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

BUCK WALSH, individually, and on
behalf of other members of the general
public similarly situated;

Plaintiff,

v.

TANDEM DIABETES CARE, INC., a
California corporation; and DOES 1 through
100, inclusive;

Defendants.

Case No.: 37-2020-00031529-CU-OE-CTL

Assigned for All Purposes to:
Honorable Richard S. Whitney
Department C-68

**JOINT STIPULATION AND ~~PROPOSED~~
APPROVAL ORDER GRANTING
PRIVATE ATTORNEYS GENERAL ACT
(LABOR CODE § 2698, ET SEQ.)
SETTLEMENT AND RELEASE
AGREEMENT**

Complaint Filed: September 9, 2020
FAC Filed: August 26, 2021
Trial Date: None Set

ELECTRONICALLY FILED
Superior Court of California,
County of San Diego

09/10/2021 at 10:47:00 AM

Clerk of the Superior Court
By Richard Day, Deputy Clerk

1 Plaintiffs Buck Walsh and Jessica Elizalde (“Plaintiffs,” “Plaintiff Walsh,” and “Plaintiff
2 Elizalde”) on behalf of themselves and other current and former aggrieved employees, and Defendant
3 Tandem Diabetes Care, Inc. (“Defendant”), by and through their respective counsel of record, hereby
4 stipulate as follows for purposes of settling this action:

5 1. Pursuant to Labor Code section 2698 *et seq.* (the Private Attorneys General Act, or
6 “PAGA”), on June 3, 2020, Plaintiff Walsh provided written notice to the Labor and Workforce
7 Development Agency (“LWDA”) and Defendant of specific Labor Code provisions he contends
8 Defendant violated, and theories supporting his contentions.

9 2. On June 16, 2020, Plaintiff Walsh submitted an amended notice to the LWDA and
10 Defendant that included Plaintiff Elizalde as a representative of the aggrieved employees and amended
11 the factual allegations.

12 3. On September 9, 2020, Plaintiff Walsh filed a wages-and-hours class action compliant
13 entitled *Walsh v. Tandem Diabetes Care, Inc.*, in San Diego County Superior Court, Case No. 37-
14 2020-00031529-CU-OE-CTL, against Defendant alleging a class consisting of all current and former
15 California-based (*i.e.*, currently “residing” in California with the intent to remain in California
16 indefinitely) hourly-paid or non-exempt employees (whether hired directly or placed through
17 staffing agencies) of Defendant within the State of California during the relevant time period.

18 4. The Parties have engaged in formal and informal discovery, with Plaintiff Walsh
19 propounding an initial set of written discovery requests and Defendant producing a volume of
20 documents and data relevant to Plaintiff Walsh’s claims, including but not limited to, a sampling of
21 time and payroll records, workweeks data, and Defendant’s operations and employment policies,
22 practices, and procedures.

23 5. During investigation and discovery, the Parties learned Plaintiff Walsh is subject to a
24 mandatory arbitration agreement that prevents him from prosecuting the class action allegations in the
25 Court. Thus, the Parties decided to litigate the PAGA claim via the Court and the class action claims
26 via a class arbitration proceeding.

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1 6. The Parties participated in a full day of private mediation with Steven J. Rottman, a
2 well-regarded mediator experienced in mediating complex employment matters, and the Parties
3 accepted a mediator's proposal.

4 7. Pursuant to the settlement, the Parties agreed to enter separate settlement agreements
5 that cover the PAGA allegation and the class action allegations.

6 8. On August 26, 2021, Plaintiff Walsh filed a First Amended Complaint in the San Diego
7 Superior Court where he added Plaintiff Elizalde as an additional plaintiff and limited his claims to a
8 single cause of action under PAGA.

9 9. Attached hereto as "**EXHIBIT A**" is the fully executed Settlement Agreement and
10 Release ("Settlement," "Settlement Agreement," or "Agreement") setting forth the terms of the
11 settlement. Attached hereto as "**EXHIBIT B**" is the Notice Packet, which will be sent to Aggrieved
12 Employees as notice of the PAGA Settlement along with a settlement check of their respective pro
13 rata share of the Net Settlement Amount ("Settlement Share").

14 10. The Maximum Settlement Amount agreed to in the Settlement Agreement is \$150,000;
15 subject to Court approval, Plaintiffs' Counsel shall receive thirty-five percent (35%) or \$52,500 of the
16 Maximum Settlement Amount.

17 11. On or about September 9, 2021, Plaintiffs provided notice of the Settlement Agreement
18 to the LWDA by electronically submitting a copy of the Settlement Agreement.

19 12. WHEREAS, attached hereto as "**EXHIBIT C**" is the email confirmation from the
20 LWDA regarding the submission of the Settlement Agreement.

21 WHEREFORE, IT IS HEREBY STIPULATED AND AGREED BY THE PARTIES
22 HERETO, THROUGH THEIR RESPECTIVE COUNSEL, AS FOLLOWS: The Settlement is fair,
23 adequate, and reasonable, as it represents a reasoned compromise reached through arm's-length
24 negotiations and considers the risks, complexity, and expense of further litigation.

