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9 JESSICA HAMPTON, DOMENICA Y. INIGUEZ, and
10 JAMES HENDERSON, and on Behalf of Other Members of
11 the Public Similarly Situated and the State of California

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22 GOLDEN VALLEY HEALTH CENTERS

23
24 SUPERIOR COURT OF THE STATE OF CALIFORNIA
25
26 FOR THE COUNTY OF MERCED
27

28 JESSICA HAMPTON, DOMENICA Y.
INIGUEZ, and JAMES HENDERSON,
individually, and on Behalf of Other Members
of the Public Similarly Situated and the State
of California,

Plaintiffs,

vs.

GOLDEN VALLEY HEALTH CENTERS, a
corporation; and DOES 1 through 25,
inclusive,

Defendants,

Case No. 20CV-01985
Dept.: 8
Hon. Brian McCabe

PAGA SETTLEMENT AGREEMENT

Complaint Filed: July, 10 2020
Trial Date: Not Assigned

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PAGA SETTLEMENT AGREEMENT

Subject to Court approval by the Superior Court of the State of California, County of Merced, Plaintiffs' Jessica Hampton, Domenica Y. Iniguez, and James Henderson ("Plaintiffs") and Defendant Golden Valley Health Centers ("Defendant" or "GVHC") (collectively, the "Parties") hereby agree to the following settlement ("Settlement" or "Settlement Agreement") of the Plaintiffs' PAGA claims and their individual claims in the lawsuit entitled Jessica Hampton v. Golden Valley Health Centers, Case No. 20CV-01985 (the "Action").

PERSONS COVERED BY THE SETTLEMENT

1. Aggrieved Employees: This Settlement covers all persons employed by Defendant who were permanently or temporarily terminated, separated, laid-off, or furloughed ("terminated") at any point during the time period of March 23 through April 22, 2020, which Defendant in good faith estimates as 273 individuals ("Aggrieved Employees").
2. Settlement Period: The Settlement covers the period from April 8, 2019 (i.e., one year before Plaintiffs filed their initial letter of complaint with the Labor and Workforce Development Agency ("LWDA")) until the date the Court enters an order and judgment approving this Settlement ("Settlement Period").
3. Effective Date: "Effective Date" will be the date the Superior Court or any Party serves notice of the Superior Court's order and judgment approving this Settlement ("Court Approval Order and Judgment") and no timely appeal thereto has been filed within 60 days. In the event that a timely appeal is filed within 60 days of the Court Approval Order and Judgment, the Effective Date shall occur when the appeal is adjudicated and no longer subject to further judicial review. At no time will Defendant have any obligation to fund the Settlement, in whole or in part, until after this Effective Date.

SETTLEMENT CONSIDERATION

4. Maximum Settlement Amount: GVHC will pay \$140,000 ("Maximum Settlement Amount") to settle Plaintiffs' PAGA claims and their individual claims in the Action. In no event shall GVHC be liable for more than the Maximum Settlement Amount.
5. Individual Payments to Aggrieved Employees: The Parties agree that GVHC will pay \$37,833 ("Individual Payments Amount") to the Aggrieved Employees according to the following

1 formula: Pro rata distribution of the Individual Payments Amount to the approximately 273 Aggrieved
2 Employees. Distribution of the funds will be based on the employee's share of "points." An employee is
3 allocated one point for every dollar in the employees' annualized rate of pay at the time the employee was
4 terminated during the time period of March 23 through April 22, 2020. Individuals who were terminated
5 during this time period from the "Merced Campus" will receive double points. The "Merced Campus"
6 encompasses the following locations of Defendant: 737 W. Childs Avenue; 747 W. Childs Avenue; 797
7 W. Childs Avenue; 847 W. Childs Avenue; and 857 W. Childs Avenue. This distribution plan is known
8 herein as the "Point Distribution System."

9 6. PAGA Penalties Fund: The Parties agree that GVHC will pay \$5,000 to the LWDA and
10 Aggrieved Employees in full satisfaction of all claims for PAGA civil penalties under the California Labor
11 Code ("PAGA Penalties Fund"). Pursuant to PAGA, 75% of the PAGA Penalties Fund, or \$3,750, will be
12 paid to the LWDA, and the remaining 25%, or \$1,250, will be paid to all Aggrieved Employees according
13 to the Point Distribution System.

