employee during the PAGA Period.

5 **22. Tax Treatment of Individual Class and PAGA Payments.** Individual
6 Settlement Awards shall be allocated as follows: 20% as alleged unpaid wages subject to all
7 applicable tax withholdings and 80% as alleged unpaid interest and penalties. The Settlement
8 Administrator shall issue an IRS Form W-2 to each Participating Class Member for the portion of
9 each Individual Settlement Award allocated as unpaid wages. These payments shall be subject to
10 all applicable tax withholdings. The Settlement Administrator shall issue an IRS Form 1099 to
11 each Participating Class Member for the remaining portion of each Individual Settlement Award.
12 The Settlement Administrator shall also issue an IRS Form 1099 for the Individual PAGA
13 Payments. The non-wage portions of the Individual Settlement Awards and the entirety of the
14 Individual PAGA Payments will be allocated as non-wage penalties and interest and shall not be
15 subject to payroll tax withholdings.

16 **23. Employer Payroll Taxes.** The Maximum Settlement Amount shall resolve,
17 satisfy and completely extinguish all of Defendant's liability with respect to the Class Members,
18 except that Defendant shall be responsible for paying the employer's share of payroll taxes on the
19 portion of the Individual Settlement Awards that constitute wages. Defendant will pay these
20 taxes, as calculated by the Settlement Administrator, in addition to the Maximum Settlement
21 Amount. Upon Defendant's funding of the Maximum Settlement Amount and the employer
22 portion of payroll taxes on the portion of the Individual Settlement Awards that constitutes wages,
23 Defendant shall have no further payment or defense obligation whatsoever with respect to any
24 claims covered by this Settlement made or asserted by any person or entity anywhere in the world
25 in connection with the Class Members.

26 **RELEASES**

27 **24. Class Members' Released Claims.** Effective on the date when Defendant fully
28 funds the Maximum Settlement Amount and its share of employer-side payroll taxes owed on the

1 wage portion of the Settlement Payments, Plaintiffs and all Participating Class Members will
2 fully, finally and forever release, settle, compromise, relinquish, and discharge Defendant and all
3 of the Released Parties from any and all claims, rights, demands, liabilities, and causes of action
4 of every nature and description, arising during the Class Period, including statutory, contractual,
5 or common law claims for wages, damages, penalties, liquidated damages, interest, attorneys'
6 fees, litigation costs, restitution, or equitable relief – whether asserted under the California Labor
7 Code, Business and Professions Code §§ 17200 *et seq.*, the applicable wage orders at California
8 Code of Regulations, Title 8, Section 11000 *et seq.*, the Fair Labor Standards Act (“FLSA”), or
9 otherwise – that were or could have been alleged based on the factual allegations in Plaintiffs'
10 operative Complaints herein, including but not limited to: (a) any and all claims for failure to
11 provide meal periods and/or to pay meal premiums in lieu thereof at the correct regular rate of
12 compensation as required under Labor Code section 226.7, including but not limited to any
13 claims alleging improper rounding of meal period times; (b) any and all claims for failure to
14 authorize and permit rest breaks and/or to pay rest break premiums in lieu thereof at the correct
15 regular rate of compensation as required under Labor Code section 226.7; (c) any and all claims
16 for unpaid or untimely payment of overtime, minimum wages or regular wages, including but not
17 limited to claims alleging improper rounding of pay, failure to pay for “off the clock” work,
18 and/or failure to pay overtime at the correct regular rate of pay; (d) any and all claims for failure
19 to reimburse employees for business expenses under Labor Code section 2802; (e) any and all
20 derivative claims arising from the claims listed above in subparagraphs (a) through (d) for failure
21 to furnish accurate itemized wage statements in accordance with Labor Code section 226, and
22 including any associated claims for penalties under Labor Code section 226(e) and/or claims for
23 failure to maintain complete and accurate payroll records; (f) any and all derivative claims arising
24 from the claims listed above in subparagraphs (a) through (d) for failure to provide wages when
25 due upon separation of employment under Labor Code sections 201-203; and (g) any and all
26 claims for attorneys’ fees and costs.

27 With respect to the FLSA release referenced above, Participating Class Members who
28 timely cash or otherwise negotiate their Settlement checks will be deemed to have opted into the

1 Actions for purposes of the FLSA and, as to those Class Members, their Released Claims shall
2 include any and all claims they may have for unpaid overtime or minimum wages under the
3 FLSA arising during the Class Period. The following language will be printed on the reverse side
4 of each Settlement check, or words to this effect: "By endorsing or otherwise negotiating this
5 check, I acknowledge that I have read, understand, and agree to the terms set forth in the [Class
6 Notice], and I consent to join in the Fair Labor Standards Act ("FLSA") portion of the Actions,
7 elect to participate in the settlement of the FLSA claims, and agree to release all of my FLSA
8 claims that are covered by the Settlement."

9 **25. PAGA-Released Claims by Plaintiffs and the State of California.** Plaintiffs, as
10 agents and proxies of the State of California, and the State of California (including the LWDA
11 and all individuals who seek to serve as an agent and proxy of the State of California in bringing
12 PAGA claims), shall release Defendant and all the Released Parties from any and all claims for
13 PAGA civil penalties, arising during the PAGA Period, that were alleged or reasonably could
14 have been alleged based on the facts contained in Plaintiffs' operative Complaints, as enumerated
15 in Paragraph 24 above and/or in any notices Plaintiffs may have provided to the LWDA in
16 connection with these Actions. It is understood and agreed that PAGA-Eligible Employees will
17 not have the opportunity to opt out of this PAGA Release even if they have requested to be
18 excluded from the Class Settlement. It is the intent of the Parties that, to the fullest extent
19 permitted by law, the PAGA-Eligible Employees will be deemed to have released all such PAGA
20 claims arising during the PAGA Period.

21 **26. Plaintiffs' Additional Release.** In addition to the Class Members' Released
22 Claims, Plaintiffs, in their individual capacities, agree to release the Released Parties from any
23 and all claims they may have, known and unknown, under federal, state and/or local law, statute,
24 ordinance, regulation, common law, or other source of law, arising as of the date of execution of
25 this Agreement, including but not limited to claims arising from or related to their employment
26 with Defendant, their termination, their compensation while in Defendant's employ, and all other
27 dealings they may have had with the Released Parties. Plaintiffs expressly waive and relinquish
28 all rights and benefits of section 1542 of the Civil Code of the State of California, and do so

1 understanding and acknowledging the significance and consequence of specifically waiving their
2 rights under section 1542 not to otherwise release unknown claims. Section 1542 of the Civil
3 Code of the State of California states as follows:

4 A general release does not extend to claims that the creditor or
5 releasing party does not know or suspect to exist in his or her favor
6 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.

7 Notwithstanding the provisions of section 1542, and to implement a full and complete
8 release and discharge of the Released Parties, Plaintiffs expressly acknowledge that this
9 Agreement is intended to include in its effect, without limitation, all claims that Plaintiffs do not
10 know or suspect to exist in their favor at the time of signing this Agreement, and that this
11 Agreement contemplates the extinguishment of any such claims.