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1 Dated: August 30, 2021

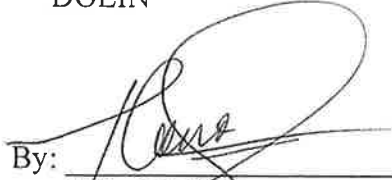
JUSTICE LAW CORPORATION

2
3 By: 

DOUGLAS HAN
SHUNT TATAVOS-GHARAJEH
HAIG HOGDANIAN
Attorneys for Plaintiffs

4
5
6 Dated: August 27, 2021

PETTIT KOHN INGRASSIA LUTZ &
DOLIN

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8
9 By: 

THOMAS S. INGRASSIA
SHANNON R. FINLEY
Attorneys for Defendant

1 ~~[PROPOSED]~~ ORDER AND JUDGMENT

2 Having duly considered the above stipulation, and good cause appearing,

3 **IT IS HEREBY ORDERED AND ADJUDGED AS FOLLOWS:**

4 1. All defined terms contained herein shall have the same meaning as set forth in the
5 Settlement Agreement and Release (“Settlement,” “Settlement Agreement,” or “Agreement”).

6 2. Plaintiffs Buck Walsh’s and Jessica Elizalde’s (“Plaintiffs,” “Plaintiff Walsh,” and
7 “Plaintiff Elizalde”) First Amended Complaint was filed on August 26, 2021, asserts a single cause of
8 action pursuant to the Private Attorneys General Act of 2004 (“PAGA”) (Labor Code § 2698 et seq.)
9 (“PAGA Action”).

10 3. The Court finds that Plaintiffs have satisfied the prerequisites under California Labor
11 Code § 2699.3(a), including and not limited to providing the California Labor and Workforce
12 Development Agency (“LWDA”) and the employer notice of the specific provisions of the Labor Code
13 alleged to have been violated, including, and not limited to, the facts and theories to support the alleged
14 violations. Furthermore, the Court finds that the LWDA was provided notice of the wage, hour, and
15 payroll practices and facts that were alleged in the Complaint, including inter alia, by way of written
16 correspondence on June 3, 2020, and June 16, 2020.

17 4. The “Aggrieved Employees” covered under the Settlement consist of the following
18 individuals: any and all non-exempt employees (whether hired directly or placed through staffing
19 agencies) who worked for Defendant during the PAGA Period (“PAGA Period” means June 3, 2019
20 to July 16, 2021).

21 5. The Court finds that the Parties reached the Settlement as the result of arm’s-length
22 negotiations.

23 6. The Court has considered the Settlement, and the monetary allocations provided
24 thereby, and finds that they are fair, just, reasonable, and adequate.

25 7. The Court approves the payment of \$52,500 to Plaintiffs’ Counsel for attorneys’ fees
26 and \$20,000 for litigation costs (“Attorneys’ Fees and Costs”). Defendant shall pay this amount in
27 accordance with this Order and the Settlement Agreement.

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1 8. The Court approves the payment of \$5,000 to each Plaintiff for their efforts in litigating
2 the PAGA Action and in exchange for a general release (“Incentive Award”). Defendant shall pay
3 this amount in accordance with this Order and the Settlement Agreement.

4 9. The Court approves the payment of up to \$10,000 to Phoenix Settlement
5 Administrators for costs of administering the Settlement (“Settlement Administration Costs”).

6 10. Pursuant to California Labor Code section 2699(l), the Court has reviewed the sum
7 allocated for payment of penalties under PAGA, determined that the PAGA payment is fair, just,
8 reasonable, and adequate, and hereby approves the PAGA payment. The PAGA payment shall be the
9 Maximum Settlement Amount (\$150,000) minus the above-approved Attorneys’ Fees and Costs, the
10 Incentive Award to each Plaintiff, and the Settlement Administration Costs. Defendant shall pay
11 seventy-five (75%) of the PAGA payment to the LWDA and shall pay twenty-five percent (25%) of
12 the PAGA payment to the Aggrieved Employees (“Settlement Share”), consistent with this Order and
13 the Settlement.

14 11. The Parties to this PAGA Action are directed to perform in accordance with the terms
15 set forth in the Settlement Agreement.

16 12. The Court hereby directs the Settlement Administrator to administer the Settlement and
17 to make the payments as provided for in the Settlement Agreement and by this Order.

18 13. The Court further finds that PAGA does not require that notice of the Settlement be
19 provided to the Aggrieved Employees. However, Settlement Administrator is ordered to distribute
20 Settlement Shares to Aggrieved Employees along with a Notice of PAGA Settlement (collectively,
21 known as the “Notice Packet”). The Court has reviewed and approved the Notice Packet for
22 distribution to the Aggrieved Employees.

23 14. Defendant shall provide the Settlement Administrator with an Aggrieved Employees
24 List, in a format reasonably acceptable for the duties of the Settlement Administrator, which shall
25 identify each Aggrieved Employee’s: (a) full name; (b) Last Known Address; (c) Social Security
26 number; (d) telephone numbers; (e) total number of Pay Periods Worked as an Aggrieved Employee;
27 (f) start and end dates worked as an Aggrieved Employee; and (g) leaves of absence taken during the
28 PAGA Period, to be furnished within seven (7) days following the Approval Date.

1 15. Within fourteen (14) calendar days of the Approval Date, Defendant is directed to pay
2 the Maximum Settlement Amount to a settlement fund maintained by the Settlement Administrator
3 for distribution in accordance with the Settlement Agreement.

4 16. Within fourteen (14) days after the Approval Date, the Settlement Administrator will
5 issue the payments required by Section 4 of the Agreement to the appropriate entities or persons.

6 17. Thereafter, all funds associated with checks issued to Aggrieved Employees that have
7 not been cashed or negotiated within one hundred eighty (180) days of issuance shall become void
8 and subject to a stop payment order, and then distributed to the Office of the State Controller –
9 Unclaimed Property.

10 18. All Parties, Aggrieved Employees, and the LWDA are hereby bound by the Settlement
11 and its associated release of Released Claims.

