

BRADLEY/GROMBACHER, LLP

Marcus J. Bradley, Esq. (SBN 174156)
Kiley Lynn Grombacher, Esq. (SBN 245960)
Lirit Ariella King, Esq. (SBN 252521)
31365 Oak Crest Drive, Suite 240
Westlake Village, California 91361
Telephone: (805) 270-7100
Facsimile: (805) 270-7589
E-Mail: mbradley@bradleygrombacher.com
kgrombacher@bradleygrombacher.com
lking@bradleygrombacher.com

Attorneys for Plaintiff Keyhona Campbell

YESENIA M. GALLEGOS (SBN 231852)

ygallegos@mwe.com

AMANDA D. MURRAY (SBN 305018)

amurray@mwe.com

MCDERMOTT WILL & EMERY LLP

2049 Century Park East
Suite 3200
Los Angeles, CA 90067-3206
Telephone: +1 310 277 4110
Facsimile: +1 310 277 4730

Attorneys for Defendant
HUFFMASTER MANAGEMENT INC.

**SUPERIOR COURT FOR THE STATE OF CALIFORNIA
COUNTY OF YOLO**

KEYHONA CAMPBELL, individually, and on
behalf of other individuals similarly situated

Plaintiff,

v.

HUFFMASTER MANAGEMENT INC., a
Michigan corporation; and DOES 1-100,
inclusive,

Defendants.

CASE NO. CV2021-0360

**JOINT STIPULATION OF CLASS
ACTION AND PAGA SETTLEMENT**

Complaint Filed: March 3, 2021

1 This Joint Stipulation of Class Action and PAGA Settlement (“Settlement,” “Agreement” or
2 “Settlement Agreement”) is made and entered into by and between Plaintiff Keyhona Campbell, on
3 her own behalf, on behalf of all similarly situated employees, and on behalf of all aggrieved
4 employees pursuant to the Private Attorneys General Act (“PAGA”) (“Plaintiff” or “Class
5 Representative”), on one hand, and Defendant Huffmaster Management Inc. (“Defendant”), on the
6 other. Plaintiff and Defendant are sometimes referred to individually as a “Party” and collectively
7 referred to herein as the “Parties.” THE PARTIES STIPULATE AND AGREE as follows:

8 DEFINITIONS

9 The following definitions are applicable to this Settlement Agreement. Definitions contained
10 elsewhere in this Settlement Agreement will also be effective:

- 11 1. “Action” means the above-captioned action, Keyhona Campbell v. Huffmaster
12 Management Inc., Case No. 2:21-cv-00815-JAM-JDP.
- 13 2. “Attorneys’ Fees and Costs” means attorneys’ fees and costs approved by the Court
14 for Class Counsel’s litigation and resolution of the Action.
- 15 3. “Class Action and PAGA Complaint” refers to the operative First Amended Class
16 Action and PAGA Complaint filed in the Action on July 8, 2021.
- 17 4. “Class Claims” refers to all claims in the Class Action Complaint.
- 18 5. “Class Counsel” means Bradley/Grombacher, LLP.
- 19 6. “Class List” means a complete list of all prospective Class Members that Defendant
20 will diligently and in good faith compile from their records and provide to the Settlement
21 Administrator within twenty-one (21) days after Preliminary Approval of this Settlement. The Class
22 List will be formatted in Microsoft Office Excel and will include the following information from
23 Defendant’s records: each prospective Class Member’s (a) full name; (b) last-known mailing
24 address; (c) Social Security Number; (d) dates of employment; (e) workweeks as a non-exempt
25 employee in California at the University of California at Davis and/or River Valley Healthcare
26 during the Class Period; and (f) pay periods worked as a non-exempt employee in California at the
27 University of California at Davis and/or River Valley Healthcare during the PAGA Period.

1 7. “Class Member(s)” or “Class” means all current and former non-exempt or hourly
2 paid employees of Defendant, who worked for Defendant as healthcare staff, in clinical and non-
3 clinical roles, including but not limited to Registered Nurses, Certified Registered Nurse
4 Anesthetists, Licensed Practical Nurses, Licensed Vocational Nurses, Certified Nursing Assistants,
5 Technicians, and Environmental Services, in California at the University of California at Davis
6 and/or River Valley Healthcare during the Class Period who do not submit a timely and valid
7 Request for Exclusion from the Class. The Parties estimate that the prospective Class included
8 approximately four hundred and thirty (430) prospective Class Members as of November 2022.

9 8. “Class Period” means the period from March 3, 2017, through January 1, 2023, or
10 the date the court grants Preliminary Approval, whichever comes first.

11 9. “Class Representative Enhancement Payment” means the amount approved by the
12 Court to be paid to Plaintiff in recognition of her contributions to the Action on behalf of Class
13 Members and PAGA Employees, to be paid from the Gross Settlement Amount.

14 10. “Court” means the Superior Court for the State of California County of Yolo.

15 11. “Defendant” means Huffmaster Management Inc.

16 12. “Defendant’s Counsel” means McDermott Will & Emery LLP.

17 13. “Effective Date” means: (a) the date of entry of the Court’s order granting final
18 approval of the Settlement Agreement and Judgment, if no Objections have been filed or if an
19 Objection was filed and later withdrawn; or (b) if an Objection to the Settlement Agreement is filed,
20 then the date when the time expires to file an appeal of the Court’s granting of final approval of the
21 Settlement Agreement; or (c) if an Objection is filed, as well as a timely Notice of Appeal of the
22 Court’s granting of final approval of the Settlement Agreement, then the date the appeal is finally
23 resolved, with the Final Approval unaffected. It is the intention of the Parties that the Settlement
24 shall not become effective until the Court’s Order Granting final approval approving the Settlement
25 has become completely final and Judgment has been entered in accordance with the terms of the
26 Settlement, and no timely recourse remains for an appellant or objector to contest the Settlement.

27 14. “Gross Settlement Amount” is the amount of \$300,000 which is the maximum
28 amount to be paid by Defendant pursuant to this Settlement Agreement. This amount includes, *inter*

1 *alia*, all class member payments, any class representative enhancement, the allocation to claims for
2 penalties under the California Private Attorneys General Act (“PAGA”), attorney’s fees up to a
3 maximum of 33.33%, costs, third-party settlement administrator costs. Defendant’s share of
4 employer payroll taxes on any payments allocated as wages under this settlement shall be in addition
5 to the amount of the Settlement Fund. No amount of the Gross Settlement will revert to Defendant.

6 15. “Individual PAGA Payment” means each PAGA Employee’s individual share of the
7 portion of the PAGA Allocation allocated to the PAGA Employees. PAGA Employees will
8 automatically receive their Individual PAGA Payments even if they opt out of the Settlement.

9 16. “Individual Settlement Payment” means each Class Member’s individual share of
10 the Net Settlement Amount. Class Members will automatically receive their Individual Settlement
11 Payment unless they opt out of the Settlement. Class Members are not required to submit claim
12 forms to receive their Individual Settlement Payment.

