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8 Maria Manriquez, Stephanie Morales, putative
Class Members, and all Aggrieved Employees

9 *List of counsel continued on next page.*

10 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
11 **FOR THE COUNTY OF LOS ANGELES**

12
13 CHALEY RAMIREZ, Individually and on
14 behalf of all others similarly situated, MARIA
15 MANRIQUEZ, Individually and on behalf of all
others similarly situated, STEPHANIE
MORALES, Individually and on behalf of all
others similarly situated,

16 PLAINTIFF,

17 vs.

18 MARTIN LUTHER KING, JR., Los Angeles –
19 (MLK-LA) HEALTHCARE CORPORATION
D/B/A MARTIN LUTHER KING, JR.
20 COMMUNITY HOSPITAL, a California non-
profit public benefit corporation organized and
21 existing under the laws of the State of
California; and DOES 1 through 100 inclusive,

22 DEFENDANTS.
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Case No.: 21STCV02745

CLASS ACTION

**Case Assigned for All Purposes to:
Hon. David S. Cunningham**

**JOINT STIPULATION RE SETTLEMENT
OF CLASS ACTION**

Action Filed: January 20, 2021
Trial Date: None Set

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1 IT IS HEREBY STIPULATED AND AGREED by and between Maria Manriquez,
2 Stephanie Morales, and Chaley Ramirez (as Class Representatives), on behalf of themselves and all
3 others similarly situated to each of them and as defined below, on the one hand, and Martin Luther
4 King, Jr. – Los Angeles (MLK-LA) Healthcare Corporation (as Defendant), on the other hand, as
5 set forth below:

6 **I. THE CONDITIONAL NATURE OF THIS STIPULATION**

7 This Joint Stipulation re Settlement, including all associated exhibits or attachments,
8 (“Stipulation”) is made for the sole purpose of attempting to consummate settlement of this action
9 on a class and representative basis. Defendant denies all of the claims as to liability, damages,
10 penalties, and restitution as well as the class representative allegations asserted in the Litigation.
11 This Stipulation and the settlement it evidences are made in compromise of disputed claims.
12 Because this is a class action, this settlement must receive preliminary and final approval from the
13 Court. Accordingly, Defendant enters into this Stipulation and associated settlement on a
14 conditional basis. In the event that the Court does not execute and file the Order Granting Final
15 Approval of Settlement, or in the event that the Court does not enter the Judgment, or the Judgment
16 does not become Final for any reason, this Stipulation shall be deemed null and void *ab initio*, shall
17 be of no force or effect whatsoever, shall not be referred to or utilized for any purpose whatsoever,
18 and its negotiation, terms, and entry shall remain subject to the provisions of Federal Rule of
19 Evidence 408 and California Evidence Code sections 1119 and 1152.

20 Defendant has agreed to resolve this Litigation via this Stipulation, but to the extent
21 this Stipulation is deemed void or does not take effect for any reason, Defendant does not waive,
22 but rather expressly reserves, all rights to challenge all such claims and allegations in the Litigation
23 upon all procedural and factual grounds, including without limitation the ability to challenge class
24 and/or representative treatment on any grounds or to assert any and all defenses or privileges. The
25 Class Representatives and Class Counsel agree that Defendant retains and reserves these rights, and
26 they agree not to take a position to the contrary; specifically, the Class Representatives and Class
27 Counsel waive, and agree not to argue or present, any argument that Defendant could not contest
28 class certification or representative status on the grounds that Defendant entered into this Stipulation

1 should this Litigation proceed. In particular, the Class Representatives and Class Counsel waive,
2 and agree not to argue or present, any argument that Defendant would be estopped from contesting
3 class certification and/or representative status because it has entered this Stipulation. The Settling
4 Parties agree that in the event the Court does not approve this settlement or the Agreement is voided
5 for any reason, the Settling Parties will not make any substantive reference to this proposed
6 settlement when advocating their positions in the litigation of this matter.

7 **II. THE PARTIES TO THIS STIPULATION**

8 This Stipulation (with the associated exhibits) is made and entered into by and among
9 the following Settling Parties: (i) the Class Representatives (on behalf of themselves and each of the
10 Settlement Class Members), with the assistance and approval of Class Counsel; and (ii) Defendant,
11 with the assistance of its counsel of record in the Litigation. The Stipulation is intended by the
12 Settling Parties to result in the final resolution of the Litigation pursuant to the Judgment and to
13 fully, finally and forever resolve, discharge, and settle the Released Class Claims and Released
14 PAGA Claims (collectively, “Released Claims”) upon and subject to the terms and conditions
15 herein.

16 **III. THE LITIGATION**

17 Class Representatives Maria Manriquez, Stephanie Morales, and Chaley Ramirez
18 filed an action against Defendant Martin Luther King, Jr. Community Hospital¹ on January 20,
19 2021, in the California Superior Court for the County of Los Angeles, Case No. 21STCV02745.
20 Plaintiffs subsequently amended their Complaint four times, most recently on April 14, 2022, when
21 by order of the Court upon the parties’ stipulation, Plaintiffs’ Fourth Amended Complaint became
22 the operative complaint.

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25 ¹ Martin Luther King, Jr. Community Hospital is a d/b/a for Martin Luther King, Jr. – Los Angeles
26 (MLK-LA) Healthcare Corporation. On July 21, 2021, Plaintiffs filed a Second Amended
27 Complaint naming Martin Luther King, Jr. – (MLK-LA) Healthcare Corporation d/b/a Martin
28 Luther King, Jr. Community Hospital as the defendant. On April 14, 2022, the Court issued an
Order making the Fourth Amended Complaint, which correctly names Martin Luther King, Jr. –
Los Angeles (MLK-LA) Healthcare Corporation as the defendant, the operative complaint.

1 Class Representatives are represented by Van Vleck and Turner, LLP. On behalf of
2 themselves and others allegedly similarly situated to them, the Class Representatives have alleged
3 the following causes of action in the Fourth Amended Complaint: (1) failure to pay overtime
4 compensation; (2) failure to pay overtime compensation under alternative workweek rules; (3)
5 failure to pay minimum wages for all hours worked and wages due for all hours worked; (4) failure
6 to provide off-duty meal and rest breaks; (5) failure to issue accurate itemized pay statements; (6)
7 failure to pay all wages due; (7) unfair and unlawful business practices as a violation of the unfair
8 competition law pursuant to California Business and Professions Code sections 17200, et seq. relating to
9 or arising out of causes of action 1-6 and 8; (8) failure to provide sick leave; and (9) a representative
10 action for civil penalties pursuant to the Private Attorneys General Act of 2004 (“PAGA”) for claims
11 arising out of or related to causes of action 1-6 and 8.

12 A *Belaire-West* privacy notice was sent to putative class members on March 11,
13 2022, and Plaintiffs’ counsel was provided with contact information for the putative class on May
14 5, 2022. Defendant voluntarily provided Plaintiffs with additional information to facilitate
15 settlement discussions, including the Class Representatives’ personnel files and time records,
16 pertinent policies, and a list of nonexempt positions in patient-facing roles. Each of the named
17 Plaintiffs served formal discovery requests on Defendant, including interrogatories and requests for
18 production, on May 16, 2022.

19 Before Plaintiffs filed the above-captioned action, on January 7, 2021, Plaintiff Amy
20 Lara, on behalf of herself and all similarly situated individuals, filed an action against Defendant in
21 the California Superior Court for the County of Los Angeles, Case No. 21STCV00642 (the “*Lara*
22 *Action*”). On June 3, 2022, Lara filed a First Amended Complaint in the *Lara Action* to add claims
23 for civil penalties pursuant to PAGA that she had originally filed in a separate action against
24 Defendant, *Amy Lara v. Martin Luther King, Jr. – Los Angeles (MLK-LA) Healthcare Corporation*,
25 Los Angeles County Superior Court Case No. 21STCV10602.² Lara and Defendant reached a class-

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28 ² That separate action was premised on a letter filed with the LWDA on January 8, 2022.
Plaintiffs in this litigation filed a letter with the LWDA on January 14, 2021

1 wide settlement agreement in the *Lara* Action on March 23, 2022, following a mediation with
2 respected mediator Jeffrey Ross, Esq. In advance of the *Lara* mediation, Defendant provided Lara
3 with information including information about the scope of the proposed class and group of allegedly
4 aggrieved employees, associated workweek and pay period information, pertinent policies, and
5 wage and time records for putative class members. In sum, Lara and her counsel had sufficient
6 information to assess the merits of the *Lara* Action and the settlement resulted from arm's length
7 negotiations.

8 The expected preclusive effect in this action of the settlement in the *Lara* Action,
9 which was submitted for preliminary approval on August 12, 2022, with a hearing set for November
10 21, 2022, is not insignificant. At the Court's direction, in advance of a Joint Status Conference held
11 on June 8, 2022, the Parties informed the Court that resolution of the *Lara* Action (if approved) will
12 have preclusive effect on all claims in this action for the time periods covered by the *Lara* release,
13 except for Plaintiffs' cause of action for failure to provide sick leave pursuant to Labor Code section
14 246 and the related PAGA claim, which will be unaffected. Put differently, once the *Lara* settlement
15 is approved, all class and PAGA claims in this action other than the sick leave claims will be
16 precluded for the time period from February 1, 2020, through the end of the release period in the
17 *Lara* settlement.

18 Following settlement of the *Lara* Action and the June 8, 2022 status conference
19 before this Court, the Parties in this action reengaged in arm's-length settlement negotiations in an
20 effort to resolve the remaining claims and time period at issue in this action on similar terms to the
21 settlement in the *Lara* Action. The parties met on three separate occasions, and exchanged further
22 information about the PAGA claims, before reaching an agreement on settlement terms on July 28,
23 2022.

24 The Settling Parties recognize and acknowledge that, at the time of the execution of
25 the settlement, there are unsettled questions of law which may have impact on the claims at issue in
26 the Litigation. The Settling Parties further recognize that they are reaching this settlement in light
27 of the risks created by all of these unresolved issues, and that all Settling Parties will take all
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1 reasonable efforts to enforce this Agreement and obtain Court approval for this settlement regardless
2 of how any such issues of law are or may be decided after this settlement is executed.

3 **IV. DEFENDANT'S DENIAL OF WRONGDOING OR LIABILITY**

4 Defendant denies all of the claims and contentions alleged by the Class
5 Representatives in the Litigation. Defendant contends that it has meritorious defenses to all of the
6 class and representative claims. Nonetheless, Defendant has concluded that further conducting the
7 Litigation would be protracted, disruptive and expensive, and that it is desirable that the Litigation
8 be fully and finally settled in the manner and upon the terms and conditions set forth in this
9 Stipulation. Defendant has also taken into account the uncertainty and risks inherent in any
10 litigation, especially in putative class actions like this Litigation. Defendant has therefore
11 determined that it is desirable that the Litigation be settled in the manner and upon the terms and
12 conditions set forth in this Stipulation. The Class Representatives and Class Counsel agree that this
13 Stipulation will not be deemed any admission of liability or wrongdoing on the part of Defendant,
14 and that it may not be used in any proceeding to such an effect.