12 19. In consideration of Defendant's payment of the Maximum Settlement Amount and
13 upon entry of the Approval Order, Plaintiffs, individually and as the representative acting as a proxy
14 or agent of the LWDA, and the State of California, shall fully, finally, and forever release, settle,
15 relinquish and discharge the Released Parties from any and all claims against the Released Parties for
16 civil penalties asserted in the PAGA Action that were or could have been set forth against Defendant
17 in this PAGA Action and the LWDA PAGA Notice Letter, whether stated explicitly or by implication,
18 based on Aggrieved Employees' work for Defendant during the PAGA Period. The LWDA PAGA
19 Notice Letter and Amended Notice Letters submitted with respect to the PAGA Action are collectively
20 attached to the Agreement as Exhibit "B." This release includes any and all claims for civil penalties,
21 fees, and costs recoverable under the Private Attorneys General Act (Labor Code § 2698, *et seq.*) based
22 on the facts and claims asserted in the operative complaint filed in the PAGA Action, including without
23 limitation, meal break violations, rest break violations, failure to pay overtime, failure to pay minimum
24 wage, failure to pay wages when due, failure to reimburse business expenses, inaccurate wage
25 statements, failure to pay and/or properly calculate sick leave pay, or/any other allegations and claims
26 which are reasonably related to the allegations and claims asserted in the operative complaint filed in
27 the PAGA Action. This release shall apply to claims arising at any point during the PAGA Period.
28 This release shall become effective immediately upon Defendant's payment of the Maximum

1 Settlement Amount to the Settlement Administrator for distribution as specified in this Settlement
2 Agreement.

3 20. Aggrieved Employees shall not have the right to opt out of or object to the Settlement.

4 21. Pursuant to the Settlement, the PAGA Action is hereby dismissed with prejudice.

5 22. The Court shall retain jurisdiction as to the implementation and enforcement of the
6 terms of the Settlement.

7 23. Notice of this Order and Judgment shall be given to the LWDA by submission through
8 the online system established for the filing of notices and documents, within ten (10) calendar days
9 after its entry, in conformity with Labor Code § 2699(1).

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11 Date: 9/21/21



12 Honorable Richard S. Whitney
13 Judge of the Superior Court
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EXHIBIT A

PRIVATE ATTORNEYS GENERAL ACT (LABOR CODE § 2698 ET SEQ.)
SETTLEMENT AGREEMENT AND RELEASE

This PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT AGREEMENT AND RELEASE (“Settlement Agreement”) is made by and between Plaintiffs Buck Walsh and Jessica Elizalde (“Plaintiffs,” “Walsh,” or “Elizalde”) and Defendant Tandem Diabetes Care, Inc. (“Defendant”) (Plaintiffs and Defendant are collectively referred to as the “Parties”) subject to the approval of the Superior Court of the State of California for the County of San Diego (“Court”) and the terms and conditions set forth herein.

RECITALS

- (1) On or about June 3, 2020, Walsh gave notice to Defendant and the California Labor and Workforce Development Agency (“LWDA”) that he intended to bring a civil action under Labor Code §§ 2698 *et seq.* (“PAGA”) to recover civil penalties allegedly due based on Defendant’s alleged violation of certain provisions of the California Labor Code.
- (2) On or about June 16, 2020, Walsh gave an amended notice to Defendant and the LWDA that included Elizalde as a representative of the aggrieved employees and amended the factual allegations.
- (3) On September 9, 2020, Walsh initiated a wages-and-hours class action against Defendant in the San Diego Superior Court, Case No. 37-2020-00031529-CU-OE-CTL, alleging violations of the Labor Code on behalf of all current and former California-based (*i.e.*, currently “residing” in California with the intent to remain in California indefinitely) hourly-paid or non-exempt employees (whether hired directly or placed through staffing agencies) of Defendant within the State of California at any time during the period from April 6, 2016 to final judgment. Specifically, Walsh alleged violation of: (a) Labor Code sections 510 and 1198 (unpaid overtime); (b) Labor Code sections 226.7 and 512(a) (unpaid meal period premiums); (c) Labor Code section 226.7 (unpaid rest period premiums); (d) Labor Code sections 1194 and 1197 (unpaid minimum wages); (e) Labor Code sections 201 and 202 (final wages not timely paid); (f) Labor Code section 226(a) (noncompliant wage statements); (g) Labor Code sections 2800 and 2802 (unreimbursed business expenses); and (g) Business & Professions Code sections 17200, *et. seq.*
- (4) On July 22, 2021, Plaintiffs gave a second amended notice to Defendant and the LWDA which added a claim for violations of Labor Code section 246(l).
- (5) The Parties have engaged in significant informal discovery, including production by Defendant of payroll and time entry data, as well as relevant employment policies.
- (6) During investigation and discovery, the Parties learned Walsh is subject to a mandatory arbitration agreement that prevents him from prosecuting the class action allegations in the Court. Consequently, the Parties decided to litigate the PAGA claim via the Court and the class action claims via a class arbitration proceeding.

- (7) The Parties attended a full day mediation with Steven J. Rottman on June 4, 2021 and eventually reached an agreement via a mediator's proposal, memorialized in a Memorandum of Agreement, to settle Walsh's lawsuit.
- (8) Pursuant to the settlement, the Parties agreed to enter separate settlement agreements that cover the PAGA allegation and the class action allegations.
- (9) On August 26, 2021, Walsh filed a First Amended Complaint in the San Diego Superior Court wherein he added Elizalde as an additional plaintiff and limited his claims to a single cause of action under PAGA.
- (10) It is the desire of the Parties to fully, finally, and forever settle, compromise, discharge, and release Plaintiffs' PAGA claims against Defendant as defined in this Agreement.