12 **MOTION FOR PRELIMINARY APPROVAL**

13 27. **Mutual Duty of Cooperation to Seek Approval.** The Parties agree to work
14 diligently and cooperatively to have this Settlement expeditiously presented to the Court for
15 preliminary approval. Class Counsel shall prepare a draft motion for preliminary approval,
16 including a proposed Preliminary Approval Order, and will circulate the draft to Defense Counsel
17 at least five (5) business days in advance of its filing. Upon filing the motion for preliminary
18 approval, Class Counsel shall also timely submit any required notices of this Agreement to the
19 LWDA as may be required by Labor Code sections 2699(1)(2) and (3) or other provisions of
20 PAGA.

21 28. **Contents of Preliminary Approval Order.** As part of the motion for preliminary
22 approval, the Parties shall apply to the Court for the entry of an Order as follows:

- 23 a. Certifying the Settlement Class for settlement purposes only;
- 24 b. Approving, as to form and content, the proposed Class Notice (**Exhibit 1**
25 attached hereto);
- 26 c. Approving the manner and method for Class Members to object to or
27 request exclusion from the Settlement, as contained herein and within the Class Notice;
- 28

1 d. Directing the mailing of the Class Notices to Class Members, by first class
2 mail;

3 e. Preliminarily approving the Settlement, subject only to the objections of
4 Class Members and final review by the Court; and

5 f. Setting a date and time for the Final Approval Hearing.

6 29. **Resolution of Court Concerns.** If the Court does not initially grant preliminary
7 approval or conditions preliminary approval on any material change to this Agreement, Class
8 Counsel and Defense Counsel will expeditiously work together, and in good faith, to modify the
9 Agreement and/or otherwise satisfy the Court's concerns.

10 **SETTLEMENT ADMINISTRATION**

11 30. **Selection of Settlement Administrator.** The Parties have jointly selected
12 Phoenix Settlement Administrators ("PSA")_ to serve as the Settlement Administrator based upon
13 a lowest responsible bidder process and verified that, as a condition of appointment, PSA agrees
14 to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of the
15 Settlement Administration Costs. The Parties and their Counsel represent that they have no
16 interest or relationship, financial or otherwise, with the Settlement Administrator other than a
17 professional relationship arising out of prior experiences administering settlements.

18 31. **Qualified Settlement Fund.** The Settlement Administrator shall establish a
19 settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under U.S.
20 Treasury Regulation section 468B-1. The Administrator shall have and use its own Employer
21 Identification Number for purposes of calculating payroll tax withholdings and providing reports
22 to state and federal tax authorities. The settlement administrator shall place the fund in the
23 account with the highest interest that is compatible with its safety obligations as a fiduciary.

24 32. **Transmission of Class Data to Administrator.** Within thirty (30) calendar days
25 after the Court grants preliminary approval of the Settlement, to the extent practicable, Defendant
26 will securely provide the Settlement Administrator with the Class Data, including the names, last
27 known addresses and telephone numbers, and social security numbers of the Class Members. In
28 addition, Defendant will provide the Settlement Administrator with data indicating the number of

workweeks or pay periods and hours worked by each Class Member during the relevant Class Period, as reflected in Defendant's records. The Settlement Administrator will retain the Class Data and will share the settlement payment calculations with the Class Member names and contact information redacted with Class Counsel for purposes of representing the class and carrying out its duties in settlement monitoring and fraud prevention.

33. **Mailing of Class Notices.** Within ten (10) calendar days after receiving the Class Data from Defendant, the Settlement Administrator shall mail copies of the Court-approved Class Notice to all Class Members 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 as informed by the parties' input. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the most current mailing address for each Class Member. The Settlement Administrator shall perform a search based on the National Change of Address Database maintained by the United States Postal Service to update and correct any known or identifiable address changes. The Parties agree that this procedure for notice provides the best notice practicable to Class Members and fully complies with due process.

34. **Undeliverable Class Notices.** Any Settlement Notice returned to the Settlement Administrator as non-deliverable on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto within five (5) calendar days of receipt of the returned Class Notice by the Settlement Administrator. If no forwarding address is provided, the Administrator shall attempt to determine a correct address by the use of skip-tracing, or other type of automated search, using the name, address and/or Social Security number of the Class Member involved, and shall then perform a re-mailing to the Class Member whose Class Notice was returned as non-deliverable within five (5) calendar days of receipt of the returned Notice by the Administrator, assuming another mailing address is identified by the Administrator. The deadlines for Class Members to submit written Objections, Requests or Exclusion, or challenges to Compensable Workweeks will be extended an additional seven (7) calendar days from the date of the re-mailing, even if this results in an extension of the otherwise-applicable 45-day Response Deadline. If these procedures are followed, notice to Class Members shall be deemed to have

1 been fully satisfied, and if the intended recipient of the Settlement Notice does not receive the
2 Class Notice, the intended recipient shall nevertheless remain a Class Member and shall be bound
3 by all terms of the Settlement and the Final Order and Judgment.

4 **35. Determination of Individual Settlement Awards and Individual PAGA**

5 **Payments.** The Settlement Administrator shall determine the eligibility for, and the amounts of,
6 each Individual Class Payment and Individual PAGA Payment under the terms of this Agreement
7 based on the number of Compensable Workweeks worked by each Class Member in the
8 applicable Class and/or PAGA Periods. The Administrator will then include the estimated
9 number of Compensable Workweeks and the individual payment amounts in each Class
10 Member's Class Notice.

11 **36. Workweek Disputes.** Class Members who wish to dispute the number of eligible
12 Compensable Workweeks set forth in the Notice, or assert that they should have been included as
13 a member of the Class, may submit a written statement to the Settlement Administrator within the
14 Response Deadline setting forth the number of Compensable Workweeks they believe should be
15 credited to them within the applicable Class or PAGA Period, accompanied by any supporting
16 documentation of their claim. The Settlement Administrator, in consultation with Class Counsel
17 and Defense Counsel, will review the pertinent payroll records, which Defendant agrees to make
18 available to the Settlement Administrator as needed. Defendant's payroll records will be
19 presumed to be correct unless a Class Member proves otherwise by credible evidence. The
20 Settlement Administrator's decision as to the total number of eligible Compensable Workweeks
21 shall be final and non-appealable, subject to the ultimate oversight and approval of the Court if
22 necessary.

23 **37. Objections to the Settlement.** Any Participating Class Member may object to the
24 Settlement by submitting a written objection to the Settlement Administrator within the 45-day
25 Response Deadline, unless that deadline has been extended by a re-mailing of the Class Notice.
26 An objection should include: (a) the objector's full name, signature, address, and telephone
27 number; (b) a written statement of the grounds for the objection accompanied by any legal
28 support for such objection; and (c) copies of any papers, briefs, or other documents upon which

1 the objection is based. Objecting Class Members may appear at the Final Approval Hearing
2 either in person, or through counsel retained at Class Member's own expense, to have their
3 objection heard, whether or not they had submitted a prior written objection as specified in this
4 section. The Court will rule on any objections to the settlement at the Final Approval Hearing.
5 An objection may be withdrawn at any time. The Settlement Administrator shall provide
6 objections, if any, to Class Counsel and Defense Counsel via email within three (3) calendar days
7 of receipt, and the Settlement Administrator shall attach any objections to its declaration of due
8 diligence, which is to be filed with the Court prior to the Final Approval Hearing. Any
9 Participating Class Member who files an objection remains eligible to receive monetary
10 compensation from the Settlement. At no time shall any of the Parties, Class Counsel, or Defense
11 Counsel solicit or otherwise encourage or discourage Class Members from submitting a Notice of
12 Objection or filing an appeal from the Final Order and Judgment. Class Members who submit a
13 Request for Exclusion are ineligible to object to the Settlement.

