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MILLS-PENINSULA MEDICAL CENTER

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF SAN MATEO**

LISA SKERL, an individual; VICTORIA
KROPP, an individual; LORI ROARK, an
individual; on behalf of themselves and all
others similarly situated and the general
public,

Plaintiffs,

vs.

SUTTER BAY HOSPITALS, a California
corporation; and DOES 1 to 100, inclusive,

Defendants.

Case No. 21-CIV-02057

**DECLARATION OF CASSANDRA
POLITES OF ILYM GROUP, INC.
REGARDING NOTICE AND
SETTLEMENT ADMINISTRATION**

HEARING INFO

Date: October 24, 2023
Time: 2:00 p.m.

Judge: Hon. Nancy L. Fineman
Dept.: 4

1 I, Cassandra Polites, declare as follows:

2 1. I am a resident of the United States of America and am over the age of 18. I am a
3 Case Manager for ILYM Group, Inc., (herein after referred to as “ILYM Group”), the professional
4 settlement services provider who has been retained by the Parties’ Counsel and subsequently
5 appointed by the Court to serve as the Settlement Administrator for the above captioned, *Skerl et*
6 *al. v. Sutter Bay Hospitals* matter. I am authorized to make this declaration on behalf of ILYM
7 Group and myself. I have personal knowledge of the facts herein, and, if called upon to testify, I
8 could and would testify competently to such facts.

9 2. ILYM Group has extensive experience in administering Class Action Settlements,
10 including direct mail services, database management, claims processing and settlement fund
11 distribution services for Class Actions ranging in size from 26 to 4.5 million Settlement Class
12 Members.

13 3. ILYM Group was engaged by the Parties’ Counsel and subsequently approved and
14 appointed by the Court to provide notification services and settlement administration, pursuant to
15 the terms of the Settlement, in the above referenced Action. Duties performed to-date and to be
16 performed after Final Approval of the Settlement is granted, include: (a) printing and mailing the
17 *Notice of Pendency of Class Action Settlement and Final Hearing* (referred to as “Notice Packet”);
18 (b) receiving and processing requests for exclusion and objections to the Settlement; (c) resolving
19 Settlement Class Members’ disputes over the number of workweeks Defendant has record of them
20 working during the Class Period, which was pre-printed on their individualized Class Notice; (d)
21 establishing a QSF account and calculating individual settlement award amounts; (e) processing
22 and mailing settlement award checks; (f) handling tax withholdings as required by the Settlement
23 and the law; (g) preparing, issuing and filing tax returns and other applicable tax forms; (h) handling
24 the distribution of any unclaimed funds pursuant to the terms of the Settlement; and (i) performing
25 other tasks as the Parties mutually agree to and/or the Court orders ILYM Group to perform.

26 4. On April 26, 2023, ILYM Group received the Court approved text for the Notice
27 Packet from Class Counsel. ILYM Group prepared a draft of the formatted Notice Packet, which
28 was approved by the Parties’ Counsel prior to mailing.

1 5. On June 27, 2023, ILYM Group received the class data file from Counsel for
2 Defendant, which contained the name, social security number, last known mailing address, and the
3 number of workweeks worked for each Settlement Class Member (SBH, CPMC and MPMC Sub-
4 class) and Aggrieved Employees. The data file was uploaded to our database and checked for
5 duplicates and other possible discrepancies. The Class List contained unique records for 22,326
6 individuals who worked 3,853,371 work weeks.

7 6. As part of the preparation for mailing, all 22,326 names and addresses contained in
8 the Class List were then processed against the National Change of Address (“NCOA”) database,
9 maintained by the United States Postal Service (“USPS”), for purposes of updating and confirming
10 the mailing addresses of the Settlement Class Members before mailing of the Notice Packet. The
11 NCOA contains requested change of addresses filed with the USPS. To the extent that an updated
12 address was found in the NCOA database, the updated address was used for the mailing of the
13 Notice Packet. To the extent that no updated address was found in the NCOA database, the original
14 address provided by Counsel for Defendants was used for the mailing of the Notice Packet.

15 7. On July 21, 2023, the Notice Packet was mailed, via U.S First Class Mail, to all
16 22,326 individuals contained in the Class List. Attached hereto, as **Exhibit A**, is a true and correct
17 copy of the mailed Notice Packet.

18 8. As of the date of this declaration, 701 Notice Packets have been returned to our
19 office. Of the 701 returned Notice Packets, 11 were returned with a forwarding address and the
20 Notice Packets were promptly re-mailed to the forwarding address provided. ILYM Group
21 performed a computerized skip trace on the 690 returned Notice Packets that did not have a
22 forwarding address, in an effort to obtain an updated address for the purpose of re-mailing the
23 Notice Packet. As a result of this skip trace, 481 updated addresses were obtained and the Notice
24 Packets were promptly re-mailed to those Settlement Class Members, via U.S. First Class Mail.

25 9. As of the date of this declaration, a total of 492 Notice Packets have been re-mailed.
26 Specifically, 481 Notice Packets were remailed as a result of ILYM Group’s skip tracing efforts
27 and 11 have been re-mailed a result of a forwarding address provided by the USPS.
28

1 10. As of the date of this declaration, a total of 209 Notice Packets have been deemed
2 undeliverable as no updated address was found notwithstanding the skip tracing.

3 11. As of the date of this declaration, ILYM Group has received 67 requests for
4 exclusion. Attached hereto is the list of names of the members who opted out as **Exhibit B**. The
5 deadline to request exclusion from the Settlement was September 19, 2023 (“Original Response
6 Deadline”).

7 12. As of the date of this declaration, ILYM Group has received only two potential
8 objections to the Settlement. However, in both instances the individuals who submitted the
9 objections clarified that they wished to opt out of the settlement instead, and thus their objections
10 were withdrawn. Their names are included in Exhibit B. The original deadline to file an objection
11 to the Settlement was September 19, 2023 (“Original Response Deadline”).

12 13. As of the date of this declaration, ILYM Group has received 1 dispute from a
13 Settlement Class Member. This challenge has been resolved. The deadline to file a dispute was
14 September 19, 2023 (“Original Response Deadline”).

15 14. On September 6, 2023, Defense counsel discovered that certain employees holding
16 patient care positions had been included in the SBH class, when they should have been included in
17 the CPMC Class. As a result, 59 members were shifted from the SBH Class to the CMPC Class.
18 On September 13, 2023, Defense Counsel provided an updated Class List.

19 15. The parties agreed to notify those 59 members who were shifted from the SBH Class
20 to the CMPC Class and extend their deadline to respond by 30 days.

21 16. On September 19, 2023, the Supplemental Notice Packet was mailed, via U.S First
22 Class Mail, to 59 members. Attached hereto, as **Exhibit C**, is a true and correct copy of the mailed
23 Supplemental Notice Packet.

24 17. As of the date of this declaration, ILYM Group has not received any requests for
25 exclusion, workweek disputes, or objections from the 59 class members who were mailed a
26 Supplemental Notice Packet. The deadline to request exclusion from the Settlement, submit
27 workweek disputes, or object to the Settlement is October 19, 2023 (“Extended Response
28 Deadline”).

