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8 and on behalf of all others similarly situated.

9 *[Additional counsel listed on following page]*

10 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
11 **FOR THE COUNTY OF SAN BERNARDINO**

12
13 ESMERALDA GARCIA, individually and on
behalf of all others similarly situated,

14 Plaintiff,

15 vs.
16

17 PINNACLE MEDICAL GROUP, INC.; and
DOES 1 through 20, inclusive,

18 Defendants.
19
20
21

Case No. CIVDS2009677

*Assigned for all purposes to
Hon. Judge David Cohn
Dept. S26*

JOINT STIPULATION OF SETTLEMENT

1 KIEN C. TIET, State Bar No. 192058
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6 Attorneys for Defendant Pinnacle Medical Group, Inc.

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1 It is stipulated and agreed by and among the undersigned Parties, subject to the approval of
2 the Court pursuant to the California Rules of Court, that the Settlement of this Action shall be
3 effectuated upon and subject to the following terms and conditions. Capitalized terms used herein
4 shall have the meanings set forth in Article I or as defined elsewhere in this Joint Stipulation of
5 Settlement (“Agreement” or “Settlement”).

6 This Agreement is made by and between Named Plaintiff Esmeralda Garcia (“Named
7 Plaintiff”) and the Class Members, on the one hand, and Defendant Pinnacle Medical Group, Inc.
8 (“Pinnacle” or “Defendant”), on the other hand. Named Plaintiff and Defendant collectively are
9 referred to in this Agreement as “the Parties.”

10 The Parties agree that the Action shall be, and hereby is, ended, settled, resolved, and
11 concluded by agreement of Defendant to pay the settlement amount of Two Million Six Hundred
12 Thousand Dollars (\$2,600,000.00) as provided in Section 3.06(a) below (“Gross Settlement
13 Amount”) pursuant to the terms and conditions of this Agreement and for the consideration set forth
14 herein, including but not limited to, a release of all claims by Named Plaintiff and the Class Members
15 as set forth herein.

16 **ARTICLE I**

17 **DEFINITIONS**

18 Unless otherwise defined herein, the following terms used in this Agreement shall have the
19 meanings ascribed to them as set forth below:

20 a. “Action” means the action described as follows: *Esmeralda Garcia, individually and*
21 *on behalf of all others similarly situated v. Pinnacle Medical Group, Inc.; and DOES 1 through 20,*
22 *inclusive,”* Case No. CIVDS2009677, commenced on June 1, 2020, in the Superior Court of the
23 State of California for the County of San Bernardino.

24 b. “Agreement” means this Joint Stipulation of Settlement, including the attached
25 Exhibit(s).

26 c. “Class” means all current and former non-exempt employees employed by Defendant
27 in California at any time during the Class Period.

28 d. “Class Counsel” means the attorneys for the Class and the Class Members, who are:

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Kashif Haque
Samuel A. Wong
Jessica L. Campbell
Kristy R. Connolly
9811 Irvine Center Drive, Suite 100
Irvine, California 92618
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Facsimile: (949) 379-6251

e. “Class List” means a list based on Defendant’s business records that identifies each Class Member’s name, last known home or mailing address, Social Security number or, as applicable, other taxpayer identification number, dates of employment, and the number of Qualifying Workweeks worked during the Class Period.

f. “Class Member(s)” means all members of the Class.

g. “Class Period” means June 1, 2016 through October 26, 2021.

h. “Court” means the California Superior Court for the County of San Bernardino, where the Action is currently pending.

i. “Date of Finality” means the later of the following: (1) the date the Final Order is signed if no objections are filed to the Settlement; (2) if objections are filed and overruled, and no appeal is taken of the Final Order, sixty-five (65) days after the Final Order; or (3) if an appeal or other judicial review is taken from the Court’s overruling of objections to the settlement, ten (10) days after the appeal is withdrawn or after an appellate decision affirming the Final Order becomes final.

j. “Defendant” means Defendant Pinnacle Medical Group, Inc.

k. “Defense Counsel” means counsel for Defendant:

Kien C. Tiet
Christopher M. Carrillo
GRESHAM SAVAGE NOLAN & TILDEN, APC
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San Bernardino, CA 92408
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Fax: 909.890.9877

1 l. "Disposition" means the method by which the Court approves the terms of the
2 Settlement and retains jurisdiction over its enforcement, implementation, construction,
3 administration, and interpretation.

4 m. "Final Order Approving Settlement of Class Action" or "Final Order" means the final
5 formal court order signed by the Court following the Final Fairness and Approval Hearing in
6 accordance with the terms herein, approving this Agreement.

7 n. "Gross Settlement Amount" means Two Million Six Hundred Thousand Dollars and
8 Zero Cents (\$2,600,000.00) to be paid by Defendant as provided by this Agreement to settle this
9 Action. All payments to the Class, administration costs, attorney's fees and costs, and Incentive
10 Award, pursuant to Section 3.07(a) below, shall be paid out of the Gross Settlement Amount. The
11 employer's share of payroll taxes arising from the payments made under this settlement shall be paid
12 by Defendant separate from and in addition to the Gross Settlement Amount. The Gross Settlement
13 Amount is subject to a pro rata increase pursuant to Section 3.04(e) below. No part of the Gross
14 Settlement Amount shall revert to Defendant.

15 o. "Incentive Award" means a monetary amount of up to Ten Thousand Dollars
16 (\$10,000.00) for the Named Plaintiff, subject to Court approval, in recognition of her effort and work
17 in prosecuting the Action on behalf of Class Members, and for her general release of claims.

18 p. "Individual Settlement Payment(s)" means each Participating Class Member's
19 respective share of the Net Settlement Amount. Individual Settlement Payments will be determined
20 by the calculations provided in this Agreement.

21 q. "LWDA" means the State of California Labor and Workforce Development Agency.

22 r. "LWDA Payment" means 75% of the \$40,000 allocated to the settlement of PAGA
23 claims which, subject to Court approval, will be paid to the LWDA pursuant to Section 3.07(e) of
24 this Agreement, as provided for below.

25 s. "Motion for Final Approval" means Named Plaintiff's submission of a written
26 motion, including any evidence as may be required for the Court to conduct an inquiry into the
27 fairness of the Settlement as set forth in this Agreement, to conduct a Final Fairness and Approval
28 Hearing, and to enter a Final Order in this Action.

1 t. "Motion for Preliminary Approval" means Named Plaintiff's submission of a written
2 motion, including any evidence as may be required for the Court to grant preliminary approval of
3 the Settlement as required by Rule 3.769 of the California Rules of Court.

4 u. "Named Plaintiff" means Esmeralda Garcia.

5 v. "Net Settlement Amount" means the Gross Settlement Amount less Court-approved
6 administration costs, Class Counsels' attorney's fees and costs, Incentive Award, and LWDA
7 Payment, pursuant to Section 3.07(a)-(f) below.

8 w. "Non-Participating Class Member(s)" means any Class Member(s) who submit to the
9 Settlement Administrator a valid and timely written request to be excluded from the Class pursuant
10 to Section 3.04(b) below.

11 x. "Notice Packet" means the Notice of Proposed Class Action Settlement in a form
12 substantially similar to the Notice Packet attached hereto as **Exhibit A**, subject to Court approval.