14 **38. Requests for Exclusion.** Any Class Member may request to be excluded from
15 ("opt out of") the Settlement by submitting a signed, written request to the Settlement
16 Administrator, clearly communicating that the Class Member wishes to be excluded from the
17 Settlement. To be timely and valid, the Request for Exclusion must be mailed (postmarked) by
18 the Response Deadline, 45 days from the Settlement Administrator's mailing of the Class Notice,
19 unless that deadline has been extended by a re-mailing of the Class Notice. The Request for
20 Exclusion should contain the Class Member's name, address, signature, date, telephone number
21 or email address, and the name of the case. Persons who submit a timely Request for Exclusion
22 will be referred to as Non-Participating Class Members. The Settlement Administrator will
23 accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the
24 identity of the person as a Class Member and the Class Member's desire to be excluded. Non-
25 Participating Class Members will not be entitled to receive an Individual Class Payment under the
26 Settlement, will not be bound by the terms and conditions of the Class Settlement and will not be
27 releasing any of the Class Members' Released Claims. However, Non-Participating Class
28 Members who are PAGA-Eligible Employees will still receive Individual PAGA Payments and

1 are precluded from bringing PAGA-Released Claims that are released by Plaintiffs and the State
2 of California, as described in Paragraph 25. Any Class Member who does not submit a timely
3 Request for Exclusion will be deemed to be a Participating Class Member and will be bound by
4 the terms and conditions of the Settlement.

5 **39. Revocation of Settlement by Defendant.** If five percent (5%) or more of the
6 Class Members request to be excluded from the Class, Defendant shall have the sole and absolute
7 discretion to revoke the Settlement Agreement. The Settlement Administrator shall provide a list
8 of the Requests for Exclusion within seven (7) days after the Response Date. If Defendant elects
9 to revoke/rescind the Settlement Agreement, it shall provide written notice of such revocation to
10 Class Counsel within seven (7) days after receiving the final list of Requests for Exclusion from
11 the Settlement Administrator. Defendant agrees to meet and confer in good faith with Class
12 Counsel before rescinding or voiding the Settlement Agreement. Such rescission shall have the
13 same effect as a termination of this Settlement Agreement for failure to satisfy a condition of
14 settlement, and the Settlement Agreement shall become null and void and have no further force or
15 effect. No Party will encourage any class member to opt out of the Settlement. If Defendant
16 revokes the Settlement under this provision, it shall be responsible to pay the Settlement
17 Administrator's costs incurred to that point.

18 **40. Workweek Count.** Defendant previously estimated to Plaintiffs' counsel that as
19 of June 27, 2022, there were 1,420,324 Class Member workweeks covering the period from
20 March 5, 2015 through June 27, 2022, a period of 381 weeks. If the Settlement Administrator
21 determines upon receipt of Defendant's Class Data (and before mailing out the Class Notices)
22 that the actual number of Class Member workweeks as of April 2, 2023 exceeds 1,726,384
23 (1,420,324 extrapolated from June 27, 2022 through April 2, 2023 at 3,727.9 workweeks
24 (1,420,324/381) x 40 weeks, plus 10%), then Defendant shall have the option, in its sole
25 discretion, of either (1) agreeing to move the end date of the Class Period backward from April 2,
26 2023 to the latest week in which the number of Class Member workweeks is determined to be at
27 or below 1,726,384; or (2) increasing the Maximum Settlement Amount in proportion to the
28

percentage of workweeks by which the total Class Member workweeks are determined to have exceeded 1,726,384.

41. **Weekly Status Reports.** Following the mailing of the Class Notice, the Settlement Administrator will provide Class Counsel and Defense Counsel with weekly reports of, among other things: the number of Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, and challenges to the number of Compensable Workweeks received and/or resolved. The Administrator will promptly provide counsel for the Parties with copies of any objections received. Additionally, the Settlement Administrator will provide to counsel for the Parties any other updated reports regarding the administration of the Settlement as may be needed or requested from time to time, including any declarations required by the Court. Class Counsel will reserve the right to audit all of the Settlement Administrator's processes, calculations and bases as part of its representation of the class.

42. **Other Duties of the Settlement Administrator.** The Settlement Administrator shall perform such other duties as may be necessary from time to time, as directed by Counsel or the Court. This shall include, among other things, (1) maintaining and monitoring an email address and toll-free telephone number to receive Class Member calls, faxes and emails; (2) establishing and maintaining an internet website to post necessary information for Class Members regarding this Agreement and the Final Approval Hearing, among other things; (3) providing Counsel for the Parties with a declaration suitable for filing in Court at least 14 days before Plaintiffs are required to file their motion for Final Approval of the Settlement, attesting to the Administrator's compliance with all of its obligations under the Agreement and other necessary information regarding the Class Notices, Requests for Exclusion and objections; and (4) providing a final report and compliance declaration suitable for filing with the Court following the Administrator's disbursement of all the payments required by this Agreement, in accordance with any deadlines set by the Court.

MOTION FOR FINAL APPROVAL

1 **43. Final Settlement Approval Hearing and Entry of Final Order and Judgment.**

2 Following expiration of the Response Deadline, Plaintiffs shall prepare and file a motion on
3 behalf of all Parties seeking final approval of the Settlement, including a request for approval of
4 the PAGA settlement under Labor Code section 2699(1)(2), a proposed Final Approval Order, and
5 a proposed Judgment. Plaintiffs shall provide drafts of the motion for final approval and
6 proposed Final Order and Judgment to Defense Counsel not later than five (5) business days prior
7 to filing the motion. Plaintiffs' motion for Final Approval shall be accompanied by a declaration
8 from the Settlement Administrator, as referenced above, describing the process and results of the
9 administration of the Settlement to date. Plaintiffs will prepare and include with the Final
10 Approval motion a request seeking approval of Plaintiffs' request for reimbursement of Class
11 Counsel's attorneys' fees and costs incurred in this matter and Plaintiffs' request for a Class
12 Representative Service Award. Plaintiffs' motion will specify how they wish the total award of
13 attorneys' fees and costs to be apportioned among Plaintiffs' counsel in the three Actions, or the
14 process they request be used and approved by the Court for resolving any remaining disagreement
15 that may exist over this issue.

16 **44. Contents of Proposed Final Order and Judgment.** The proposed Final Order
17 and Judgment will include, among other things:

- 18 a. Final Approval of the Settlement, adjudging the terms thereof to be fair,
19 reasonable and adequate, and directing consummation of its terms and provisions;
- 20 b. Approval of Class Counsel's application for an award of attorneys' fees
21 and costs;
- 22 c. Approval of the Class Representatives' Service Award payments to
23 Plaintiffs;
- 24 d. Approval of the Settlement Administration Costs;
- 25 e. Approval of the PAGA settlement;
- 26 f. The setting of a date when the Parties shall submit the Final Report
27 regarding the distribution of the Maximum Settlement Amount pursuant to California Code of
28

1 Civil Procedure section 384, and, if necessary, a date for a final accounting hearing following its
2 receipt of the Final Report;

3 g. The entering of a judgment in the Action that is intended to preclude any
4 Class Members from pursuing any individual, class or representative claims against any of the
5 Released Parties that have been released herein pursuant to the Settlement Agreement, upon
6 satisfaction of all payments and obligations hereunder, excluding the Class claims of those
7 persons who submitted valid and timely Requests for Exclusion.