1 18. As of the date of this declaration, there are 22,326 Participating Class Members, *i.e.*,
2 Class Members who did not submit a timely request to opt-out. The Net Settlement Amount
3 available to Participating Class Members is estimated to be \$7,623,000.00 and was calculated by
4 subtracting the requested attorneys' fees (\$4,000,000.00), the amount requested for litigation costs
5 and expenses (\$25,000.00), the requested total Enhancement Payment (\$45,000.00), the requested
6 Settlement Administration Costs (\$67,000.00), and the PAGA Payment (\$240,000.00) from the
7 Gross Settlement Amount (\$12,000,000.00).

8 19. Pursuant to the Agreement, 30% or \$2,286,900.00 should be allocated to the CPMC
9 Settlement Class Members *pro rata* based on their work weeks worked. As of this date of this
10 declaration, there are 3,163 CPMC class members who worked a total of 552,369 work weeks.

11 20. The *highest* Individual Settlement Amount to a Participating CPMC Class Member
12 is currently estimated to be approximately \$1,283.39, the *average* Individual Settlement Amount
13 is currently estimated to be approximately \$723.02, and the *lowest* Individual Settlement Amount
14 is currently estimated to be approximately \$4.14. These amounts are subject to employee-side tax
15 and withholdings.

16 21. Pursuant to the Agreement, 20% or \$1,524,600.00 should be allocated to the MPMC
17 Settlement Class Members *pro rata* based on their work weeks worked. As of this date of this
18 declaration, there are 3,946 MPMC class members who worked a total of 587,425 work weeks.

19 22. The *highest* Individual Settlement Amount to a Participating MPMC Class Member
20 is currently estimated to be approximately \$887.63, the *average* Individual Settlement Amount is
21 currently estimated to be approximately \$386.37, and the *lowest* Individual Settlement Amount is
22 currently estimated to be approximately \$2.60. These amounts are subject to employee-side tax
23 and withholdings.

24 23. Pursuant to the Agreement, 50% or \$3,811,500.00 should be allocated to the SBH
25 Premium Settlement Class Members *pro rata* based on their work weeks worked. As of this date
26 of this declaration, there are 17,241 SBH class members who worked a total of 2,701,436 work
27 weeks.
28

1 24. The *highest* Individual Settlement Amount to a Participating SBH Class Member is
2 currently estimated to be approximately \$482.53; the *average* Individual Settlement Amount is
3 currently estimated to be approximately \$221.07, and the *lowest* Individual Settlement Amount is
4 currently estimated to be approximately \$1.41. These amounts are subject to employee-side tax
5 and withholdings.

6 25. Pursuant to the Agreement, 25% of the PAGA Payment (\$60,000.00) will be
7 allocated to Aggrieved Employees regardless of whether they opt out of the Class Settlement
8 (“Employee PAGA Amount”); Aggrieved Employees cannot opt out of the PAGA Settlement. The
9 Employee PAGA Amount is allocated on a *pro rata* basis using their PAGA work weeks worked.
10 There are 17,635 Aggrieved Employees who worked 2,043,761 work weeks.

11 26. The *highest* Individual PAGA Share to an Aggrieved Employee is currently
12 estimated to be approximately \$5.46, the *average* Individual PAGA Share is currently estimated to
13 be approximately \$3.40, and the *lowest* Individual PAGA Share is currently estimated to be
14 approximately \$0.03.

15 27. ILYM Group’s total fees and costs for services in connection with the administration
16 of this Settlement, which includes fees and costs incurred to-date, as well as anticipated fees and
17 costs for completion of the settlement administration, are \$67,000.00, ILYM Group’s work in
18 connection with this matter will continue with the calculation of the settlement award payments,
19 issuance and mailing of the settlement award checks, the necessary tax filing and reporting on such
20 payments, and any other tasks that the Parties mutually agree to and/or the Court orders ILYM
21 Group to perform.

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I declare under penalty of perjury under the laws of the State of California and the United States that the foregoing is true and correct to the best of my knowledge and that this Declaration was executed this 27th day of September 2023, at Tustin, California.

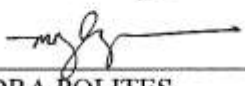

CASSANDRA POLITES

EXHIBIT “A”

REQUEST FOR EXCLUSION FORM

Skerl et al. v. Sutter Bay Hospitals
San Mateo Superior Court, Case No. 21-CIV-02057

Enclosed with this form is a Notice describing a class action settlement involving most of Sutter Bay Hospitals' ("Sutter") current and former non-exempt hourly employees between July 20, 2016 through January 31, 2023. The case involves alleged violations of the California Labor Code and Business & Professions Code, and related claims.

This settlement is the result of extensive settlement discussions. Both sides agree that, in light of the risks and expenses associated with further litigation, this Settlement is fair and appropriate under the circumstances. However, you have the opportunity to request exclusion from the proposed class settlement, as set out herein. **If you choose to exclude yourself from the class settlement, then you must accurately fill out and sign this Request for Exclusion Form and send it to the Settlement Administrator so that it is postmarked to the Settlement Administrator no later than September 19, 2023**

This form must be addressed to:

Skerl v. Sutter Bay Hospitals
c/o ILYM Group, Inc.
P.O. Box 2031
Tustin, CA 92781

IT IS MY DECISION TO BE EXCLUDED FROM THE CLASS SETTLEMENT AND NOT TO RECEIVE A CLASS SETTLEMENT PAYMENT. I UNDERSTAND THAT I HAVE THE RIGHT TO SEEK THE ADVICE OF COUNSEL WITH RESPECT TO THIS CHOICE AND HOW IT AFFECTS MY LEGAL RIGHTS, INCLUDING BUT NOT LIMITED TO THE APPLICABLE STATUTE OF LIMITATIONS.

By signing and returning this form, I certify that I have read the Notice of Pendency of Class Action Settlement and Final Hearing in this action and wish to be excluded from the class settlement. I understand that this means that I will not receive any payment under the class settlement, except as follows: The proposed settlement includes the settlement of claims for civil penalties under PAGA. You may not request exclusion from the settlement of a PAGA claim. Thus, if the court approves this settlement, then even if you request exclusion from the class settlement, you still will receive an individual settlement share for the PAGA claims and will be deemed to have released the PAGA claims. A request for exclusion will preserve your right to individually pursue only the remaining class claims.

Dated: _____, 2023

(Signature)

(Type or Print Name)

(Address)

(Telephone No.)

(Last four digits of Soc. Security No.)

OBJECTION FORM

MAIL TO:

c/o ILYM Group, Inc.
P.O. Box 2031
Tustin, CA 92781
Telephone: (888) 250-6810

ONLY SUBMIT THIS FORM WITH YOUR WRITTEN OBJECTION IF YOU WANT TO OBJECT TO THE SETTLEMENT.

Please provide the following information:

Name: _____

Last 4 Digits of Social Security Number: _____

Signature: _____

ATTACH THIS OBJECTION COVER SHEET TO YOUR WRITTEN OBJECTION TO THE CLASS SETTLEMENT. IF YOU DO NOT OBJECT, DO NOT SUBMIT THIS FORM. INCLUDE ANY PAPERS UPON WHICH YOUR OBJECTION IS BASED.