13 y. "PAGA" means the California Private Attorneys General Act of 2004, which is
14 codified in California Labor Code §§ 2698 *et seq.*

15 z. "PAGA Settlement Amount" means the portion of the Gross Settlement Amount
16 allocated to the resolution of PAGA Group Members' claims arising under PAGA. The Parties have
17 agreed that the PAGA Settlement Amount is Forty Thousand Dollars (\$40,000), subject to Court
18 approval. Of the PAGA Settlement Amount, 75% will be considered the LWDA Payment, and the
19 remaining 25% will be added to the Net Settlement Amount and distributed to PAGA Group
20 Members.

21 aa. "PAGA Group Members" means all Class Members employed by Defendant at any
22 time between March 27, 2019 through October 26, 2021 ("PAGA Period").

23 bb. "Participating Class Member(s)" is defined as a Class Member who does not timely
24 exclude himself or herself from the Settlement and will therefore receive his or her share of the Net
25 Settlement Amount automatically without the need to return a claim form. Each Participating Class
26 Member will be paid his/her Individual Settlement Payment.

27 cc. "Preliminary Approval Date" means the date the Court preliminarily approves the
28 Settlement embodied in this Agreement.

dd. “Qualified Settlement Fund” or “QSF” means a fund within the meaning of Treasury Regulation § 1.468B-1, 26 CFR § 1.468B-1 *et seq.*, that is established by the Settlement Administrator for the benefit of Participating Class Members.

ee. “Qualifying Workweeks” means the number of weeks that Class Members worked for Defendant as non-exempt employees during the Class Period.

ff. “Released Parties” means Defendant.

gg. “Response Deadline” means the deadline by which Class Members must postmark or fax to the Settlement Administrator requests for exclusion or written notices of objection. The Response Deadline will be forty-five (45) calendar days after the initial mailing of the Notice Packet by the Settlement Administrator, unless the forty-fifth (45th) calendar day falls on a Sunday or federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline will be extended as set forth herein if there is a re-mailing.

hh. “Settlement Administration Costs” means all costs incurred by the Settlement Administrator in administration of the Settlement, including, but not limited to, mailing of notice to the class, calculation of Individual Settlement Payments, generation of Individual Settlement Payment checks and related tax reporting forms, administration of unclaimed checks, and generation of checks to Class Counsel for attorneys’ fees and costs, to Named Plaintiff for her Incentive Award, and to the LWDA. The Settlement Administration Costs shall be paid from the Gross Settlement Amount.

ii. “Settlement Administrator” means Phoenix Settlement Administrators, which the Parties have agreed will be responsible for the administration of the Individual Settlement Payments to be made by Defendant from the Gross Settlement Amount and related matters under this Agreement.

ARTICLE II

CONTINGENT NATURE OF THE AGREEMENT

Section 2.01: Stipulation of Class Certification for Settlement Purposes

1 Because the Parties have stipulated to the certification of the Class with respect to all causes
2 of action alleged in the Action for settlement purposes only, this Agreement requires preliminary and
3 final approval by the Court. Accordingly, the Parties enter into this Agreement on a conditional basis.
4 This Agreement is contingent upon the approval and certification by the Court. If the Date of Finality
5 does not occur, the fact that the Parties were willing to stipulate for the purposes of this Agreement
6 to a Class shall have no bearing on, nor be admissible in connection with, the issue of certification
7 of the Class with respect to all causes of action alleged in the Action. Defendant does not consent to
8 certification of the Class for any purpose other than to effectuate settlement of the Action. If the Date
9 of Finality does not occur, or if Disposition of this Action is not effectuated, any certification of the
10 Class as to Defendant will be vacated and Named Plaintiff, Defendant, and the Class will be returned
11 to their positions with respect to the Action as if the Agreement had not been entered into. In the
12 event that the Date of Finality does not occur: (a) any Court orders preliminarily or finally approving
13 certification of any class contemplated by this Agreement shall be null, void, and vacated, and shall
14 not be used or cited thereafter by any person or entity; and (b) the fact of the settlement reflected in
15 this Agreement, the fact that Defendant did not oppose the certification of a Class under this
16 Agreement, or that the Court preliminarily approved the certification of the Class, shall not be used
17 or cited thereafter by any person or entity, including in any manner whatsoever, including without
18 limitation any contested proceeding relating to the certification of any class. If the Date of Finality
19 does not occur, this Agreement shall be deemed null and void, shall be of no force or effect
20 whatsoever, and shall not be referred to or used for any purpose whatsoever. Defendant expressly
21 reserves the right to challenge the propriety of class certification in the Action for any purpose, if the
22 Date of Finality does not occur.

23 The Parties and their respective counsel shall take all steps that may be requested by the Court
24 relating to the approval and implementation of this Agreement and shall otherwise use their
25 respective best efforts to obtain Court approval and implement this Agreement. If the Court does not
26 grant the Motion for Preliminary Approval and/or the Motion for Final Approval, the Parties agree
27 to meet and confer to address the Court's concerns. If the Parties are unable to agree upon a
28 resolution, the Parties agree to seek the assistance of mediator Eve Wagner to resolve the dispute.

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1 **Section 3.03: Notice to Class Members**

2 No later than five (5) business days after the Preliminary Approval Date, Defendant will
3 provide the Settlement Administrator with a “Class List” in electronic format based on its business
4 records, identifying the names of the Class Members, their last known home addresses, Social
5 Security numbers or, as applicable, other taxpayer identification number, their dates of employment
6 and weeks worked during the Class Period.

7 Within ten (10) business days of receiving a Class List from Defendant, the Settlement
8 Administrator will send Class Members, by first-class mail, at their last known address, the Court
9 approved Notice Packet, including notice of this Settlement and of the opportunity to opt out of the
10 Settlement Class. The Notice Packet will include a calculation of the Class Member’s approximate
11 share of the Net Settlement Amount. Class Members will have forty-five (45) days from the date of
12 mailing in which to postmark objections or requests for exclusion. Prior to the initial mailing, the
13 Settlement Administrator will check all Class Member addresses against the National Change of
14 Address database and shall update any addresses before mailing. The Settlement Administrator will
15 skip trace and re-mail all returned, undelivered mail within five (5) days of receiving notice that a
16 Notice Packet was undeliverable. If a Class Member’s notice is re-mailed, the Class Member shall
17 have fifteen (15) calendar days from the re-mailing, or forty-five (45) calendar days from the date of
18 the initial mailing, whichever is later, in which to postmark objections or requests for exclusion.
19 Class Members shall not be required to submit claim forms in order to receive a proportional share
20 of the Net Settlement Amount.

21 If the Notice Packet is returned with a forwarding address, the Settlement Administrator shall
22 re-mail the Notice Packet to the forwarding address. With respect to those Class Members whose
23 Notice Packet is returned to the Settlement Administrator as undeliverable, the Settlement
24 Administrator shall promptly attempt to obtain a valid mailing address by performing a skip trace or
25 mass search on LexisNexis or comparable databases based on set criteria and, if another address is
26 identified, shall mail the Notice Packet to the newly identified address. It is the intent of the parties
27 that reasonable means be used to locate Class Members and that the Settlement Administrator be
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1 given discretion to take steps in order to facilitate notice of the Settlement and delivery of the
2 Individual Settlement Payments to all Participating Class Members.