THEREFORE, in consideration of the Recitals listed above and the terms and conditions set forth below, the Parties agree to the following:

§ 1. Definitions

- 1.1 "Aggrieved Employees" means any and all non-exempt employees (whether hired directly or placed through staffing agencies) who worked for or for the benefit of Defendant during the PAGA Period.
- 1.2 "Aggrieved Employees List" means the list that Defendant shall provide to the Settlement Administrator containing the names and Last Known Address of each of the Aggrieved Employees. According to Defendant's representations, the number of Aggrieved Employees is approximately 1470.
- 1.3 "Approval Date" means the date on which the Court enters the Approval Order approving the settlement set forth in this Settlement Agreement.
- 1.4 "Approval Hearing" means the date set by the Court for the hearing on approval of the settlement set forth in this Settlement Agreement.
- 1.5 "Approval Order" means an order to be proposed by Plaintiffs for entry and filing by the Court as specified in this Settlement Agreement.
- 1.6 "Court" means the Superior Court of the State of California for the County of San Diego.
- 1.7 "Defendant" means Tandem Diabetes Care, Inc.
- 1.8 "Defendant's Counsel" means the law firm of Pettit Kohn Ingrassia Lutz & Dolin of San Diego, California.
- 1.9 "Last Known Address" means the most recently recorded mailing address for an Aggrieved Employee as such information is contained in Defendant's payroll records and/or records obtained from staffing companies that assigned Aggrieved Employees to work for Defendant or on Defendant's behalf.

- 1.10 “Maximum Settlement Amount” means One Hundred Fifty Thousand Dollars (\$150,000), which is the total and maximum amount that Defendant can be required to pay under this Settlement Agreement for any and all purposes to any and all recipients as specified in this Settlement Agreement.
- 1.11 “Net Settlement Amount” means the portion of the Maximum Settlement Amount distributed to the LWDA and Aggrieved Employees after deductions from the Maximum Settlement Amount set forth in Section 4.1 of this Settlement Agreement.
- 1.12 “Notice of PAGA Settlement” means the document, substantially in the form attached to this Settlement Agreement as **Exhibit A** that shall be sent to Aggrieved Employees following the Court’s entry of the Approval Order to notify Aggrieved Employees of the Settlement Agreement.
- 1.13 “Notice Packet” means the packet that includes the Notice of PAGA Settlement and the settlement check that is to be mailed to each Aggrieved Employee following the Court’s Approval Order.
- 1.14 “PAGA Action” means the First Amended Complaint entitled *Walsh v. Tandem Diabetes Care, Inc.*, San Diego County Superior Court, Case No. 37-2020-00031529-CU-OE-CTL, filed August 26, 2021.
- 1.15 “PAGA Period” means the period of time beginning on June 3, 2019 to July 16, 2021.
- 1.16 “Pay Periods Worked” means the number of Pay Periods an Aggrieved Employee worked as a non-exempt employee of Defendant in California through July 16, 2021, according to Defendant’s records.
- 1.17 “Plaintiffs’ Counsel” means the Justice Law Corporation in Pasadena, California.
- 1.18 “Released Claims” means the claims set forth in Section 2.1 of this Settlement Agreement for which Plaintiffs, the Aggrieved Employees, and the State of California release the Released Parties from liability.
- 1.19 “Released Parties” means Defendant, and any of its former and present parents, subsidiaries, affiliates, alleged joint employers (including staffing agencies and other entities that have provided temporary, leased, or other workers to, or for the benefit of, Defendant) and their respective officers, directors, employees, partners, and agents, and any other successors, assigns, or legal representatives.
- 1.20 “Settlement Administrator” means or refers to Phoenix Settlement Administrators, a third-party administrator jointly selected by the Parties, to effectuate the Settlement Agreement. The Settlement Administrator shall provide a “not to exceed” flat-fee bid for services.

- 1.21 “Settlement Agreement” means this Settlement Agreement and Release of the PAGA Action and all its attachments and exhibits.
- 1.22 “Settlement Share” means the total amount distributed to an Aggrieved Employee from the Net Settlement Amount.
- 1.23 “Updated Address” means a mailing address that was updated by a reasonable address verification measure of the Settlement Administrator or by an updated mailing address provided by the United States Postal Service or an Aggrieved Employee.

§ 2. **Release of Claims by the State of California and Aggrieved Employees**

- 2.1 **Release.** In consideration of Defendant’s payment of the Maximum Settlement Amount and upon entry of the Approval Order, Plaintiffs, individually and as the representative acting as a proxy or agent of the LWDA, and the State of California, shall fully, finally, and forever release, settle, relinquish and discharge the Released Parties from any and all claims against the Released Parties for civil penalties asserted in the PAGA Action that were or could have been set forth against Defendant in this PAGA Action and the LWDA PAGA Notice Letter, whether stated explicitly or by implication, based on Aggrieved Employees’ work for Defendant during the PAGA Period. The LWDA PAGA Notice Letter and Amended Notice Letters submitted with respect to the PAGA Action are collectively attached hereto as Exhibit “B.” This release includes any and all claims for civil penalties, fees, and costs recoverable under the Private Attorneys General Act (Labor Code § 2698, *et seq.*) based on the facts and claims asserted in the operative complaint filed in the PAGA Action, including without limitation, meal break violations, rest break violations, failure to pay overtime, failure to pay minimum wage, failure to pay wages when due, failure to reimburse business expenses, inaccurate wage statements, failure to pay and/or properly calculate sick leave pay, or/any other allegations and claims which are reasonably related to the allegations and claims asserted in the operative complaint filed in the PAGA Action. This release shall apply to claims arising at any point during the PAGA Period. This release shall become effective immediately upon Defendant’s payment of the Maximum Settlement Amount to the Settlement Administrator for distribution as specified in this Settlement Agreement.
- 2.2 The Parties agree that this Settlement Agreement and the judgment to be entered by the Court following approval of the settlement forever bar Plaintiffs and the LWDA, directly or through any other proxy or agent, from any future prosecution of any of the Released Claims against any of the Released Parties.