13 17. “Net Settlement Amount” means the Gross Settlement Amount less the Class
14 Representative Enhancement Payment, Attorneys’ Fees and Costs, Settlement Administration Costs,
15 and seventy-five percent (75%) of the PAGA Allocation, as specified in this Settlement Agreement.

16 18. “Notice of Class Action and PAGA Settlement” means the notice of settlement,
17 attached hereto as **Exhibit A**, to be mailed as part of the Notice Packet to all prospective Class
18 Members upon Preliminary Approval.

19 19. “Notice Packet” means the Notice of Class Action and PAGA Settlement, and the
20 Request For Exclusion, attached hereto as **Exhibits A and B**, that will be mailed to all prospective
21 Class Members upon Preliminary Approval.

22 20. “Objection” means a timely written objection to this Settlement sent by a Class
23 Member to the Settlement Administrator as specified herein and in the Notice of Class Action and
24 PAGA Settlement. An Objection to the Settlement must be sent to the Settlement Administrator
25 within the time limitations set forth in this Settlement Agreement and as ordered by the Court. Class
26 Members and PAGA Employees cannot object to the PAGA portion of the Settlement.

27 21. “Objection” means any written Objection regarding this Settlement that a Class
28 Member submits to the Settlement Administrator. To be considered, the Objection must state: (a) the

1 case name and number; (b) the name of the Class Member; (c) the address of the Class Member; (d)
2 the last four digits of the Class Member's Social Security Number; and (e) the basis for the Objection.
3 Class Members and PAGA Employees cannot, however, object to the PAGA portion of the
4 Settlement.

5 22. "PAGA" means the Labor Code Private Attorneys General Act of 2004, Cal. Lab.
6 Code §§ 2698 *et seq.*

7 23. "PAGA Letter" refers to Plaintiff's PAGA letter sent to the California Labor and
8 Workforce Development Agency ("LWDA") on March 2, 2021.

9 24. "PAGA Allocation" means the portion of the Gross Settlement Amount that the
10 Parties have agreed to allocate to resolution of the Released PAGA Claims. The Parties have agreed
11 that the PAGA Allocation will be fifteen thousand dollars and no cents (\$15,000.00) from the Gross
12 Settlement Amount. Pursuant to PAGA, seventy-five percent (75%), or eleven thousand two
13 hundred and fifty dollars and no cents (\$11,250) of the PAGA Allocation will be paid to the LWDA,
14 and twenty-five percent (25%) or three thousand seven hundred and fifty dollars and no cents
15 (\$3,750) of the PAGA Allocation will be paid to the PAGA Employees.

16 25. "PAGA Employees" means each and all current and former non-exempt or hourly
17 paid employees of Defendant, who worked for Defendant as healthcare staff, in clinical and non-
18 clinical roles, including but not limited to Registered Nurses, Certified Registered Nurse
19 Anesthetists, Licensed Practical Nurses, Licensed Vocational Nurses, Certified Nursing Assistants,
20 Technicians, and Environmental Services, in California at the University of California at Davis
21 and/or River Valley Healthcare during the PAGA Period (or if any such person is incompetent,
22 deceased, or unavailable due to military service, the person's legal representative or successor in
23 interest evidenced by reasonable verification). It is stipulated by the Parties that, for purposes of this
24 Settlement, all PAGA Employees are "aggrieved employees" as defined pursuant to PAGA.

25 26. "PAGA Pay Periods" means the number of pay periods that a PAGA Employee
26 worked for Defendant as a non-exempt employee in California at the University of California at
27 Davis and/or River Valley Healthcare during the PAGA Period.
28

1 27. “PAGA Period” means the period from March 3, 2020, through the date of
2 Preliminary Approval.

3 28. “PAGA Representative” means Plaintiff.

4 29. “Pay Period Value for PAGA Employees” means the value of each compensable
5 PAGA Pay Period, as determined by the formula that is set forth herein.

6 30. “Preliminary Approval” means the Court order granting preliminary approval of the
7 Settlement Agreement.

8 31. “Request for Exclusion” means a timely written request by a prospective Class
9 Member to be excluded from the Settlement. The Request for Exclusion must: (a) set forth the name,
10 address, telephone number and last four digits of the Social Security Number of the prospective
11 Class Member requesting exclusion; (b) be signed by the prospective Class Member; (c) be returned
12 to the Settlement Administrator; (d) clearly state that the prospective Class Member does not wish
13 to be included in the Settlement; and (e) be postmarked on or before the Response Deadline.
14 Prospective Class Members and PAGA Employees cannot use the Request for Exclusion form to
15 exclude themselves from the PAGA portion of the Settlement. The Request for Exclusion form
16 attached hereto as **Exhibit C**, will be mailed to all prospective Class Members upon Preliminary
17 Approval as part of the Notice Packet.

18 32. “Response Deadline” means the deadline by which prospective Class Members must
19 postmark to the Settlement Administrator their Requests for Exclusion. The Response Deadline will
20 be forty-five (45) calendar days from the initial mailing of the Notice Packet by the Settlement
21 Administrator, unless the forty-fifth (45th) day falls on a Sunday or Federal holiday, in which case
22 the Response Deadline will be extended to the next day on which the U.S. Postal Service is open.

23 33. “Settlement Administrator” means CPT Group (“CPT”), or any other third-party
24 class action settlement administrator approved by the Parties and the Court for the purposes of
25 administering this Settlement. The Parties each represent that they do not have a financial interest in
26 the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that
27 could create a conflict of interest.

36. “Workweek Value for Class Members” means the value of each compensable Workweek, as determined by the formula that is set forth in herein.

37. On March 2, 2021, Plaintiff Keyhona Campbell submitted a Private Attorneys General Act (“PAGA”) Notice to the Labor and Workforce Development Agency, alleging violations of the California Labor Code and the Industrial Welfare Commission Wage Order. On March 3, 2021, Ms. Campbell filed a class action in the Superior Court of California, County of Yolo. On May 5, 2021, Defendant filed a notice of removal to the United States District Court for the Eastern District of California. Defendant filed an Answer on May 28, 2021.

39. On October 11, 2021, Defendant filed a motion to strike and/or dismiss Plaintiff's claims for failure to provide accurate itemized wage statements to the extent predicated on the meal and rest

1 break claims; the expense reimbursement claim and Plaintiff's claim for unfair business practices under
2 the California Unfair Competition Law. On March 9, 2022, the Court dismissed each of these claims.

3 40. On November 7, 2022, the Parties attended a mediation with mediator Tripper Ortman
4 and reached an understanding in the matter leading to this settlement agreement.

5 41. Plaintiff's employment with Defendant terminated effective November 7, 2022.

6 42. The Parties stipulated to remand the Action exclusively for settlement approval.