15 **V. CLAIMS OF THE CLASS REPRESENTATIVES AND BENEFITS OF**
16 **SETTLEMENT**

17 The Class Representatives believe that the claims asserted in the Litigation have
18 merit and that evidence developed to date supports the claims. Nonetheless, the Class
19 Representatives and Class Counsel recognize and acknowledge the expense and length of the type
20 of continued proceedings necessary to prosecute the Litigation against Defendant through trial and
21 appeals. The Class Representatives and Class Counsel have also taken into account the uncertain
22 outcome and the risk of continued litigation, especially in putative class actions such as this
23 Litigation, as well as the difficulties and delays inherent in such litigation. The Class
24 Representatives and Class Counsel believe that the settlement set forth in the Stipulation confers
25 substantial benefits upon the Settlement Class. Based upon their evaluation, the Class
26 Representatives and Class Counsel have determined that the settlement set forth in the Stipulation
27 is in the best interests of the Settlement Class.

1 **VI. TERMS OF STIPULATION AND AGREEMENT OF SETTLEMENT**

2 NOW, THEREFORE, IT IS HEREBY FURTHER STIPULATED AND AGREED
3 by and between the Class Representatives (for themselves and the Settlement Class Members) and
4 Defendant, with the assistance of their respective counsel of record, that, as among the Settling
5 Parties, including all Settlement Class Members, the Litigation and the Released Claims shall be
6 finally and fully compromised, settled and released, and the Litigation shall be resolved as to all
7 Settling Parties, upon and subject to the terms and conditions of the Stipulation and the Judgment.

8 1. Definitions.

9 As used in all parts of this Agreement, the following terms have the meanings
10 specified below:

11 1.1 “Administration Costs” means the fees and costs incurred by the
12 Settlement Administrator to administer this Settlement, which shall not exceed \$16,000.00. These
13 costs include reasonable fees and expenses related to administering the settlement, including, but
14 not limited to, printing, distributing, and tracking forms, calculating estimated amounts per Class
15 Member, tax reporting, distributing payments from the Gross Settlement Amount, providing
16 necessary reports and declarations, and other duties and responsibilities set forth herein to process
17 this settlement, as requested by the Settling Parties. All Administration Costs shall be paid from the
18 Gross Settlement Amount. If the Court awards less than the amount of Administration Costs
19 requested, any amount not awarded will become part of the Net Settlement Amount for distribution
20 to Settlement Class Members.

21 1.2 “Attorneys’ Fees” means the amount, not to exceed one-third (1/3) of
22 the Gross Settlement Amount, finally approved by the Court and awarded to Class Counsel. The
23 Attorneys’ Fees shall be paid from the Gross Settlement Amount. Defendant will not oppose an
24 application by Class Counsel for an award of attorneys’ fees that is consistent with this Paragraph.
25 If the Court awards less than the amount requested, any amount not awarded will become part of
26 the Net Settlement Amount for distribution to Settlement Class Members.

1 1.3 “Aggrieved Employees” means all current and former California
2 employees of Defendant who worked in a non-exempt position listed in Paragraph 52 of the
3 Complaint at any time during the PAGA Period.

4 1.4 “AE Pay Periods” means the total number of pay periods that all
5 Aggrieved Employees collectively worked during the PAGA Period.

6 1.5 “AE Allocation Periods” means the total number of Individual
7 Allocation Periods that all Aggrieved Employees collectively worked during the PAGA Period.

8 1.6 “AE Settlement Amount” means an amount that shall be determined by
9 dividing the Individual Allocation Periods by the number of AE Allocation Periods and
10 multiplying the result by \$3,000.00.

11 1.7 “Class” means all current and former California non-exempt hourly
12 employees of Defendant who worked in a non-exempt position listed in Paragraph 40 of the
13 Complaint at any time during the Class Period.

14 1.8 “Class Allocation Workweeks” means the total number of Individual
15 Allocation Workweeks that all Aggrieved Employees collectively worked during the Class Period.

16 1.9 “Class Counsel” or “Plaintiffs’ Counsel” means Brian Van Vleck,
17 Daniel Turner, and Stuart Kluft of Van Vleck & Turner, LLP.

18 1.10 “Class Member” means an individual who is a member of the Class, as
19 defined above.

20 1.11 “Class Notice” means a notice and associated forms titled “Notice To
21 Class Members Re: Pendency of a Class Action and Notice of Hearing On Proposed Settlement” to
22 be approved by the Court, substantially in the form attached hereto as **Exhibit 1**. Prior to mailing,
23 the Class Notice may be reformatted by the Settlement Administrator, and any such reformatting
24 shall be subject to approval by Class Counsel and counsel for Defendant.

25 1.12 “Class Period” means the period from January 20, 2017, through the date
26 preliminary approval of the Settlement is granted.

27 1.13 “Class Representatives” or “Plaintiffs” means Maria Manriquez,
28 Stephanie Morales, and Chaley Ramirez.

1.14 “Class Workweeks” means the total number of workweeks that all Settlement Class Members collectively worked during the Class Period.

1.15 “Complaint” means the Fourth Amended Complaint in *Ramirez v. Martin Luther King, Jr. – Los Angeles (MLK-LA) Healthcare Corporation et al.*, Case No. 21STCV02745.

1.16 “Court” means the Superior Court for the State of California, County of Los Angeles.

1.17 “Defendant” means Martin Luther King, Jr. Los Angeles (MLK-LA) Healthcare Corporation, the defendant in the Litigation.

1.18 “Defendant Releasees” means Defendant Martin Luther King, Jr. – Los Angeles (MLK-LA) Healthcare Corporation and all of its employees, agents, and affiliates, including without limitation parents and subsidiaries, predecessors, successors, divisions, investors, joint ventures and assigns, any benefit plan maintained by any of them and the trustees, fiduciaries, and administrators of any such plan, and each and all of these entities’ past or present directors, officers, employees, agents, partners, members, principals, underwriters, insurers, co-insurers, re-insurers, shareholders, attorneys, accountants or auditors, banks or investment banks, associates, and personal or legal representatives.

1.19 “Effective Date” means the date on which the Judgment becomes final and can no longer be appealed or otherwise disturbed because one of the following has occurred: (i) the time to appeal the Judgment has expired with no appeal filed; (ii) the final affirmance on an appeal of the Judgment; or (iii) the final dismissal with prejudice of any appeal from the Judgment. Any proceeding or order, or any appeal or petition for a writ pertaining solely to Class Counsel’s application for or award of attorneys’ fees shall not, by itself, in any way delay or preclude the Judgment from becoming final.

1.20 “Employer Payroll Taxes” means the payroll taxes and associated payments customarily borne by the employer when making standard wage payments to employees, i.e., the employer share of the payroll taxes, including the employer FICA, FUTA, and SDI contributions. Defendant shall pay its portion of payroll taxes as the Settlement Class Members’ current or former employer separate and apart from the Gross Settlement Amount.

1 1.21 “Enhancement Payment” means the amount the Court awards to the
2 Class Representatives, which will not exceed \$5,000 for each individual Class Representative.
3 This payment shall be paid from the Gross Settlement Amount and is being offered in
4 consideration for the Class Representatives’ actions in conferring benefits upon the Class and
5 State of California, the time and effort each of them put into pursuing this litigation, and their fears
6 of being blacklisted for future employment. Defendant will not oppose an application by the Class
7 Representatives for an Enhancement Payment consistent with this Paragraph. In exchange for the
8 Enhancement Payment, and as a condition to receiving their share of that payment, each of the
9 Class Representatives shall execute a complete and general release of all known and unknown
10 claims in Defendant Releasees’ favor; provided, however, that the Class Representatives will
11 retain their claims for alleged violations of the California Family Rights Act (CFRA) and the
12 Family Medical Leave Act (FMLA), and that Plaintiff Ramirez will retain her claims for alleged
13 disability discrimination, alleged disability retaliation, and alleged wrongful termination in
14 violation of public policy based on her disability discrimination allegations, as described in
15 paragraph 2.10.

16 1.22 “Final Approval Hearing” means a hearing set by the Court for the
17 purpose of (i) determining the fairness, adequacy, and reasonableness of the Settlement pursuant to
18 class action procedures and requirements; and (ii) entering Judgment.

19 1.23 “Final Approval Order” means an order to be entered by the Court,
20 granting final approval of this settlement, the proposed form of which will be mutually agreed upon
21 by the Settling Parties.

22 1.24 “Gross Settlement Amount” means the gross total amount that will be
23 paid by Defendant pursuant to this Settlement Agreement, only upon occurrence of the Effective
24 Date. It is agreed that the Gross Settlement Amount is \$375,000.00, and it is further agreed that
25 pursuant to the terms of this Settlement Agreement, Defendant will not under any circumstances
26 pay more than the Gross Settlement Amount. (For avoidance of doubt, this section does not
27 invalidate Paragraph 1.20, which requires Defendant to pay Employer Payroll Taxes as Settlement
28 Class Members’ current or former employer on the wage portions of the Individual Class Settlement

1 Payments separate and apart from the Gross Settlement Amount, or Paragraph 2.5.1, which provides
2 that Defendant has the option to increase the Gross Settlement Amount should the AE Allocation
3 Periods at the time of final judgment exceed by more than twenty (20) percent the number of AE
4 Allocation Periods at the time this settlement is filed with the Court.) The Gross Settlement Amount
5 shall cover all expenses associated with the settlement, which shall be the following, and only the
6 following: (1) the Individual Settlement Payments to Settlement Class Members; (2) Attorneys'
7 Fees to Class Counsel, as approved by the Court in an amount not to exceed \$125,000.00;
8 (3) Litigation Expenses to Class Counsel, as approved by the Court in an amount not to exceed
9 \$13,500; (4) Enhancement Payments to the Class Representatives, as approved by the Court in an
10 amount not to exceed \$5,000.00 per Class Representative; (5) administration fees and expenses to
11 the Settlement Administrator as approved by the Court in an amount not to exceed \$16,000.00; and
12 (6) the PAGA Settlement Amount to the LWDA and to Aggrieved Employees for the resolution of
13 claims under California Labor Code section 2698 *et seq.*, which shall be \$12,000.00.