§ 3. **Defendant’s Consideration and Distribution of Maximum Settlement Amount**

- 3.1 **Defendant’s Payment of Maximum Settlement Amount.** In consideration of the Released Claims and upon entry of the Approval Order, Defendant shall pay up to

the Maximum Settlement Amount One Hundred Fifty Thousand Dollars (\$150,000), which shall satisfy all of Defendant's obligations for payments, fees, and costs identified in this Settlement Agreement. No amount of the Maximum Settlement Amount shall revert to Defendant under any circumstances.

- 3.2 **Timing of Payment of Maximum Settlement Amount.** Defendant shall pay the Maximum Settlement Amount to a settlement fund maintained by the Settlement Administrator within seven (7) calendar days of the Approval Date, provided no appeal of the Approval Order was timely filed. However, if the Approval Date is on or between December 24, 2021 and March 25, 2022, the deadline for Defendant to pay the Maximum Settlement Amount ("Settlement Payment Date") shall be April 4, 2022.

§ 4. Distribution of the Maximum Settlement Amount

- 4.1 **Distribution of the Maximum Settlement Amount.** Subject to Court approval, the Settlement Administrator shall distribute the Maximum Settlement Amount as follows:
- (a) **Timing and Amount of Attorney's Fees and Costs.** Within fourteen (14) days after the Settlement Payment Date, the Settlement Administrator shall distribute to Plaintiffs' Counsel up to the total amount of Fifty-Two Thousand Five Hundred Dollars (\$52,500), and documented costs, as awarded by the Court, not to exceed a total of Twenty Thousand Dollars (\$20,000), representing Plaintiffs' attorneys' fees and litigation costs and expenses related to the PAGA Action.
 - (b) **Incentive Award.** Within fourteen (14) days after the Settlement Payment Date, the Settlement Administrator shall distribute an Incentive Award to Plaintiffs, not to exceed Five Thousand Dollars (\$5,000) to each Plaintiff, subject to Court approval.
 - (c) **Settlement Administration Costs.** The costs of settlement administration will also be paid from the Maximum Settlement Amount in an amount not to exceed Ten Thousand Dollars (\$10,000), subject to Court approval. The actual amount requested for approval by the Court shall be the lowest accepted bid for administration that is less than \$10,000 and in the form of a "flat fee" bid.
- 4.2 **Plaintiffs' Application Unopposed by Defendant; Amounts Not Approved.** Defendant shall not oppose Plaintiffs' application for Court approval of attorneys' fees and costs set forth in Section 4.1(a). To the extent that Plaintiffs' application is not approved by the Court, the amount not approved shall become a part of the Net Settlement Amount and distributed to Aggrieved Employees in accordance with the terms of this Settlement Agreement.

- 4.3 **Allocation and Distribution of Net Settlement Amount.** The Net Settlement Amount shall be allocated and distributed as follows:
- (a) Seventy-Five Percent (75%) of the Net Settlement Amount shall be paid to the LWDA.
 - (b) Twenty-Five Percent (25%) of the Net Settlement Amount shall be paid to the Aggrieved Employees pro rata and in proportion to each Aggrieved Employees' Pay Periods Worked for and/or for the benefit of Defendant during the PAGA Period, as calculated by Defendant. The formula for distribution is: $(25\% \text{ of the Net Settlement Amount}) \times (\text{an Aggrieved Employee's Pay Periods worked during the PAGA Period} \div \text{Sum of all Aggrieved Employees' Pay Periods worked during the PAGA Period}) = \text{Share Distribution to an Aggrieved Employee.}$
- 4.4 **Timing and Manner of Settlement Share Distributions.** Within fourteen (14) days after the Settlement Payment Date, the Settlement Administrator shall distribute to each Aggrieved Employee his or her Settlement Share by mailing via U.S. First-Class mail a check for the allocated Settlement Share amount, along with any necessary tax reporting forms, to each Aggrieved Employee's Last Known Address or Updated Address.
- 4.5 **Tax Treatment and Reporting of Payments to Aggrieved Employees.** For distributions made pursuant to Section 4 of this Settlement Agreement, One Hundred Percent (100%) of the payments distributed to Aggrieved Employees will be deemed as payments for civil penalties and will not to be subject to local, state or federal tax withholdings. The Settlement Administrator shall issue IRS Forms 1099 (if required) to Aggrieved Employees who receive settlement checks for their Settlement Share.
- 4.6 **Distribution of Uncashed Checks.** Checks to Aggrieved Employees shall remain negotiable for a period of One Hundred Eighty (180) days. If any checks remain uncashed after the 180-day negotiability period, the Settlement Administrator shall void all such checks and, pursuant to the Unclaimed Property Law, deliver the proceeds remaining from all uncashed checks to the Office of the State Controller – Unclaimed Property, in the name(s) of the Aggrieved Employee(s) who did not cash check(s).