7 43. Solely for purposes of settling the Action, the Parties and their respective counsel
8 stipulate and agree that the requisites for establishing class certification with respect to the Class
9 Members have been met and are met. More specifically, for settlement purposes only, the Parties
10 stipulate and agree that:

11 (a) The Class is ascertainable and so numerous as to make it impracticable to join
12 all Class Members.

13 (b) There are common questions of law and fact including, but not limited to, the
14 following:

- 15 1) Whether Defendant paid proper wages to the Class;
- 16 2) Whether Defendant paid proper minimum wages to the Class;
- 17 3) Whether Defendant paid proper overtime wages to the Class;
- 18 4) Whether Defendant provided meal periods to the Class;
- 19 5) Whether Defendant provided rest periods to the Class;
- 20 6) Whether Defendant indemnified the Class for employment-related
21 expenditures;
- 22 7) Whether Defendant paid compensation timely throughout Class
23 Members' employment;
- 24 8) Whether Defendant provided accurate itemized wage statements to the
25 Class;
- 26 9) Whether waiting-time penalties are available to Class Members who are
27 no longer employed by Defendant for violation of Labor Code section
28 203;

10) Whether Defendant paid proper meal period pay or rest period pay to the Class; and

11) Whether Defendant engaged in unlawful or unfair business practices affecting the Class in violation of California Business and Professions Code sections 17200 through 17208.

(c) Plaintiff's claims are typical of the claims of the Class Members.

(d) Plaintiff and Class Counsel will fairly and adequately protect the interests of the Class.

(e) The prosecution of separate actions by individual members of the Class would create the risk of inconsistent or varying adjudications, which would establish incompatible standards of conduct.

(f) With respect to the Class, questions of law and fact common to the members of the Class predominate over any questions affecting any individual member in such Class, and a class action is superior to other available means for the fair and efficient adjudication of the controversy.

44. Should, for whatever reason, the Settlement not become effective, the fact that the Parties were willing to stipulate to class certification as part of the Settlement shall have no bearing on, and shall not be admissible in connection with, the issue of whether the Class Members and/or the Class Claims should be certified in a non-Settlement context in this Action or in any other lawsuit. Defendant expressly reserves its right to oppose class certification in the Action or any other action should this Settlement not become effective.

45. Defendant denies any liability or wrongdoing of any kind whatsoever associated with the claims alleged in the Class Action and PAGA Complaint, and Defendant further denies that, for any purpose other than settling the Action, that the Action is appropriate for class or representative treatment. With respect to Plaintiff's claims, Defendant contends, among other things, that Plaintiff, the Class Members, and the PAGA Employees have been paid proper wages, have been paid proper minimum wages, have been paid proper overtime wages, have been provided meal periods or they have been made available as required, have been provided rest periods or they have been authorized and permitted as

1 required, have been reimbursed for all employment-related expenditures, have been paid timely wages
2 during employment, have been paid timely wages upon separation from employment, and have been
3 provided with accurate itemized wage statements. Defendant contends, among other things, that they
4 have complied at all times with the Labor Code and the applicable Wage Orders of the Industrial Welfare
5 Commission. Furthermore, with respect to all claims, Defendant contends that they have complied at all
6 times with the California Business and Professions Code.

7 46. It is the desire of the Parties to fully, finally, and forever settle, compromise, and
8 discharge all disputes and claims arising from or related to the Class Action and PAGA Complaint and
9 the Action.

10 47. Class Counsel has conducted a thorough investigation into the facts of the Action,
11 including an extensive review of relevant documents, and has diligently pursued an investigation of the
12 claims of the Class and PAGA Employees against Defendant. Based on their own independent
13 investigation and evaluation, Class Counsel is of the opinion that the Settlement with Defendant for the
14 consideration and on the terms set forth in this Joint Stipulation of Class Action and PAGA Settlement
15 is fair, reasonable, and adequate, and is in the best interest of the Class in light of all known facts and
16 circumstances, including the risk of significant delay, the risk the Class will not be certified by the Court,
17 defenses asserted by Defendant, and numerous potential appellate issues. Defendant and Defendant's
18 Counsel also agree that the Settlement is fair and in the best interest of the Class.

19 48. It is agreed by and among Plaintiff (on behalf of herself and the Class) and Defendant,
20 that the Action and any claims, damages, or causes of action arising out of the disputes that are the
21 subject of the Action, be settled and compromised as between Plaintiff, the Class and the PAGA
22 Employees, on one hand, and Defendant, on the other, subject to the terms and conditions set forth in
23 this Settlement and approval of the Court, as of the Effective Date.

24 49. The Parties agree to cooperate and take all steps necessary and appropriate to obtain
25 preliminary and final approval of this Settlement.

26 50. The Parties agree to stay all proceedings in the Action, except such proceedings
27 necessary to implement and complete the Settlement, pending the final approval hearing to be conducted
28 by the Court.

SETTLEMENT FUNDING AND DISTRIBUTION

51. Funding of the Gross Settlement Amount. Defendant will make a single payment of \$300,000 into the QSF, which the Settlement Administrator will manage and establish, within ten (10) days of the Effective Date. The Settlement Administrator will notify Defendant's Counsel of the account information to which Defendant will wire the payment into the QSF to fund the Gross Settlement Amount, from which payments required by the Settlement shall be made.. The Gross Settlement Amount will be used to pay: (a) all Individual Settlement Payments to Class Members; (b) Class Representative Enhancement Payment to Plaintiff; (c) all Attorneys' Fees and Costs to Class Counsel; (d) the PAGA Allocation to the LWDA and the PAGA Employees; and (e) all Settlement Administration Costs to the Settlement Administrator.

52. Attorneys' Fees and Costs. Class Counsel will seek an award of Attorneys' Fees and Costs of not more than \$100,000 in attorney's fees, (33.33% of the Maximum Settlement Amount) and not more than \$10,000 in attorneys' costs. Defendant agrees not to oppose such application. All Attorneys' Fees and Costs will be paid from the Gross Settlement Amount. Plaintiff and Class Counsel will not have the right to revoke this Settlement in the event the Court does not approve the sum of Attorneys' Fees and Costs sought by Class Counsel. Any portion of the Attorneys' Fees and Costs not awarded to Class Counsel from the Gross Settlement Amount will be added to the Net Settlement Amount. The amount of Attorneys' Fees and Costs approved by the Court will cover all work performed and all fees and costs incurred to date, and all work to be performed and all fees and costs to be incurred in connection with the approval by the Court of this Settlement and administration of the Settlement. The Parties agree that there is no prevailing party, and the Class, the PAGA Employees, and Class Counsel shall not be entitled to any fees or costs other than those awarded out of and deducted from the Gross Settlement Amount.