8 45. **Duty to Cooperate.** If the Court does not grant Final Approval or conditions
9 Final Approval on any material change to the Settlement, the Parties will expeditiously work
10 together in good faith to address the Court's concerns, including, if necessary, by revising the
11 Agreement to obtain Final Approval. The Court's decision to award less than the amounts
12 requested for the Class Representatives' Service Payment, Class Counsel Award of fees and
13 costs, PAGA amounts, and/or Settlement Administration Costs shall not constitute a material
14 modification of the Agreement within the meaning of this Paragraph.

15 46. **Jurisdiction of the Court Following Judgment.** Following entry of the Final
16 Order and Judgment, the Court shall retain jurisdiction solely with respect to the interpretation,
17 implementation, and enforcement of the terms of this Agreement and all orders and judgments
18 entered in connection therewith; and addressing any other settlement administration and
19 compliance matters that may require its attention. If any party brings an action to enforce the
20 terms of this Agreement, the prevailing party shall be entitled to its/her reasonable attorneys' fees
21 and costs.

22 **SETTLEMENT FUNDING AND PAYMENTS**

23 47. **Information from Settlement Administrator Regarding Funding.** Not later
24 than ten (10) calendar days after the Court's grant of Final Approval of the Settlement, the
25 Settlement Administrator will provide Defense Counsel with an accounting of all anticipated
26 payments from the QSF as specified in this Agreement and approved by the Court, including all
27 necessary routing and payment instructions to the QSF, and including the amount due for the
28 employer's share of payroll taxes on the wage payments to be made outside the Maximum

1 Settlement Amount. The Settlement Administrator also will provide counsel for the Parties with
2 at least fourteen (14) calendar days, whether before or after the funding date but before the
3 scheduled distribution date, in which to review the Administrator's proposed payment
4 calculations.

5 **48. Funding of Settlement.** Defendants shall pay the Maximum Settlement Amount,
6 together with the amount the Settlement Administrator has determined or estimated to be
7 Defendant's share of employer taxes due on the wages being paid under the Settlement, in one
8 lump sum payment within thirty (30) calendar days after the Effective Date. Defendant shall
9 provide the Maximum Settlement Amount to the Settlement Administrator in any feasible
10 manner, including, but not limited to, a wire transfer or a check.

11 **49. Timing of Settlement Disbursements.** Within five (5) calendar days after
12 Defendant has provided the Settlement Administrator with the Maximum Settlement Amount, or
13 as soon thereafter as is feasible, the Settlement Administrator will distribute the payments to
14 Plaintiffs for their Class Representatives' Service Award payments, to Class Counsel for their
15 awarded attorneys' fees and costs, to the LWDA, to the Participating Class Members for their
16 Individual Class Payments Awards, to all PAGA-Eligible Employees for their Individual PAGA
17 Payments, and to itself for the Settlement Administration Costs.

18 **50. Method of Individual Payments.** The Settlement Administrator shall mail the
19 Individual Class Payment and Individual PAGA Payments by regular First-Class U.S. Mail to
20 each person's last known mailing address. Prior to mailing the payments, the Settlement
21 Administrator shall perform a search based on the National Change of Address Database
22 maintained by the United States Postal Service to update and correct any known or identifiable
23 address changes.

24 **51. Non-Reversionary Settlement; No Claim Necessary.** Participating Class
25 Members shall not be required to submit a claim in order to receive a share of the Net Settlement
26 Amount, and no portion of the Maximum Settlement Amount shall revert to Defendant. To the
27 extent the Court does not approve the full requested attorneys' fees, litigation costs, Class
28 Representatives' Service Award or Settlement Administration Costs, the Net Settlement Amount

53. Settlement Binding Even If Checks Not Cashed. In the event a Participating Class Member or Participating PAGA Member fails to cash/deposit his or her Individual Class Payment check and/or Individual PAGA Payment check, for whatever reason, that person shall nevertheless remain bound by the Class Settlement and, if applicable, the PAGA Release.

54. **Nullification of Settlement for Other Reasons.** In the event: (i) the Court does not enter the Preliminary Approval Order; (ii) the Court does not grant Final Approval of the Settlement; (iii) the Court does not enter the Final Order and Judgment; or (iv) the Settlement does not become final for any other reason, this Agreement shall be rendered null and void, and any order or judgment entered by the Court in furtherance of this Agreement shall be treated as void from the beginning. In such a case, this Agreement and any documents related to it shall not be used by any Class Member or Class Counsel to support any claim or request for class certification in the Actions, and shall not be used in any other civil or administrative action against Defendant or any of the other Released Parties.

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT AND RELEASE

1 Agreement, they will not request to be excluded from this Settlement, and that any such request
2 for exclusion by Plaintiffs will be void and of no force or effect.

3 **56. Waiver of Right to Appeal.** Provided the Judgment is consistent with the terms
4 and conditions of this Agreement, the Parties, their respective counsel, and all Participating Class
5 Members who did not object to the Settlement as provided in this Agreement waive all rights to
6 appeal from the Judgment. If an objector appeals the Judgment, the Parties' obligations to
7 perform under this Agreement will be suspended until the appeal is finally resolved and the
8 Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement
9 Amount. However, nothing in this Agreement shall preclude Plaintiffs from appealing from a
10 court order denying or failing to grant in full their requests for attorneys' fees, costs, or service
11 award. Any order reducing the Class Counsel Award or the Class Representatives' Service
12 Award will not be grounds on Plaintiffs' part to nullify or void this Settlement.

13 **57. No Credit Towards Defendant's Benefit Plans.** Neither the terms of this
14 Settlement nor any of the amounts paid to Plaintiffs or any Class Member shall have any effect on
15 the eligibility or calculation of any employee benefits under Defendant's benefit plans. Any
16 Individual Class Payments or Individual PAGA Payments paid under the Settlement do not
17 represent any modification of any recipient's previously-credited hours of service or other
18 eligibility criteria, and will not be utilized to calculate any additional benefits, vesting or credit
19 under any bonus or compensation plan, collective bargaining agreement, employee pension
20 benefit plan, employee welfare benefit plan, or any other program or policy sponsored by
21 Defendant or any Sutter Health affiliates. It is the intent of the Parties that the Individual
22 Settlement Awards and Individual PAGA Payments provided for in this Agreement are the sole
23 payments to be made by Defendant to Class Members and others in connection with this
24 Settlement, and that the Class Members are not entitled to any new or additional compensation or
25 benefits as a result of having received the Individual Settlement Awards and/or Individual PAGA
26 Payments.

27 **58. No Admission of Liability, Class Certification or Representative**
28 **Manageability for Other Purposes.** Defendant denies all claims alleged in the Action and

1 denies all wrongdoing whatsoever by Defendant. Defendant further denies that any of its
2 employees has been “aggrieved” by a violation of the Labor Code. Neither this Agreement, nor
3 any of its terms and conditions, nor any of the negotiations connected with it, is a concession or
4 admission, and none shall be used against Defendant as an admission or indication with respect to
5 any claim of any fault, concession, or omission by Defendant or that class certification is proper
6 under the standard applied to contested certification motions. The Parties agree that certification
7 of the proposed class and representative treatment under PAGA is for purposes of this Settlement
8 only. This Agreement will not be admissible in this or any other proceeding as evidence that
9 either a class action should be certified, that Plaintiffs’ PAGA claims are manageable for trial, or
10 that Defendant is liable to Plaintiffs or any Class Member, other than according to the terms of
11 this Agreement.