§ 5. Administration of Settlement and Notice

- 5.1 **Aggrieved Employee Data.** Within seven (7) days following the Approval Date, Defendant shall provide the Settlement Administrator an Aggrieved Employees List, in a format reasonably acceptable for the duties of the Settlement Administrator, which shall identify each Aggrieved Employee's: (a) full name; (b) Last Known Address; (c) Social Security number; (d) telephone numbers; (e) total number of Pay Periods Worked as an Aggrieved Employee; (f) start and end dates

worked as an Aggrieved Employee; and (g) leaves of absence taken during the PAGA Period. Respondent will diligently and in good faith request records from the relevant third-party staffing agencies to compile the Aggrieved Employees List but cannot warrant the timeliness or accuracy of third-party data.

5.2 Duties of the Settlement Administrator Regarding the Aggrieved Employee List. The Settlement Administrator shall:

- (a) Update the addresses for the Aggrieved Employees using industry-standard mailing address databases, including but not limited to the National Change of Address, and, to the extent this process yields an Updated Address, add the Updated Address to the Aggrieved Employee List and treat the Updated Address as the new Last Known Address for all initial and subsequent mailings and all other purposes of this Settlement Agreement;
- (b) Calculate the number of Pay Periods Worked for each Aggrieved Employee based on the Aggrieved Employees List and use these numbers to calculate each Aggrieved Employee's Settlement Share; and
- (c) Keep the Aggrieved Employees List confidential, use it only for the purposes described herein, take adequate safeguards to protect the confidentiality of the information contained in the Aggrieved Employees List, and certify the destruction of information contained in the Aggrieved Employees List upon the completion of the settlement administration process.

5.3 Mailing of Notice Packet and Settlement Share.

- (a) Within fourteen (14) days after the Settlement Payment Date, the Settlement Administrator shall send to the Last Known Address or Updated Address of each Aggrieved Employee via First-Class U.S. Mail a Notice Packet consisting of a Notice of PAGA Settlement (in the form of Exhibit A attached hereto) that provides each Aggrieved Employee with the number of Pay Periods Worked as determined by Defendant, the formula for determining each Aggrieved Employee's Settlement Share, and a check representing the Settlement Share of the Aggrieved Employee.
- (b) Any returned envelopes from the initial mailing containing forwarding addresses will be used by the Settlement Administrator to locate missing Aggrieved Employees and re-mail the Notice Packets to the correct or Updated Address. If the first mailing of the Notice Packets is returned without a forwarding address, the Settlement Administrator shall immediately conduct a standard skip trace to ascertain the current address for the particular Aggrieved Employee in question. If a more recent or accurate address is found by this method, the Settlement Administrator will resend the Notice Packets to the Updated Addresses within three

(3) calendar days of identifying the new address information. If no new information is ascertained by means of a skip trace, or if the Notice Packets is returned to the Settlement Administrator after using an address obtained from a standard skip trace, the Settlement Administrator will immediately perform a manual “in-depth skip trace” to locate a more recent or accurate address. If an Updated Address is identified by this method, the Settlement Administrator will re-mail the Notice Packets to the Updated Address within three (3) calendar days of identifying the Updated Address.

- 5.4 **Uncashed Settlement Checks of Participating Aggrieved Employees.** Aggrieved Employees shall have One Hundred Eighty (180) calendar days after mailing by the Settlement Administrator to cash their settlement checks. Any check that is not cashed within One Hundred Eighty (180) calendar days shall become void and subject to a stop payment order, and then distributed to the Office of the State Controller – Unclaimed Property, as set forth in Section 4.6 of this Settlement Agreement.

§ 6. Court’s Approval of Settlement

- 6.1 **Motion for Approval.** Plaintiffs shall promptly submit this Settlement Agreement to the Court together with a Joint Stipulation and [Proposed] Approval Order Granting PAGA Settlement and Release Agreement, but in any case, no later than fourteen (14) days after the Parties fully execute this Settlement Agreement. The stipulation shall seek an order containing the following provisions:

- (a) Approving the Settlement Agreement, reciting the release terms in full, and directing that the Settlement Agreement terms and provisions be carried out;
- (b) Directing the mailing of the Notice Packet via U.S. First Class mail to Aggrieved Employees in accordance with the provisions in this Settlement Agreement; and
- (c) Approving the application for payment of reasonable attorneys’ fees and costs to Plaintiffs’ Counsel as set forth in this Settlement Agreement.

6.2 Court’s Non-Approval of Settlement.

- (a) **Settlement Agreement Contingent Upon Court’s Approval.** If this Settlement Agreement is not approved by the Court, fails to become effective, or is reversed, withdrawn, or modified by the Court or any other court with jurisdiction over the PAGA Action, this Settlement Agreement shall become null and void *ab initio* and shall have no bearing on, and shall not be admissible in connection with, further proceedings in the PAGA Action.
- (b) **Non-Approval as Basis for Termination of Settlement Agreement.** Failure of the Court to grant the Approval Order will be grounds for the

Parties to terminate this Settlement Agreement and the terms of this Settlement Agreement, except that the Parties shall each be responsible for Fifty Percent (50%) of the costs of, and any payments due to, the Settlement Administrator for non-cancellable services performed up to that time.

- (c) **Duties of the Parties Upon Appeal.** In the event an appeal is filed from the Approval Order, or any other appellate review is sought, the duties and obligations of the Parties to this Settlement Agreement include the duty to defend the Approval Order on any appeal.

§ 7. Timeline for Completion of Settlement

- 7.1 The schedule for notice, approval, and payment procedures carrying out this Settlement Agreement is below. The schedule may be modified by agreement of the Parties in writing or order of the Court depending on whether and when the Court grants necessary approvals and sets further hearings. In the event of such modification, the Parties shall cooperate to complete the settlement procedures as expeditiously as reasonably practicable.