53. Class Representative Enhancement Payments. Plaintiff will apply to the Court for Class Representative Enhancement Payment of not more than \$7,500 for her effort and work in prosecuting the Action on behalf of the Class and the PAGA Employees. Defendant agrees not to oppose such application. The Class Representative Enhancement Payment, which will be paid from the Gross Settlement Amount, will be in addition to Plaintiff's right to an Individual Settlement

1 Payment and Individual PAGA Payment pursuant to this Settlement. Plaintiff will be solely and
2 legally responsible to pay any and all applicable taxes on the Class Representative Enhancement
3 Payment and will defend, indemnify and hold Defendant harmless from any claim or liability for
4 taxes, penalties, or interest arising as a result of the payments. Plaintiff will not have the right to
5 revoke this Settlement if the Court does not approve the amount sought by Plaintiff as Class
6 Representative Enhancement Payment. Any portion of the Class Representative Enhancement
7 Payment not awarded to the Class Representative from the Gross Settlement Amount will be added
8 to the Net Settlement Amount. Plaintiff agrees not to opt out of the Class or object to the Settlement
9 based upon the Class Representative Enhancement Payment approved by the Court.

10 54. Settlement Administration Costs. The Settlement Administrator will be paid for the
11 reasonable costs of administration of the Settlement and distribution of payments from the QSF.
12 These costs, which will be paid from the Gross Settlement Amount, will include, *inter alia*: (a) the
13 required tax reporting on the Individual Settlement Payments and Individual PAGA Payments; (b)
14 the issuing of 1099 IRS Forms; (c) preparing, translating, and distributing Notice Packets; (d) setting
15 up the QSF; (e) calculating and distributing all payments to be made pursuant to the Settlement; and
16 (f) providing necessary reports and declarations. The Settlement Administration Costs are currently
17 estimated to be \$10,000 and will not exceed \$10,000. All the Settlement Administration Costs shall
18 be paid from the Gross Settlement Amount upon completion of all duties required to be performed
19 by the Settlement Administrator under the terms of this Settlement, or as otherwise required by the
20 Court. Any portion of the Settlement Administration Costs not awarded to the Settlement
21 Administrator from the Maximum Settlement Amount will be added to the Net Settlement Amount.
22 The costs of the Settlement Administrator for work done shall be paid regardless of the outcome of
23 the Settlement. If the Settlement does not become final and effective, the cost of the Settlement
24 Administrator will be shared equally by Plaintiff and Defendant.

25 55. PAGA Allocation. \$15,000 shall be allocated from the Gross Settlement Amount for
26 settlement of claims for civil penalties under PAGA. The Settlement Administrator shall pay
27 seventy-five percent (75%) of the PAGA Allocation (\$11,250) to the LWDA, and twenty-five percent
28 (25%) of the PAGA Allocation (\$3,750) to the PAGA Employees, on a pro rata basis, as described

1 below. Each PAGA Employee's pro rata share of the \$3,750 will be his or her Individual PAGA
2 Payment. PAGA Employees will receive their Individual PAGA Payments even if they submit valid
3 and timely Requests for Exclusion from the Class.

4 56. Individual Settlement Payment Calculations. Individual Settlement Payments to
5 Class Members will be calculated and apportioned from the Net Settlement Amount based on the
6 number of Workweeks a Class Member worked during the Class Period as a non-exempt or hourly-
7 paid employee in California at the University of California at Davis and/or River Valley Healthcare.
8 Calculations of Individual Settlement Payments will be made as follows:

9 (a) The Settlement Administrator will first calculate the total number of
10 Workweeks worked by each prospective Class Member as a non-exempt or hourly-paid employee
11 in California during the Class Period and the aggregate total number of Workweeks worked by all
12 prospective Class Members as non-exempt or hourly-paid employees in California at the University
13 of California at Davis and/or River Valley Healthcare during the Class Period. A prospective Class
14 Member who worked any portion of a Workweek will be credited with the entire Workweek.

15 (b) To determine each prospective Class Member's estimated Individual
16 Settlement Payment, the Settlement Administrator will use the following formula: the Net Settlement
17 Amount will be divided by the aggregate total number of Workweeks worked by all prospective
18 Class Members during the Class Period, resulting in the Workweek Value for Class Members. Each
19 prospective Class Member's estimated Individual Settlement Payment will then be calculated by
20 multiplying each prospective Class Member's total number of Workweeks by the Workweek Value
21 for Class Members.

22 (c) The entire Net Settlement Amount will be disbursed as Individual Settlement
23 Payments to the Class. If there are any valid and timely Requests for Exclusion received from
24 prospective Class Members, the Settlement Administrator shall proportionately increase the
25 Individual Settlement Payment for each Class Member according to the number of Workweeks
26 worked, so that the amount distributed to the Class equals one hundred percent (100%) of the Net
27 Settlement Amount. Additionally, all interest accrued from Defendant's payments into the QSF
28

1 during the funding process and through distribution will be added to the Net Settlement Amount and
2 the Individual Settlement Payments will be proportionally increased on a pro rata basis.

3 57. Individual PAGA Payment Calculations. Individual PAGA Payments to PAGA
4 Employees will be calculated and apportioned from the percentage of the PAGA Allocation allocated
5 to the PAGA Employees (*i.e.*, 25% of the PAGA Allocation or \$3,750) based on the number of Pay
6 Periods the PAGA Employee worked during the PAGA Period as a non-exempt or hourly-paid
7 employee in California at the University of California at Davis and/or River Valley Healthcare.
8 Calculations of Individual PAGA Payments will be made as follows:

9 (a) The Settlement Administrator will first calculate the total number of Pay
10 Periods worked by each PAGA Employee as a non-exempt or hourly-paid employee in California at
11 the University of California at Davis and/or River Valley Healthcare during the PAGA Period and
12 the aggregate total number of Pay Periods worked by all PAGA Employees as non-exempt or hourly-
13 paid employees in California at the University of California at Davis and/or River Valley Healthcare
14 during the PAGA Period. A PAGA Employee who worked any portion of a PAGA Pay Period will
15 be credited with the entire Pay Period.

16 (b) To determine each PAGA Employee's estimated Individual PAGA Payment,
17 the Settlement Administrator will use the following formula: twenty-five percent (25%) of the PAGA
18 Allocation (*i.e.*, \$3,750) will be divided by the aggregate total number of Pay Periods worked by all
19 PAGA Employees during the PAGA Period, resulting in the Pay Period Value for PAGA Employees.
20 Each PAGA Employee's Individual PAGA Payment will then be calculated by multiplying each
21 individual PAGA Employee's total number of Pay Periods by the Pay Period Value for PAGA
22 Employees.