14 1.25 “Individual Allocation Periods” means the total number of claims per pay
15 period during which an Aggrieved Employee worked that is not covered by the settlement in the
16 *Lara* Action. An Aggrieved Employee’s Individual Allocation Periods shall be the sum of (a) five
17 claims per pay period worked from January 20, 2020, through January 31, 2020, and from the date
18 of final approval of this Settlement Agreement and entry of the Judgment by the Court in the *Lara*
19 Action through the date of final approval of this Settlement Agreement and entry of the Judgment
20 by the Court in this action; and (b) a single claim in each Aggrieved Employee’s Individual Pay
21 Periods. The five claims referenced in (a) reflect the claims asserted in the Fourth Amended
22 Complaint for (i) unpaid overtime and failure to pay minimum wages and wages due for all hours
23 worked, including under alternative workweek rules (Causes of Action 1-3); (ii) failure to provide
24 meal periods (Cause of Action 4); (iii) failure to provide rest periods (Cause of Action 4); (iv) failure
25 to provide compliant wage statements (Cause of Action 5); and (v) failure to timely pay wages due
26 at termination (Cause of Action 6). The single claim for each Aggrieved Employee’s Individual
27 Pay Period referenced in (b) reflects the claim asserted in the Fourth Amended Complaint for failure
28 to provide sick leave (Cause of Action 8).

1 1.26 “Individual Allocation Workweeks” means the total number of claims per
2 workweek during which a Class Member worked that is not covered by the settlement in the *Lara*
3 Action. A Class Member’s Individual Allocation Workweeks shall be the sum of (i) five claims per
4 workweek from January 20, 2017, through January 31, 2020, and from the date the *Lara* Class
5 Period ends to the date of Preliminary Approval in this action; and (ii) a single claim in each Class
6 Member’s Individual Workweeks. The five claims during the first time period reflect claims for (i)
7 unpaid overtime and failure to pay minimum wages and wages due for all hours worked, including
8 under alternative workweek rules (Causes of Action 1-3); (ii) failure to provide meal periods (Cause
9 of Action 4); (iii) failure to provide rest periods (Cause of Action 4); (iv) failure to provide compliant
10 wage statements (Cause of Action 5); and (v) failure to timely pay wages due at termination (Cause
11 of Action 6). The single claim for each Class Member’s Individual Workweeks reflects the claim
12 for failure to provide sick leave (Cause of Action 8).

13 1.27 “Individual Class Settlement Payment” means the gross, total amount due
14 to an individual Settlement Class Member, which shall be determined by dividing the Settlement
15 Class Member’s Individual Allocation Workweeks by the Class Allocation Workweeks and
16 multiplying the result by the Net Class Settlement Amount. The Individual Class Settlement
17 Payments will be reduced by any required legal deductions for each Settlement Class Member (e.g.,
18 withholding of taxes).

19 1.28 “Individual Pay Periods” means the total number of Pay Periods during
20 which a particular Aggrieved Employee worked during the PAGA Period.

21 1.29 “Individual Settlement Payment” means the gross, total amount due to an
22 individual Settlement Class Member and/or Aggrieved Employee, which shall be determined by
23 adding the individual’s AE Settlement Amount (if any) to the Individual Class Settlement Payment.

24 1.30 “Individual Workweeks” means the total number of workweeks during
25 which a Settlement Class Member worked during the Class Period.

26 1.31 “Judgment” means the judgment to be rendered by the Court pursuant to
27 this Settlement Agreement.

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1 1.32 “LWDA” means the California Labor and Workforce Development
2 Agency.

3 1.33 “*Lara Action*” means the action filed against Defendant Martin Luther
4 King, Jr. – Los Angeles (MLK-LA) Healthcare Corporation by Plaintiff Amy Lara, on behalf of
5 herself and all similarly situated individuals, in the California Superior Court for the County of Los
6 Angeles, Case No. 21STCV00642.

7 1.34 “*Lara Class Period*” means the Class Period covered by settlement in the
8 *Lara Action*.

9 1.35 “Last Known Address” means the most recently recorded mailing address
10 for a Class Member as contained in the personnel records maintained by Defendant.

11 1.36 “Litigation” or “Lawsuit” means the lawsuit brought by Plaintiffs
12 entitled *Ramirez v. Martin Luther King, Jr. – Los Angeles (MLK-LA) Healthcare Corporation*,
13 Superior Court of the State of California for the County of Los Angeles, Case No. 21STCV02745.

14 1.37 “Litigation Expenses” means the amount that the Court awards to Class
15 Counsel for payment of actual litigation costs, which shall not exceed \$13,500.00. The Litigation
16 Expenses will be paid from the Gross Settlement Amount, and Defendant will not oppose an
17 application by Class Counsel for an award of litigation costs that is consistent with this Paragraph.
18 The Litigation Expenses are subject to Court Approval. If the Court awards less than the amount
19 requested, any amount not awarded will become part of the Net Class Settlement Amount for
20 distribution to Settlement Class Members.

21 1.38 “Net Settlement Amount” or “NSA” means the Gross Settlement Amount
22 minus the amounts awarded by the Court for Attorneys’ Fees, Litigation Expenses, the Enhancement
23 Payment to the Class Representatives, the Administration Costs, and the PAGA Settlement Amount.
24 If the Court does not approve and/or reduces the amounts of the requested Attorneys’ Fees,
25 Litigation Expenses, Enhancement Payment, or Administration Costs, then the amount of any such
26 reduction will become part of the NSA.

1 1.39 “Notice Mailing Deadline” means the deadline for the Settlement
2 Administrator to mail the Class Notices, which shall be within thirty (30) business days after entry
3 of the Preliminary Approval Order.

4 1.40 “Opt Out” or “Request for Exclusion” means the written and signed
5 requests by Class Members to be excluded from the Settlement Class, which are submitted in the
6 manner specified in the Class Notice, postmarked no later than the Response Deadline.

7 1.41 “PAGA” means the Private Attorneys General Act of 2004, California
8 Labor Code §§ 2698 *et seq.*, as amended.

9 1.42 “PAGA Settlement Amount” means the \$12,000.00 of the Gross
10 Settlement Amount allocated to satisfy the PAGA penalty claim alleged in the Complaint. Seventy-
11 five percent (75%) of the PAGA Settlement Amount (\$9,000.00) shall be paid to the LWDA and
12 twenty-five percent (25%) of the PAGA Settlement Amount (\$3,000.00) shall be distributed to
13 Aggrieved Employees on a *pro rata* basis as described in Paragraph 1.6.

14 1.43 “PAGA Period” means the period from January 20, 2020, through the
15 date of final approval of this Settlement Agreement and entry of the Judgment by the Court, unless
16 the PAGA Period is ended earlier in accordance with Paragraph 2.5.1.

17 1.44 “Plaintiffs’ Released Unknown Claims” means any and all claims which
18 any Class Representative does not know or suspect to exist in her favor at the time of the entry of
19 the Judgment, and which, if known by her might have affected her settlement with and release of
20 the Defendant Releasees or might have affected her decision not to object to this settlement. With
21 respect to any and all such claims, the Settling Parties agree that, upon the Effective Date, each
22 Class Representative shall expressly be deemed to have, and by operation of the Judgment shall
23 have, waived the provisions, rights and benefits of California Civil Code section 1542, which
24 provides:

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

1 A Class Representative may hereafter discover facts in addition to or different from those
2 which she now knows or believes to be true with respect to the subject matter of the Released
3 Claims, but the Class Representative, upon the Effective Date, shall be deemed to have, and by
4 operation of the Judgment shall have, fully, finally, and forever settled and released any and all
5 Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent,
6 whether or not concealed or hidden, which then exist, or heretofore have existed upon any theory of
7 law or equity now existing or coming into existence in the future provided, however, that the Class
8 Representatives will retain their claims for alleged violations of the California Family Rights Act
9 (CFRA) and the Family Medical Leave Act (FMLA), and that Plaintiff Ramirez will retain her
10 claims for alleged disability discrimination, alleged disability retaliation, and alleged wrongful
11 termination in violation of public policy based on her disability discrimination allegations, as
12 described in paragraph 2.10. Each Class Representative acknowledges that the foregoing waiver
13 was separately bargained for and a key element of the settlement of which this release is a part.

14 1.45 “Preliminary Approval Order” means an order entered by the Court
15 preliminarily approving of this settlement.

16 1.46 “Released Claims” means Released Class Claims, as defined in Paragraph
17 1.47, and Released PAGA Claims, as defined in Paragraph 1.48.

18 1.47 “Released Class Claims” collectively means any and all claims, demands,
19 rights, liabilities and causes of action, including statutory, constitutional, contractual or common
20 law claims, for wages, damages, unpaid costs, penalties, liquidated damages, interest, attorneys’
21 fees, litigation costs, restitution, or equitable relief, whether known or unknown, arising during the
22 Class Period for: (1) failure to pay overtime compensation; (2) failure to pay overtime compensation
23 under alternative workweek rules; (3) failure to pay minimum wages for all hours worked; (4) failure
24 to provide off-duty meal and rest breaks; (5) failure to issue accurate itemized pay statements; (6)
25 failure to pay all wages due; (7) unfair and unlawful business practices as a violation of the unfair
26 competition law pursuant to California Business and Professions code secs. 17200, et seq. relating to
27 or arising out of causes of action 1-6 and 8; (8) failure to provide sick leave; and (9) a representative
28 action for civil penalties pursuant to the Private Attorneys General Act of 2004 (“PAGA”) for claims

1 arising out of or related to causes of action 1-6 and 8, as referenced at ¶¶ 51-54 and 112-114 of the
2 Operative Complaint. (10) any other claims pled in or based on the facts alleged in the Operative
3 Complaint or the LWDA letter, referenced at ¶ 51 of the Operative Complaint. Released Class Claims
4 include claims for damages, penalties or any other remedies under any statute or regulation or other
5 provision of law based on the facts alleged in the Complaint or the LWDA letter, including without
6 limitation (i) claims under California Labor Code sections 200, 201, 201.3, 202, 203, 204, 204.1,
7 206.5, 219, 221, 223, 226, 226.2, 226.3, 226.7, 246, 248.5, 510, 511, 512, 516, 558, 1182.12, 1194,
8 1197, 1197.1, 1198, 2751 and 2810.5; claims under California Business and Professions Code
9 section 17200 *et seq.* based on the preceding sections; and claims under the applicable California
10 Industrial Welfare Commission Wage Order; (ii) claims under Los Angeles Municipal Code
11 sections 187.02 and 187.04; (iii) claims, based on the facts alleged in the Complaint, for injunctive
12 relief, restitution, disgorgement, accounting, declaratory relief, or other equitable relief; and (iv) any
13 and all claims based on the facts alleged in the Complaint for interest, costs, or attorney fees,
14 including claims under California Labor Code sections 218.5, 1194 & 2698 *et seq.* and California
15 Code of Civil Procedure section 1021.5. Each Settlement Class Member may hereafter discover
16 facts in addition to or different from those which the Settlement Class Member now knows or
17 believes to be true with respect to the subject matter of the Released Class Claims, but each
18 Settlement Class Member, upon the Effective Date, shall be deemed to have, and by operation of
19 the Judgment shall have, fully, finally, and forever settled and released any and all Released Class
20 Claims. For the sake of clarity, the Settling Parties agree that unknown Released Class Claims
21 include only those claims that meet the definition of Released Class Claims and do not include
22 claims that do not meet the definition of Released Class Claims. As such, for example, unknown
23 Released Class Claims do not include claims for any relief for wrongful termination, retaliation,
24 unlawful harassment, Workers' Compensation, or other claims that do not arise from the facts
25 alleged in the Complaint or the LWDA letter.