Seven (7) days after Approval Date	Deadline for Defendant to provide Aggrieved Employees List to Settlement Administrator; deadline for the Defendant to pay the Maximum Settlement Amount to the Settlement Administrator.
Fourteen (14) days after Settlement Payment Date	Deadline for settlement checks to be issued to Aggrieved Employees; deadline for payments to Plaintiffs' Counsel for litigation costs and expenses and awarded attorneys' fees; deadline for payment to Plaintiffs for Incentive Award.
One Hundred Eighty (180) days after the issue date on settlement checks	Deadline for Aggrieved Employees to cash settlement checks, after which, the Settlement Administrator shall process uncashed checks pursuant to the Unclaimed Property Law.

§ 8. Miscellaneous Provisions

- 8.1 **No Admission of Liability.** This Settlement Agreement shall not constitute an admission that Defendant is subject to any form of liability on Plaintiffs' claims, or to the accuracy of any fact or allegation in the PAGA Action. Defendant specifically denies all liability.

- 8.2 **Advice of Counsel.** The Parties enter into this Settlement Agreement represented by competent counsel, and they have had an opportunity to consult with counsel. The Parties agree that it reflects their good faith compromise of the claims raised in the PAGA Action, based upon their assessment of the mutual risks and costs of further litigation and the assessments of their respective counsel.
- 8.3 **Parties' Authority.** The signatories hereby represent that they are fully authorized to enter into this Settlement Agreement and bind the Parties to the terms and conditions of this Settlement Agreement.
- 8.4 **Mutual Full Cooperation.** The Parties agree to cooperate fully with each other to accomplish the terms of this Settlement Agreement, including but not limited to, executing such documents and taking such other action as may reasonably be necessary to implement the terms of this Settlement Agreement. The Parties further agree to cooperate fully and use their best efforts to obtain the Court's approval of this Settlement Agreement and all the terms herein.
- 8.5 **Miscellaneous Attorney's Fees.** Except as provided in Section 4.1 of this Settlement Agreement, the Parties shall bear their own attorneys' fees, costs and expenses incurred in the prosecution, defense, and settlement of the PAGA Action against Defendant.
- 8.6 **Notices.** Unless otherwise specifically provided herein, all notices, demands, or other communications given hereunder shall be in writing and shall be communicated by electronic mail and U.S. Mail, and shall be deemed to have been duly given as of the fifth (5th) business day after mailing by U.S. Mail, addressed as follows:

To Plaintiffs' Counsel:

Doug Han, Esq.
Shunt Tatavos-Gharajeh, Esq.
Justice Law Corporation
751 N. Fair Oaks Avenue, Suite 101
Pasadena, CA 91103
Tel: (818) 230-7502

To Defendant's Counsel

Thomas S. Ingrassia, Esq.
Shannon R. Finley, Esq.
Pettit Kohn Ingrassia Lutz & Dolin
11622 El Camino Real, Suite 300
San Diego, CA 92130
Tel: (858) 755-8500

- 8.7 **Interpretation of Agreement.** Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend or describe the scope of this Settlement Agreement or any provision hereof. Each term of this Settlement Agreement is contractual and not merely a recital. The Parties hereto agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive arms-length negotiations between the Parties and that this Settlement Agreement shall not be construed in favor of or against any Party by reason of the extent to which any Party or his, her or its counsel participated in the drafting of this Settlement Agreement.
- 8.8 **Entire Agreement.** This Settlement Agreement constitutes the entire and integrated agreement between the Parties with respect to the settlement of the PAGA Action against Defendant, and all other prior and contemporaneous agreements, representations, warranties, or understandings of the Parties are superseded and merged into this Settlement Agreement.
- 8.9 **No Prior Assignments.** This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, and successors. The Parties hereto represent, covenant, and warrant that they have not directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or rights herein released and discharged except as set forth herein.
- 8.10 **Execution in Counterparts.** This Settlement Agreement may be signed in one or more counterparts, including by copies transmitted via facsimile or electronic delivery. Upon a Party's execution of a counterpart, that counterpart shall be deemed an original, and all signed counterparts shall together constitute one Settlement Agreement. A facsimile signature shall have the same force and effect as the original signature, if and only if it is transmitted from counsel for one party to the other. Such transmissions shall be interpreted as verification by the transmitting counsel that the signature is genuine and that the party signing has authorized and reviewed the Settlement Agreement. All executed copies of this Settlement Agreement and copies thereof shall have the same force and effect and shall be as legally binding and enforceable as the original.
- 8.11 **Governing Law.** This Settlement Agreement shall be governed, construed, and interpreted in accordance with the laws of the State of California.
- 8.12 **No Publicity.** The Parties and their counsel shall not issue any press release or media release or have any communication with the press, media, social media, and/or any professional organization such as California Employment Lawyers Association regarding this settlement and shall not use this Settlement Agreement in any marketing materials. Except for purposes of obtaining the Court's and/or LWDA's approval of the Settlement Agreement, this Settlement Agreement shall not be filed or lodged, attached to motion papers, or otherwise used in any way by

Plaintiffs or Plaintiffs' Counsel in any publicity, marketing, litigation, or arbitration. Nothing in this Agreement prevents Defendant from making any disclosure(s) mandated by applicable law, SEC regulations, and/or NASDAQ listing requirements.

- 8.13 **Continuing Jurisdiction.** The Court shall retain continuing jurisdiction to ensure the continuing implementation of the provisions of this Settlement Agreement.
- 8.14 **Enforcement.** Should any party to this Settlement Agreement contend there is a breach by another party, such that an action becomes necessary to enforce any of the terms of this Settlement Agreement, the prevailing party in such dispute shall be entitled to recover its costs and reasonable attorneys' fees incurred, as determined by the Court, in connection with enforcing the terms of this Settlement Agreement.