23 58. No Credit Toward Benefit Plans. All settlement payments to Class Members and
24 PAGA Employees shall be deemed to be paid to such Class Members and PAGA Employees solely
25 in the year in which such payments actually are received by the Class Member or PAGA Employee.
26 It is expressly understood and agreed that the Individual Settlement Payments made to Class
27 Members and Individual PAGA Payments made to PAGA Employees under this Settlement, as well
28 as any other payments made pursuant to this Settlement, will not be used to calculate any additional

benefits under any benefit plans to which any Class Members or PAGA Employees may be eligible, including, but not limited to: (a) profit-sharing plans; (b) bonus plans; (c) 401(k) plans; (d) stock purchase plans; (e) vacation plans; (f) sick leave plans; (g) PTO plans; and (h) any other benefit plan. It is the Parties' intention that this Settlement will not affect any rights, contributions, or amounts to which any Class Members or PAGA Employees may be entitled under any benefit plans.

PRELIMINARY APPROVAL HEARING

59. Preliminary Approval Hearing. Plaintiff will obtain a hearing before the Court to request Preliminary Approval of the Settlement Agreement and entry of a Preliminary Approval Order for: (a) conditional certification of the Class for settlement purposes only; (b) preliminary approval of the proposed Settlement and Notice Packet; and (c) setting a date for a Final Approval/Settlement Fairness Hearing. The Preliminary Approval Order will provide for the Notice Packet to be sent to all prospective Class Members as specified herein. In conjunction with the Preliminary Approval hearing, Plaintiff will submit this Settlement, which sets forth the terms of the Settlement, along with the proposed Notice Packet. Plaintiff will also serve notice of the PAGA Settlement on the LWDA at or before the time Plaintiff files the motion for Preliminary Approval.

ADMINISTRATION OF SETTLEMENT AND NOTICE

60. Settlement Administration Process. The Parties agree to cooperate in the administration of the Settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in administration of the Settlement. Defendant agrees to fund the QSF by making the above-described payment through the Settlement Administrator. The Parties intend in this Settlement for the QSF to be fully funded at the point in time following the Effective Date when distribution of payments to Class Member and PAGA Employees has been approved and ordered by the Court.

61. Delivery of the Class List. Within ten (10) calendar days of entry of the Court's Order Granting Preliminary Approval, Defendant will provide the Class List to the Settlement Administrator. Absent mutual written agreement of counsel for all Parties or Court order, the Settlement Administrator will keep the Class List confidential and secure and use it only for the purposes described herein.

1 62. Confirmation of Contact Information in the Class List and Undeliverable Notices.

2 Prior to mailing Notice Packets, the Settlement Administrator will perform a search based on the
3 National Change of Address Database for information to update and correct for any known or
4 identifiable address changes. Any Notice Packets returned to the Settlement Administrator as non-
5 deliverable on or before the Response Deadline will be sent promptly via regular First-Class U.S.
6 Mail to the forwarding address affixed thereto, and the Settlement Administrator will indicate the
7 date of such re-mailing on the Notice Packet. If no forwarding address is provided, the Settlement
8 Administrator will promptly attempt to determine the correct address using an Accurint search/skip-
9 trace and will perform a single remailing.

10 63. Notice by First-Class U.S. Mail. Within ten (10) days after the Settlement

11 Administrator receives the Class List from Defendant, the Settlement Administrator will mail a
12 Notice Packet to all prospective Class Members via regular First-Class U.S. Mail, using the most
13 current, known mailing addresses identified in the Class List or through the confirmation process
14 described above.

15 64. Notice Packets. All prospective Class Members will be mailed a Notice Packet,

16 comprised of the Notice of Class Action and PAGA Settlement, and the Request For Exclusion form,
17 attached as **Exhibits A**, and **B**, respectively, or as provided by Court order. The Notice of Class
18 Action and PAGA Settlement will set forth the material terms of the proposed Settlement, along with
19 instructions about how to object or request exclusion from the proposed Class Action Settlement.
20 For each Class Member and PAGA Employee, there will be pre-printed information on the Notice
21 of Class Action and PAGA Settlement, based on Defendant's records, stating the person's
22 Workweeks during the Class Period, PAGA Pay Periods during the PAGA Period, and the estimated
23 total settlement payment, including the prospective Class Member's Individual Settlement Payment
24 and Individual PAGA Payment. The Notice of Class Action and PAGA Settlement, and Request for
25 Exclusion Form (**Exhibits A and B**).

26 65. Disputed Information in the Notice Packets. Class Members and PAGA Employees

27 will have an opportunity to dispute the information provided in their Notice Packets. To the extent
28 Class Members dispute their employment dates or the number of Workweeks, and/or PAGA

1 Employees dispute their employment dates or the number of PAGA Pay Periods, they must submit
2 their dispute regarding such information to the Settlement Administrator, in writing and postmarked
3 on or before the Response Deadline, along with evidence showing that such information provided
4 in the Notice Packet is inaccurate. Unless a disputing Class Member or PAGA Employee submits
5 documentary evidence in support of his or her dispute, the records of Defendant will be
6 determinative. The Settlement Administrator will advise the Parties of such dispute, allow Defendant
7 five (5) business days to respond with any additional information or records, and then decide the
8 dispute. Defendant's records will be presumed correct, but the Settlement Administrator will
9 evaluate the evidence submitted by the Class Member, PAGA Employee, and Defendant, and the
10 Settlement Administrator will make the final decision as to the merits of the dispute.

11 **OBJECTIONS TO SETTLEMENT**

12 66. Objection Procedures. The Notice Packet shall state that Class Members who wish to
13 object to the Settlement may do so by submitting a written Objection to the Settlement Administrator,
14 postmarked on or before the Response Deadline (no less than 45 calendar days from the initial
15 mailing of the Notice Packet by the Settlement Administrator). The postmark date of the Objection
16 will be deemed the exclusive means for determining that the Objection is timely. Class Members are
17 not required to appear at the hearing for final approval to have their Objections considered. The
18 Objection must be signed by the Class Member or their lawful representative and. If any Objections
19 are received by the Settlement Administrator, the Settlement Administrator will promptly provide
20 the Objection(s) to the Parties' counsel upon receipt. Class Counsel will include all Objections
21 received, and Plaintiff's response(s) thereto, with Plaintiff's motion for final approval of the
22 Settlement. Class Members may also have a right to have their Objections heard at the Final
23 Approval/Settlement Fairness Hearing. Class Counsel will not represent any Class Members with
24 respect to any such Objections. Any prospective Class Members who request exclusion from the
25 Settlement (as provided below) will not have standing to object to the Settlement. If a Class Member
26 objects to the Settlement, the Class Member will remain a member of the Class. If the Court approves
27 the Settlement, the objecting Class Member will be deemed a member of the Class and will be bound
28

1 by the terms of the Settlement upon final approval in the same way and to the same extent as a Class
2 Member who did not object.

3 67. PAGA Portion of the Settlement. Class Members and PAGA Employees cannot object
4 to the PAGA portion of the Settlement.