12 **59. Publicity and Confidentiality.** The Parties and their counsel will treat the terms
13 of this Settlement as strictly confidential prior to the filing of the preliminary approval motion.
14 Both before and after the filing of the preliminary approval motion, the Parties and their counsel
15 will not issue any press releases or initiate any contact with the media about this case and/or the
16 fact, amount, or terms of the Settlement. If, after the filing of the preliminary approval motion,
17 counsel for either Party receives an inquiry about the Settlement from the media, counsel may
18 respond but must limit such response to the terms of the Settlement as those terms are set forth in
19 the public record. After the filing of the preliminary approval motion, Plaintiffs’ counsel shall be
20 permitted to discuss the terms of the Settlement with any Settlement Class members who inquire
21 about the terms. Nothing in this paragraph is intended to conflict with Rule 5.6 of the California
22 Rules of Professional Conduct.

23 **60. Tax Liability.** The Parties make no representations as to the tax treatment or legal
24 effect of the payments specified herein, and Class Members are not relying on any statement or
25 representation by the Parties, Class Counsel or Defense Counsel in this regard. Participating
26 Class Members, PAGA-Eligible Employees, Class Counsel, and Plaintiffs shall be solely and
27 legally responsible for the payment of all applicable taxes and penalties assessed on the payments
28

1 specified herein other than the employer's share of the payroll taxes due on the payments
2 designated as wages.

3 **61. Circular 230 Disclaimer.** The Parties acknowledge and agree that (i) no
4 provision of this Agreement, and no written communication or disclosure between or among the
5 Parties, Class Counsel or Defense Counsel and other advisors, is or was intended to be, nor shall
6 any such communication or disclosure constitute or be construed or be relied upon as, tax advice
7 within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as
8 amended); (ii) the acknowledging party (a) has relied exclusively upon his, her, or its own,
9 independent legal and tax counsel for advice (including tax advice) in connection with this
10 Agreement, (b) has not entered into this Agreement based upon the recommendation of any other
11 party or any attorney or advisor to any other party, and (c) is not entitled to rely upon any
12 communication or disclosure by any attorney or advisor to any other party to avoid any tax
13 penalty that may be imposed on the acknowledging party; and (iii) no attorney or advisor to any
14 other party has imposed any limitation that protects the confidentiality of any such attorney's or
15 advisor's tax strategies (regardless of whether such limitation is legally binding) upon disclosure
16 by the acknowledging party of the tax treatment or tax structure of any transaction, including any
17 transaction contemplated by this Settlement.

18 **62. Authorization to Enter into Agreement.** Class Counsel and Defense Counsel
19 warrant and represent that they are expressly authorized by the Parties whom they represent to
20 negotiate this Agreement and to take all appropriate actions required or permitted to be taken by
21 the Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents
22 required to effectuate its terms. The person signing this Stipulation of Settlement on behalf of
23 Defendant represents and warrants that he/she is authorized to sign this Agreement on behalf of
24 Defendant. Plaintiffs represent and warrant that they are authorized to sign this Agreement on
25 behalf of themselves and the Class, and as proxies for the State of California, and that they have
26 not assigned any claim or part of a claim covered by this Agreement to a third party.

27 **63. Cooperation to Effectuate Settlement.** The Parties, Class Counsel and Defense
28 Counsel shall cooperate with each other and use their best efforts to effect the implementation of

1 this Settlement. In the event the Parties are unable to reach agreement on the form or content of
2 any document needed to implement the Settlement, or on any supplemental provisions that may
3 become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of
4 the Court to resolve such disagreement.

5 **64. Invalidity of Any Provision.** In the event the Court declares any material
6 provision of this Agreement invalid, the Agreement will be void and its terms will be of no force
7 and effect, except as otherwise agreed to by the Parties in writing, subject to the Court's approval.
8 Before the Court concludes that any term or provision of this Agreement is invalid, the Parties
9 will request that the Court first attempt to construe the terms or provisions valid to the fullest
10 extent possible consistent with applicable precedents so as to define all provisions of this
11 Agreement as valid and enforceable. The Parties further agree to meet and confer in an attempt to
12 resolve any issues or concerns the Court may have as to the validity of any provision in an effort
13 to effectuate the essential terms of this Settlement, and to discuss any possible amendments to this
14 Agreement or its Exhibit 1 needed to obtain the Court's approval of the Settlement.

15 **65. Binding Nature of Notice of Class Action Settlement.** It is agreed that, because
16 the Class Members are so numerous, it is impossible or impractical to have each Class Member
17 execute the Agreement. The Class Notice shall advise all Class Members of the binding nature of
18 the Settlement, and the release of the Class Members' Released Claims as described above in
19 Paragraph 24 shall have the same force and effect as if this Agreement were executed by each
20 Participating Class Member.

21 **66. Entire Agreement.** This Agreement and its attached Exhibit 1 constitute the
22 entire agreement between the Parties, and no oral or written representations, warranties, or
23 inducements have been made to Plaintiffs or Defendant concerning this Agreement or Exhibit 1
24 other than the representations, warranties, and covenants contained and memorialized in this
25 Agreement and Exhibit 1. No other prior or contemporaneous written or oral agreements may be
26 deemed binding on the Parties.

1 **67. Cooperation in Drafting.** The Parties have cooperated in the drafting and
 2 preparation of this Agreement. This Agreement will not be construed against any Party on the
 3 basis that the Party was the drafter or participated in the drafting.

4 **68. Amendment or Modification.** This Agreement may be amended or modified
 5 only by a written instrument signed by counsel for all Parties or their successors-in-interest, and
 6 approved by the Court.

7 **69. Governing Law.** All terms of this Agreement and its exhibit shall be governed by
 8 and interpreted according to the laws of the State of California, without regard to conflict of law
 9 principles.

10 **70. Binding on Successors and Assigns.** This Agreement shall be binding upon, and
 11 inure to the benefit of, the successors and assigns of the Parties.

12 **71. Headings.** The descriptive heading of any section or paragraph of this Agreement
 13 is inserted for convenience of reference only and does not constitute a part of this Agreement.

14 **65. Counterparts.** This Agreement may be executed in one or more counterparts by
 15 facsimile, electronically (i.e., DocuSign), or email, which for purposes of this Agreement shall be
 16 accepted as an original. All executed counterparts and each of them shall be deemed to be one
 17 and the same instrument if counsel for the Parties exchange between themselves signed
 18 counterparts. Any executed counterpart will be admissible in evidence to prove the existence and
 19 contents of this Agreement.