26 1.48 “Released PAGA Claims” means all claims for PAGA penalties that were
27 alleged, or reasonably could have been alleged, arising during the PAGA Period, based on facts
28 stated in the Complaint, the PAGA Notice, and/or ascertained in the course of the Litigation,

1 including but not limited to claims for (i) unpaid overtime and failure to pay minimum wages and
2 wages due for all hours worked, including under alternative workweek rules; (ii) failure to provide
3 meal periods; (iii) failure to provide rest periods; (iv) failure to provide sick leave; (v) failure to
4 provide compliant wage statements; and (vi) failure to timely pay wages due at termination.
5 Released PAGA Claims include claims for civil penalties under California Labor Code section 2698
6 *et seq.* based on the following sections of the California Labor Code: 201, 202, 203, 204, 204.1,
7 206.5, 219, 221, 223, 226, 226.2, 226.3, 226.7, 510, 511, 512, 516, 558, 1182.12, 1194, 1197,
8 1197.1, and 1198, 2751 and 2810.5, or any other statute or regulation or other provision of law for
9 the violation of which civil penalties may be recovered under PAGA based on the facts alleged in
10 the Complaint.

11 1.49 “Response Deadline” means the deadline for all Class Members to
12 respond to the Class Notice, which shall be forty-five (45) days after the Class Notice is mailed.

13 1.50 “Settlement Administrator” means Simpluris, the third-party settlement
14 administration firm.

15 1.51 “Settlement Agreement” or “Agreement” means this settlement
16 agreement entered into by the Settling Parties.

17 1.52 “Settlement Class” means the collective group of all Class Members who
18 do not request exclusion from the Settlement Class.

19 1.53 “Settlement Class Member” means a Class Member who has not
20 requested exclusion from the Settlement Class. For the avoidance of doubt, all Settlement Class
21 Members also qualify as Aggrieved Employees.

22 1.54 “Settling Parties” means Defendant and Class Representatives on behalf
23 of themselves and all Members of the Settlement Class.

24 1.55 “Updated Address” means a mailing address that was updated via a
25 Reasonable Address Verification Measure or Secondary Address Verification Measure, or via an
26 updated mailing address provided by the United States Postal Service or a Class Member.
27
28

1 2. **The Settlement.**

2 2.1 ***Taxes.***

3 2.1.1 Defendant, through the Settlement Administrator, and according to the
4 terms, conditions, and procedures set forth in this Settlement Agreement, shall pay each Settlement
5 Class Member that Settlement Class Member's Individual Class Settlement Payment. Each
6 Settlement Class Member's gross Individual Class Settlement Payment will be apportioned as
7 follows: 20% as wages and 80% as non-wages (including penalties and interest). The amounts
8 paid as wages shall be subject to all tax withholdings customarily made from an employee's wages
9 and all other authorized and required withholdings customarily made from an employee's wages,
10 and shall be reported on IRS Form W-2 by the Settlement Administrator. The amounts paid as
11 penalties and interest shall be subject to all authorized and required withholdings customarily made
12 from employees' wages other than tax withholdings, and shall be reported on IRS Form 1099 by
13 the Settlement Administrator.

14 2.1.2 Other than the withholding and reporting requirements set forth herein,
15 each Settlement Class Member shall be responsible for the reporting and payment of any federal,
16 state and/or local income or other tax or any other withholdings, if any, on that Settlement Class
17 Member's Individual Settlement Payment. Each Class Representative shall be responsible for
18 reporting any taxes or withholdings on any payments made to her pursuant to this Settlement
19 Agreement. Likewise, Class Counsel shall be responsible for reporting any taxes or withholdings
20 on any payments made to Class Counsel pursuant to this Settlement Agreement. Defendant makes
21 no representations, and it is understood and agreed that Defendant has made no representations, as
22 to the taxability of any portions of the Individual Settlement Payments to any Settlement Class
23 Members or Aggrieved Employees, the payment of any costs or an award of attorneys' fees, or any
24 payments to the Class Representatives. The Class Notice will advise Class Members that they can
25 seek their own tax advice prior to acting in response to that notice, and the Class Representatives
26 and Class Counsel agree that Class Members will have an adequate opportunity to seek tax advice
27 prior to acting in response to the Class Notice.

1 2.2 **No Effect on Employee Benefits.** The Enhancement Payment and
2 Individual Settlement Payments paid to Plaintiffs and Settlement Class Members and Aggrieved
3 Employees shall not be deemed to be pensionable earnings and shall not have any effect on the
4 eligibility for, or calculation of, any of the employee benefits (e.g., vacation, holiday pay,
5 retirement plans, etc.) of Plaintiffs or the Settlement Class Members or Aggrieved Employees.
6 Defendant will not, unless otherwise required by law, make from the Individual Settlement
7 Payments any additional deductions, withholdings or payments, including without limitation,
8 medical or other insurance payments or premiums, employee 401(k) or 403(b) contributions or
9 matching employer contributions, wage garnishments, or charity withholdings.

10 2.3 **PAGA Notice.** The Class Representatives agree to take all reasonable
11 steps to comply with the notice requirements of California Labor Code section 2699(l). At the time
12 of filing the Preliminary Approval Motion, the Class Representatives shall provide notice of the
13 settlement set forth in this Settlement Agreement to the LWDA through that agency's Internet portal
14 and shall provide concurrent proof to Defendant and the Court that they have done so. Following
15 the Court's entry of Judgment, the Class Representatives shall submit the Judgment to the LWDA
16 and shall provide concurrent proof to Defendant and the Court that they have done so. The Settling
17 Parties agree that the release of PAGA claims contained herein is binding on the Class
18 Representatives, the Aggrieved Employees, Defendant, and the State of California.

19 2.4 **Preliminary Approval.**

20 2.4.1 Plaintiffs, through their counsel of record, shall move for preliminary
21 approval of this settlement pursuant to California Rule of Court 3.760, *et seq.*, and shall file this
22 Settlement Agreement with the Court. Class Counsel will provide Defendant's counsel with an
23 advance copy of the preliminary approval motion at least three business days prior to filing so that
24 Defendant's counsel may provide any comments prior to filing. Via this submission, Plaintiffs
25 shall request that the Court conditionally certify the Class, preliminarily approve this Settlement,
26 order the Class Notice be disseminated pursuant to this Settlement Agreement, enter the
27 Preliminary Approval Order, and schedule the Final Approval Hearing.
28

1 2.4.2 If the Court enters the Preliminary Approval Order, then at the resulting
2 Final Approval Hearing, the Settling Parties, through their counsel of record, shall address any
3 written objections from Class Members or any concerns from Class Members who attend the Final
4 Approval Hearing as well as any concerns of the Court, and shall and hereby do, unless provided
5 otherwise in this Agreement, agree to final approval of this Settlement Agreement and entry of the
6 Judgment by the Court.

7 2.5 ***Defendant's Election.***

8 2.5.1 If by the date the Court enters the final approval of this Settlement
9 Agreement and entry of the Judgment by the Court the number of pay periods which all Aggrieved
10 Employees worked exceeds the number of pay periods which all Aggrieved Employees worked as
11 of the date this Agreement is signed by more than twenty (20) percent, Defendant shall elect between
12 the following two options: (a) to increase the PAGA Settlement Amount and thereby the Gross
13 Settlement Amount pro-rata, based on the percentage of pay periods over the twenty (20) percent
14 threshold, e.g., if the number of pay periods on the date of the Preliminary Approval Order exceeds
15 the number of pay periods on the date this Agreement is signed by twenty-five (25) percent, the
16 PAGA Settlement Amount shall increase by five (5) percent and thereby the Gross Settlement
17 Amount shall increase by \$600.00; or (b) to limit the PAGA settlement period to January 20, 2020,
18 through the date as of which the number of pay periods exceeds the amount on the date this
19 Agreement is signed by 20 percent.

20 2.6 ***Notice to Class Members.***

21 2.6.1 After the Court enters its Preliminary Approval Order, every Class
22 Member will be provided with the Class Notice in accordance with the procedures set forth herein.

23 2.6.2 **Class Database.** Within twenty-one (21) calendar days after entry of the
24 Preliminary Approval Order, Defendant shall deliver to the Settlement Administrator an electronic
25 database ("Class Database"), which will list for each Class Member and Aggrieved Employee: (1)
26 first and last name; (2) Last Known Address; (3) social security number, if known; (4) whether the
27 Class Member or Aggrieved Employee is a current or former employee; (5) the total number of
28 Individual Allocation Workweeks for each Class Member and Individual Allocation Periods for

1 each Aggrieved Employee. The Settlement Administrator will calculate the amount of each Class
2 Member's Individual Class Settlement Payment with the allocation to wages (20%) and non-wage
3 recovery (80%); the amount of each Aggrieved Employee's AE Settlement Amount; and the total
4 Individual Settlement Payment for each Class Member and/or Aggrieved Employee. By approving
5 this settlement, the Court will be deemed to have authorized Defendant to provide the Settlement
6 Administrator with the social security numbers of the Class Members. If any or all of this
7 information is unavailable to Defendant, Defendant will so inform Plaintiffs' Counsel and the
8 Parties will make their best efforts to reconstruct the unavailable information or otherwise agree
9 upon how to proceed in the absence thereof. The Settlement Administrator will conduct a skip
10 trace for the address of all Class Members who are former employees of Defendant. The Database
11 shall be based on Defendant's payroll, personnel, and other business records. The Settlement
12 Administrator shall maintain the Database and all data contained within the Database as private
13 and confidential. Class Counsel will not be provided with a copy of, or access to, the Database,
14 but the Administrator can share information with Class Counsel that is necessary for Class Counsel
15 to fulfill their obligations to Class Members.

16 **2.6.3 Confirmation Prior to Notice Mailing.** The Settlement Administrator
17 shall inform Class Counsel that the total of the Individual Settlement Payments is, or is not, equal
18 to the maximum amount for payments to Settlement Class Members. For avoidance of doubt,
19 amounts of Individual Settlement Payments to Settlement Class Members will not be provided to
20 the Class Representatives or Class Counsel, unless agreed upon by the Parties. The Settlement
21 Administrator shall also provide a formatted Class Notice, after entry of the Preliminary Approval
22 Order and before the mailing of the Class Notice, seeking the Parties' approval of the Class Notice
23 prior to mailing.