3 If the Notice Packet is re-mailed, the Settlement Administrator will note for its own records
4 and notify Class Counsel and Defense Counsel of the date of each such re-mailing as part of a weekly
5 status report provided to the Parties.

6 In the event a Class Member's Notice Packet remains undeliverable sixty (60) calendar days
7 after the Notice Packet was initially mailed, the Settlement Administrator will not mail the Class
8 Member's Individual Settlement Payment. The Settlement Administrator will hold the Class
9 Member's Individual Settlement Payment during the check cashing period on behalf of the Class
10 Member. If at the conclusion of the check cashing period the Class Member's Notice Packet and
11 Individual Settlement Payment remain undeliverable and/or unclaimed and uncashed, the Settlement
12 Administrator will distribute the funds from unclaimed/uncashed checks in accordance with the
13 procedures set forth in Section 3.07(g) below.

14 No later than twenty (20) court days prior to the Final Fairness and Approval Hearing, the
15 Settlement Administrator shall provide Defense Counsel and Class Counsel with a declaration
16 attesting to completion of the notice process, including any attempts to obtain valid mailing addresses
17 for and re-sending of any returned Notice Packets, as well as the number of valid requests for
18 exclusion and objections that the Settlement Administrator received.

19 **Section 3.04: Responses to Notice**

20 **a. Class Member Disputes**

21 If any Class Member disagrees with Defendant's records as to his or her Qualifying
22 Workweeks during the Class Period as reflected in the Notice Packet, the Class Member shall set
23 forth in writing the Qualifying Workweeks he/she claims to have worked during the Class Period
24 and submit such writing to the Settlement Administrator by the Response Deadline, along with any
25 supporting documentation. The Notice will also provide a method for the Class Member to challenge
26 the employment data on which his or her Individual Settlement Payment is based. The Settlement
27 Administrator shall contact the Parties regarding the dispute and the Parties will work in good faith
28 to resolve it. If the Parties are unable to resolve the dispute, the Settlement Administrator will be the

1 final arbiter of the Qualifying Workweeks for each Class Member during the Class Period based on
2 the information provided to it.

3 **b. Requests for Exclusion from Class**

4 In order for any Class Member to validly exclude himself or herself from the Class and this
5 Settlement (*i.e.*, to validly opt out), a written request for exclusion must be signed by the Class
6 Member or his or her authorized representative, and must be sent to the Settlement Administrator,
7 postmarked no later than the Response Deadline (or fifteen (15) days after the Settlement
8 Administrator re-mails the Notice to the Class Member, whichever is later). The Notice Packet shall
9 contain instructions on how to validly exclude himself or herself from the Class and this Settlement
10 (*i.e.*, opt out), including the language to be used in a request for exclusion. The date of the initial
11 mailing of the Notice Packet, and the date the signed request for exclusion was postmarked, shall be
12 conclusively determined according to the records of the Settlement Administrator. Any Class
13 Member who timely and validly requests exclusion from the Class and this Settlement will not be
14 entitled to any Individual Settlement Payment, will not be bound by the terms and conditions of this
15 Agreement, and will not have any right to object, appeal, or comment thereon.

16 Any Class Member who fails to timely submit a request for exclusion shall automatically be
17 deemed a Class Member whose rights and claims with respect to the issues raised in the Action are
18 determined by the Court's Final Order Approving Settlement of Class Action, and by the other
19 rulings in the Action. Thus, said Class Member's rights to pursue any claims covered by the Action
20 and/or released in this Agreement will be extinguished.

21 **c. Objections to Settlement**

22 For any Class Member to object to this Agreement, or any term of it, the person making the
23 objection must not submit a request for exclusion (*i.e.*, must not opt out), and should send to the
24 Settlement Administrator, postmarked or faxed no later than the Response Deadline (or fifteen (15)
25 days after the Settlement Administrator re-mails the Notice to the Class Member, whichever is later),
26 a written statement of the grounds of objection, signed by the objecting Class Member or his or her
27 attorney, along with all supporting papers. The date of the initial mailing of the Notice Packet, and
28 the date the signed objection was postmarked, shall be conclusively determined according to the

records of the Settlement Administrator. The Settlement Administrator shall send any objections it receives to Defense Counsel and Class Counsel within three (3) business days of receipt. Class Members may also appear at the final approval hearing to object. The Court retains final authority with respect to the consideration and admissibility of any Class Member objections.

d. Encouragement of Class Members

The Parties to this Agreement and the counsel representing such Parties shall not, directly or indirectly, through any person, encourage or solicit any Class Member to exclude him or herself from this Settlement (opt out), or to object to it. However, Class Counsel may respond to inquiries from Class Members.

e. Right of Plaintiff to Adjust Gross Settlement Amount

Defendant has estimated the number of Class Members as 397 and the number of workweeks to be 40,585. If the number of Class Members or the number of workweeks increase by more than 10% (which is more than 436 Class Members or 44,643 workweeks) as of the end of the Class Period, the Gross Settlement Amount will increase pro rata per additional class member or additional workweek, whichever is greater, as follows: \$6,549.11 per employee or \$64.06 per additional workweek.

Section 3.05: Final Fairness and Approval Hearing

On the date set forth in the Order for Preliminary Approval and Notice Packet, a Final Fairness and Approval Hearing shall be held before the Court in order to (1) review this Agreement and determine whether the Court should give it final approval, and (2) consider any objections made and all responses by the Parties to such objections. At the Final Fairness and Approval Hearing, the Parties shall ask the Court to grant final approval to this Agreement and shall submit to the Court a Proposed Final Order Approving Settlement of Class Action.

Section 3.06: Settlement Payment Procedures

a. Settlement Amount

In exchange for the Released Claims set forth in this Agreement, Defendant agrees to pay the Gross Settlement Amount in the amount of Two Million Six Hundred Thousand Dollars (\$2,600,000.00), subject to a pro rata increase under the condition set forth in Section 3.04(e). The

1 Gross Settlement Amount includes all Individual Settlement Amounts to Participating Class
2 Members, all administration costs, Class Counsel's attorney's fees and costs, PAGA Settlement
3 Amount, and the Incentive Award.

4 Within sixty (60) calendar days after the Court signs the Final Order, Defendant shall transfer
5 the Gross Settlement Amount plus Defendant's share of employer-side payroll taxes, as set forth
6 herein, into a QSF established by the Settlement Administrator either directly or by sending the funds
7 to the Settlement Administer to be deposited and distributed. The Settlement Administrator will use
8 these funds to fund payment of the Individual Settlement Payments to Participating Class Members,
9 Class Counsel's attorneys' fees and costs, the Incentive Award, the LWDA Payment, and the
10 Settlement Administration Costs.

11 Within ten (10) court days after receiving Defendant's final payment, funding the Gross
12 Settlement Amount in full, the Settlement Administrator will pay the Individual Settlement Payments
13 to Participating Class Members, Class Counsel's attorneys' fees and costs, LWDA Payment, the
14 Incentive Award, and employer and employee tax withholdings applicable to the Net Settlement
15 Amount allocated to wages. Prior to this distribution, the Settlement Administrator will perform a
16 search based on the National Change of Address Database to update and correct for any known or
17 identifiable address changes.