PLEASE NOTE YOU CAN ONLY OBJECT TO THE CLASS SETTLEMENT IF YOU DO NOT REQUEST EXCLUSION FROM THE CLASS SETTLEMENT.

IF YOU WANT TO OBJECT, YOUR OBJECTION SHOULD BE POSTMARKED ON OR BEFORE **SEPTEMBER 19, 2023**, AND MAILED TO THE FOLLOWING MAILING ADDRESS:

c/o ILYM Group, Inc.
P.O. Box 2031
Tustin, CA 92781
Telephone: (888) 250-6810

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN MATEO

LISA SKERL, an individual; VICTORIA KROPP, an individual; LORI ROARK, an individual, on behalf of themselves and all others similarly situated and the general public,

Plaintiffs,

vs.

SUTTER BAY HOSPITALS, a California Corporation;
and DOES 1–100, Inclusive,

Defendant.

Case No. 21-CIV-02057

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

Judge: Hon. Nancy L. Fineman

Dept: 4

**YOU MAY BE ENTITLED TO RECEIVE MONEY FROM A SETTLEMENT ARISING FROM YOUR EMPLOYMENT
BY SUTTER BAY HOSPITALS**

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

- A settlement of a lawsuit will pay money to most non-exempt employees who have been employed by Sutter Bay Hospitals (“Sutter”) from July 20, 2016 through January 31, 2023.
- The Settlement resolves a class action lawsuit alleging various wage and hour claims brought against Sutter on behalf of most of Sutter’s non-exempt employees employed during this time period. It also resolves certain other wage and hour claims brought against Sutter on behalf of certain patient care nurses, surgical technicians and other patient care workers employed at California Pacific Medical Center (“CPMC”), against all non-exempt employees employed at Mills-Peninsula Medical Center (“MPMC”), and an SBH Premium Calculation and Rounding Class consisting of all other non-exempt employees employed by Sutter, but excluding those staff nurses at Alta Bates Summit Medical Center and Sutter Delta Medical Center who participated in a settlement in another recent case, *Hurtubise v. Sutter East Bay Hospitals*, Alameda County Superior Court No. RG17868819, during the same period. The Settlement also resolves claims for penalties that have been brought on behalf of the State of California under California’s Private Attorneys General Act (“PAGA”).
- The Settlement avoids the costs and risks of continuing the lawsuit, pays money to employees, and releases Sutter from liability.
- Sutter expressly denies all of the claims in the lawsuit and denies any wrongdoing or liability. The two sides disagree on how much money – if any – could have been awarded if employees won at trial.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:

Do Nothing	You need not take any action if you wish to receive your settlement payment. If the Settlement is approved by the Court, you will automatically be mailed a settlement check at the address on file with the Settlement Administrator, ILYM Group, Inc. If you move, you must notify the Settlement Administrator of your new address.
Exclude Yourself	Get no payment. Send a letter to the Settlement Administrator, as explained below, making clear you wish to exclude yourself from the Settlement. This is the only option that allows you to be part of any other lawsuit against Sutter asserting the legal claims that were settled in this case.
Object	Write to the Court, as explained below, about why you don’t like the Settlement.
Go to a Hearing	Ask to speak in Court about the fairness of the Settlement.

- **YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE READ THIS NOTICE CAREFULLY.**

WHY DID YOU RECEIVE THIS NOTICE?

This notice explains a proposed settlement of a class action lawsuit and informs you of your legal rights under that proposed settlement (“the Settlement”). You are receiving this notice because you may be a member of the class on whose behalf the lawsuit has been brought.

WHAT IS THIS LAWSUIT ABOUT?

On July 20, 2020, Plaintiff Lisa Skerl filed this lawsuit against Sutter in San Francisco County Superior Court. Another plaintiff, Victoria Kropp, later joined in the lawsuit. Their lawsuit alleges violations of the California Labor Code, Industrial Welfare Commission Wage Order No. 5, and the California Business and Professions Code. They allege that members of the Settlement Class were not always properly paid for all hours worked, including overtime hours, were not always properly provided with meal and rest breaks, were not paid meal and rest break premiums at the correct rate of pay, did not receive accurate wage statements, and several other related claims. In April 2021, another former Sutter employee, Lori Roark, brought a similar lawsuit against Sutter in San Mateo County Superior Court. The Skerl and Roark lawsuits have since been combined into a single lawsuit being heard in San Mateo County Superior Court. In the lawsuit, Plaintiffs seeks to recover wages allegedly unpaid, premiums, penalties, attorneys’ fees and costs. Sutter denies all of the material allegations in the lawsuit and denies that it did anything wrong.

SUMMARY OF THE SETTLEMENT

A. Why is there a Settlement?

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

B. Who is in the Settlement Class?

The Settlement consists of three settlement classes, each covering persons employed by Sutter in non-exempt class positions from July 20, 2016 through January 31, 2023: (1) a CPMC Settlement Class consisting of patient care nurses, surgical technicians and other patient care employees employed by CPMC; (2) an MPMC Settlement Class consisting of all non-exempt employees employed by Mills-Peninsula Medical Center; and (3) an SBH Premium Calculation and Rounding Class consisting of all other non-exempt employees employed by Sutter, but excluding those staff nurses at Alta Bates Summit Medical Center and Sutter Delta Medical Center who participated in a settlement in another recent case, *Hurtubise v. Sutter East Bay Hospitals*, Alameda County Superior Court No. RG17868819 (collectively, “the Settlement Classes”).

Sutter’s settlement of the PAGA penalty claim in this case will cover all non-exempt employees who have been employed in any of the three above-mentioned settlement classes from July 17, 2019 through January 31, 2023.

C. What has Sutter agreed to do?

Sutter will pay \$12,000,000.00 (the “Maximum Settlement Amount”) to settle the lawsuit. The following sums will be paid from the Maximum Settlement Amount: (1) Class Counsel’s attorneys’ fees in an amount set by the Court not to exceed one-third of the Maximum Settlement Amount (\$4,000,000.00) plus Class Counsel’s documented litigation costs in an amount set by the Court not to exceed \$25,000.00; (2) a service payment to each of the three Plaintiffs in an amount set by the Court, not to exceed \$15,000.00 each for their service in the lawsuit; and (3) a reasonable amount set by the Court to the Settlement Administrator for administering the settlement, not to exceed \$67,000.00. Sutter has also agreed to pay \$240,000 to resolve the claims for civil penalties under the PAGA. Of this amount, 75% (\$180,000.00) will be paid to the State of California and the remaining 25% (\$60,000.00) will be paid to all persons who are members of any of the Settlement Classes covered by this Settlement, whether or not they exclude themselves from the Settlement. The portion of the Maximum Settlement Amount remaining after these payments is the Net Settlement Amount, which will be paid out to those Settlement Class Members who do not opt out of the Settlement, as explained below. In addition, Sutter will pay the employer share of applicable payroll taxes due on the portion of the individual settlement payments that are designated as “wages.” This will be paid in addition to the Maximum Settlement Amount.