24 **2.6.4 Notice Mailing.** Within thirty-five (35) calendar days of entry of the
25 Preliminary Approval Order, the Settlement Administrator will mail the Class Notice to all
26 identified Class Members at their Last Known Addresses via first class mail through the United
27 States Postal Service, postage pre-paid.

1 2.6.5 **Notice Contents.** The Class Notice shall include instructions on how to
2 opt out of or object to the settlement. The mailing enclosing the Class Notice will not contain any
3 other materials, and no other materials will be sent to any Class Member unless by the Settlement
4 Administrator or Class Counsel in response to a submission or inquiry from a Class Member in
5 response to the Class Notice. The Class Notice and its envelope or covering shall be marked to
6 denote the return address of the Settlement Administrator stated on the Class Notice.

7 2.6.6 **Updated Addresses Prior to Class Notice Mailing.** Prior to mailing the
8 Class Notice to each Class Member, the Settlement Administrator shall conduct a search for
9 Updated Addresses for all Class Members using the National Change of Address Database
10 maintained by the United States Postal Service, to review the accuracy of the last mailing address
11 known by Defendant, and, if possible, update Class Members' mailing addresses. To the extent
12 this process yields an Updated Address, that Updated Address shall replace the Last Known
13 Address and be treated as the new Last Known Address for purposes of this Settlement Agreement
14 and for subsequent mailings in particular.

15 2.6.7 **Class Notice Sent via Mail.** The Class Notice shall be mailed to the Last
16 Known Addresses of the Class Members no later than the Notice Mailing Deadline. If a Class
17 Notice is returned as undeliverable, then the Settlement Administrator shall follow the instructions
18 set forth in sections 2.6.8 through 2.6.12 below indicating how the Class Notices are to be re-mailed
19 and handled. Any Class Member who had their Class Notice returned to the Settlement
20 Administrator as undeliverable shall have an additional ten (10) days to respond (i.e., optout, object,
21 and dispute workweeks as discussed in paragraphs 2.7.6, 2.7.2, and 2.7.10, respectively.)

22 2.6.8 **Efforts to Find Updated Address.** In the event a Class Notice is returned
23 to the Settlement Administrator by the United States Postal Service as undeliverable because the
24 address of the recipient is no longer valid, *i.e.*, the envelope is marked "Return to Sender," the
25 Settlement Administrator shall conduct a Secondary Address Verification Measure within five (5)
26 days to attempt to ascertain a current address of the particular Class Member in question to locate
27 an Updated Address. A "Secondary Address Verification Measure" is an effort to ascertain the
28

1 specific Class Member's address through the use of a standard skip trace procedure (such as
2 Lexis/Nexis Accurant).

3 **2.6.9 Updated Address Found – Re-mailed.** If an address is ascertained
4 through the Settlement Administrator's Secondary Address Verification Measure, the Settlement
5 Administrator will re-send that Class Notice within five (5) days of receiving the updated address.
6 If the re-sent Class Notice is not returned as undeliverable, the new address found as a result of the
7 Settlement Administrator's secondary verification measure will be the Updated Address and shall
8 be deemed as the new Last Known Address for purposes of this Settlement Agreement and for
9 subsequent mailings in particular. In the event that a second address is ascertained by the
10 Settlement Administrator, the Class Notice will be deemed to have been delivered upon the second
11 mailing of the Class Notice to the Last Known Address.

12 **2.6.10 Forwarding Address Provided – Re-mailed.** In the event a Class Notice
13 is returned to the Settlement Administrator by the United States Postal Service with a forwarding
14 address for the recipient, the Settlement Administrator shall re-send the Class Notice to that
15 forwarding address within five (5) days of receiving such information. If the Class Notice is not
16 returned as undeliverable, the forwarding address shall be deemed the Last Known Address for
17 purposes of this Settlement Agreement and for subsequent mailings in particular.

18 **2.6.11 No Updated Address Found.** In the event a Class Notice is returned to
19 the Settlement Administrator by the United States Postal Service as undeliverable because the
20 address of the recipient is no longer valid, i.e., the envelope is marked "Return to Sender," and the
21 Settlement Administrator conducts a Secondary Address Verification Measure that does not result
22 in an Updated Address, then the Class Notice will be deemed delivered to the Class Member.

23 **2.6.12 Undeliverable Upon Second Address Verification.** In the event that the
24 Class Notice is returned by the United States Postal Service as undeliverable because the address
25 of the recipient is no longer valid, i.e., the envelope is marked "Return to Sender," and no Updated
26 Address can be found for that Class Member as a result of a Secondary Address Verification
27 Measure, or any mailing to any Updated Address is returned as undeliverable, the Class Notice will
28

1 be deemed to have been delivered upon the second mailing of the Class Notice to the Last Known
2 Address.

3 **2.6.13 Weekly Status Reports.** The Settlement Administrator shall provide a
4 weekly status report to the Parties. As part of its weekly status report, the Settlement Administrator
5 will inform Class Counsel and Defendant's counsel of the number of Class Notices mailed, the
6 number of Class Notices returned as undeliverable and re-sent, the number of Class Notices deemed
7 finally undeliverable via mail and mail resulting in a deemed opt-out, the number of opt-outs and
8 objections, and the number of open and resolved class member disputes (as discussed in paragraph
9 2.7.10 below).

10 **2.7 Responses to the Class Notice and Motion for Final Approval.**

11 **2.7.1** Class Members have the option to participate in this Lawsuit at their own
12 expense by obtaining their own attorney(s). Class Members who choose this option will be
13 responsible for any attorneys' fees or costs incurred as a result of this election. The Class Notice
14 will advise Class Members of this option.

15 **2.7.2 Objections to Settlement.** Class Members may also object to the
16 Settlement Agreement by submitting written objections to the Settlement Administrator no later
17 than the Response Deadline or by attending the final approval hearing before the Court and asking
18 to speak regarding their objections. The Class Notice will advise Class Members of this option.
19 The Settlement Administrator shall provide any such objections to Class Counsel and Defendant's
20 counsel immediately upon receipt and shall file the objection with the Court. If the Settlement
21 Administrator is unable to file the objection, it will notify counsel for the Settling Parties and
22 Defendant's counsel will file the objection with the Court.

23 **2.7.3 Format of Objection.** Any written objections shall state: (a) the case
24 name (*Chaley Ramirez v. Martin Luther King, Jr. Los Angeles (MLK-LA) Healthcare Corporation., et al.*)
25 and case number (21STCV02745); (b) the objecting person's or his/her attorney's full name,
26 address, and telephone number; (c) the words "Notice of Objection" or "Formal Objection" or
27 something similar to that effect; (d) a description, in clear and concise terms, of the legal and factual
28 arguments supporting the objection; (e) a list of identifying witness(es) the objector may call to

1 testify at the Final Approval Hearing; (f) true and correct copies of any exhibit(s) the objector
2 intends to offer at the Final Approval Hearing; and (g) a statement indicating whether the objection
3 applies only to the objector, to a specific subset of the Class, or to the entire Class.

4 **2.7.4 Notice of Intent to Appear in Support of Objection.** Class Members
5 who timely submit valid objections to the settlement may (though are not required to) appear at the
6 Final Approval Hearing, either on their own behalf or through the objector's own counsel. The
7 Class Notice will request that the objector notify the Parties of the objector's intent to appear at the
8 Final Approval Hearing by mailing or by filing a Notice of Intent to Appear with the Court by the
9 Response Deadline. For those individuals who have submitted written objections, and if there is a
10 change in the date and/or location of the Preliminary Approval, the Administrator will provide a
11 separate mailed notice to those individuals.

12 **2.7.5 Class Member Address Changes.** Class Members who, for future
13 reference and mailings from the Court or Settlement Administrator, if any, wish to change the name
14 or address listed on the envelope in which the Class Notice was first mailed to them, may do so by
15 contacting the Settlement Administrator at the toll-free telephone number or mailing address
16 provided in the Class Notice.

17 **2.7.6 Requests for Exclusion ("Opt Out").** Class Members may request
18 exclusion from or "opt out" of the Settlement Class. The Class Notice will provide instructions for
19 how a Class Member who wishes to opt out of the Settlement can mail to the Settlement
20 Administrator a written request for exclusion postmarked by the Response Deadline (as discussed
21 in paragraph 2.7.7) or can attend the final approval hearing before the Court and request exclusion
22 at that time. The Class Representatives shall not opt out of the class.

23 **2.7.7 Format of Request for Exclusion.** If a Class Member opts to mail a
24 written request for exclusion, then the Class Member must: (a) state the Class Member's name,
25 address, telephone number, and last four numbers of their social security number or employee
26 identification number; (b) state the Class Member's intention to exclude themselves from or opt-
27 out of the settlement; (c) be addressed to the Settlement Administrator; (d) be signed by the Class
28 Member or the Class Member's lawful representative; (e) be postmarked no later than the Response

1 Deadline. This specific language is necessary to properly identify the Class Member and to ensure
2 that the individual intends and understands that the individual will be excluded from the Class
3 Action. If a fully completed and properly executed Request for Exclusion is not received by the
4 Settlement Administrator from a Class Member postmarked on or before the Response Deadline,
5 then that Class Member will be deemed to have forever waived the Class Member's right to opt
6 out of the Settlement Class and will become a Settlement Class Member. Those portions of the
7 Gross Settlement Amount for Settlement Class Members attributable to Class Members who
8 submit valid Requests for Exclusion shall become part of the Net Settlement Amount, distributable
9 to Settlement Class Members.

10 **2.7.8 Effect of "Opt Out."** Any Class Member who returns a timely, valid,
11 and executed request for exclusion will not participate in or be bound by the settlement and
12 subsequent judgment and will not receive an Individual Settlement Payment. The Class Member
13 who elects to opt out shall not be entitled to any benefit as a result of this Litigation, nor be allowed
14 to object to this settlement.

15 **2.7.9 Failure to "Opt Out."** Class Members who do not opt out of the
16 Settlement Class, as described in this Settlement Agreement, shall be deemed Settlement Class
17 Members and shall be subject to the Judgment regardless of whether they ultimately negotiate their
18 settlement checks.