18 **b. Payment of Attorneys' Fees and Costs**

19 Class Counsel shall submit an application for an award of attorneys' fees of up to one-third
20 of the Gross Settlement Amount, which, based on the current Gross Settlement Amount, is Eight
21 Hundred Sixty-Six Thousand Six Hundred and Sixty-Six Dollars and Sixty-Seven Cents
22 (\$866,666.67). Class Counsel shall submit an application for an award of costs not to exceed Twenty
23 Thousand Dollars (\$20,000.00). Such application for attorneys' fees and costs shall be heard by the
24 Court at the Final Fairness and Approval Hearing. Defendant shall not object to or oppose any such
25 application in these amounts. Class Counsel shall serve Defendant with copies of all documents
26 submitted in support of their application for an award of attorneys' fees and costs.

27 Any attorneys' fees and costs awarded to Class Counsel by the Court shall be paid from the
28 Gross Settlement Amount and shall not constitute payment to any Class Member(s). The attorneys'

1 fees and costs for Class Counsel approved by the Court shall encompass all work performed, costs,
2 and expenses related to the investigation, prosecution, and settlement of the Action incurred through
3 the Date of Finality. To the extent that the Court approves less than the amount of attorney's fees
4 and/or costs that Class Counsel requests, the difference between the requested and awarded amounts
5 will be reallocated to the Net Settlement Amount.

6 **c. Payment of Settlement Administration Costs**

7 The Settlement Administration Costs shall be paid out of the Gross Settlement Amount and
8 shall not constitute payment to any Participating Class Member(s). The amount shall not exceed
9 Eight Thousand Five Hundred Dollars (\$8,500.00).

10 **d. Payment of Incentive Award to Named Plaintiff**

11 Subject to Court approval, the Named Plaintiff shall receive an Incentive Award of up to Ten
12 Thousand Dollars (\$10,000.00), the request for which Defendant will not object to or oppose. The
13 Incentive Award shall be paid out of the Gross Settlement Amount and shall not constitute payment
14 to any Participating Class Member(s) other than Named Plaintiff. To the extent that the Court
15 approves less than the amount of incentive award that Class Counsel request, the difference between
16 the requested and awarded amounts will be reallocated to the Net Settlement Amount.

17 Because it is the intent of the Parties that the Incentive Award represent payment to Named
18 Plaintiff for her service to the Class Members, and not wages, the Settlement Administrator will not
19 withhold any taxes from the Incentive Award. The Incentive Award will be reported on a Form 1099,
20 which the Settlement Administrator will provide to Named Plaintiff and to the pertinent taxing
21 authorities as required by law.

22 **e. Payment to the Labor and Workforce Development Agency**

23 In consideration of claims made under PAGA, Class Counsel will request that the Court
24 approve allocation of Forty Thousand Dollars (\$40,000) of the Gross Settlement Amount to these
25 claims. Seventy-five percent (75%) of this payment will be paid to the California Labor and
26 Workforce Development Agency ("LWDA Payment"), and twenty-five percent (25%) will be paid
27 to the Net Settlement Amount for distribution to PAGA Group Members. Defendant will not oppose
28 this request. The entire PAGA Settlement Amount will be paid out of the Gross Settlement Amount.

The Court's adjustment, if any, of the amount allocated to Named Plaintiff's PAGA claim in the Action, will not invalidate this Agreement.

f. Payment of Individual Settlement Payments to Participating Class Members

The Parties agree that the Net Settlement Amount shall be used to fund Individual Settlement Payments. The Parties agree that the Net Settlement Amount shall be divided between all Participating Class Members in proportion to the number of individual Qualifying Workweeks for each Class Member. To calculate the minimum amount each Class Member will receive based on their individual Qualifying Workweeks, the Net Settlement Amount will be divided by the total number of Qualifying Workweeks by all Class Members during the Class Period and then allocated on a pro rata basis. Qualifying Workweeks will be rounded up to the next whole integer. Each Class Member's approximate Individual Settlement Payment amount will be included in his or her Notice Packet. After final approval by the Court, the Net Settlement Amount will be dispersed to Participating Class Members (those who did not exclude themselves) on a pro rata basis based on the individual Qualifying Workweeks worked during the Class Period by each Participating Class Member.

Each Individual Settlement Payment will represent wages and penalties allocated using the following formula: 40% allocated to wages; 60% allocated to interest and penalties. The amounts paid as wages shall be subject to all tax withholdings customarily made from an employee's wages and all other authorized and required withholdings and shall be reported by W-2 forms. The employer-side taxes will be paid separate from and in addition to the Gross Settlement Amount. The amounts paid as penalties and interest shall be subject to all authorized and required withholdings other than the tax withholdings customarily made from employees' wages and shall be reported by IRS 1099 forms.

No later than ten (10) business days after receiving the Gross Settlement Amount from Defendant, the Settlement Administrator shall prepare and mail the checks for the Individual Settlement Payments to Participating Class Members. Individual Settlement Payments paid from the Net Settlement Amount allocated to wages will be reduced by applicable employer and employee tax withholdings, and the Settlement Administrator will issue a Form W-2 for the wage portion of

1 the Individual Settlement Payments. The Settlement Administrator will issue a Form 1099 to the
2 extent required by law for the interest and penalty portions of the Individual Settlement Payments.
3 Participating Class Members shall have 180 days from the date their Individual Settlement Payment
4 checks are dated to cash their Settlement checks. Any checks that are not cashed upon the expiration
5 of that 180-day time period will be void, and the uncashed funds shall be paid to the State Controller
6 Unclaimed Property Fund in the name of the Class Member for whom the funds are designated.

7 If a check is returned to the Settlement Administrator as undeliverable, the Settlement
8 Administrator shall promptly attempt to obtain a valid mailing address by performing a skip trace or
9 a mass search on LexisNexis or a comparable databases based on set criteria and, if another address
10 is identified, the Settlement Administrator shall mail the check to the newly identified address. If the
11 Settlement Administrator is unable to obtain a valid mailing address through this process, the
12 Settlement Administrator will tender the funds from the undeliverable checks to the State Controller
13 Unclaimed Property Fund in the name of the Class Member for whom the funds are designated.

14 **g. Default on Payment.**

15 Defendant's failure to fund the Gross Settlement Amount within sixty (60) calendar days after
16 the date that the Court grants final approval of the Settlement shall be considered a default. In the
17 event Defendant fails to timely fund the Gross Settlement Amount, the Settlement Administrator will
18 provide notice to Class Counsel and Defendant's counsel within three (3) business days of the missed
19 payment. Thereafter, Defendant will have seven (7) days to cure the default and tender payment to
20 the Settlement Administrator. In the event Defendant fails to cure the default within the times set
21 forth herein, Named Plaintiff may elect to enter judgment against Defendant, on an ex parte basis,
22 for the balance of the unpaid Gross Settlement Amount to date, and Named Plaintiff will be entitled
23 to recover interest at ten percent (10%) per year from the due date for such payment and reasonable
24 attorneys' fees and costs.

25 **h. No Credit Toward Benefit Plans.**

26 The Individual Settlement Payments made to Participating Class Members under this
27 Agreement, as well as any other payments made pursuant to this Agreement, will not be utilized to
28 calculate any additional benefits under any benefit plans to which any Class Members may be

1 eligible, including, but not limited to: profit-sharing plans, bonus plans, 401(k) plans, stock purchase
2 plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties'
3 intention that this Agreement will not affect any rights, contributions, or amounts to which any Class
4 Members may be entitled under any benefit plans.