5 **REQUESTS FOR EXCLUSION**

6 68. Requests for Exclusion. Any prospective Class Member wishing to opt-out from the
7 Settlement (other than the PAGA portion of the Settlement) must sign and send a valid and written
8 Request for Exclusion to the Settlement Administrator, which is postmarked on or before the
9 Response Deadline (no less than 45 calendar days from the initial mailing of the Notice Packet by
10 the Settlement Administrator). The postmark date will be the exclusive means to determine whether
11 a Request for Exclusion has been timely submitted. The Parties and their counsel will not solicit or
12 encourage any prospective Class Member, directly or indirectly, to opt out of the Settlement. The
13 Request for Exclusion form must include the prospective Class Member's name, address, telephone
14 number, and signature. A prospective Class Member who properly submits a valid and timely request
15 to be excluded from the Action will not receive an Individual Settlement Payment, will not be bound
16 by the class action releases of the Settlement, and will not have standing to object to the Settlement.
17 A Request for Exclusion must be mailed to the Settlement Administrator at the address to be provided
18 in the Notice Packet. The Settlement Administrator will promptly transmit all Requests for Exclusion
19 to the Parties' counsel. Class Counsel will include all Requests for Exclusion received with
20 Plaintiff's motion for final approval of the Settlement. Prospective Class Members submitting a
21 Request for Exclusion will nevertheless receive their Individual PAGA Payments and will be bound
22 by the release given by all PAGA Employees. If the Court approves the compromise of the Class
23 Action and PAGA Complaint, all PAGA Employees are bound by the Court's resolution of that claim,
24 regardless of whether they submitted timely and valid Requests for Exclusion as Class Members. A
25 prospective Class Member who submits a valid and timely Request for Exclusion will still receive
26 his or her Individual PAGA Payment if he or she is also a PAGA Employee.

27 69. Defective Requests for Exclusion. If a prospective Class Member's Request for
28 Exclusion is timely but defective as to the content requirements listed above, the prospective Class

1 Member will be given an opportunity to cure the defect(s). Specifically, the Settlement Administrator
2 will mail to the prospective Class Member a cure letter within three (3) business days of receiving
3 the defective submission to advise the prospective Class Member that his or her submission is
4 defective and that the defect must be cured to render the Request for Exclusion valid. The prospective
5 Class Member will have until the later of (a) the Response Deadline or (b) fifteen (15) calendar days
6 from the date of the cure letter, whichever date is later, to postmark a revised Request for Exclusion.
7 If the revised Request for Exclusion is not postmarked within that period, it will be deemed untimely,
8 the prospective Class Member will not be excluded from the Settlement, and the prospective Class
9 Member will become a Class Member for all purposes.

10 70. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any prospective
11 Class Member who does not affirmatively opt out of the Settlement by submitting a timely and valid
12 Request for Exclusion will become a Class Member for all purposes and will be bound by all terms
13 of the Settlement, including those pertaining to the released claims, as well as any Judgment that
14 may be entered by the Court if it grants final approval.

15 71. Settlement Administrator Reports. The Settlement Administrator will provide the
16 Parties' counsel a weekly report of the number of prospective Class Members who have submitted
17 valid Requests for Exclusion, the number of Class Member who have submitted Objections (if any)
18 and any disputes regarding Workweek or PAGA Pay Period calculations. The Settlement
19 Administrator will also provide to Parties' counsel updated reports regarding the administration of
20 the Settlement Agreement as needed or requested.

21 **OPTIONS TO REVOKE SETTLEMENT**

22 72. Defendant's Option to Revoke Settlement. If, after the Response Deadline, the
23 number of prospective Class Members who submit timely and valid written Requests for Exclusion
24 is at least ten percent (10%) of the total number of prospective Class Members, Defendant shall
25 have, in their sole discretion, the option to terminate this Settlement within thirty (30) days after the
26 Response Deadline. All signatories and their counsel must not encourage opt-outs. Counsel for the
27 Parties specifically agree not to solicit opt-outs, directly or indirectly, through any means. If
28 Defendant exercises the option to terminate this Settlement, Defendant shall (a) provide written

1 notice to Class Counsel within seven (7) calendar days after the Response Deadline; and (b) pay all
2 Settlement Administration Costs incurred up to the date or because of the termination. The Parties
3 shall proceed in all respects as if this Settlement Agreement had not been executed.

4 **ESCALATOR CLAUSE**

5 73. Escalator Clause. Defendant has estimated that as of November 2022, there were
6 approximately four hundred and thirty (430) prospective Class Members who worked approximately
7 1,012 Workweeks during the Class Period. Defendant will provide a declaration under penalty of
8 perjury confirming the number of prospective Class Members and Workweeks they worked during
9 the Class Period. The Gross Settlement Amount will increase proportionally with added Workweeks
10 if the number of such additional Workweeks is more than ten percent (10%) of the estimate number
11 of Workweeks stated herein. If, during the Class Period, the number of pay periods exceed ten
12 percent (10%) of 1,012, the Gross Settlement Amount shall increase proportionally by the increase
13 above ten percent threshold in the PAGA population size or pay periods, whichever is greater. Pay
14 periods represented by the 10% threshold shall not serve to increase Gross Settlement Amount. Only
15 those pay periods in excess of 10% of 1,012 pay periods shall serve to increase Gross Settlement
16 Amount proportionally.

17 **FINAL APPROVAL AND ENTRY OF JUDGMENT**

18 74. Final Settlement Approval Hearing. Upon expiration of the deadlines to postmark
19 Requests for Exclusion or Objections, and with the Court's permission, a Final Approval/Settlement
20 Fairness Hearing will be conducted to determine the final approval of the Settlement Agreement
21 along with the amounts properly payable for: (a) Individual Settlement Payments; (b) Individual
22 PAGA Payments; (c) Class Representative Enhancement Payment; (d) Attorneys' Fees and Costs;
23 and (e) Settlement Administration Costs. Class Counsel will be responsible for drafting all
24 documents necessary to obtain final approval. Class Counsel will also be responsible for drafting the
25 attorneys' fees and costs application to be heard at the Final Approval/Settlement Fairness Hearing.

26 75. Nullification of Settlement Agreement. If (a) the Court does not finally approve the
27 Settlement as provided herein; or (b) the Settlement does not become final for any other reason, then
28 this Settlement Agreement, and any documents generated to bring it into effect, will be null and void.

1 Any order or judgment entered by the Court in furtherance of this Settlement Agreement will
2 likewise be treated as void from the beginning.

3 76. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by the
4 Court and after the Final Approval/Settlement Fairness Hearing, the Parties will present the
5 Judgment to the Court for its approval. The Settlement Administrator will post the final Judgment
6 approving the Settlement on a website maintained by the Settlement Administrator for a period of
7 not less than ninety (90) days after the Judgment is entered by the Court. The address of the website
8 will be included in the Notice of Class Action and PAGA Settlement. After entry of the Judgment,
9 the Court will have continuing jurisdiction solely for purposes of addressing: (a) interpretation and
10 enforcement of the terms of the Settlement; (b) Settlement administration matters; and (c) such post-
11 Judgment matters as may be appropriate under court rules or as set forth in this Settlement
12 Agreement.