19 **2.7.10 Class Member Disputes.** The Class Notice shall contain, in the
20 appropriate space, the Class Member's estimated Individual Settlement Payment and number of
21 Individual Workweeks. Class Members are not required to submit any form in order to receive
22 their Individual Settlement Payments as Settlement Class Members. If a Class Member wishes to
23 dispute these estimates and seek a larger Individual Settlement Payment or additional Individual
24 Workweeks, the Class Member must submit to the Settlement Administrator, in advance of the
25 Response Deadline, a signed dispute form explaining the reasons for disputing the estimates, the
26 number of Individual Workweeks the Class Member contends is correct, and any supporting
27 documents. In the absence of such documentation, the Class Database will be controlling. No
28 dispute will be valid if postmarked after the Response Deadline. Counsel for the Settling Parties

1 shall meet and confer on all such disputes following the Response Deadline in an effort to resolve
2 them. If any disputes remain unresolved following this meet and confer effort, the Settling Parties
3 shall seek the guidance of the Settlement Administrator and resolve the matter on the basis of this
4 guidance. If no compromise is reached, the dispute can be presented to the Court for resolution.
5 In any such dispute, the Defendant's records shall be entitled to presumptive weight.

6 **2.7.11 Settlement Administrator's Report.** No later than fifteen (15) calendar
7 days after the Response Deadline, the Settlement Administrator will provide Counsel for the
8 Settling Parties with a complete and accurate accounting of the number of Class Notices mailed to
9 Class Members, the number of Class Notices returned as undeliverable and re-mailed, the number
10 of Class Notices deemed finally undeliverable via mail and mail resulting in a deemed opt-out, the
11 number of valid and invalid opt-outs, the number of objections, and the number of open and
12 resolved class member disputes.

13 **2.7.12 Settlement Administrator's Declaration.** No later than twenty-one (21)
14 calendar days after the Response Deadline or at the request of the Parties, whichever comes first,
15 the Settlement Administrator will provide the Parties with a declaration of due diligence setting
16 forth its compliance with its obligations under this Agreement. The declaration from the Settlement
17 Administrator will be filed with the Court by Class Counsel at the time the final approval motion
18 is filed. Before the Final Approval Hearing, the Settlement Administrator will supplement its
19 declaration of due diligence if any material changes occur subsequent to the filing date of its prior
20 declaration.

21 **2.7.13 No Solicitation of Objections or Requests for Exclusion.** Neither the
22 Parties nor their respective counsel will solicit or otherwise encourage any Class Member, directly
23 or indirectly, to object to the settlement, request exclusion from the settlement, dispute an estimated
24 Individual Settlement Payment, or appeal from the Judgment.

25 **2.8 Final Approval, Judgment, and Appeals.**

26 **2.8.1 Final Approval.** Class Counsel will file motions and memorandums in
27 support thereof for Final Approval of the settlement and the following payments in accord with the
28 terms of the Settlement Agreement: (a) Attorneys' Fees; (b) Litigation Expenses;

1 (c) Administrative Costs; (d) Enhancement Payments; and (e) the PAGA Settlement Amount.
2 Class Counsel will also move the Court for an order of Final Approval (and associated entry of
3 Judgment) releasing and barring any Released Class Claims of the Settlement Class Members and
4 Released PAGA Claims of the Aggrieved Employees. Defendant will not oppose these motions
5 provided they are consistent with this Agreement. The Settling Parties shall take all reasonable
6 efforts to secure entry of the Order of Final Approval and Judgment. The Class Representatives
7 shall submit the Judgment in this matter to the LWDA within ten (10) days after receipt of the
8 Judgment.

9 **2.8.2 Denial or Appeal of Final Approval.** If the Court does not grant Final
10 Approval of this settlement, or if the Court's Final Approval of the settlement is reversed or
11 materially modified on appellate review, then this Settlement Agreement shall be void *ab initio*,
12 and Defendant shall have no obligation to make any payments under the Settlement Agreement,
13 except that Defendant agrees to be solely responsible for paying any fees owing to the Settlement
14 Administrator as a result of this Agreement. An award by the Court of a lesser amount than sought
15 by Plaintiffs and Class Counsel for the Enhancement Awards, Attorneys' Fees, or Litigation
16 Expenses will not constitute a material modification to the settlement within the meaning of this
17 paragraph.

18 **2.8.3 Proposed Order and Judgment.** Upon Final Approval of the settlement,
19 the Settling Parties shall present to the Court an agreed upon proposed Final Approval Order,
20 approving of the settlement and entering Judgment in accordance therewith. After entry of
21 Judgment, the Court shall have continuing jurisdiction over the Litigation for purposes of:
22 (1) enforcing this Settlement Agreement; (2) addressing settlement administration matters; and (3)
23 addressing such post-Judgment matters as may be appropriate under Court rules and applicable
24 law.

25 **2.8.4 Waiver of Right to Appeal.** Provided that the Judgment is consistent
26 with the terms and conditions of this Settlement Agreement, the Parties and their respective counsel
27 waive any and all rights to appeal from the Judgment, including but not limited to all rights to any
28 post-judgment proceeding and appellate proceeding, such as a motion to vacate or set aside

1 judgment, and any extraordinary writ. The Judgment will become non-appealable at the time it is
2 entered. The waiver of appeal does not include any waiver of Plaintiffs' and or Class Counsel's
3 right to appeal a reduction of the amounts requested for the Enhancement Awards, Attorneys' Fees,
4 or Litigation Expenses, or to oppose any appeal, appellate proceeding, or post-judgment
5 proceeding. For avoidance of doubt, this provision does not restrict any party's right to oppose any
6 appeal filed by any Class Members, in the event that a Class Member timely objected to the
7 settlement and ultimately appeals the Judgment.

8 **2.8.5 Vacating, Reversing, or Modifying Judgment on Appeal.** If, on appeal,
9 the reviewing court vacates, reverses, or modifies the Judgment such that there is a material
10 modification of the settlement, and that court's decision is not completely reversed and the
11 Judgment is not fully affirmed on review by a higher court, then this Settlement Agreement will
12 become null and void and the Settling Parties will have no further obligations under it. A material
13 modification would include, but not necessarily be limited to, any alteration of the Gross Settlement
14 Amount, any alteration in the calculation of the Net Settlement Amount or PAGA Settlement
15 Amount, and any change to the calculation of the Individual Settlement Payments.

16 **2.9 Funding and Disbursement of Settlement.**

17 **2.9.1 Funding the Settlement.** Defendant shall wire to the Settlement
18 Administrator the Gross Settlement Amount (and if necessary, an increase subject to Paragraph
19 2.5.1 herein) within fifteen (15) calendar days of the Effective Date, unless no objection has been
20 made to the Settlement by any Class Member at the Final Approval Hearing, in which case
21 Defendant shall wire the Settlement Amount (and if necessary, an increase subject to Paragraph
22 2.5.1 herein) within five (5) business days of the Effective Date .

23 **2.9.2 Disbursement of Settlement.** Within fifteen (15) calendar days after the
24 Effective Date, the Settlement Administrator shall disburse: (1) the Net Class Settlement Amount
25 to be paid to Settlement Class Members; (2) the Attorneys' Fees and Litigation Expenses, as
26 approved by the Court, to Class Counsel; (3) the Enhancement Payments, as approved by the Court,
27 to the Class Representatives; (4) the Administration Costs, as approved by the Court, to the
28 Settlement Administrator; and (5) the PAGA Settlement Amount, as approved by the Court, to the

1 LWDA and Aggrieved Employees. Following disbursement, the Settlement Administrator shall
2 provide counsel for the Settling Parties with a written confirmation of the disbursement mailing.

3 **2.9.3 Class Member Checks.** The Settlement Administrator shall issue to each
4 Settlement Class Member one check payable to the Settlement Class Member from the qualified
5 settlement account (administered by the Settlement Administrator but funded by Defendant) for
6 the Individual Settlement Payment, less applicable taxes and withholdings. The Settlement
7 Administrator shall mail this check to each Settlement Class Member at that Settlement Class
8 Member's Last Known Address, or Updated Address if obtained. Notice of Final Judgment to the
9 Class will be given by the Administrator via posting online through an online web landing page.
10 The link to the web landing page will be provided by the Administrator to the Class Members.

11 **2.9.4 Checks to Aggrieved Employees That Are Not Settlement Class**
12 **Members.** The Settlement Administrator shall issue to each Aggrieved Employee who is not a
13 Settlement Class Member one check payable to the Aggrieved Employee that is not a Settlement
14 Class Member from the qualified settlement account (administered by the Settlement Administrator
15 but funded by Defendant) for such Aggrieved Employee's share of the PAGA Settlement Amount.
16 The Settlement Administrator shall mail this check to each Aggrieved Employee who is not a
17 Settlement Class Member at that Aggrieved Employee's Last Known Address as provided by
18 Defendant in a format substantially similar to the database of Class Member contact information
19 as provided in paragraph 2.6.2 within fifteen (15) business days after the Effective Date. The
20 Settlement Administrator will use the same process to obtain an Updated Address for Aggrieved
21 Employees as for the notice mailing for Settlement Class Members as provided in paragraphs 2.6.6
22 and 2.6.8 to 2.6.12.

23 **2.9.5 Uncashed Checks and Reminder Postcard.** Checks issued to
24 Settlement Class Members, and Aggrieved Employees who are not Settlement Class Members,
25 pursuant to this Agreement shall remain negotiable for a period of one hundred eighty (180) days
26 from the date of mailing. If any checks are not redeemed or deposited within ninety (90) calendar
27 days after mailing, the Settlement Administrator will send a reminder postcard indicating that
28 unless the check is redeemed or deposited before the expiration date, it will expire and become

1 non-negotiable, and offering to replace the check if it was lost or misplaced. If any checks remain
2 unredeemed or not deposited upon expiration of the one hundred eighty (180) day period during
3 which settlement checks are negotiable, the uncashed funds shall escheat to the State of California
4 Unclaimed Property Division. Settlement Class Members and Aggrieved Employees who fail to
5 negotiate their settlement checks in a timely fashion shall remain subject to the terms of the
6 Judgment.

7 **2.9.6 Post-Distribution Accounting and Settlement Administrator's Final**
8 **Report.** Within ten (10) business days of the disbursement of all funds, the Settlement
9 Administrator will serve on counsel for the Settling Parties a declaration providing a final report
10 on the disbursements of all funds. This declaration will include an easy-to-read chart that provides
11 the following information: (1) the total Gross Settlement Amount; (2) the total number of
12 Settlement Class Members; (3) the total number of Class Members to whom the Class Notice was
13 sent and not returned as undeliverable; (4) the number and percentage of opt-outs from the
14 settlement; (5) the number and percentage of objections; (6) the average and median recovery per
15 Settlement Class Member; (7) the total number of Aggrieved Employees who are not Settlement
16 Class Members; (8) the average and median recovery per Aggrieved Employee who is not a
17 Settlement Class Member; (9) the administrative costs; (10) the Attorneys' Fees and Litigation
18 Expenses; (11) the Attorneys' Fees as a percentage of the Gross Settlement Amount. Within
19 twenty-one (21) calendar days of distribution of the Gross Settlement Amount, the Parties shall file
20 this Post-Distribution Accounting with the Court. The Settlement Administrator will also provide
21 a declaration at the expiration of the check-cashing deadline which details the information listed
22 herein as well as the amount of uncashed funds. The Settlement Administrator will provide any
23 other supplemental declaration required by the Court.