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

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

(1) Plaintiffs and all members of the CPMC and MPMC Settlement Classes will release the Released Parties from any and all claims, rights, demands, liabilities, and causes of action of every nature and description arising during the Class Period, including statutory, contractual, or common law claims, for wages, damages, penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief – whether asserted under the California Labor Code, Business and Professions Code §§ 17200 *et seq.*, the applicable wage orders at California Code of Regulations, Title 8, Section 11000 *et seq.*, or otherwise – that are alleged or reasonably could have been alleged based on the facts contained in the operative complaints in the *Skerl* and *Roark* actions (including the First Amended Consolidated Complaint in the *Roark* action), including: (a) any and all claims for failure to pay wages, including overtime wages, minimum wages, and/or regular pay due to Sutter's maintenance and application of an allegedly-unlawful rounding policy, including its policy relating to meal period rounding; (b) any and all claims that Sutter failed to pay meal and/or rest break premiums at the correct regular rate of pay, in violation of *Ferra v. Loews Hollywood Hotel, LLC*, 11 Cal. 5th 858 (2021); (c) any and all claims for failure to provide meal breaks and/or pay meal premiums in lieu thereof; (d) any and all claims for failure to authorize and permit rest breaks and/or pay rest break premiums in lieu thereof; (e) any and all derivative claims for failure to furnish accurate itemized wage statements in accordance with Labor Code section 226, and including any associated claims for penalties under Labor Code section 226(e), arising out of the above-alleged claims; (f) any and all derivative claims for failure to provide wages when due upon separation of employment under Labor Code sections 201-203; (g) any and all derivative claims for violation of California Business and Professions Code §§ 17200 *et seq.* arising out of the above alleged claims; (h) any and all claims for violation of the Private Attorneys General Act of 2004, Labor Code §§2698 *et seq.* arising out of the above-alleged claims; and (i) any and all claims for attorneys' fees and costs arising out of the above-alleged claims.

(2) All members of the SBH Premium Calculation and Rounding Settlement Class will release the Released Parties from any and all claims, rights, demands, liabilities, and causes of action of every nature and description arising during the Class Period, including statutory, contractual, or common law claims, for wages, damages, penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief – whether asserted under the California Labor Code, Business and Professions Code §§ 17200 *et seq.*, the applicable wage orders at California Code of Regulations, Title 8, Section 11000 *et seq.*, or otherwise – that are alleged or reasonably could have been alleged based on the facts contained in the operative complaints in the *Skerl* and *Roark* Actions (including the First Amended Consolidated Complaint in the *Roark* action), including: (a) any and all claims for failure to pay wages, including overtime wages, minimum wages, and/or regular pay, or meal premiums, due to Sutter's maintenance and application of an allegedly-unlawful rounding policy, including its policy relating to meal period rounding; (b) any and all claims for failure to pay owed meal and/or rest break premiums at the correct regular rate of pay, in violation of *Ferra v. Loews Hollywood Hotel, LLC*, 11 Cal. 5th 858 (2021); (c) any and all derivative claims for failure to furnish accurate itemized wage statements arising out of the above-alleged claims; (d) any all claims for failure to timely pay final wages due to employees based on the above-alleged claims; (e) any and all claims for violation of California Business and Professions Code §§ 17200 *et seq.* arising out of the above alleged claims; (f) any and all claims for violation of the Private Attorneys General Act of 2004, Labor Code §§2698 *et seq.* arising out of the above-alleged claims; and (g) any and all claims for attorneys' fees and costs arising out of the above-alleged claims.

Additionally, upon the funding of the court-approved Settlement by Sutter, all eligible members of any of the Settlement Classes who have been employed between July 17, 2019 and January 31, 2023, whether or not they exclude themselves from this Settlement, will be deemed to have forever released and extinguished their claims for PAGA civil penalties against the Released Parties arising during the PAGA period to the extent those claims are based on the above-referenced claims that were alleged or reasonably could have been alleged based on the facts contained in Plaintiffs' operative Complaints, as enumerated in the preceding subparagraphs D(1) and (2) above, and/or in Plaintiff's PAGA Notice to the Labor and Workforce Development Agency.

Finally, the three named Plaintiffs – Lisa Skerl, Victoria Kropp and Lori Roark – will generally release all known and unknown claims they may have against Sutter, of any nature whatsoever, not limited to the wage and hour claims alleged in this lawsuit.

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

E. **How much money will I receive?**

Each participating Settlement Class Member will receive an Individual Payment Amount, which is a share of the Net Settlement Amount. The Net Settlement Amount is calculated by first deducting from the Maximum Settlement Amount the court-approved (1) attorneys' fees and costs to Class Counsel; (2) settlement administration costs; (3) service payments to the three Plaintiffs; and (4) PAGA payments to the State of California and the allegedly-aggrieved members of the Settlement Classes. Thirty percent (30%) of the Net Settlement Amount will be allocated to the members of the CPMC Settlement Class, 20% to the members of the MPMC Settlement Class, and 50% to the members of the SBH Premium Calculation and Rounding Settlement Class.

Based on Sutter's records, the Settlement Administrator will determine the number of workweeks worked by each Class Member in each of the Settlement Classes. Members of the respective Settlement Classes who do not opt out of the Settlement will receive an individual settlement award that amounts to a pro rata share of their allocated Net Settlement Amount, based on the number of workweeks they worked as a Settlement Class Member during the Class Period in proportion to the total number of workweeks worked by all the eligible Settlement Class Members in their Settlement Class. For purposes of this calculation, workweeks will be calculated by counting the number of calendar days between each Settlement Class Member's first and last days of work as a Settlement Class Member during the Class Period and dividing that sum by seven.

According to Sutter's records, you were employed in the SBH Class Settlement Class for 72.00 workweeks between July 20, 2016 and January 31, 2023.

Based on this number, your Individual Payment Amount is estimated to be \$100.67. The actual amount that you receive could be more or less than this amount, depending on the final settlement terms approved by the Court.

Please be advised that the number of workweeks listed above is presumed to be correct unless you submit documents proving otherwise. If you disagree with the number of workweeks listed above, please submit an explanation and evidence of your proposed workweeks to the Settlement Administrator no later than **September 19, 2023**. In the event of a dispute about the correct number of workweeks you worked, the Settlement Administrator will resolve the challenge with input from Sutter and Class Counsel, subject to final resolution by the Court if necessary.

F. Are any taxes taken out of the Individual Payment Amounts?

Twenty percent (20%) of your payment will be treated as back wages and reported on an IRS Form W-2 with all appropriate taxes withheld. The remaining eighty percent (80%) of your payment will be treated as interest and penalties and reported as non-wage income on an IRS Form 1099. W-2 and 1099 Forms will be issued to all Settlement Class Members who cash their checks.