5 **ARTICLE IV**

6 **LIMITATIONS ON USE OF THIS SETTLEMENT**

7 **Section 4.01: No Admission**

8 Defendant disputes the allegations in the Action and disputes that, but for this Settlement, a
9 Class should not have been certified in the Action. This Agreement is entered into solely for the
10 purpose of settling highly disputed claims. Nothing in this Agreement is intended nor will be
11 construed as an admission of liability or wrongdoing by Defendant.

12 **Section 4.02: Non-Evidentiary Use**

13 Whether or not the Date of Finality occurs, neither this Agreement, nor any of its terms, nor
14 the Settlement itself, will be: (a) construed as, offered, or admitted in evidence as, received as, or
15 deemed to be evidence for any purpose adverse to Defendant or any other of the Released Parties,
16 including but not limited to, evidence of a presumption, concession, indication, or admission by any
17 of the Released Parties of any liability, fault, wrongdoing, omission, concession, or damage, or
18 (b) disclosed, referred to, or offered in evidence against any of the Released Parties in any further
19 proceeding in the Action, except for the purposes of effectuating the Settlement pursuant to this
20 Agreement or for Defendant to establish that a Class Member has resolved any of his or her claims
21 released through this Agreement.

22 **Section 4.03: Nullification**

23 The Parties have agreed to the certification of the Class encompassing all claims alleged in
24 the Action for the sole purpose of effectuating this Agreement. If (a) the Court should for any reason
25 fail to certify this Class for settlement, or (b) the Court should for any reason fail to approve this
26 Settlement, or (c) the Court should for any reason fail to enter the Final Order, or (d) the Final Order
27 is reversed, or declared or rendered void, or (e) the Court should for any reason fail to dispose of the
28 Action in its entirety, then (i) this Agreement shall be considered null and void; (ii) neither this

1 Agreement nor any of the related negotiations or proceedings shall be of any force or effect; (iii) all
2 Parties to this Agreement shall stand in the same position, without prejudice, as if the Agreement had
3 been neither entered into nor filed with the Court; and (iv) the fact that the Parties were willing to
4 stipulate to class certification of all causes of action pled in the Action as part of the Settlement will
5 have no bearing on, and will not be admissible in connection with, the issue of whether the Class
6 should be certified by the Court in a non-settlement context in this Action or any other action, and in
7 any of those events, Defendant expressly reserves the right to oppose certification of the Class.

8 In the event of a timely appeal from the Final Order, the Final Order shall be stayed and the
9 Gross Settlement Amount shall not be distributed pending the completion of the appeal.

10 **ARTICLE V**

11 **RELEASES**

12 **Section 5.01: Released Claims by Class Members**

13 Upon the date Defendant transfers the Gross Settlement Amount, Named Plaintiff and
14 Participating Class Members who do not opt out of the Settlement, release the Released Parties from
15 any and all claims alleged in Named Plaintiff's Operative Complaint, during the Class Period,
16 including (1) failure to pay minimum wages (2) failure to pay overtime wages (3) failure to provide
17 meal periods (4) failure to authorize or permit rest periods (5) failure to furnish accurate itemized
18 wage statements (6) failure to pay wages upon separation of employment and within the required
19 time (7) violation of California Business and Professions Code §§17200, *et seq.*, based on the
20 preceding claims ("Released Claims").

21 **Section 5.02: Released Claims by PAGA Group Members**

22 Upon the date of funding the GSA, the State of California and PAGA Group Members release
23 the Released Parties from all claims exhausted in Plaintiff's notice sent to the LWDA and alleged in
24 the operative complaint, which arose during the PAGA Period, regardless of whether PAGA Group
25 Members opt out of the Class Settlement.

26 **Section 5.03: Named Plaintiff's Release of Unknown Claims**

27 Upon the date of funding the GSA, Named Plaintiff, waives, releases, acquits, and forever
28 discharges the Released Parties from any and all claims, actions, charges, complaints, grievances,

1 and causes of action, of any nature arising from Named Plaintiff's employment with Defendant,
2 whether known or unknown, which exist or may exist as of the Parties' execution of this Agreement.

3 Section 1542 of the California Civil Code provides as follows:

4 *"A general release does not extend to claims which the creditor does not*
5 *know or suspect to exist in his or her favor at the time of executing the*
6 *release, which if known by him or her must have materially affected his*
7 *or her settlement with the debtor."*

8 Plaintiff's general release provided herein is made with an express waiver and relinquishment
9 of any claim, right, or benefit under California Civil Code § 1542.

10 **ARTICLE VI**

11 **MISCELLANEOUS PROVISIONS**

12 **Section 6.01: Amendments or Modification**

13 The terms and provisions of this Agreement may be amended or modified only by an express
14 written agreement that is signed by all the Parties (or their successors-in-interest) and their counsel.

15 **Section 6.02: Assignment**

16 None of the rights, commitments, or obligations recognized under this Agreement may be
17 assigned by any Party, Class Member, Class Counsel, or Defense Counsel without the express written
18 consent of each other Party and their respective counsel. The representations, warranties, covenants,
19 and agreements contained in this Agreement are for the sole benefit of the Parties under this
20 Agreement and shall not be construed to confer any right or to avail any remedy to any other person.

21 **Section 6.03: Governing Law**

22 This Agreement shall be governed, construed, and interpreted, and the rights of the Parties
23 shall be determined, in accordance with the laws of the State of California, without regard to conflicts
24 of laws.

25 **Section 6.04: Entire Agreement**

26 This Agreement, including the Exhibits referred to herein, which form an integral part hereof,
27 contains the entire understanding of the Parties with respect to the subject matter contained herein.
28 In case of any conflict between text contained in Articles I through VI of this Agreement and text

1 contained in the Exhibits to this Agreement, the former (*i.e.*, Articles I through VI) shall be
2 controlling, unless the Exhibits are changed by or in response to a Court order. There are no
3 restrictions, promises, representations, warranties, covenants, or undertakings governing the subject
4 matter of this Agreement other than those expressly set forth or referred to herein. This Agreement
5 supersedes all prior agreements and understandings among the Parties with respect to the settlement
6 of the Action, including correspondence between Class Counsel and Defense Counsel and drafts of
7 prior agreements or proposals.

8 **Section 6.05: Waiver of Compliance**

9 Any failure of any Party, Defense Counsel, or Class Counsel hereto to comply with any
10 obligation, covenant, agreement, or condition set forth in this Agreement may be expressly waived
11 in writing, to the extent permitted under applicable law, by the Party or Parties and their respective
12 counsel entitled to the benefit of such obligation, covenant, agreement, or condition. A waiver or
13 failure to insist upon strict compliance with any representation, warranty, covenant, agreement, or
14 condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

15 **Section 6.06: Counterparts and Fax/PDF Signatures**

16 This Agreement, and any amendments hereto, may be executed in any number of counterparts
17 and any Party and/or their respective counsel may execute any such counterpart, each of which when
18 executed and delivered shall be deemed to be an original. All counterparts taken together shall
19 constitute one instrument. A fax or PDF signature on this Agreement shall be as valid as an original
20 signature.