14 7. Attorneys' Fees and Costs: In full satisfaction of all claims Plaintiffs and Aggrieved
15 Employees may have for attorneys' fees, litigation costs, and expenses arising out of the Action, GVHC
16 agrees to pay Hampton's counsel, Workworld Law Corp. ("Hampton's Counsel"), a maximum amount of
17 \$49,167 in attorneys' fees and litigation costs ("Attorneys' Fees and Costs"). To the extent the Court
18 approves Attorneys' Fees and Costs of less than \$49,167, any amount shall be added to the Individual
19 Payments Amount and distributed to Aggrieved Employees pursuant to the Point Distribution System.

20 8. Plaintiffs' Individual Payments: In exchange for a general release by each of them, and in
21 recognition of Plaintiffs' effort and work in prosecuting the Action on behalf of Aggrieved Employees and
22 the State of California, the Parties agree that each Plaintiff will receive a payment of \$13,500 ("Plaintiffs'
23 Individual Payments"). The Plaintiffs' Individual Payments will be paid from the Maximum Settlement
24 Amount. Plaintiffs will be solely and legally responsible to pay any and all applicable taxes relating to or
25 arising from the payments made pursuant to this section, and will indemnify, defend, and hold harmless the
26 Released Parties from and against any claim or liability for taxes, penalties, or interest arising from or
27 relating to the Plaintiffs' Individual Payments. All Plaintiffs' Individual Payments will be treated as 100%
28 miscellaneous income for which a 1099 will be issued. To the extent the Court approves Plaintiffs'

1 Individual Payments of less than \$13,500 per Plaintiff, any amount shall be added to the Individual
2 Payments Amount and distributed to Aggrieved Employees pursuant to the Point Distribution System.

3 9. Settlement Administration: ILYM Group, Inc. shall be the third-party settlement
4 administrator for the purposes of administering this Settlement.

5 10. Settlement Administration Costs: Settlement Administration Costs will be paid to the
6 Settlement Administrator for administering this Settlement, including, but not limited to, printing,
7 distributing, and tracking documents for this Settlement, calculating estimated amounts per aggrieved
8 employee, tax reporting, distributing the PAGA Penalties Fund and Individual Payments Amount, and
9 providing necessary reports, and other duties and responsibilities as requested by the Parties. The
10 Settlement Administration Costs will be paid from the Maximum Settlement Amount, including, if
11 necessary, any such costs in excess of the amount represented by the Settlement Administrator as being the
12 maximum necessary to administer the Settlement, which is anticipated to be no greater than \$7,500. To the
13 extent actual Settlement Administration Costs are greater than \$7,500, such excess amount will be
14 deducted from the Plaintiffs' Individual Payments.

15 11. Court Approval of the Settlement and Distribution of Settlement Payments: The Parties
16 will present this Settlement Agreement to the Court and will request that the Court issue a Court Approval
17 Order and Judgment approving and incorporating by reference the terms and conditions of the Settlement
18 Agreement (the "Court Approval Order and Judgment"), and entering judgment.

19 12. Funding of the Settlement: Within 30 calendar days after the Effective Date of the
20 Settlement, GVHC will issue a payment of the Maximum Settlement Amount to the Settlement
21 Administrator. The Settlement Administrator will issue the appropriate tax forms for all payments issued
22 under this Settlement.

23 13. Settlement Payments to Aggrieved Employees: The Settlement Administrator will issue
24 each Aggrieved Employee a check for his or her share of the PAGA Penalties Fund and Individual
25 Payments Amount along with an explanatory letter attached hereto as Exhibit A. Checks will remain
26 negotiable for 120 days. Any checks returned as non-deliverable on or before the check cashing deadline
27 will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. If no
28 forwarding address is provided, the Settlement Administrator will promptly attempt to determine the

1 correct address using a skip-trace, or other search using the name, address or Social Security number of the
2 Aggrieved Employee involved, and will then perform a single re-mailing. Funds represented by settlement
3 checks returned as undeliverable and those settlement checks remaining un-cashed for more than 120 days
4 after issuance will be tendered to the California Department of Industrial Relations Unpaid Wage Fund (see
5 Cal. Lab. Code § 96.6). All settlement payments to Aggrieved Employees will be treated as 85% wages
6 (for which all applicable withholdings will be taken from the Maximum Settlement Amount) for which a
7 W2 will be issued and 15% miscellaneous income for which a 1099 will be issued.