24 **2.10 Releases.**

25 **2.10.1 Settlement Class Members.** Upon the Effective Date, each of the
26 Settlement Class Members shall be deemed to have, and by operation of the Judgment shall have,
27 fully, finally, and forever released, relinquished, and discharged the Defendant Releasees from the
28 Released Class Claims.

1 2.10.2 **Aggrieved Employees.** Upon the Effective Date, each of the Aggrieved
2 Employees shall be deemed to have, and by operation of the Judgment shall have, fully, finally,
3 and forever released, relinquished, and discharged the Defendant Releasees from the Released
4 PAGA Claims.

5 2.10.3 **Plaintiffs/Class Representatives Only.** In addition, upon the Effective
6 Date, the Class Representatives agree to and shall be deemed to have, and by operation of the
7 Judgment shall have, fully, finally, and forever released, relinquished, and discharged the
8 Defendant Releasees from any and all actions, causes of action, claims, suits, covenants, contracts,
9 controversies, agreements, promises, indemnities, damages, judgments, remedies, demands and
10 liabilities, of any nature whatsoever, known or unknown, fixed or contingent, in law, at equity or
11 otherwise, whether direct, derivative or otherwise, which have been, may be or ever could be
12 asserted against any of the Defendant Releasees, relating to or in connection with any act,
13 omission, event, occurrence, or nonoccurrence from the beginning of time to the execution of this
14 Agreement, including the Released Claims and the Plaintiffs' Released Unknown Claims,
15 provided, however, that all the Class Representatives will retain their claims for alleged violations
16 of the California Family Rights Act (CFRA) and the Family Medical Leave Act (FMLA), and that
17 Plaintiff Ramirez will in addition retain her claims for alleged disability discrimination, alleged
18 disability retaliation, and alleged wrongful termination in violation of public policy based on her
19 disability discrimination allegations, as described in this paragraph. The Class Representatives
20 agree that California Labor Code section 2804 does not hinder or limit the preclusive effect of the
21 Judgment on the Released Claims.

22 For the avoidance of doubt, the foregoing release by all the Class Representatives
23 shall not encompass any claims or rights under (1) California Family Rights Act (CFRA) Cal.
24 Gov. Code § 12945.2 *et seq*; and (2) Family and Medical Leave Act (FMLA) under 29 U.S.C. §
25 2601 *et seq*.; nor shall this Agreement extinguish hinder, reduce, abate or otherwise lessen any
26 otherwise recoverable damages or claims for damages or other relief that can be alleged as a result
27 of the aforementioned claims, including but not limited to potential front pay, emotional distress
28 damages, punitive damages, injunctive relief, and any other damages or claims for damages that

1 could otherwise be sought. As to only Plaintiff Ramirez the foregoing release, shall not
2 encompass, in addition to the foregoing, any claims for discrimination, harassment, retaliation, and
3 wrongful termination on the basis of disability; including but not limited to any violation of (1)
4 California Government Code (“Cal. Govt. Code”) §§ 12900 *et seq.* on the basis of any disability as
5 defined in Cal. Govt. Code §§ 12926(g), (i), (l) through (p) such as Disability Discrimination
6 under Cal. Govt. Code § 12940(a), Retaliation under § 12940(h), Harassment under §§ 12926, and
7 12940(j), Failure to prevent discrimination, harassment and retaliation under § 12940(m), or
8 Failure to Engage in the Interactive Process under § 12940(n); (2) Wrongful Termination in
9 violation of Public Policy on the basis of any disability; (3) Retaliation in violation of Public
10 Policy on the basis of any disability; nor shall this Agreement extinguish hinder, reduce, abate or
11 otherwise lessen any otherwise recoverable damages or claims for damages or other relief that can
12 be alleged as a result of the aforementioned claims, including but not limited to potential front
13 pay, emotional distress damages, punitive damages, injunctive relief, and any other damages or
14 claims for damages that could otherwise be sought. Nothing in this Agreement shall be deemed to
15 have tolled any claim by any Class Representative against the Defendant Releasees during the
16 pendency of the above-entitled action, except that each Class Representative’s FMLA and CFRA
17 claims, and only those claims, will be tolled for sixty (60) calendar days from the date each Class
18 Representative signs this agreement, and all Class Representatives represent that none of the
19 claims excluded from their general release have been at issue in the above-entitled action.

20 2.11 ***Costs, Attorneys’ Fees and Enhancement Awards.***

21 2.11.1 **Attorneys’ Fees and Litigation Expenses.** Class Counsel shall be
22 entitled, subject to the approval of the Court and the occurrence of the Effective Date, to recover
23 their reasonable litigation costs, associated expenses, and attorney fees, pursuant to California law.
24 These costs, fees, and expenses shall be paid out of the Gross Settlement Amount, subject to Court
25 approval and the occurrence of the Effective Date. Class Counsel may apply for a total attorney
26 fee award not to exceed \$125,000.00 (which is one-third of the Gross Settlement Amount) for all
27 attorneys’ fees, and for actual litigation expenses not to exceed \$13,500.00. The Settlement
28

1 Administrator will report the payment of Attorneys' Fees and Litigation Expenses to Class Counsel
2 on IRS Form 1099.

3 2.11.2 Class Counsel and the Class Representatives will not seek to recover any
4 other fees, costs or expenses incurred in this Litigation. The Class Representatives and Class
5 Counsel agree that they shall be responsible for seeking and justifying their fees and cost awards
6 to the Court, and they agree to submit the necessary materials to justify the requested award along
7 with the motion for final approval of the Settlement. Defendant will not oppose an award that is
8 consistent with this paragraph. Upon request, Class Counsel shall provide the Settlement
9 Administrator with a Form W-9(s) for reporting purposes and written allocation instructions, if any,
10 regarding the payee(s). Other than any reporting of this fee payment as required by this Settlement
11 Agreement or law, which Defendant shall make, Class Counsel and the Class Representatives shall
12 be responsible for the reporting and payment of any federal, state, and/or local income or other
13 form of tax on any payment made pursuant to this paragraph. The payment awarded and made
14 pursuant to this paragraph shall constitute full satisfaction of any claim for fees or costs or any
15 other expenses, and the Class Representatives and Class Counsel, on behalf of themselves and all
16 Settlement Class Members, agree that they shall neither seek nor be entitled to any additional
17 attorney fees or costs under any theory nor shall they seek an award in excess of the amount
18 specified herein.

19 2.11.3 **Enhancement Payments.** In addition to their Settlement Payments as
20 Settlement Class Members, and subject to the Court's approval and occurrence of the Effective
21 Date, each Class Representative will receive an Enhancement Payment, subject to the Court's
22 approval, in an amount not to exceed \$5,000.00. This Enhancement Payment will be paid out of
23 the Gross Settlement Amount. The Class Representatives and Class Counsel agree that they shall
24 be responsible for seeking and justifying this Enhancement Payment to the Court, and they agree
25 to submit the necessary materials to justify the requested Enhancement Payment along with the
26 motion for final approval of the Settlement. Defendant will not oppose an award that is consistent
27 with this paragraph.
28

1 2.11.4 The Enhancement Payment shall be compensation and consideration for
2 each Class Representative's efforts as a class representative in the Litigation and benefits conferred
3 upon the Class and State of California. Defendant shall report these payments to the Internal
4 Revenue Service as non-wage income to the Class Representatives in the year of payment. This
5 reporting shall be done via a Form 1099, and the Class Representatives agree to take full
6 responsibility for the payment of any outstanding taxes due.

7 2.11.5 Unless otherwise expressly provided, Defendant shall have no
8 responsibility for, and no liability whatsoever with respect to, the allocation among the Class
9 Representatives, Class Counsel, and/or any other Person who may assert some claim thereto, of
10 any award or payment issued or made in the Litigation or pursuant to this Settlement Agreement.

11 2.12 ***Settlement Administration Costs.***

12 2.12.1 The Administration Costs reasonably incurred by the Settlement
13 Administrator as a result of procedures and processes expressly required by this Settlement
14 Agreement shall be paid out of the Gross Settlement Amount, in an amount not to exceed
15 \$16,000.00. The Class Representatives and Class Counsel shall have no responsibility for such
16 fees or expenses.

17 2.12.2 The actions of the Settlement Administrator shall be governed by the
18 terms of this Settlement Agreement. Defendant and Class Counsel may provide relevant
19 information needed by the Settlement Administrator pursuant to this Agreement and engage in
20 related communications with the Settlement Administrator. Defendant and Class Counsel may
21 provide logistical instructions to the Settlement Administrator with regard to actions required by
22 this Settlement Agreement and engage in related communications with the Settlement
23 Administrator.

24 2.12.3 The Settlement Administrator must communicate to counsel for the
25 Settling Parties any action that may cause delay in completing any of its duties, including but not
26 limited to, disseminating the Class Notice, providing a declaration of due diligence, and disbursing
27 the payments required under this Settlement Agreement. The Settlement Administrator must also
28

1 communicate the nature of any Class Member disputes, and their resolution or lack thereof, to
2 counsel for the Settling Parties.

3 2.12.4 In the event that any of the Settling Parties take the position that the
4 Settlement Administrator has not acted in accordance with the terms of the Settlement Agreement,
5 that party's counsel shall meet and confer with counsel for the other Settling Party prior to raising
6 any such issue with the Court.

7 2.13 ***PAGA Settlement Amount.***

8 2.13.1 As part of this settlement, and subject to Court approval, the Settling
9 Parties allocate \$12,000.00 of the Gross Settlement Amount to satisfy PAGA penalties as alleged
10 in the operative Fourth Amended Complaint. Seventy-five percent (75% or \$9,000.00) of the
11 PAGA Settlement Amount shall be paid to the LWDA and twenty-five percent (25% or \$3,000.00)
12 of the PAGA Settlement Amount shall be distributed to Aggrieved Employees, with each AE
13 Settlement Amount calculated as described in Paragraph 1.6.

14 2.14 ***Termination of Settlement.***

15 2.14.1 In the event that any material provision of the settlement set forth in this
16 Agreement shall not be approved in its entirety by the Court, or in the event that the Effective Date
17 does not occur, any of the Settling Parties shall have the option to void the settlement, and in such
18 case, no payments shall be made by Defendant to anyone in accordance with the terms of this
19 Agreement (except that Defendant agrees to be solely responsible for paying any costs charged by
20 the Settlement Administrator as a result of its efforts pursuant to this Settlement Agreement up to
21 the date of termination), and this Settlement Agreement shall be deemed null and void with no
22 effect on the Lawsuit whatsoever.