21 **Section 6.07: Meet and Confer Regarding Disputes**

22 Should any dispute arise among the Parties or their respective counsel regarding the
23 implementation or interpretation of this Agreement, a representative of Class Counsel and a
24 representative of Defense Counsel shall meet and confer in an attempt to resolve such disputes prior
25 to submitting such disputes to the Court.

26 **Section 6.08: Agreement Binding on Successors**

27 This Agreement will be binding upon, and inure to the benefit of, the successors in interest
28 of each of the Parties.

1 **Section 6.09: Cooperation in Drafting**

2 The Parties have cooperated in the negotiation and preparation of this Agreement. This
3 Agreement will not be construed against any Party on the basis that the Party, or the Party's counsel,
4 was the drafter or participated in the drafting of this Agreement.

5 **Section 6.10: Fair and Reasonable Settlement**

6 The Parties believe that this Agreement reflects a fair, reasonable, and adequate settlement of
7 the Action and have arrived at this Agreement through arm's-length negotiation and in the context
8 of adversarial litigation, taking into account all relevant factors, current and potential. The Parties
9 further believe that the Settlement is and is consistent with public policy, and fully complies with
10 applicable law.

11 **Section 6.11: Headings**

12 The descriptive heading of any section or paragraph of this Agreement is inserted for
13 convenience of reference only and does not constitute a part of this Agreement and shall not be
14 considered in interpreting this Agreement.

15 **Section 6.12: Notice**

16 Except as otherwise expressly provided in the Agreement, all notices, demands, and other
17 communications under this Agreement must be in writing and addressed as follows:

18 *To Named Plaintiff and the Class:*

19 Kashif Haque
20 Samuel A. Wong
21 Jessica L. Campbell
22 Kristy R. Connolly
23 AEGIS LAW FIRM, PC
24 9811 Irvine Center Drive, Suite 100
25 Irvine, California 92618
26 Telephone: (949) 379-6250
27 Facsimile: (949) 379-6251

28 And

To Defendant:

 Kien C. Tiet
 Christopher M. Carrillo
 GRESHAM SAVAGE NOLAN & TILDEN, APC

550 East Hospitality Lane, Suite 300
San Bernardino, CA 92408
Kien.tiet@greshamsavage.com
Chris.carrillo@greshamsavage.com
Telephone: 909.890.4499
Fax: 909.890.9877

Section 6.13: Enforcement of Settlement and Continuing Court Jurisdiction

To the extent consistent with class action procedure, this Agreement shall be enforceable by the Court pursuant to California Code of Civil Procedure section 664.6 and California Rule of Court 3.769(h). The Final Order entered by the Court will not adjudicate the merits of the Action or the liability of the Parties resulting from the allegations of the Action. Its sole purpose is to adopt the terms of the Settlement and to retain jurisdiction over its enforcement. To that end, the Court shall retain continuing jurisdiction over this Action and over all Parties and Class Members, to the fullest extent to enforce and effectuate the terms and intent of this Agreement. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

Section 6.14: Mutual Full Cooperation

The Parties agree fully to cooperate with each other to accomplish the terms of this Agreement, including but not limited to the execution of such documents, and the taking of such other action, as may reasonably be necessary to implement the terms of this Agreement. The Parties to this Agreement shall use their best efforts, to effectuate and implement this Agreement and its terms. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of the Settlement, the Parties agree to seek the assistance of the Court.

Section 6.15: Authorization to Act

Class Counsel warrants and represents that they are authorized by Named Plaintiff, and Defense Counsel warrants that they are authorized by Defendant, to take all appropriate action required to effectuate the terms of this Agreement, except for signing documents, including but not

limited to this Agreement, that are required to be signed by the Parties themselves. Defendant represents and warrants that the individual executing this Agreement on its behalf has the full right, power, and authority to enter into this Agreement and to carry out the transactions contemplated herein.

Section 6.16: No Reliance on Representations

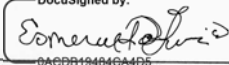
The Parties have made such investigation of the facts and the law pertaining to the matters described herein and to this Agreement as they deem necessary, and have not relied, and do not rely, on any statement, promise, or representation of fact or law, made by any of the other parties, or any of their agents, employees, attorneys, or representatives, with regard to any of their rights or asserted rights, or with regard to the advisability of entering into and executing this Agreement, or with respect to any other matters. No representations, warranties, or inducements, except as expressly set forth herein, have been made to any party concerning this Agreement.

EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel hereby execute this Agreement.

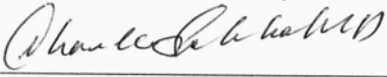
Dated: 1/10/2022

ESMERALDA GARCIA

By: 
DocuSigned by: Esmeralda Garcia
 Named Plaintiff

Dated: 12.6.2021

PINNACLE MEDICAL GROUP, INC.

By: 
 (Signature)
CHARLES SABBAH.
 (Printed Name)
CEO
 (Title)

1
2 **APPROVED AS TO FORM ONLY:**
3

4 Dated: 1/10/2022
5

AEGIS LAW FIRM, PC

6
7 By:  _____
8

Kashif Haque
Jessica L. Campbell
Kristy R. Connolly

9 Attorneys for Named Plaintiff Esmeralda Garcia
10

11 Dated: _____
12 1/10/22
13

**GRESHAM SAVAGE NOLAN &
TILDEN, APC**

14 By:  _____
15

Kien C. Tiet
Christopher M. Carrillo

16 Attorneys for Defendant Pinnacle Medical
17 Group, Inc.
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EXHIBIT A

THIS IS AN IMPORTANT COURT APPROVED NOTICE. READ CAREFULLY.

Esmeralda Garcia v. Pinnacle Medical Group, San Bernardino County Superior Court
Case No. CIVDS2009677

**If you worked for Pinnacle Medical Group as a non-exempt employee in California
at any time from June 1, 2016 through October 26, 2021,
a settlement of a class action lawsuit may affect your rights.**

This is a court-authorized notice. It is not a solicitation from a lawyer.

- A proposed settlement (the “Settlement”) has been reached in a class action lawsuit entitled *Esmeralda Garcia v. Pinnacle Medical Group*, Case No. CIVDS2009677 (San Bernardino County Superior Court) (the “Lawsuit”). The purpose of this Notice of Class Action Settlement (“Notice”) is to briefly describe the Lawsuit, and to inform you of your rights and options in connection with the Lawsuit and the proposed settlement.
- The Court has preliminarily approved a class action settlement with Defendant Pinnacle Medical Group, Inc (“Pinnacle”) which will affect all non-exempt employees who worked for Pinnacle as non-exempt employees in California at any time between June 1, 2016 through October 26, 2021 (the “Class”).
- If the Court grants final approval of the Settlement, there may be money available to you.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT	
PARTICIPATE IN THE SETTLEMENT – <u>NO ACTION REQUIRED</u>	Stay in this Lawsuit. Receive a payment. Give up certain rights. By doing nothing, you become part of the Class and will collect a settlement award as detailed below. But, you give up certain rights to sue Pinnacle separately for the legal claims raised in this Lawsuit.
OBJECT TO THE SETTLEMENT Deadline: [REDACTED], 2022	Stay in this Lawsuit. May give up certain rights. If you object to the settlement, you will remain a member of the Class, and if the Court approves the settlement, you will collect a settlement award and be bound by the terms of the settlement in the same way as Class Members who do not object.
ASK TO BE EXCLUDED Deadline: [REDACTED], 2022	Get out of this Lawsuit. Get no payment from it. Keep rights. If you ask to be excluded from the settlement, you won’t receive any payment from the settlement award. But, you keep any rights to sue Pinnacle separately for the legal claims raised or that could have been raised in this Lawsuit.