IT IS SO AGREED:

PLAINTIFF

08/30/2021
August __, 2021



Buck Walsh

PLAINTIFF

August __, 2021

Jessica Elizalde

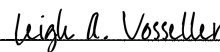
DEFENDANT

TANDEM DIABETES CARE, INC.

01-Sep-2021
August __, 2021

By:

DocuSigned by:



E4998D3885B0443...

APPROVED AS TO FORM AND CONTENT:

By: _____

Doug Han, Esq.
Shunt Tatavos-Gharajeh, Esq.
Justice Law Corporation
Attorneys for Plaintiffs Buck Walsh and Jessica Elizalde

Plaintiffs or Plaintiffs' Counsel in any publicity, marketing, litigation, or arbitration. Nothing in this Agreement prevents Defendant from making any disclosure(s) mandated by applicable law, SEC regulations, and/or NASDAQ listing requirements.

- 8.13 **Continuing Jurisdiction.** The Court shall retain continuing jurisdiction to ensure the continuing implementation of the provisions of this Settlement Agreement.
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IT IS SO AGREED:

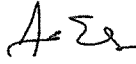
PLAINTIFF

August __, 2021

Buck Walsh

PLAINTIFF

08/30/2021
August __, 2021



Jessica Elizalde

DEFENDANT

TANDEM DIABETES CARE, INC.

August __, 2021

By: _____

APPROVED AS TO FORM AND CONTENT:

By:



Doug Han, Esq.
Shunt Tatavos-Gharajeh, Esq.
Justice Law Corporation
Attorneys for Plaintiffs Buck Walsh and Jessica Elizalde

By:  _____

Thomas S. Ingrassia, Esq.
Shannon R. Finley, Esq.
Attorney for Defendant Tandem Diabetes Care, Inc.

EXHIBIT B

Name
Address

Re: **Lawsuit Settlement – Settlement Check Enclosed**

Dear _____:

This letter contains information about the settlement of a PAGA lawsuit against Tandem Diabetes Care, Inc. (“Tandem”). Because you are or were an employee of Tandem and/or worked at Tandem through a staffing company during the relevant period, the Parties to the lawsuit have concluded that you are entitled to a settlement payment. The San Diego County Superior Court has approved this settlement, and as such, you are receiving the check enclosed. Please cash the check as soon as possible, as the check will become void if not cashed within One Hundred Eighty (180) days.

On August 26, 2021, Plaintiffs Buck Walsh and Jessica Elizalde filed a First Amended Complaint pursuant to California’s Private Attorneys General Act of 2004 (“PAGA”) in the San Diego Superior Court Case No. 37-2020-00031529-CU-OE-CTL. Tandem vigorously denies all the claims in this lawsuit and believes it has always complied with California law. However, the Parties have now agreed to a settlement of claims against Tandem to avoid the time, expense, and uncertainty of a trial.

This settlement resolved claims for the civil penalties that can be brought only by or on behalf of the state of California. This settlement does not relate to any other claims.

According to Tandem’s records, you were a non-exempt hourly worker employed by or at Tandem in California between June 3, 2019 and July 16, 2021. Under the settlement, all such employees are entitled to receive a settlement payment based on the number of pay periods they worked at Tandem during this period. Tandem’s records show that you were employed for [INSERT] pay periods during this period. Therefore, you are entitled to a settlement check in the amount of \$[INSERT].

The Court has approved this settlement, and in consideration of the settlement check enclosed, the Court has ordered that all current and former Tandem employees receiving a settlement payment are barred from bringing all claims for civil penalties, fees, and costs recoverable under PAGA (Labor Code § 2698, *et seq.*) based on the claims that were alleged in the lawsuit for the time period set forth above as an agent or proxy for the State of California.

Sincerely,

[TANDEM REPRESENTATIVE/TITLE]

EXHIBIT C



Justice Law Corporation <info@justicelawcorp.com>

Thank you for your Proposed Settlement Submission

1 message

DIR PAGA Unit <lwdadonotreply@dir.ca.gov>
Reply-To: DIR PAGA Unit <lwdadonotreply@dir.ca.gov>
To: info@justicelawcorp.com

Thu, Sep 9, 2021 at 1:20 PM

09/09/2021 01:20:31 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

**PROOF OF SERVICE
1013A(3) CCP**

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 751 N. Fair Oaks Ave., Ste. 101 Pasadena, California 91103. My electronic service address is aokada@justicelawcorp.com.

On September 27, 2021, I served the foregoing document described as

**JOINT STIPULATION AND APPROVAL ORDER GRANTING PRIVATE
ATTORNEYS GENERAL ACT (LABOR CODE § 2698, ET SEQ.) SETTLEMENT AND
RELEASE AGREEMENT**

for the following case: **Walsh v. Tandem Diabetes Care, Inc.**
LWDA/Court Case No.: **LWDA-CM-792233-20**
37-2020-00031529-CU-OE-CTL
San Diego County Superior Court

on interested parties in this action by electronically submitting as follows:

State of California
Labor & Workforce Development Agency
800 Capitol Mall, MIC-55
Sacramento, California 95814

[X] BY ELECTRONIC SUBMISSION

Pursuant to California Senate Bill No. 836, I caused the documents described above to be electronically submitted by and through the procedure stated on the website of the State of California Labor and Workforce Development Agency.

[X] STATE

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on September 27, 2021, at Pasadena, California.



Anna Okada