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

THE FINAL APPROVAL HEARING

The Court will conduct a final fairness hearing regarding the proposed settlement (the "Final Approval Hearing") on October 24, 2023, at 2:00 p.m., in Department 4 of the San Mateo County Superior Court, located at 800 North Humboldt Street, San Mateo, CA 94401. The Court will then determine: (i) whether the lawsuit should finally be certified as a class action for settlement purposes; (ii) whether the Settlement should be given the Court's final approval as fair, reasonable, adequate and in the best interests of the Settlement Class Members; (iii) whether the Settlement Class Members should be bound by the terms of the Settlement; (iv) the amount of the attorneys' fees and costs to be awarded to Plaintiffs' attorneys; (v) the amount that should be awarded to Plaintiffs as a service payment; and (vi) the amount that should be approved for settlement administration costs. At the Final Approval Hearing, the Court will hear all objections, as well as arguments for and against the proposed Settlement. You have a right to attend this hearing, but you are not required to do so. You also have the right to hire an attorney to represent you, at your own expense, or to enter an appearance and represent yourself.

WHAT ARE YOUR OPTIONS?

• OPTION 1 – DO NOTHING AND PARTICIPATE IN THE SETTLEMENT

IF YOU TAKE NO ACTION IN RESPONSE TO THIS NOTICE, YOU WILL AUTOMATICALLY RECEIVE YOUR SHARE OF THE SETTLEMENT IF IT IS APPROVED BY THE COURT. YOU WILL NEVER BE REQUIRED TO GO TO COURT OR PAY ANYTHING TO THE LAWYERS IN THIS CASE. If you move your residence, you must update your address

with the Settlement Administrator. If you disagree with the number of workweeks worked as indicated in section E above, you must submit an explanation and/or documentation to the Settlement Administrator to justify your position. The Settlement Administrator's address is ILYM Group, Inc. P.O. Box 2031 Tustin, CA 92781.

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

If you wish to remain a Settlement Class Member, but you object to the proposed settlement (or any of its terms) and wish the Court to consider your objection at the Final Approval Hearing, you may object to the proposed settlement in writing using the attached Objection Form. You may also appear at the Final Approval Hearing, either in person or through an attorney at your own expense. All written objections, supporting papers, and/or notices of intent to appear at the Final Approval Hearing must clearly identify the case name and number and be mailed to the Settlement Administrator, ILYM Group, Inc., at ILYM Group, Inc. P.O. Box 2031 Tustin, CA 92781. Objections must be postmarked no later than **September 19, 2023**. You still may appear at the Final Approval Hearing and raise an objection to the settlement even if you did not submit written objections within this 60-day deadline.

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

You have a right to exclude yourself from ("opt out" of) the Settlement, but if you choose to do so, you will not receive any benefits from the proposed settlement, except as follows: The proposed settlement includes the settlement of claims for civil penalties under PAGA. You may not request exclusion from the settlement of a PAGA claim. Thus, if the court approves this settlement, then even if you request exclusion from the class settlement, you still will receive an individual settlement share for the PAGA claims and will be deemed to have released the PAGA claims. A request for exclusion will preserve your right to individually pursue only the remaining class claims.

Except as otherwise indicated above, if you exclude yourself from the settlement, you will not be bound by a judgment in this case, and you will have the right to file your own lawsuit against Sutter and pursue your own claims in a separate suit if you wish. You can opt out of the Class by mailing or faxing a written statement to the Settlement Administrator, ILYM, at the above-stated address, so that it is postmarked no later than **September 19, 2023**, using the attached Request for Exclusion Form. The written statement must contain your name, address, signature; the last four digits of your social security number; and the name of this case, *Skerl v. Sutter Bay Hospitals*. It also must clearly state that you do not wish to be included in the Settlement. It must be faxed or postmarked on or before the response deadline. If you do not exclude yourself from the Settlement in accordance with this procedure, you will be bound by the terms of the Settlement and the related judgment entered by the Court, except as otherwise stated above.

ARE THERE MORE DETAILS ABOUT THE SETTLEMENT?

The above is a summary of the basic terms of the settlement. For the precise terms and conditions of the settlement, you should review the detailed Settlement Agreement, which is on file with the clerk of the San Mateo County Superior Court, 400 County Center, Redwood City, CA 94063, and may also be reviewed online at www.sanmateocourt.org or Settlement Administrator's website <https://ilymgroup.com/SutterBayHospitals>.

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

Ross E. Shanberg, Esq.
Shane C. Stafford, Esq.
SHANBERG STAFFORD LLP
4100 Newport Place, Suite 820
Newport Beach, California 92660
Telephone: (949) 205-7515

Aaron A. Bartz, Esq.
BARTZ LAW GROUP, APC
5151 California Ave., Suite 100
Irvine, California 92617
Telephone: (949) 504-4413

DO NOT CALL THE COURT.

BY ORDER OF THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

EXHIBIT “B”

First Name	Last Name
Earl	Browne
Karen	Jensen
Melodie W	Graber
Tonia M	Canavan
Efrain	Martinez Alvarez
Kit Fong C	Kwong
Melanie	Lau-Wong
Michael N	Wasson
Hadas B	Iyasu
Richard R	Nunez
Stephanie	Tolla
Jeannine N	Pagan
Rosemary G	Flores
Angela D	Stewart
Angelita	Solven
Lucy K	Courtney
Nancy M	Tom
Debra J	Hummel
Kristi T	Vandivier
Laura C	Sealock
Linda M	Barnes
Sharon R	Deane
Laura S	Vincent
Wonnice	Kang
Mohammed	Shameel
Ana	Iraheta
John H	Bonck
Lisa M	Yano
Megan L	Sundberg
Nora K	Howard
Sammy	Garcia
Mark A	Nessim
Gary D	Williams
Kingsley	Johnetebom
Angela M	Bustos
Benjamin L	Rumel
Bobbie R	Duran
Camino N	Bell
Ismael O	Reyes
Sophia R	Burton

Zenaida D	Carbon
Johannarose M	Viray
Leslie S	Hilford
Sonya M	Valles
Louie T	Green
Shannon	Dean
Shirley A	Williams
Mary A	Johnson
Nelson	Badong
Carolee C	Martin
Edward	Lin
Olga A	Karkar
Eric	Byun
Felicia C	Brown
Harpreet K	Deol
Kyle	Pring
Lynda	Burrell
Devon	Simmons
Deborah K	Valdez
Leonard A	Roper
Sally M	Anderson
Rajvinder	Dosanjh
Anne	Mwangi
Anastasia	Kalinina
Richard	Frone
Theresa	Marquardt
Juanita E	Torres

EXHIBIT “C”

REQUEST FOR EXCLUSION FORM

Skerl et al. v. Sutter Bay Hospitals
San Mateo Superior Court, Case No. 21-CIV-02057

Enclosed with this form is a Notice describing a class action settlement involving most of Sutter Bay Hospitals' ("Sutter") current and former non-exempt hourly employees between July 20, 2016 through January 31, 2023. The case involves alleged violations of the California Labor Code and Business & Professions Code, and related claims.