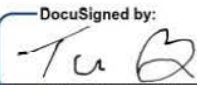
20 IN WITNESS WHEREOF, the Parties hereto have knowingly and voluntarily executed
 21 this Joint Stipulation of Class Action and PAGA Settlement and Release on the dates set forth
 22 below:

23 DATED: 9/2/2023

DocuSigned by:

 SHERRYANNE PRICE, Plaintiff

26 DATED: 9/1/2023

DocuSigned by:

 TINA BRIA, Plaintiff

1 DATED: 08 / 27 / 2023



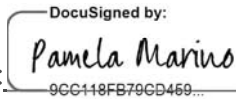
MONIQUE RODRIGUEZ, Plaintiff

4 DATED: _____

6 KRISTEENA TINNIN, Plaintiff

7 DATED: 8/23/2023

SUTTER VALLEY MEDICAL FOUNDATION

9 BY: 
9CG118FB79CD469...

Name: Pamela C. Marino

Title: Interim Senior Vice President & General Counsel

14 APPROVED AS TO FORM:

16 DATED: 08/07/2023

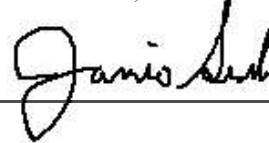
JAMES HAWKINS APLC

18 By: 

Counsel for Plaintiffs Sherryanne Price,
Tina Bria and the Class

20 DATED: August 28, 2023

CROSNER LEGAL, P.C.

23 By: 

Counsel for Plaintiff Rodriguez, the Class
and the Aggrieved Employees

25 DATED: _____

MALLISON & MARTINEZ

27 By: _____

Counsel for Plaintiff Kristeena Tinnin, the Class
and the Aggrieved Employees

1 DATED: 08 / 27 / 2023



MONIQUE RODRIGUEZ, Plaintiff

4 DATED: 8/30/23



KRISTEENA TINNIN, Plaintiff

7 DATED: 8/23/2023

SUTTER VALLEY MEDICAL FOUNDATION

DocuSigned by:
BY: Pamela Marino
9CC118FB78CD469

Name: Pamela C. Marino

Title: Interim Senior Vice President & General
Counsel

14 APPROVED AS TO FORM:

16 DATED: _____

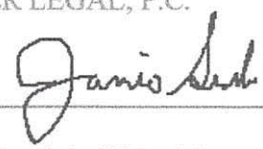
JAMES HAWKINS APLC

18 By: _____

Counsel for Plaintiffs Sherryanne Price,
Tina Bria and the Class

20 DATED: August 28, 2023

CROSNER LEGAL, P.C.

22 By: 

Counsel for Plaintiff Rodriguez, the Class
and the Aggrieved Employees

25 DATED: August 30,
2023

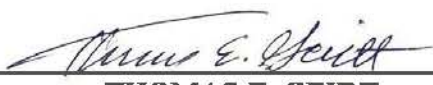
MALLISON & MARTINEZ

27 By: 

Counsel for Plaintiff Kristeena Tinnin, the Class
and the Aggrieved Employees

1 DATED: August 24, 2023

2 GBG LLP

3 By: 

4 THOMAS E. GEIDT

5 Counsel for Defendant Sutter Valley Medical
6 Foundation

Exhibit A

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF STANISLAUS**

SHERRYANNE PRICE, TINA BRIA,
MONIQUE RODRIGUEZ and KRISTEENA
TINNIN, on behalf of themselves and all others
similarly situated and as proxies for the State of
California,

Plaintiffs,

vs.

SUTTER VALLEY MEDICAL
FOUNDATION, a California corporation; and
DOES 1 through 50, inclusive,

Defendants.

Case No. 34-2021-00293728

**NOTICE OF PENDENCY OF CLASS
ACTION SETTLEMENT AND FINAL
HEARING**

Judge: Hon. John R. Mayne
Dept: 21

**YOU MAY BE ENTITLED TO RECEIVE MONEY FROM A SETTLEMENT
ARISING FROM YOUR EMPLOYMENT BY SUTTER VALLEY MEDICAL
FOUNDATION**

A California court authorized this notice. This is not a solicitation from a lawyer.

- A settlement of a lawsuit will pay money to employees who have been employed by Sutter Valley Medical Foundation (“Sutter”) at any time between March 5, 2015, and April 2, 2023.
- The Settlement resolves several class action lawsuits alleging various wage and hour claims brought against Sutter on behalf of persons who were employed by Sutter as non-exempt employees during this time period.
- The Settlement also resolves claims for penalties that have been brought on behalf of the State of California under California’s Private Attorneys General Act (“PAGA”).
- The Settlement avoids the costs and risks of continuing the lawsuits, pays money to employees, and releases Sutter from liability.
- Sutter expressly denies all of the claims in the lawsuits and denies any wrongdoing or liability. The two sides disagree on how much money – if any – could have been awarded if employees won at trial.
- **YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE READ THIS NOTICE CAREFULLY.**

YOUR LEGAL RIGHTS AND OPTIONS UNDER THIS SETTLEMENT:	
Do Nothing	You need not take any action if you wish to receive your settlement payment. If the Settlement is approved by the Court, you will automatically be mailed a settlement check at the address on file with the Settlement Administrator, [REDACTED]. If you move, you must notify the Settlement Administrator of your new address.
Exclude Yourself	You will get no class settlement payment. Send a letter to the Settlement Administrator, as explained below, stating that you wish to exclude yourself from the Settlement. This is the only option that allows you to be part of any other lawsuit against Sutter asserting the legal claims that were settled in this case. You will, however, be bound by the Private Attorneys General Act (“PAGA”) release, and you will receive a payment for the PAGA release even if you exclude yourself.
Object	Write to the Court, as explained below, about why you believe the Settlement is unfair.
Go to a Hearing	Ask to speak in Court about the fairness of the Settlement.

WHY DID YOU RECEIVE THIS NOTICE?

This notice explains a proposed settlement of three lawsuits alleging wage and hour claims and informs you of your legal rights under that proposed settlement (“the Settlement”). You are receiving this notice because you may be a member of the class on whose behalf the lawsuits were brought.

WHAT ARE THESE LAWSUITS ABOUT?

On March 5, 2019, a former employee of Sutter, Sherryanne Price, filed a lawsuit against Sutter in Stanislaus County Superior Court alleging violations of the California Labor Code and the California Business and Professions Code. Another plaintiff, Tina Bria, later joined in the lawsuit. They allege that members of the Settlement Class were not always properly paid for all hours worked, including overtime hours, were not always properly provided with meal and rest breaks or properly paid meal and rest break premiums, were not reimbursed for their reasonable business expenses, did not receive accurate wage statements, and several other related claims. In April 2020, another former employee of Sutter, Monique Rodriguez, brought a similar lawsuit against Sutter in Stanislaus County Superior Court. Her lawsuit also seeks an award of civil penalties under the PAGA. In April 2020, another former employee of Sutter, Kristeena Tinnin, brought a lawsuit in federal court for the Eastern District of California, alleging similar claims under California law, as well as a federal claim for unpaid overtime under the federal Fair Labor Standards Act (“FLSA”). In these three lawsuits, the Plaintiffs seek to recover unpaid wages, meal and rest break premiums, unreimbursed expenses, statutory and civil penalties, and attorneys’ fees and costs, on behalf of themselves and others at Sutter who are similarly situated. Sutter denies all of the material allegations in the lawsuits and denies that it did anything wrong. The three lawsuits have been consolidated for purposes of this Settlement and submitted to the Stanislaus County Superior Court for approval.

SUMMARY OF THE SETTLEMENT

A. Why is there a Settlement?

The Court has not made any ruling in favor of Plaintiffs or Sutter. It also has not determined whether these lawsuits may proceed as class actions. Plaintiffs believe they would have prevailed on their claims at a trial. Sutter does not believe that Plaintiffs would have won anything from a trial. But there was no trial. Instead, both sides agreed to a settlement. That way, they each avoid the costs, risks, and uncertainties of a trial, and the employees allegedly affected will receive compensation. Plaintiffs and their attorneys believe the Settlement is fair, reasonable, and adequate.