8 14. Settled Claims for Aggrieved Employees and the State of California: Upon issuance of the
9 Court Approval Order and Judgment, Plaintiffs, all Aggrieved Employees, and the State of California shall
10 fully release and forever discharge any and all claims arising during the Settlement Period seeking civil
11 penalties under PAGA that were asserted or could reasonably have been asserted based on the facts alleged
12 in the Action, including claims for failure to provide required notice, compensation or other relief under the
13 California WARN Act (i.e., California Labor Code §§ 1400, et seq.) ("Released Claims"), against GVHC,
14 its past and present parents, subsidiaries, predecessors, successors, assigns, owners, officers, directors,
15 employees, agents, trustees, attorneys or legal representatives, insurers, fiduciaries, beneficiaries, partners,
16 and/or any other entity or individual which could be liable for the acts or omissions of GVHC in relation to
17 the Released Claims (hereinafter "Released Parties"). Upon issuance of the Court Approval Order and
18 Judgment, Plaintiffs, all Aggrieved Employees, and the State of California will be forever barred from
19 pursuing against GVHC any and all claims for PAGA civil penalties under the Labor Code, Wage Orders,
20 and/or other provisions of law alleged or that could have been alleged to have been violated in the Action
21 with respect to Aggrieved Employees based on the facts alleged in the Action during the Settlement Period.

22 15. Plaintiffs' Released Claims: Upon issuance of the Court Approval Order and Judgment,
23 Plaintiffs shall fully and finally release the Released Parties from any and all claims, known and unknown,
24 under federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law,
25 including, but not limited to, claims arising from or related to employment with Defendant and
26 compensation while an employee of Defendant ("Plaintiffs' Released Claims"). Plaintiffs' Released
27 Claims include, but are not limited to, all claims asserted in, arising from, or related to the Action.
28 Plaintiffs' Released Claims include all claims for unpaid wages, including, but not limited to, failure to pay

1 minimum wages, straight time compensation, overtime, and interest; the calculation of the regular rate of
2 pay; wages related to time rounding and timekeeping; missed meal period and rest period premiums; meal
3 period waivers; failure to reimburse for all necessary business expenditures or losses; payment for all hours
4 worked, including off-the-clock work and uncompensated work time; wage statements; deductions; failure
5 to pay wages and final wages in a timely manner; failure to keep accurate records; failure to provide
6 employment records; unfair business practices; penalties, including, but not limited to, recordkeeping
7 penalties, wage statement penalties, minimum-wage penalties, waiting-time penalties, statutory and civil
8 penalties; and attorneys' fees and costs. Plaintiffs' Released Claims include all claims arising under the
9 Labor Code; the Wage Orders of the California Industrial Welfare Commission; the PAGA; Business and
10 Professions Code §§ 17200, et seq.; the Civil Code, to include but not limited to, sections 3287, 3336 and
11 3294; 12 CCR § 11040; 8 CCR § 11060; Code of Civil Procedure § 1021.5; the common law of contract;
12 the FLSA, 29 U.S.C. §§ 201, et seq.; federal common law; and the Employee Retirement Income Security
13 Act, 29 U.S.C. §§ 1001, et seq. Plaintiffs' Released Claims also include all claims for emotional distress,
14 retaliation, punitive damages, and attorneys' fees and costs arising under federal, state, or local laws for
15 discrimination, harassment, retaliation, and wrongful termination, such as, by way of example only, 42
16 U.S.C. § 1981, Title VII of the Civil Rights Act of 1964, the Americans With Disabilities Act, the Age
17 Discrimination in Employment Act, and the California Fair Employment and Housing Act; privacy claims
18 of any type; and the law of contract and tort. This release excludes the release of claims not permitted by
19 law.

20 Plaintiffs' Released Claims include all claims, whether known or unknown. Even
21 if Plaintiffs discover facts in addition to or different from those that they now know or believe to
22 be true with respect to the subject matter of Plaintiffs' Released Claims, those claims will remain
23 released and forever barred. Thus, each Plaintiff expressly waives and relinquishes the provisions,
24 rights, and benefits of section 1542 of the California Civil Code, which provides:

25 **A general release does not extend to claims that the creditor or releasing party does**
26 **not know or suspect to exist in his or her favor at the time of executing the release**
27 **and that, if known by him or her, would have materially affected his or her**
28 **settlement with the debtor or released party.**

1 16. No Credit Toward Benefit Plans: Payments to Aggrieved Employees as referenced herein
2 will not be utilized to calculate any additional benefits under any benefit plans to which any Aggrieved
3 Employee may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans,
4 vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention
5 that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Aggrieved
6 Employee may be entitled under any benefit plans.

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

11 18. Nullification of Settlement Agreement: In the event that: (i) the Court does not approve
12 the Settlement as provided herein; or (ii) the Settlement does not become final for any other reason, then
13 this Settlement Agreement, and any documents generated to bring it into effect, will be null and void, and
14 the Parties will be returned to their original respective positions.