13 **DISPOSITION OF SETTLEMENT PAYMENTS; UNCASHED CHECKS**

14 77. Distribution and Timing of Payments: Within thirty (30) days of the Effective Date,
15 and after Defendant have fully funded the QSF with the Gross Settlement Amount, the Settlement
16 Administrator will issue the following payments: (a) Individual Settlement Payments to all Class
17 Members (*i.e.*, prospective Class Members who have not submitted a valid and timely Request for
18 Exclusion), including any Class Members whose notice was returned as undeliverable; (b) Individual
19 PAGA Payments to all PAGA Employees; (c) Class Representative Enhancement Payment to
20 Plaintiff; (d) Attorneys' Fees and Costs payments to Class Counsel; and (e) seventy-five percent
21 (75%) of the PAGA Allocation, *i.e.*, \$11,250 to the LWDA. The Settlement Administrator will also
22 issue a payment to itself for Court-approved services performed in connection with the Settlement.
23 The Settlement Administrator will pay Individual Settlement Payments from the Net Settlement
24 Amount to all Class Members who have not timely requested exclusion. The Settlement
25 Administrator will also pay Individual PAGA Payments from the twenty-five percent (25%) portion
26 of the PAGA Allocation (\$3,750) to the PAGA Employees in Individual PAGA Payments. The
27 Settlement Administrator will make these payments by sending a check in the appropriate amount
28

1 to the Class Member and/or PAGA Employee at the address indicated in the Class List provided by
2 Defendant, or as subsequently determined by the Settlement Administrator to be correct.

3 78. Mailing of Settlement Checks. The Settlement Administrator shall cause the
4 settlement checks to be mailed to the Class Members and PAGA Employees as provided herein,
5 within thirty (30) days of the Effective Date. Individual Settlement Payments and Individual PAGA
6 Payments may be combined in one check.

7 79. Uncashed Settlement Checks. Class Members will receive checks for their
8 Individual Settlement Payments and PAGA Employees will receive checks for their Individual
9 PAGA Payments. All such checks will remain negotiable for one hundred twenty (180) calendar
10 days. Any check not cashed within one hundred twenty (180) calendar days will be void. No later
11 than ten (10) calendar days after the expiration of the 180-day period, the Settlement Administrator
12 shall deposit the total amounts contained in the uncashed settlement checks, and all interest that has
13 accrued thereon, to the State Controller's Unclaimed Property Fund. The Settlement Administrator
14 shall provide a declaration of deposit with the State Controller's Unclaimed Property Fund, which
15 will be served on Class Counsel and Defendant's Counsel within ten (10) calendar days of payment
16 of the residual to such beneficiary. Any costs associated with administering the remaining funds
17 under this paragraph or payments to the State Controller's Unclaimed Property Fund (e.g., bank
18 stop-payment charges, settlement administration costs associated with any reserve amount) will be
19 deducted before the deposit into the State Controller's Unclaimed Property Fund.

20 80. Certification of Completion. Upon completion of its calculation of the Individual
21 Settlement Payments and Individual PAGA Payments and mailing of the settlement checks, the
22 Settlement Administrator will provide the Parties' counsel with a report listing the amounts of all
23 payments made to Class Members and PAGA Employees (to be identified anonymously by
24 employee number or other identifier). A declaration attesting to completion of all payment
25 obligations will be provided to Class Counsel and Defendant's Counsel and filed with the Court by
26 Class Counsel.

27 **TAX TREATMENT OF SETTLEMENT PAYMENTS**

1 81. Tax Allocation of Individual Settlement Payments. All Individual Settlement
2 Payments will be allocated as follows for tax purposes: (a) fifteen percent (15%) as wages; and (b)
3 eighty-five percent (85%) as penalties and interest. Additionally, all interest accrued from
4 Defendant's payment into the QSF during the funding process and through distribution will be added
5 to the Net Settlement Amount, and Individual Settlement Payments will be proportionally increased
6 on a pro rata basis. The Settlement Administrator will be responsible for issuing to Class Members
7 a form W-2 for amounts deemed wages and an IRS Form 1099 for the portions allocated to penalties.

8 82. Tax Allocation of Individual PAGA Payments. All Individual PAGA Payments will
9 be allocated as one hundred percent (100%) penalties. The Settlement Administrator will be
10 responsible for issuing to PAGA Employees an IRS Form 1099 for all Individual PAGA Payments.

11 83. Administration of Taxes by the Settlement Administrator. The Settlement
12 Administrator will be responsible for issuing to Plaintiff, Class Members, PAGA Employees, and
13 Class Counsel, all tax forms as may be required by law for all amounts paid pursuant to this
14 Settlement. The Settlement Administrator will also be responsible for forwarding all withheld taxes
15 and penalties to the appropriate government authorities as may be required by law.

16 84. Tax Liability. Defendant and Defendant's Counsel make no representation as to the
17 tax treatment or legal effect of the payments called for hereunder, and Plaintiff, Class Members, and
18 the PAGA Employees are not and cannot rely on any statement, representation, or calculation by
19 Defendant, Defendant's Counsel, or by the Settlement Administrator in this regard. Plaintiff, Class
20 Members, and the PAGA Employees will be solely responsible for the payment of any taxes and
21 penalties assessed on the payments described herein and will defend, indemnify, and hold Defendant
22 free and harmless from and against any claims resulting from treatment of such payments as non-
23 taxable damages.

24 85. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR
25 PURPOSES OF THIS PARAGRAPH, THE "ACKNOWLEDGING PARTY" AND EACH PARTY
26 TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER
27 PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS
28 AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR

1 AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS
2 INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE
3 CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE
4 MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART
5 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY
6 UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE
7 (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT
8 ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY
9 OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS
10 NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY
11 ATTORNEY OR ADVISOR TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT
12 MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR
13 ADVISOR TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS
14 THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISOR'S TAX STRATEGIES
15 (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON
16 DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX
17 STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION
18 CONTEMPLATED BY THIS AGREEMENT.

19 **RELEASE BY PLAINTIFFS, CLASS MEMBERS AND PAGA EMPLOYEES**

20 86. Release by Plaintiff, Class Members, and PAGA Employees. Upon final approval
21 by the Court of this Settlement and Defendant's payment of all sums due pursuant to this Settlement,
22 and except as to such rights or claims as may be created by this Settlement, Plaintiff, the Class, each
23 Class Member, and each PAGA Employee, will release claims as follows:

24 87. Identity of Released Parties. The "Released Parties" are Defendant and its affiliated
25 companies (including UC Davis Hospital and River Valley Healthcare Center, and their respective
26 parent companies, subsidiaries, affiliates, shareholders, members, owners, agents (including,
27 without limitation, any investment bankers, accountants, insurers, reinsurers, attorneys and any past,
28

present or future officers, directors and employees) predecessors, successors and assigns (collectively, the “Released Parties”).