23 2.14.2 In the event that five (5) percent or more of the Class Members opt out of
24 the Settlement Class by submitting opt outs pursuant to this Settlement Agreement, Defendant shall
25 have the option to terminate and void this settlement and this Agreement. If Defendant cancels the
26 settlement pursuant to this section, then Defendant will be responsible for all costs charged by the
27 Settlement Administrator up to the date of cancellation.

28 2.15 ***Miscellaneous Provisions.***

1 2.15.1 The Settlement Administrator shall act in accordance with the Settlement
2 Agreement and the settlement contained therein or further orders of the Court.

3 2.15.2 The only Class Members entitled to any payment under this Agreement
4 and the associated Judgment are Settlement Class Members, and they shall be entitled to their
5 respective Individual Settlement Payments only.

6 2.15.3 This Agreement shall not require payment by Defendant to any third
7 parties, other than as specifically set forth in this Agreement. Any finding to the contrary will be
8 grounds for Defendant to void the settlement.

9 2.15.4 In the event that any material provision of the Settlement Agreement is
10 not substantially approved by the Court or the settlement set forth in this Agreement is terminated,
11 canceled, declared void, or fails to become effective in accordance with its terms, or if the Judgment
12 does not become Final, or to the extent cancelation is otherwise provided for in this Agreement,
13 the Settling Parties shall resume the Litigation at that time as if no Settlement Agreement had been
14 entered. In such event, the terms and provisions of the Settlement Agreement shall have no further
15 force and effect with respect to the Settling Parties and shall not be used in this Litigation or in any
16 other proceeding for any purpose, and any Judgment or order entered by the Court in accordance
17 with the terms of the Settlement Agreement shall be treated as vacated, *nunc pro tunc*.
18 Notwithstanding any other provision of this Agreement, no order of the Court or modification or
19 reversal on appeal of any order of the Court concerning the amount of any Attorneys' Fees to be
20 paid to Class Counsel shall by itself constitute grounds for cancelation or termination of the
21 Settlement Agreement or grounds for limiting any other provision of the Judgment, provided that
22 Defendant shall never be required to pay in excess of the Gross Settlement Amount (with the
23 exception of Defendant's obligation to pay Employer Payroll Taxes, and/or as described in
24 Paragraph 2.5.1). It is agreed that no order of the Court, including any order concerning Attorneys'
25 Fees, may alter the Gross Settlement Amount.

26 2.15.5 Unless otherwise ordered by the Court, in the event the Settlement
27 Agreement shall be terminated, canceled, declared void, or fails to become effective in accordance
28 with its terms, or if the Judgment is reversed on appeal, within twenty (20) business days after

1 written notification of such event, Defendant and Class Counsel shall notify each other of this event
2 in writing.

3 2.15.6 The Settling Parties: (a) acknowledge that it is their intent to consummate
4 this Settlement Agreement; (b) agree to cooperate to effectuate and implement all terms and
5 conditions of the Agreement and to exercise their best efforts to accomplish the foregoing terms
6 and conditions of the Settlement Agreement; and (c) agree to seek and to attempt to obtain Court
7 approval of the settlement.

8 2.15.7 The Settling Parties hereby agree that there is a good faith dispute as to
9 liability in this case. The Settlement Agreement compromises claims that were contested and the
10 subject of a good faith dispute, and it shall not be deemed an admission by any of the Settling
11 Parties as to the merits of any claim or defense. The Settling Parties agree that the amounts paid
12 in Settlement and the other terms of the settlement were negotiated at arm's length and in good
13 faith with sufficient information by the Settling Parties and reflect a settlement that was reached
14 voluntarily after consultation with competent legal counsel.

15 2.15.8 The Settling Parties agree that the Response Deadline shall not be
16 extended, and no untimely submissions will be honored, unless the Parties agree to make an
17 exception. Notwithstanding the foregoing, a Class Member who can make a showing of legal
18 incapacity during the Notice Period will be allowed to extend the Response Deadline for that
19 Class Member only to account for the period of legal incapacity.

20 2.15.9 Neither the Settlement Agreement nor the settlement, nor any act
21 performed or document executed pursuant to, or in furtherance of, the Settlement Agreement or the
22 settlement: (a) is or may be deemed to be or may be used as an admission by Defendant Releasees
23 of the validity of any Released Class Claim or Released PAGA Claim; or (b) is or may be used as
24 an admission of any fault or omission by the Defendant Releasees, or any of them, in any civil,
25 criminal or administrative proceeding in any court, administrative agency or other tribunal. The
26 Settling Parties agree that all alleged liability is disputed in good faith.

27 2.15.10 All of the exhibits to the Settlement Agreement are material and integral
28 parts hereof and are fully incorporated herein by this reference.

1 2.15.11 The Settlement Agreement may be amended or modified only by a written
2 instrument signed by or on behalf of all Settling Parties or their respective successors-in-interest.

3 2.15.12 The Settlement Agreement constitutes the entire agreement among the
4 Settling Parties hereto and no representations, warranties, or inducements have been made to any
5 party concerning the Settlement Agreement or its exhibits other than the representations,
6 warranties, and covenants contained and memorialized in such documents. This Agreement
7 supersedes and completely replaces any previous agreements, oral or written, among the Settling
8 Parties. Except as otherwise provided herein, each party shall bear its own costs.

9 2.15.13 Class Counsel, on behalf of the Class, are expressly authorized by the
10 Class Representatives to take all appropriate action required or permitted to be taken by the Class
11 pursuant to the Settlement Agreement to effectuate its terms, and also are expressly authorized to
12 enter into any modifications or amendments to the Settlement Agreement on behalf of the Class
13 which they deem appropriate.

14 2.15.14 The signatories hereto hereby represent that they are fully authorized to
15 enter into this Settlement Agreement and bind the Parties hereto to the terms and conditions hereof.

16 2.15.15 The Settlement Agreement may be executed in one or more counterparts.
17 All executed counterparts and each of them shall be deemed to be one and the same instrument.
18 Any counterpart or other signature delivered by facsimile or by electronic mail shall be deemed
19 for all purposes as being a good and valid execution and delivery of this Agreement by that party.
20 The parties hereto further acknowledge and agree that this Agreement may be signed and/or
21 transmitted by e-mail or a .pdf document or using electronic signature technology (e.g., via
22 DocuSign, Adobe Sign, SignNow, or other electronic signature technology), and that such signed
23 electronic record shall be valid and as effective to bind the party so signing as a paper copy
24 bearing such party's handwritten signature. The parties further consent and agree that (i) to the
25 extent a party signs this Agreement using electronic signature technology, by clicking "SIGN",
26 such party is signing this Agreement electronically; and (ii) the electronic signatures appearing on
27 this Agreement shall be treated, for purposes of validity, enforceability and admissibility, the
28

1 same as handwritten signatures. A complete set of executed counterparts shall be filed with the
2 Court.

3 2.15.16 The Settlement Agreement shall be binding upon, and inure to the benefit
4 of, the successors and assigns of the parties hereto; provided, however, that this Settlement
5 Agreement is not designed to and does not create any third party beneficiaries unless otherwise
6 specifically provided herein.

7 2.15.17 The Court shall retain jurisdiction with respect to implementation and
8 enforcement of the terms of the Settlement Agreement, and all parties hereto submit to the
9 jurisdiction of the Court for purposes of implementing and enforcing the settlement embodied in
10 the Agreement.

11 2.15.18 The Settlement Agreement and the exhibits hereto shall be considered to
12 have been negotiated, executed and delivered, and to have been wholly performed, in the State of
13 California, and the rights and obligations of the parties to the Settlement Agreement shall be
14 construed and enforced in accordance with, and governed by, the internal, substantive laws of the
15 State of California without giving effect to that State's choice of law principles.

16 2.15.19 The language of all parts of this Settlement Agreement shall in all cases
17 be construed as a whole, according to its fair meaning, and not strictly for or against either party.
18 No party shall be deemed the drafter of this Settlement Agreement. The parties acknowledge that
19 the terms of the Settlement Agreement are contractual and are the product of negotiations between
20 the parties and their counsel. Each party and that party's counsel cooperated in the drafting and
21 preparation of the Settlement Agreement. In any construction to be made of the Settlement
22 Agreement, the Agreement shall not be construed against any party and the canon of contract
23 interpretation set forth in California Civil Code section 1654 shall not be applied.

24 2.15.20 **No Publicity.** Prior to the submission of the Settlement Agreement to the
25 Court for preliminary approval, neither Class Representatives nor Class Counsel shall
26 communicate any terms of this settlement to any third parties, except that the parties may disclose
27 the terms to any Court, and to counsel in the *Lara* Action. Following the submission for
28 preliminary approval and thereafter, Class Representatives and Class Counsel shall not publicize

1 the settlement in this action or the terms thereof via (a) press releases; (b) Internet postings; or
2 (c) other mass or social media efforts. This provision shall not prohibit Class Counsel from
3 discussing this case or any aspect of this settlement with any Class Representative, any Class
4 Member (absent or otherwise) in this case, or any court or opposing counsel, nor prohibit Class
5 Counsel from in any way disclosing their mere status as counsel in the case or from making
6 objective and truthful reference to the case or its settlement and any attorneys' fee award in any
7 future pleading in another litigation.

8
9 [SIGNATURES ON NEXT PAGE]

1 IN WITNESS WHEREOF, the parties hereto have caused the Settlement Agreement
2 to be executed, and this Settlement Agreement is AGREED TO.

3
4 DATED:

5 _____
6 MARIA MANRIQUEZ
7 Plaintiff and Class Representative

8 DATED:

9 _____
10 STEPHANIE MORALES
11 Plaintiff and Class Representative

12 DATED:

13 _____
14 CHALEY RAMIREZ
15 Plaintiff and Class Representative

16 DATED: 3/14/2023

17 _____
18 
19 Authorized Agent for Martin Luther King Jr. Los
20 Angeles (MLK-LA) Healthcare Corporation.
21 Name: Christopher Tiongson
22 Title: VP of Finance/ Assistant CFO

23 APPROVED AS TO FORM:

24 DATED:

25 _____
26 VAN VLECK & TURNER, LLP
27 BRIAN F. VAN VLECK
28 DANIEL J. TURNER
Attorneys for Plaintiffs Mariquez, Morales, and
Ramirez/Class Counsel

29 DATED: March 14, 2023

30 _____
31 
32 MUNGER, TOLLES & OLSON LLP
33 KATHERINE M. FORSTER
34 ABRAHAM B. DYK
35 CALEB W. PEIFFER
36 Attorneys for Defendant Martin Luther King Jr. Los
37 Angeles (MLK-LA) Healthcare Corporation
38