15 19. Continued Jurisdiction: After entry of the Court Approval Order and Judgment, the Court
16 will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement
17 of the terms of the Settlement; (ii) settlement administration matters; and (iii) such post-Court Approval
18 matters as may be appropriate under court rules or as set forth in this Settlement.

19 20. Entire Agreement: This Settlement Agreement constitutes the entirety of the Parties'
20 settlement terms with regard to the settlement of Plaintiffs' PAGA and individual claims. No other prior or
21 contemporaneous written or oral agreements may be deemed binding on the Parties.

22 21. Amendment or Modification: This Settlement Agreement may be amended or modified
23 only by a written instrument, signed by either the Parties or their successors-in-interest.

24 22. Authorization to Enter Into Settlement Agreement: Counsel for all Parties warrant and
25 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
26 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to
27 this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate
28 the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and

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

5 23. Binding on Successors and Assigns: This Settlement Agreement will be binding upon, and
6 inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

7 24. California Law Governs: All terms of this Settlement Agreement and Exhibits hereto will
8 be governed by and interpreted according to the laws of the State of California.

9 25. Execution and Counterparts: This Settlement Agreement is subject only to the execution
10 of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All
11 executed counterparts and each of them, including facsimile and scanned copies of the signature page, will
12 be deemed to be one and the same instrument.

13 26. Acknowledgement that the Settlement is Fair and Reasonable: The Parties believe this
14 Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this
15 Settlement after arm's-length negotiations. The Parties further acknowledge they are each represented by
16 competent counsel and they have had an opportunity to consult with their counsel regarding the fairness
17 and reasonableness of this Settlement.

18 27. Invalidity of Any Provision: Before declaring any provision of this Settlement Agreement
19 invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent
20 with applicable precedents so as to define all provisions of this Settlement Agreement valid and
21 enforceable.

22 28. Captions: The captions and section numbers in this Settlement Agreement are inserted for
23 the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the
24 provisions of this Settlement Agreement.

25 29. Waiver: No waiver of any condition or covenant contained in this Settlement Agreement
26 or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute
27 a further waiver by such party of the same or any other condition, covenant, right or remedy.

28

1 30. Enforcement Action: In the event that one or more of the Parties institutes any legal action
2 or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to
3 declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to
4 recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert
5 witness fees incurred in connection with any enforcement actions.

6 31. Mutual Preparation: The Parties have had a full opportunity to negotiate the terms and
7 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed
8 more strictly against one party than another merely by virtue of the fact that it may have been prepared by
9 counsel for one of the Parties, it being recognized that, because of the arms-length negotiations between the
10 Parties, all Parties have contributed to the preparation of this Settlement Agreement.

11 32. Representation By Counsel: The Parties acknowledge they have been represented by
12 counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and this
13 Settlement Agreement has been executed with the consent and advice of counsel, and reviewed in full.

14 33. Cooperation and Execution of Necessary Documents: All Parties will cooperate in good
15 faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement
16 Agreement.

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

22 35. Confidentiality: The Parties and their counsel agree they will not issue any press releases,
23 initiate any contact with the press, respond to any press inquiry or have any communication with the press
24 about the fact, amount or terms of the Settlement prior to the Effective Date. Hampton's Counsel may
25 respond to press inquiries by stating the matter has been resolved and refer the press to court filings. In
26 addition, Hampton's Counsel agree they will not engage in any advertising or distribute any marketing
27 materials specifying any terms relating to the Settlement of this case, including but not limited to any
28 postings on any websites maintained by Hampton's Counsel. Any communication about the Settlement to

1 Aggrieved Employees prior to the check mailing will be limited to a statement that a settlement has been
2 reached and the details will be communicated in a forthcoming notice letter in the form attached hereto as
3 Exhibit A. Plaintiffs are prohibited from discussing the terms or the fact of the Settlement with third parties
4 prior to the Effective Date other than: (1) immediate family members; or (2) respective accountants or
5 lawyers as necessary for tax purposes.

6 36. Denial of Liability: The Parties expressly recognize that the making of this agreement does
7 not in any way constitute an admission or concession of wrongdoing on the part of GVHC. Nothing in this
8 Settlement, nor any action taken in implementation thereof, nor any statements, discussions or
9 communications, nor any materials prepared, exchanged, issued or used during the course of this Action, is
10 intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used or be admissible
11 in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding, as
12 evidence of any violation of any federal, state, or local law, statute, ordinance, regulation, rule or executive
13 order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this agreement may be
14 used in any proceeding in the Court that has as its purpose the interpretation, implementation, or
15 enforcement of the Settlement or any orders or judgments of the Court entered into in connection therewith.