This settlement is the result of extensive settlement discussions. Both sides agree that, in light of the risks and expenses associated with further litigation, this Settlement is fair and appropriate under the circumstances. However, you have the opportunity to request exclusion from the proposed class settlement, as set out herein. **If you choose to exclude yourself from the class settlement, then you must accurately fill out and sign this Request for Exclusion Form and send it to the Settlement Administrator so that it is postmarked to the Settlement Administrator no later than October 19, 2023**

This form must be addressed to:

Skerl v. Sutter Bay Hospitals
c/o ILYM Group, Inc.
P.O. Box 2031
Tustin, CA 92781

IT IS MY DECISION TO BE EXCLUDED FROM THE CLASS SETTLEMENT AND NOT TO RECEIVE A CLASS SETTLEMENT PAYMENT. I UNDERSTAND THAT I HAVE THE RIGHT TO SEEK THE ADVICE OF COUNSEL WITH RESPECT TO THIS CHOICE AND HOW IT AFFECTS MY LEGAL RIGHTS, INCLUDING BUT NOT LIMITED TO THE APPLICABLE STATUTE OF LIMITATIONS.

By signing and returning this form, I certify that I have read the Notice of Pendency of Class Action Settlement and Final Hearing in this action and wish to be excluded from the class settlement. I understand that this means that I will not receive any payment under the class settlement, except as follows: The proposed settlement includes the settlement of claims for civil penalties under PAGA. You may not request exclusion from the settlement of a PAGA claim. Thus, if the court approves this settlement, then even if you request exclusion from the class settlement, you still will receive an individual settlement share for the PAGA claims and will be deemed to have released the PAGA claims. A request for exclusion will preserve your right to individually pursue only the remaining class claims.

Dated: _____, 2023

(Signature)

(Type or Print Name)

(Address)

(Telephone No.)

(Last four digits of Soc. Security No.)

OBJECTION FORM

MAIL TO:

c/o ILYM Group, Inc.
P.O. Box 2031
Tustin, CA 92781
Telephone: (888) 250-6810

ONLY SUBMIT THIS FORM WITH YOUR WRITTEN OBJECTION IF YOU WANT TO OBJECT TO THE SETTLEMENT.

Please provide the following information:

Name: _____

Last 4 Digits of Social Security Number: _____

Signature: _____

ATTACH THIS OBJECTION COVER SHEET TO YOUR WRITTEN OBJECTION TO THE CLASS SETTLEMENT. IF YOU DO NOT OBJECT, DO NOT SUBMIT THIS FORM. INCLUDE ANY PAPERS UPON WHICH YOUR OBJECTION IS BASED.

PLEASE NOTE YOU CAN ONLY OBJECT TO THE CLASS SETTLEMENT IF YOU DO NOT REQUEST EXCLUSION FROM THE CLASS SETTLEMENT.

IF YOU WANT TO OBJECT, YOUR OBJECTION SHOULD BE POSTMARKED ON OR BEFORE **OCTOBER 19, 2023**, AND MAILED TO THE FOLLOWING MAILING ADDRESS:

c/o ILYM Group, Inc.
P.O. Box 2031
Tustin, CA 92781
Telephone: (888) 250-6810

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN MATEO

LISA SKERL, an individual; VICTORIA KROPP, an individual; LORI ROARK, an individual, on behalf of themselves and all others similarly situated and the general public,

Plaintiffs,

vs.

SUTTER BAY HOSPITALS, a California Corporation;
and DOES 1–100, Inclusive,

Defendant.

Case No. 21-CIV-02057

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

Judge: Hon. Nancy L. Fineman

Dept: 4

PLEASE READ. You are receiving this Supplemental Notice because, upon further review, the parties in this case have determined that you are part of the “CPMC Class” and not the “SBH Class,” contrary to the information provided in the prior Notice you received. This corrects the information about your Settlement Class and estimated workweeks in your prior Notice. Please closely review the Notice, including section D “What are you giving up to get a payment and stay in the Class?” in light of this corrected information about your correct Settlement Class. You will have extra time – 30 days from the mailing date of this supplemental notice (until October 19, 2023) – to respond to the Settlement Administrator if you disagree with the number of workweeks specified in the Notice, object to the proposed settlement, or wish to opt out of the settlement. Please read the notice for further details.

**YOU MAY BE ENTITLED TO RECEIVE MONEY FROM A SETTLEMENT ARISING FROM YOUR EMPLOYMENT
BY SUTTER BAY HOSPITALS**

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

- A settlement of a lawsuit will pay money to most non-exempt employees who have been employed by Sutter Bay Hospitals (“Sutter”) from July 20, 2016 through January 31, 2023.
- The Settlement resolves a class action lawsuit alleging various wage and hour claims brought against Sutter on behalf of most of Sutter’s non-exempt employees employed during this time period. It also resolves certain other wage and hour claims brought against Sutter on behalf of certain patient care nurses, surgical technicians and other patient care workers employed at California Pacific Medical Center (“CPMC”), against all non-exempt employees employed at Mills-Peninsula Medical Center (“MPMC”), and an SBH Premium Calculation and Rounding Class consisting of all other non-exempt employees employed by Sutter, but excluding those staff nurses at Alta Bates Summit Medical Center and Sutter Delta Medical Center who participated in a settlement in another recent case, *Hurtubise v. Sutter East Bay Hospitals*, Alameda County Superior Court No. RG17868819, during the same period. The Settlement also resolves claims for penalties that have been brought on behalf of the State of California under California’s Private Attorneys General Act (“PAGA”).
- The Settlement avoids the costs and risks of continuing the lawsuit, pays money to employees, and releases Sutter from liability.
- Sutter expressly denies all of the claims in the lawsuit and denies any wrongdoing or liability. The two sides disagree on how much money – if any – could have been awarded if employees won at trial.

- **YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE READ THIS NOTICE CAREFULLY.**

WHY DID YOU RECEIVE THIS NOTICE?

This notice explains a proposed settlement of a class action lawsuit and informs you of your legal rights under that proposed settlement (“the Settlement”). You are receiving this notice because you may be a member of the class on whose behalf the lawsuit has been brought.

WHAT IS THIS LAWSUIT ABOUT?

On July 20, 2020, Plaintiff Lisa Skerl filed this lawsuit against Sutter in San Francisco County Superior Court. Another plaintiff, Victoria Kropp, later joined in the lawsuit. Their lawsuit alleges violations of the California Labor Code, Industrial Welfare Commission Wage Order No. 5, and the California Business and Professions Code. They allege that members of the Settlement Class were not always properly paid for all hours worked, including overtime hours, were not always properly provided with meal and rest breaks, were not paid meal and rest break premiums at the correct rate of pay, did not receive accurate wage statements, and several other related claims. In April 2021, another former Sutter employee, Lori Roark, brought a similar lawsuit against Sutter in San Mateo County Superior Court. The Skerl and Roark lawsuits have since been combined into a single lawsuit being heard in San Mateo County Superior Court. In the lawsuit, Plaintiffs seeks to recover wages allegedly unpaid, premiums, penalties, attorneys’ fees and costs. Sutter denies all of the material allegations in the lawsuit and denies that it did anything wrong.

SUMMARY OF THE SETTLEMENT

A. Why is there a Settlement?

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

B. Who is in the Settlement Class?

The Settlement consists of three settlement classes, each covering persons employed by Sutter in non-exempt class positions from July 20, 2016 through January 31, 2023: (1) a CPMC Settlement Class consisting of patient care nurses, surgical technicians and other patient care employees employed by CPMC; (2) an MPMC Settlement Class consisting of all non-exempt employees employed by Mills-Peninsula Medical Center; and (3) an SBH Premium Calculation and Rounding Class consisting of all other non-exempt employees employed by Sutter, but excluding those staff nurses at Alta Bates Summit Medical Center and Sutter Delta Medical Center who participated in a settlement in another recent case, *Hurtubise v. Sutter East Bay Hospitals*, Alameda County Superior Court No. RG17868819 (collectively, “the Settlement Classes”).