- **Regardless of the option you choose, you will not be retaliated against for exercising your rights.** To object to the Settlement or to ask to be excluded, you must act before **[DATE]**.

- **Any questions?** Read on or contact the Settlement Administrator listed below at 1-XXX-XXX-XXXX.

BASIC INFORMATION

1. Why did I get this notice?

Pinnacle's records show that you are a current or former non-exempt employee employed by Pinnacle at some point between June 1, 2016 through October 26, 2021.

The Court has determined only that there is sufficient evidence to suggest that the proposed settlement might be fair, adequate, and reasonable. Any final determination of those issues will be made at the final hearing. You have legal rights and options that you may exercise as part of this settlement. Judge David Cohn of the Superior Court of the State of California, County of San Bernardino, is overseeing this lawsuit.

2. What is this lawsuit about?

In this Lawsuit, Plaintiff Esmeralda Garcia ("Plaintiff") claims that Pinnacle failed to pay all minimum and overtime wages; provided non-exempt employees with proper meal periods, authorized rest breaks, paid all paid all wages owed upon termination, provided proper wage statements, violated California's Unfair Competition Law, and/or violated the Private Attorneys General Act of 2004, all as required by applicable California laws.

Throughout the litigation, Pinnacle has denied—and continues to deny—the factual and legal allegations in the case and has maintained that it has valid defenses to the claims. Pinnacle denies any wrongdoing and asserts that it at all times complied with the law. Pinnacle further denies that it owes the monies claimed in the Lawsuit. However, Pinnacle has voluntarily agreed to the terms of a negotiated settlement in order to avoid the burden and expense of continued litigation.

3. What is a class action and who is involved?

In a class action lawsuit such as this, a person called the "Class Representative" sues on behalf of other people who may have similar claims. The people together are a "Class" or "Class Members." The person who is the Class Representative is also called the plaintiff. The companies sued are called the defendant. In class action litigation, one Court resolves the issues for everyone in the Class in one lawsuit, except for those people who choose to exclude themselves from the Class.

This class action also includes a "Private Attorney General" (PAGA) claim where Plaintiff is attempting to recover penalties for the State of California. In a PAGA action, the State receives 75% of the civil penalties, while employees receive 25%. This settlement will resolve all claims by the State for civil penalties arising from claims made by Plaintiff or her counsel in the Lawsuit during the period of March 27, 2019 through October 26, 2021 and non-exempt employees covered by the Lawsuit will be barred from bringing another lawsuit on behalf of the State for such penalties.

4. Why is this Lawsuit a class action?

For settlement purposes only, Plaintiff and Pinnacle agreed that this case can proceed as a class action and to ask the Court to approve the settlement for the Class. The Court has not ruled on the merits of the case, and the decision to certify Class for settlement purposes should not be viewed as a prediction or agreement that Plaintiff or the Class would ultimately prevail on the merits of the action.

5. What are the terms of the proposed Settlement?

Subject to final Court approval, the major terms of the Settlement are as follows:

1. Pinnacle has agreed to pay \$2,600,000 to settle the claims made in this lawsuit. This amount is also known as the “Gross Settlement Amount”.
2. Plaintiff Esmeralda Garcia has agreed to release all of her claims in this lawsuit against Pinnacle.
3. **Class Settlement Payments:** Plaintiff seeks the following deductions from the \$2,600,000 Gross Settlement Amount:
 - a. Up to one-third (1/3) of the Gross Settlement Amount (currently equal to \$866,666.67) for Class Counsel’s attorneys’ fees.
 - b. Up to \$20,000.00 for reimbursement of Class Counsel’s litigation costs.
 - c. An incentive award of up to \$10,000.00 to Plaintiff Esmeralda Garcia for filing the Lawsuit, performing work in connection with the Lawsuit, and undertaking the risks of filing the Lawsuit.
 - d. Up to \$8,500 to cover the costs of the Settlement Administrator.
 - e. Payment of \$30,000.00 to the California Labor and Workforce Development Agency for release of PAGA claims.

The remaining funds will be referred to as the “Net Settlement Amount.” The Net Settlement Amount will be distributed to Class Members who do not request exclusion (the “Participating Class Members”) according to the following formula:

The Settlement Administrator will calculate the total Qualifying Workweeks for all Settlement Class Members. Qualifying Workweeks means the number of workweeks during which Class Members worked for Pinnacle during the Class Period (June 1, 2016 through October 26, 2021). Then, based on the dollar per Qualifying Workweeks amount calculated, the Settlement Administrator shall calculate the Individual Settlement Payment amounts for each Class Member by multiplying the base dollar amount per Qualifying Workweek by each Participating Class Member’s Qualifying Workweeks.

Your estimated Individual Settlement Payment is listed in Section 8 of this Notice. Each Individual Settlement Payment will represent wages and expenses/penalties allocated using the following formula: 40% allocated to wages, 60% allocated to penalties and interest.

PAGA Settlement Payments. A portion of the Gross Settlement Amount in the amount of \$10,000 will be set aside for Class Members who worked for Pinnacle in California at some point between March 27, 2019 through October 26, 2021 (“PAGA Group”). If you are a member of the PAGA Group, you will receive a pro rata share of the PAGA Group Payment, regardless of whether you opt-out of the settlement. You will not be able to pursue any claim on behalf of the State for such penalties.

Settlement Payments Generally. If a settlement check remains uncashed after 180 days from issuance, the check will become void and a stop payment will be placed on the uncashed check and the amount will be held with the Controller of the State of California to be held under the Unclaimed Property Law.

Your estimated settlement payment is listed in Section 8 of this Notice. Applicable taxes will be withheld from your payment.

WHO IS IN THE CLASS?

6. Am I part of this Class?

The “Class” includes: All non-exempt employees who worked for Pinnacle in California at any time between June 1, 2016 through October 26, 2021 (the “Class Period”).

7. I’m still not sure if I am included.

If you still are not sure whether you are included in the Class, you can get free help by contacting xxx the “Settlement Administrator”, at the designated phone number for this matter at (xxx) or by calling or writing the lawyers representing the Class in this case (“Class Counsel”), at the phone number or address listed in Section 19.

8. What is my approximate Individual Settlement Payment?

According to payroll records maintained by Pinnacle, the total number of weeks you worked in California for Pinnacle as a non-exempt employee during the Class Period is .

Based on information provided above and anticipated court-approved deductions, your share of the settlement is estimated to be \$, less applicable taxes and withholdings.

You do not need to do anything further to receive your Individual Settlement Payment, other than to ensure that the Settlement Administrator has an accurate mailing address for you. It is important that you contact and inform the Settlement Administrator listed in Section 16, below, of any changes to your mailing address for timely payment.

Disputing Your Payment Amount

If you believe your total weeks worked during the Class Period shown above are not correct, you may send a letter to the Settlement Administrator indicating what you believe is correct by no later than [DATE]. You should also send any documents or other information that supports your belief. The Settlement Administrator will attempt to resolve any dispute based on Pinnacle's records and any information you provide. Any disputes not resolved by the Settlement Administrator will be resolved by the Court.