16
17 **READ CAREFULLY BEFORE SIGNING**

18 Dated: March __, 2021
19 3/24/2021

Plaintiff JESSICA HAMPTON

20 By

DocuSigned by:
Jessica Hampton
E786A1FE9CBD415

JESSICA HAMPTON

21
22 Dated: March __, 2021
23 3/24/2021

Plaintiff DOMENICA Y. INIGUEZ

24 By

DocuSigned by:
Domenica Iniguez
7CC188EC4D3A441...

DOMENICA Y. INIGUEZ

1 Dated: March __, 2021

Plaintiff JAMES HENDERSON

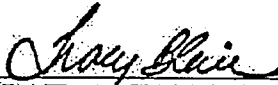
2
3 By

JAMES HENDERSON

4
5 Dated: March 24, 2021

Defendant GOLDEN VALLEY HEALTH CENTERS

6
7 By


TRACY BLAIR, VICE-PRESIDENT AND GENERAL
COUNSEL

8
9
10 APPROVED AS TO FORM

11 Dated: March __, 2021

WORKWORLD LAW, CORP.

12
13 By

RUBEN ESCOBEDO
Attorney for Plaintiffs
JESSICA HAMPTON, DOMENICA Y. INIGUEZ,
AND JAMES HENDERSON

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16 Dated: March 26, 2021

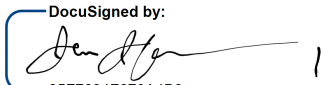
SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

17
18 By


DANIEL J. McQUEEN
ALLISON E. CHEFFER
Attorneys for Defendant
GOLDEN VALLEY HEALTH CENTERS

1 Dated: March __, 2021
2 3/25/2021

Plaintiff JAMES HENDERSON

By 
85F7634F670A4B9...
JAMES HENDERSON

5 Dated: March __, 2021

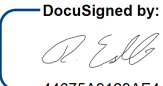
Defendant GOLDEN VALLEY HEALTH CENTERS

7 By _____
8 TRACY BLAIR, VICE-PRESIDENT AND GENERAL
9 COUNSEL

10 **APPROVED AS TO FORM**

11 Dated: March __, 2021
12 3/25/2021

WORKWORLD LAW, CORP.

By 
44675A9129AE4A3...
RUBEN ESCOBEDO

Attorney for Plaintiffs
JESSICA HAMPTON, DOMENICA Y. INIGUEZ,
AND JAMES HENDERSON

16 Dated: March __, 2021

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

18 By _____
19 DANIEL J. McQUEEN
20 ALLISON E. CHEFFER
21 Attorneys for Defendant
22 GOLDEN VALLEY HEALTH CENTERS
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<<DATE>>

<<FIRST NAME>> <<LAST NAME>>
<<ADDRESS>>

Re: Payment From *Jessica Hampton v. Golden Valley Health Centers*

Dear <<FIRST NAME>> <<LAST NAME>>:

Enclosed you will find a check made payable to you. This is your payment from the settlement of the lawsuit entitled *Jessica Hampton v. Golden Valley Health Centers*, Merced County Superior Court Case No. 20CV-01985 (the "Action").

The Action was filed against Golden Valley Health Centers ("GVHC") under the California Private Attorneys General Act ("PAGA") and the California WARN Act. The claim was brought by three former employees of GVHC on behalf of the State of California and all persons who worked for Defendant and who were laid-off or furloughed at any time from March 23 through April 22, 2020, as a result of the COVID-19 pandemic. You have been identified as one of the individuals on whose behalf the case was brought.

The Plaintiffs in the lawsuit claim GVHC owes penalties under PAGA for alleged violations of the California WARN Act. GVHC maintains its policies and practices were lawful and that all employees were provided proper notification under Governor Newsom's Executive Order N-31-20, which modified the California WARN Act in light of the COVID-19 pandemic.

The Court has not ruled on the merits of the lawsuit, but it has approved the settlement the parties reached. A portion of the settlement amount goes to the State of California. Another portion of the settlement amount goes to the individuals who were allegedly affected by the furloughs and lay-offs at issue in the case. In agreeing to this settlement, GVHC does not admit it is liable in any way to its current or former employees.

Enclosed is a check for your share of the settlement. You are not a party to this lawsuit, but you and the State are bound by the judgment.

Sincerely,

[NAME AND TITLE OF SIGNATORY]