Sutter’s settlement of the PAGA penalty claim in this case will cover all non-exempt employees who have been employed in any of the three above-mentioned settlement classes from July 17, 2019 through January 31, 2023.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing	You need not take any action if you wish to receive your settlement payment. If the Settlement is approved by the Court, you will automatically be mailed a settlement check at the address on file with the Settlement Administrator, ILYM Group, Inc. If you move, you must notify the Settlement Administrator of your new address.
Exclude Yourself	Get no payment. Send a letter to the Settlement Administrator, as explained below, making clear you wish to exclude yourself from the Settlement. This is the only option that allows you to be part of any other lawsuit against Sutter asserting the legal claims that were settled in this case.
Object	Write to the Court, as explained below, about why you don’t like the Settlement.
Go to a Hearing	Ask to speak in Court about the fairness of the Settlement.

C. What has Sutter agreed to do?

Sutter will pay \$12,000,000.00 (the “Maximum Settlement Amount”) to settle the lawsuit. The following sums will be paid from the Maximum Settlement Amount: (1) Class Counsel’s attorneys’ fees in an amount set by the Court not to exceed one-third of the Maximum Settlement Amount (\$4,000,000.00) plus Class Counsel’s documented litigation costs in an amount set by the Court not to exceed \$25,000.00; (2) a service payment to each of the three Plaintiffs in an amount set by the Court, not to exceed \$15,000.00 each for their service in the lawsuit; and (3) a reasonable amount set by the Court to the Settlement Administrator for administering the settlement, not to exceed \$67,000.00. Sutter has also agreed to pay \$240,000 to resolve the claims for civil penalties under the PAGA. Of this amount, 75% (\$180,000.00) will be paid to the State of California and the remaining 25% (\$60,000.00) will be paid to all persons who are members of any of the Settlement Classes covered by this Settlement, whether or not they exclude themselves from the Settlement. The portion of the Maximum Settlement Amount remaining after these payments is the Net Settlement Amount, which will be paid out to those Settlement Class Members who do not opt out of the Settlement, as explained below. In addition, Sutter will pay the employer share of applicable payroll taxes due on the portion of the individual settlement payments that are designated as “wages.” This will be paid in addition to the Maximum Settlement Amount.

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

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

(1) Plaintiffs and all members of the CPMC and MPMC Settlement Classes will release the Released Parties from any and all claims, rights, demands, liabilities, and causes of action of every nature and description arising during the Class Period, including statutory, contractual, or common law claims, for wages, damages, penalties, liquidated damages, punitive damages, interest, attorneys’ fees, litigation costs, restitution, or equitable relief – whether asserted under the California Labor Code, Business and Professions Code §§ 17200 *et seq.*, the applicable wage orders at California Code of Regulations, Title 8, Section 11000 *et seq.*, or otherwise – that are alleged or reasonably could have been alleged based on the facts contained in the operative complaints in the *Skerl* and *Roark* actions (including the First Amended Consolidated Complaint in the *Roark* action), including: (a) any and all claims for failure to pay wages, including overtime wages, minimum wages, and/or regular pay due to Sutter’s maintenance and application of an allegedly-unlawful rounding policy, including its policy relating to meal period rounding; (b) any and all claims that Sutter failed to pay meal and/or rest break premiums at the correct regular rate of pay, in violation of *Ferra v. Loews Hollywood Hotel, LLC*, 11 Cal. 5th 858 (2021); (c) any and all claims for failure to provide meal breaks and/or pay meal premiums in lieu thereof; (d) any and all claims for failure to authorize and permit rest breaks and/or pay rest break premiums in lieu thereof; (e) any and all derivative claims for failure to furnish accurate itemized wage statements in accordance with Labor Code section 226, and including any associated claims for penalties under Labor Code section 226(e), arising out of the above-alleged claims; (f) any and all derivative claims for failure to provide wages when due upon separation of employment under Labor Code sections 201-203; (g) any and all derivative claims for violation of California Business and Professions Code §§ 17200 *et seq.* arising out of the above alleged claims; (h) any and all claims for violation of the Private Attorneys General Act of 2004, Labor Code §§2698 *et seq.* arising out of the above-alleged claims; and (i) any and all claims for attorneys’ fees and costs arising out of the above-alleged claims.

(2) All members of the SBH Premium Calculation and Rounding Settlement Class will release the Released Parties from any and all claims, rights, demands, liabilities, and causes of action of every nature and description arising during the Class Period, including statutory, contractual, or common law claims, for wages, damages, penalties, liquidated damages, punitive damages, interest, attorneys’ fees, litigation costs, restitution, or equitable relief – whether asserted under the California Labor Code, Business and Professions Code §§ 17200 *et seq.*, the applicable wage orders at California Code of Regulations, Title 8, Section 11000 *et seq.*, or otherwise – that are alleged or reasonably could have been alleged based on the facts contained in the operative complaints in the *Skerl* and *Roark* Actions (including the First Amended Consolidated Complaint in the *Roark* action), including: (a) any and all claims for failure to pay wages, including overtime wages, minimum wages, and/or regular pay, or meal premiums, due to Sutter’s maintenance and application of an allegedly-unlawful rounding policy, including its policy relating to meal period rounding; (b) any and all claims for failure to pay owed meal and/or rest break premiums at the correct regular rate of pay, in violation of *Ferra v. Loews Hollywood Hotel, LLC*, 11 Cal. 5th 858 (2021); (c) any and all derivative claims for failure to furnish accurate itemized wage statements arising out of the above-alleged claims; (d) any all claims for failure to timely pay final wages due to employees based on the above-alleged claims; (e) any and all claims for violation of California Business and Professions Code §§ 17200 *et seq.* arising out of the above alleged claims; (f) any and all claims for violation of the Private Attorneys General Act of 2004, Labor Code §§2698 *et seq.* arising out of the above-alleged claims; and (g) any and all claims for attorneys’ fees and costs arising out of the above-alleged claims.

Additionally, upon the funding of the court-approved Settlement by Sutter, all eligible members of any of the Settlement Classes who have been employed between July 17, 2019 and January 31, 2023, whether or not they exclude themselves from this Settlement, will be deemed to have forever released and extinguished their claims for PAGA civil penalties against the Released Parties arising during the PAGA period to the extent those claims are based on the above-referenced claims that were alleged or reasonably could have been alleged based on the facts contained in Plaintiffs' operative Complaints, as enumerated in the preceding subparagraphs D(1) and (2) above, and/or in Plaintiff's PAGA Notice to the Labor and Workforce Development Agency.

Finally, the three named Plaintiffs – Lisa Skerl, Victoria Kropp and Lori Roark – will generally release all known and unknown claims they may have against Sutter, of any nature whatsoever, not limited to the wage and hour claims alleged in this lawsuit.