9. What rights am I releasing if I participate in the Settlement?

If the Court grants final approval of the Settlement and you do not opt out of the Settlement, you will be deemed to have released Pinnacle from any and all claims alleged in the First Amended Complaint, during June 1, 2016 through October 26, 2021, including (1) failure to pay minimum wages (2) failure to pay overtime wages (3) failure to provide meal periods (4) failure to authorize or permit rest periods (5) failure to furnish accurate itemized wage statements (6) failure to pay wages upon separation of employment and within the required time (7) violation of California Business and Professions Code §§17200, *et seq.*, based on the preceding claims. All Settlement Class Members shall be bound by the Settlement Class Released Claims, unless they formally opt out.

Additionally, if you worked during the period of March 27, 2019 through October 26, 2021, you are a PAGA Group Member and you will also release the right to bring a claim for civil penalties on behalf of the State (and other employees) based on the same facts or theories as the Settlement Class Released Claims, which arose during the PAGA Period, even if you have formally opted-out of being a Settlement Class Member.

10. How do I object to the Settlement?

If you are a Class Member and would like to object to the Settlement, you must not submit a request for exclusion (*i.e.*, must not opt out). In order to object, you may mail a written objection to the Settlement Administrator at the address in Section 16 below. To be valid, your objection must: (1) state your full name, address, and telephone number and the last four digits of your Social Security Number; (2) state the grounds for the objection; (3) be signed by you; and (4) indicate whether you intend to appear at the Final Approval Hearing. You can also hire an attorney at your own expense to represent you in your objection. Your written objection to the Settlement Administrator must be postmarked on or before [DATE]. You may appear in person at the Final Fairness and Approval Hearing to present any oral objections even if you do not submit a timely written objection.

11. Why would I ask to be excluded?

You have the right to exclude yourself from the Class (and the class settlement). If you exclude yourself from the Class—sometimes called "opting-out" of the Class – you won't get any money or benefits from the class settlement. However, you may then be able to sue or continue to sue Pinnacle for your own claims if permitted by law. If you exclude yourself, you will not be legally bound by the Court's ruling in this Lawsuit, except for the release by PAGA Group Members, as explained above. Whether or not you submit a Request for Exclusion, you will still receive a small PAGA Group Payment if you are determined to be a part of the PAGA Group.

12. How do I ask to be excluded from the Class?

If you are a Class Member and would like to exclude yourself from the Class (“opt-out”), you, or your authorized representative, need to submit a written statement requesting exclusion from the Class to the Settlement Administrator at the address in Section 16 below. The statement must be signed by you or your authorized representative and must be postmarked on or before [DATE]. To be valid, your request for exclusion must: (1) state your full name, address, and telephone number and the last four digits of your Social Security Number; (2) contain a clear statement that you are requesting to opt out of, or be excluded from, the Settlement in *Garcia v. Pinnacle Medical Group, Inc.*; and (3) be signed by you.

Any Class Member who requests to be excluded from the Class will not be entitled to any recovery under the Settlement and will not be bound by the Settlement or have any right to object, appeal, or comment on the Settlement. Class Members who fail to submit a valid and timely request for exclusion will be bound by all terms of the Settlement and any ruling from the Court to give final approval of the Settlement. But Class Members cannot opt out of releasing PAGA claims, as those claims belong to the State of California and Plaintiff has agreed to release those claims by acting as a proxy for the State.

THE LAWYERS REPRESENTING YOU

13. Do I have a lawyer in this case?

The Court decided that Aegis Law Firm, PC is qualified to represent you and all Class Members. The law firm is called "Class Counsel" in the context of this case. The law firm's attorneys are experienced in handling similar cases against other employers. More information about this law firm, their practice, and their lawyers' experience is available at www.aegislawfirm.com.

14. How will the lawyers be paid?

As part of the Settlement with Defendant, Class Counsel has requested one-third of the Gross Settlement Amount (currently equal to \$866,666.67) in attorneys' fees, plus costs not to exceed \$20,000.00, to be paid from the Gross Settlement Amount to compensate Class Counsel for their work on this matter. The request for attorneys' fees and costs is subject to Court approval. You will not have to pay Class Counsel's fees and costs from your Individual Settlement Payment.

15. How will the Plaintiff be paid?

As part of the Settlement with Pinnacle, Class Counsel has requested an enhancement payment of up to \$10,000.00 to be paid to Plaintiff Esmeralda Garcia for her efforts in this matter during initial investigation, discovery, mediation and the like, while serving as Class Representative and taking on the burden and risks of litigation. The request for an enhancement payment is subject to Court approval.

THE SETTLEMENT, APPROVAL, AND PAYMENT PROCESS

16. Who is handling the Settlement Administration process?

xxx

[address]

[address]
[Telephone]

17. When is the Final Fairness and Approval Hearing and do I have to attend?

The Final Fairness and Approval Hearing has been set for [REDACTED], at [REDACTED].m. in Department S-26 of the San Bernardino County Superior Court for the State of California, located at 247 West Third Street, San Bernardino, CA 92415. You do not need to attend the hearing to be a part of the Settlement. However, if you wish to object to the Settlement, you may appear at the hearing. Please note that the hearing may be continued without further notice to the Class.

18. When will I get money after the hearing?

The Court will hold a hearing on [REDACTED], at [REDACTED].m., to decide whether to approve the settlement. If the Court approves the settlement, after that there may be appeals if anyone objects. It is always uncertain when these objections and appeals can be resolved, and resolving them can take time. To check on the progress of the settlement, contact the Settlement Administrator or Class Counsel at the phone number or address listed in Section 19.

If the Court approves the settlement and if you do not opt out, your individual payment set forth in Section 8 above is expected to be distributed after Defendant makes payment to the Settlement Administrator.

GETTING MORE INFORMATION

19. Are more details available?

This Notice only summarizes the lawsuit, the Settlement, and related matters. For more information, the pleadings and other records in this litigation, including copies of the First Amended Complaint and Settlement Agreement, may be examined at any time during regular business hours at the office of the Clerk of the Superior Court of the State of California, at the San Bernardino County Superior Court, located at 247 West Third Street, San Bernardino, CA 92415.

Any questions regarding this Class Notice or the Lawsuit may be directed to the Claims Administrator at the below address and telephone number. Alternatively, you may contact your own attorney, at your own expense, to advise you, or you may contact Class Counsel at the address, telephone number or email address set forth below. If your address changes, or is different from the address on the envelope enclosing this Notice, please promptly notify the Settlement Administrator.

Settlement Administrator:

XXX
[address]

[address]
[telephone]

Class Counsel:

Kashif Haque
Samuel A. Wong
Jessica L. Campbell
Kristy R. Connolly
AEGIS LAW FIRM, PC
9811 Irvine Center Drive, Suite 100
Irvine, California 92618
Telephone: (949) 379-6250
Facsimile: (949) 379-6251

**PLEASE DO NOT CALL OR WRITE TO THE JUDGE OR TO THE COURT, OR TO ANY
OF DEFENDANT'S MANAGERS, SUPERVISORS, OR DEFENDANT'S ATTORNEYS
WITH QUESTIONS.**