B. Who is in the Settlement Class?

The Settlement Class consists of all current and former employees of Sutter who have been employed by Sutter in non-exempt positions at any time between March 5, 2015, and April 2, 2023 (the “Class Period”).

The settlement of the Plaintiffs’ PAGA penalty claims will cover all current and former non-exempt employees who have been employed by Sutter at any time between October 25, 2018, and April 2, 2023 (the “PAGA Period”).

C. What has Sutter agreed to do?

Sutter will pay \$8,000,000.00 (the “Maximum Settlement Amount”) to settle the lawsuits. The following sums will be paid from the Maximum Settlement Amount: (1) Class Counsel’s attorneys’ fees in an amount set by the Court not to exceed one third (33.33%) of the Maximum Settlement Amount (\$2,666,400.00), plus Class Counsel’s reasonable litigation costs in an amount set by the Court not to exceed \$90,000.00; (2) service awards to the four Plaintiffs in an amount set by the Court, not to exceed \$10,000.00 each, for their services as the class representatives in the lawsuits; and (3) a reasonable amount set by the Court to the Settlement Administrator for administering the settlement, not to exceed \$40,000.00; and Sutter has also agreed to pay \$100,000.00 out of the Maximum Settlement Amount to resolve the claims for civil penalties under PAGA. Of this amount, 75% (\$75,000.00) will be paid to the State of California, and the remaining 25% (\$25,000.00) will be paid to all persons who are eligible members of the Settlement Class who have been employed during the PAGA Period, whether or not they exclude themselves from the Class Settlement.

The portion of the Maximum Settlement Amount remaining after these payments is the Net Settlement Amount, which will be paid out to those Settlement Class Members who do not opt out of the Settlement, as explained below. Sutter also will pay the employer share of applicable payroll taxes due on the portion of the individual settlement payments designated as “wages,” which will be paid outside the Maximum Settlement Amount.

D. What are you giving up to get a payment and stay in the Class?

Subject to the Court’s approval of the Settlement, all members of the Settlement Class who do not opt out of the Settlement will release Sutter, and any of its current and former parents, corporate members, subsidiaries, divisions, and affiliated companies, and their respective officers, directors, employees, partners, shareholders, agents, insurers, successors, assigns and legal representatives (“Released Parties”), as follows:

(1) If you do not request exclusion from the Settlement, you will release the Released Parties from any and all claims, rights, demands, liabilities, and causes of action of every nature and description, arising during the Class Period, including statutory, contractual, or common law claims, for wages, damages, penalties, liquidated damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief – whether asserted under the California Labor Code; Business and Professions Code §§ 17200 *et seq.*; the applicable wage orders at California Code of Regulations, Title 8, § 11000 *et seq.*; the Fair Labor Standards Act (“FLSA”), or otherwise – that were or reasonably could have been alleged based on the factual allegations contained in the operative Complaints herein, including but not limited to: (a) any and all claims for failure to provide meal periods and/or to pay meal premiums in lieu thereof at the correct regular rate of compensation as required under Labor Code § 226, including but not limited to any claims alleging improper rounding of meal period times; (b) any and all claims for failure to authorize and permit rest breaks and/or to pay rest break premiums in lieu thereof at the correct regular rate of compensation as required under Labor Code § 226.7; (c) any and all claims for unpaid overtime, minimum wages or regular wages, including but not limited to claims alleging improper rounding of pay, failure to pay for “off the clock” work, and/or failure to pay overtime at the correct regular rate of pay; (d) any and all claims for failure to reimburse employees for business expenses under Labor Code § 2802; (e) any and all derivative claims arising from the claims listed above in subparagraphs (a) through (d) for failure to furnish accurate itemized wage statements in accordance with Labor Code § 226, and including any associated claims for penalties under Labor Code § 226(e); (f) any and all derivative claims arising from the claims listed above in subparagraphs (a) through (d) for failure to provide wages when due upon separation of employment under Labor Code §§ 201-203; and (g) any and all claims for attorneys' fees and costs arising out of the above-alleged claims.

(2) Plaintiffs, as agents and proxies of the State of California, and the State of California itself, will release Defendant and all the Released Parties from any and all claims for PAGA civil penalties arising during the PAGA Period, that were alleged or reasonably could have been alleged based on the facts contained in Plaintiffs' operative complaints, as enumerated in the preceding paragraph above and/or in any notices Plaintiffs may have submitted to the California Labor and Workforce Development Agency in connection with these lawsuits. This means that those of you who are PAGA-eligible employees (employed by Sutter in non-exempt positions at any time between October 25, 2018, and April 2, 2023) will be deemed to have released all such PAGA claims arising during this period, whether or not you request to be excluded from the Class Settlement.

(3) If you do not request exclusion from the Settlement and you cash or negotiate your settlement check, you will also be releasing any claims you may have under the FLSA for unpaid overtime or minimum wages. The settlement checks you receive will contain language acknowledging that by endorsing or negotiating your check, you will be consenting to join (“opt in” to) the FLSA portion of the case, to participate in the settlement of the FLSA claims, and to release all FLSA claims that are covered by the Settlement.

(4) Finally, the named Plaintiffs – Sherryanne Price, Tina Bria, Monique Rodriguez and Kristeena Tinnin – will generally release all known and unknown claims they each may have against Sutter, of any nature whatsoever, not limited to the wage and hour claims alleged in the lawsuits.

The Released Claims do not include a release of all the other rights you have as an employee or former employee of Sutter. The Released Claims are specifically limited to the claims set forth above.

E. How much money will I receive?

Each participating Settlement Class Member will receive an “Individual Class Payment”, which is a share of the Net Settlement Amount. The Net Settlement Amount is calculated by first deducting from the Maximum Settlement Amount the court-approved (1) attorneys' fees and costs to Class

Counsel; (2) settlement administration costs; (3) service award payments to the Plaintiffs; and (4) PAGA payments to the State of California and the PAGA-eligible members of the Settlement Class.

Based on Sutter's records, the Settlement Administrator will determine the number of workweeks worked by each Class Member in the Settlement Class. Those who do not opt out of the Settlement will receive an individual settlement award that amounts to a pro rata share of their allocated Net Settlement Amount, based on the number of Compensable Workweeks they worked during the Class Period in proportion to the total number of Compensable Workweeks worked by all of the eligible Settlement Class Members in the Settlement Class.

According to Sutter's records, you were employed in the Settlement Class for [REDACTED] Compensable Workweeks between March 15, 2015 and April 2, 2023 ("Class Period"). Your Individual Class Payment is estimated to be \$_____ (less withholding)

Also, according to Sutter's records, you were employed for [REDACTED] workweeks during the PAGA Period (between October 25, 2018, and April 2, 2023 ("PAGA Period")). Your individual PAGA Payment is estimated to be \$_____

Please be advised that the number of Compensable Workweeks listed above is presumed to be correct unless you submit documents proving otherwise. If you disagree with the number of Compensable Workweeks listed above, please submit an explanation and evidence of your proposed Compensable Workweeks to the Settlement Administrator no later than [45 days after mailing]. In the event of a dispute about the correct number of Compensable Workweeks you worked during the Class Period, the Settlement Administrator will resolve the challenge with input from Sutter and Class Counsel, subject to final resolution by the Court if necessary.