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

E. How much money will I receive?

Each participating Settlement Class Member will receive an Individual Payment Amount, which is a share of the Net Settlement Amount. The Net Settlement Amount is calculated by first deducting from the Maximum Settlement Amount the court-approved (1) attorneys' fees and costs to Class Counsel; (2) settlement administration costs; (3) service payments to the three Plaintiffs; and (4) PAGA payments to the State of California and the allegedly-aggrieved members of the Settlement Classes. Thirty percent (30%) of the Net Settlement Amount will be allocated to the members of the CPMC Settlement Class, 20% to the members of the MPMC Settlement Class, and 50% to the members of the SBH Premium Calculation and Rounding Settlement Class.

Based on Sutter's records, the Settlement Administrator will determine the number of workweeks worked by each Class Member in each of the Settlement Classes. Members of the respective Settlement Classes who do not opt out of the Settlement will receive an individual settlement award that amounts to a pro rata share of their allocated Net Settlement Amount, based on the number of workweeks they worked as a Settlement Class Member during the Class Period in proportion to the total number of workweeks worked by all the eligible Settlement Class Members in their Settlement Class. For purposes of this calculation, workweeks will be calculated by counting the number of calendar days between each Settlement Class Member's first and last days of work as a Settlement Class Member during the Class Period and dividing that sum by seven.

According to Sutter's records, you were employed in the SBH and Rounding, CPMC Settlement Class for 342 workweeks between July 20, 2016 and January 31, 2023.

Based on this number, your Individual Payment Amount is estimated to be \$510.70. The actual amount that you receive could be more or less than this amount, depending on the final settlement terms approved by the Court.

Please be advised that the number of workweeks listed above is presumed to be correct unless you submit documents proving otherwise. If you disagree with the number of workweeks listed above, please submit an explanation and evidence of your proposed workweeks to the Settlement Administrator no later than **October 19, 2023**. In the event of a dispute about the correct number of workweeks you worked, the Settlement Administrator will resolve the challenge with input from Sutter and Class Counsel, subject to final resolution by the Court if necessary.

F. Are any taxes taken out of the Individual Payment Amounts?

Twenty percent (20%) of your payment will be treated as back wages and reported on an IRS Form W-2 with all appropriate taxes withheld. The remaining eighty percent (80%) of your payment will be treated as interest and penalties and reported as non-wage income on an IRS Form 1099. W-2 and 1099 Forms will be issued to all Settlement Class Members who cash their checks.

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

THE FINAL APPROVAL HEARING

The Court will conduct a final fairness hearing regarding the proposed settlement (the "Final Approval Hearing") on October 24, 2023, at 2:00 p.m., in Department 4 of the San Mateo County Superior Court, located at 800 North Humboldt Street, San Mateo, CA 94401.

The Court will then determine: (i) whether the lawsuit should finally be certified as a class action for settlement purposes; (ii) whether the Settlement should be given the Court's final approval as fair, reasonable, adequate and in the best interests of the Settlement Class Members; (iii) whether the Settlement Class Members should be bound by the terms of the Settlement; (iv) the amount of the attorneys' fees and costs to be awarded to Plaintiffs' attorneys; (v) the amount that should be awarded to Plaintiffs as a service payment; and (vi) the amount that should be approved for settlement administration costs. At the Final Approval Hearing, the Court will hear all objections, as well as arguments for and against the proposed Settlement. You have a right to attend this hearing, but you are not required to do so. You also have the right to hire an attorney to represent you, at your own expense, or to enter an appearance and represent yourself.

WHAT ARE YOUR OPTIONS?

• OPTION 1 – DO NOTHING AND PARTICIPATE IN THE SETTLEMENT

IF YOU TAKE NO ACTION IN RESPONSE TO THIS NOTICE, YOU WILL AUTOMATICALLY RECEIVE YOUR SHARE OF THE SETTLEMENT IF IT IS APPROVED BY THE COURT. YOU WILL NEVER BE REQUIRED TO GO TO COURT OR PAY ANYTHING TO THE LAWYERS IN THIS CASE. If you move your residence, you must update your address with the Settlement Administrator. If you disagree with the number of workweeks worked as indicated in section E above, you must submit an explanation and/or documentation to the Settlement Administrator to justify your position. The Settlement Administrator's address is ILYM Group, Inc. P.O. Box 2031 Tustin, CA 92781.

• OPTION 2 – OBJECT TO THE SETTLEMENT

If you wish to remain a Settlement Class Member, but you object to the proposed settlement (or any of its terms) and wish the Court to consider your objection at the Final Approval Hearing, you may object to the proposed settlement in writing using the attached Objection Form. You may also appear at the Final Approval Hearing, either in person or through an attorney at your own expense. All written objections, supporting papers, and/or notices of intent to appear at the Final Approval Hearing must clearly identify the case name and number and be mailed to the Settlement Administrator, ILYM Group, Inc., at ILYM Group, Inc. P.O. Box 2031 Tustin, CA 92781. Objections must be postmarked no later than **October 19, 2023**. You still may appear at the Final Approval Hearing and raise an objection to the settlement even if you did not submit written objections within this 60-day deadline.

• OPTION 3 – EXCLUDE YOURSELF FROM THE SETTLEMENT

You have a right to exclude yourself from ("opt out" of) the Settlement, but if you choose to do so, you will not receive any benefits from the proposed settlement, except as follows: The proposed settlement includes the settlement of claims for civil penalties under PAGA. You may not request exclusion from the settlement of a PAGA claim. Thus, if the court approves this settlement, then even if you request exclusion from the class settlement, you still will receive an individual settlement share for the PAGA claims and will be deemed to have released the PAGA claims. A request for exclusion will preserve your right to individually pursue only the remaining class claims.

Except as otherwise indicated above, if you exclude yourself from the settlement, you will not be bound by a judgment in this case, and you will have the right to file your own lawsuit against Sutter and pursue your own claims in a separate suit if you wish. You can opt out of the Class by mailing or faxing a written statement to the Settlement Administrator, ILYM, at the above-stated address, so that it is postmarked no later than **October 19, 2023**, using the attached Request for Exclusion Form. The written statement must contain your name, address, signature; the last four digits of your social security number; and the name of this case, *Skerl v. Sutter Bay Hospitals*. It also must clearly state that you do not wish to be included in the Settlement. It must be faxed or postmarked on or before the response deadline. If you do not exclude yourself from the Settlement in accordance with this procedure, you will be bound by the terms of the Settlement and the related judgment entered by the Court, except as otherwise stated above.

ARE THERE MORE DETAILS ABOUT THE SETTLEMENT?

The above is a summary of the basic terms of the settlement. For the precise terms and conditions of the settlement, you should review the detailed Settlement Agreement, which is on file with the clerk of the San Mateo County Superior Court, 400 County Center, Redwood City, CA 94063, and may also be reviewed online at www.sanmateocourt.org or Settlement Administrator's website <https://ilymgroup.com/SutterBayHospitals>.

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

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DO NOT CALL THE COURT.

BY ORDER OF THE SUPERIOR COURT OF THE STATE OF CALIFORNIA