F. Will any taxes be taken out of the settlement payments?

Twenty percent (20%) of your Individual Payment Amount will be treated as back wages and reported on an IRS Form W-2 with all appropriate taxes withheld. The remaining eighty percent (80%) will be treated as interest and penalties and reported as non-wage income on an IRS Form 1099 with no payroll withholding. W-2 and 1099 Forms will be issued to all Settlement Class Members who cash their checks, as required by law. The PAGA payments will be treated solely as penalties and reported on an IRS Form 1099, without tax withholding.

Aside from the employer portion of payroll taxes, Settlement Class Members are responsible for the appropriate payment of any federal, state, and/or local income or payroll taxes owed on the Individual Payment Amounts they receive. The tax issues for each Settlement Class Member are unique to that Class Member. You are advised to obtain tax advice from your own tax advisor with respect to any payments resulting from this Settlement. This Notice does not constitute legal or tax advice regarding any federal, state, or local tax issue, and nothing in this Notice is intended to or should be used by any person for the purpose of avoiding any tax liability or tax penalties.

THE FINAL APPROVAL HEARING

The Court will conduct a final fairness hearing regarding the proposed settlement (the "Final Approval Hearing") on [REDACTED], 2024, at [REDACTED] m., in Department 21 of the Stanislaus County Superior Court, located at 801 10th Street, Modesto, CA 95354. The Court will then determine: (i) whether the lawsuit should be certified as a class action for settlement purposes only; (ii) whether the Settlement should be given the Court's final approval as fair, reasonable, adequate and in the best interests of the Settlement Class Members; (iii) whether the Settlement Class Members should be bound

by the terms of the Settlement; (iv) the amount of the attorneys' fees and costs to be awarded to Plaintiff's attorneys; (v) the amount that should be awarded to Plaintiffs for their service as class representatives; (vi) the amount that should be approved for civil penalties under PAGA; and (vii) the amount that should be approved for settlement administration costs. At the Final Approval Hearing, the Court will hear all objections as well as arguments for and against the proposed Settlement. You have a right to attend this hearing, but you are not required to do so. You also have the right to hire an attorney to represent you, at your own expense, or to enter an appearance and represent yourself.

WHAT ARE YOUR OPTIONS?

- **OPTION 1 – DO NOTHING AND PARTICIPATE IN THE SETTLEMENT**

IF YOU TAKE NO ACTION IN RESPONSE TO THIS NOTICE, YOU WILL AUTOMATICALLY RECEIVE YOUR SHARE OF THE SETTLEMENT IF IT IS APPROVED BY THE COURT. YOU WILL NEVER BE REQUIRED TO GO TO COURT OR PAY ANYTHING TO THE LAWYERS IN THIS CASE. If you move your residence, you must update your address with the Settlement Administrator. If you disagree with the number of workweeks worked as indicated in section E above, you must submit an explanation and/or documentation to the Settlement Administrator to support your position. The Settlement Administrator's address is [**Settlement Administrator address**].

- **OPTION 2 – OBJECT TO THE SETTLEMENT**

If you wish to remain a Settlement Class Member but you object to the proposed Settlement (or any of its terms) and wish the Court to consider your objection at the Final Approval Hearing, you may object to the Settlement in writing. You may also appear at the Final Approval Hearing, either in person or through an attorney at your own expense. All written objections, supporting papers, and/or notices of intent to appear at the Final Approval Hearing must clearly identify the case name and number and be mailed to the Settlement Administrator, [redacted] at [**address**]. Objections must be postmarked no later than [**45 days after mailing**]. However, you still may appear at the Final Approval Hearing and raise an objection to the Settlement even if you did not submit written objections within this 45-day deadline.

- **OPTION 3 – EXCLUDE YOURSELF FROM THE SETTLEMENT**

You have a right to exclude yourself from ("opt out" of) the Settlement, but if you choose to do so, you will not receive any payment from the proposed Class Settlement. You will not be bound by a judgment in this case as to the Class claims, and you will have the right to file your own lawsuit against Sutter and pursue your own claims in a separate suit if you wish. You can opt out of the Class by mailing a written statement to the Settlement Administrator, [redacted], at the above-stated address, so that it is postmarked no later than [**45 days after mailing of the notice**]. The written statement should contain your name, address, signature; your telephone number; and the name of this case, *Price v. Sutter Valley Medical Foundations*. Your request must also clearly state that you do not wish to be included in the Settlement, or words to that effect. It must be faxed, emailed or postmarked on or before the response deadline. If you do not exclude yourself from the Settlement in accordance with this procedure, you will be bound by the terms of the Settlement and the related judgment entered by the Court. Even if you exclude yourself as described above, you will still be bound by the PAGA release and you will receive a PAGA payment if you were employed within the PAGA Period. If an exclusion request is submitted along with an objection and/or a dispute, the exclusion request will control.

NOTE REGARDING RESPONSE DEADLINES:

The 45-day deadline for you to opt out of the Settlement, object to the Settlement, or submit a challenge to the number of Compensable Workweeks being credited to you may be extended if your Notice was initially returned to the Settlement Administrator as undeliverable and, as a result, the Settlement Administrator re-mailed this Notice to you later. In such a case, you will have up to 7 calendar days from the date of the re-mailing to submit your response, even if that falls beyond the regular 45-day deadline

ARE THERE MORE DETAILS ABOUT THE SETTLEMENT?

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you should review the detailed Settlement Agreement, which is on file with the clerk of the Stanislaus County Superior Court, 801 10th St., Modesto, CA 95354, and may also be reviewed online at [\[insert court website link\]](#) [\[or Settlement Administrator's website if applicable\]](#).

ALL INQUIRIES REGARDING THIS LITIGATION SHOULD BE MADE TO THE SETTLEMENT ADMINISTRATOR OR COUNSEL FOR THE CLASS. CLASS COUNSEL ARE:

JAMES HAWKINS APLC
James R. Hawkins, Esq.
Isandra Fernandez, Esq.
Lance Dacre, Esq. SBN 190305
9880 Research Drive, Suite 200
Irvine, CA 92618
Telephone: (949) 387-7200

Attorneys for Plaintiffs Sherryanne Price and Tina Bria,
on behalf of themselves and all others similarly situated

CROSNER LEGAL, PC
Zachary M. Crosner, Esq.
Jamie Serb, Esq.
9440 Santa Monica Boulevard, Suite 301
Beverly Hills, CA 90210
Telephone: (310) 496-5818

Attorneys for Plaintiff Monique Rodriguez, on behalf
of herself and all others similarly situated and aggrieved employees

MALLISON & MARTINEZ
Stan S. Mallison, Esq.
Hector R. Martinez, Esq.
Daniel C. Keller, Esq.
1939 Harrison Street, Suite 730
Oakland, California 94612-3547
Telephone: (510) 832-9999

Attorneys for Intervenor Kristeena Tinnin, on behalf of herself
and all others similarly situated and aggrieved employees

DO NOT TELEPHONE THE COURT FOR LEGAL ADVICE OR FOR INFORMATION ABOUT THIS SETTLEMENT.

BY ORDER OF THE STANISLAUS COUNTY SUPERIOR COURT