88. Date Releases Becomes Active. Class Members, PAGA Employees and Plaintiff will not release the Released Class Claims, Released PAGA Claims, or Plaintiff’s Released Claims until the Effective Date has occurred, **and** Defendant has paid all amounts owing under the Settlement.

89. Released PAGA Claims. Plaintiff and the State of California hereby release the Released Parties from the following claims that arose during the PAGA Period (the “Released PAGA Claims”):

(a) All claims for statutory penalties that could have been sought by the Labor Commissioner for the violations identified in the PAGA Letter, to the extent the violations identified and alleged in the Class Action and PAGA Complaint. The Released PAGA claims include all claims by the PAGA Employees for statutory penalties that could have been sought by the Labor Commissioner based upon Defendant’s alleged (1) failure to pay for all time worked; (2) Missed Meal breaks (Labor Code §§ 200, 226.7, 512); (3) Missed Rest Breaks (Labor Code §§ 200, 226.7, 512); (4) Failure Furnish an Accurate Itemized Wage Statement Upon Payment of Wages (Labor Code § 226); (5) Failure to Pay All Wages Owed at Termination (Labor Code § 203); (6) Failure to Reimburse Necessary Business Expenses (Labor Code §§ 2802, 2804). Plaintiff and the State of California do not release any PAGA Employees’ individual claims for wages or damages. By virtue of this Agreement, the PAGA Employees shall be deemed to have, and by operation of the final judgment approved by the Court, shall have, fully, finally, and forever settled and released all of the Released PAGA Claims.

(b) The res judicata effect of the Judgment with respect to the PAGA Employees will be the same as that of the Released PAGA Claims. The Released PAGA Claims expressly exclude all other claims by the PAGA Employees, including claims for vested benefits, wrongful termination, unemployment insurance, disability insurance, social security, workers’ compensation, and claims outside of the PAGA Period.

(c) The Parties understand and agree that the scope of the release described in this section: (1) is a material part of the consideration for this Agreement; (2) was critical in justifying the agreed upon economic value of this settlement and without it Defendant would not have agreed to the consideration provided; and (3) is narrowly drafted and necessary to ensure that Defendant is obtaining peace of mind regarding the resolution of claims that were or could have been alleged based on the facts, causes of action, and legal theories contained in the Class Action and PAGA Complaint.

90. Released Class Claims. Each and every Class Member, on behalf of such Class Member and such Class Member's heirs and assigns, hereby releases the Released Parties from the following claims that arose during the Class Period (the "Released Class Claims"):

(a) All causes of action and factual or legal theories that were alleged in the Class Action and PAGA Complaint, or that could have been alleged against Defendant and/or Released Parties based on the facts contained therein, including but not limited to, claims for: (1) failure to pay for all time worked; (2) Missed Meal breaks (Labor Code §§ 200, 226.7, 512); (3) Missed Rest Breaks (Labor Code §§ 200, 226.7, 512); (4) Failure Furnish an Accurate Itemized Wage Statement Upon Payment of Wages (Labor Code § 226); (5) Failure to Pay All Wages Owed at Termination (Labor Code § 203); (6) Failure to Reimburse Necessary Business Expenses (Labor Code §§ 2802, 2804); (7) engaging in unfair business practices that could have been premised on the claims, causes of action or legal theories of relief described above or any of the claims, causes of action or legal theories of relief pleaded in the operative complaints; (8) all claims under PAGA that were described in the PAGA Letter (9) any other claims or penalties under the Labor Code or other wage-and-hour laws pleaded in the Action; (10) any and all claims arising under the related provisions of the Labor Code, including but limited to Labor Code sections 201-204, 210, 216, 218.6, 226, 226.3, 226.7, 510, 512, 512.5, 558, 1194, 1194.2, 1197, 1198, 2802; (11) any and all derivative claims under Business & Professions Code sections 17200 et seq., and (12) all damages, penalties, liquidated damages, interest, attorneys' fees and costs, and other amounts recoverable under said claims, causes of

1 action or legal theories of relief.

2 (b) This waiver and release will be final and binding on the Effective Date and will
3 have every preclusive effect permitted by law. Plaintiff and the Class Members may
4 hereafter discover facts or legal arguments in addition to or different from those they
5 now know or currently believe to be true with respect to the Released Class Claims. The
6 discovery of new facts or legal arguments shall in no way limit the scope or definition of
7 the Released Class Claims. By virtue of this Agreement, Plaintiff and the Class Members
8 shall be deemed to have, and by operation of the final judgment approved by the Court,
9 shall have, fully, finally, and forever settled and released all of the Released Class
10 Claims.

11 (c) The res judicata effect of the Judgment with respect to Class Members will be
12 the same as that of the Released Class Claims. Released Class Claims expressly exclude
13 all other claims by Class Members, including claims for vested benefits, wrongful
14 termination, unemployment insurance, disability insurance, social security, workers'
15 compensation, and claims outside of the Class Period.

16 (d) The Parties understand and agree the scope of the Released Class Claims
17 described: (1) is a material part of the consideration for this Agreement; (2) was critical
18 in justifying the agreed upon economic value of this settlement and without it Defendant
19 would not have agreed to the consideration provided; and (3) is narrowly drafted and
20 necessary to ensure that Defendant is obtaining peace of mind regarding the resolution
21 of claims that were or could have been alleged based on the facts, causes of action, and
22 legal theories contained in the operative complaints in the Action.

23 91. Release by Plaintiff and Class Representative. Plaintiff, on behalf of herself and her heirs
24 and assigns, hereby releases the Released Parties, as follows ("Plaintiff's Released Claims"):

25 (a) Plaintiff hereby fully and finally release and discharge the Released Parties from
26 any and all of the Released PAGA Claims (as defined above) and any and all
27 Released Class Claims (as defined above) and from any and all other claims,
28 charges, complaints, liens, demands, agreements, contracts, covenants, actions,

1 suits, causes of action, penalties, wages, obligations, debts, expenses, damages,
2 attorneys' fees, costs, judgments, orders, and liabilities, of whatever kind or
3 nature, in law, equity, or otherwise, known or unknown, suspected or
4 unsuspected, that Plaintiff had, now have, or may hereafter claim to have against
5 the Released Parties, arising out of, or relating in any way to, Plaintiff's hiring
6 by, employment with, or separation from employment with Defendant, or any
7 other transactions, occurrences, acts or omissions or any loss, damage or injury
8 whatsoever, known or unknown, suspected or unsuspected, resulting from any
9 act or omission by or on the part of any Released Party, arising or accruing from
10 the beginning of time up through the date of the final approval order and
11 judgment issued by the Court. Plaintiff's Released Claims include, but are not
12 limited to, any and all tort claims, contract claims, wage claims, wrongful
13 termination claims, disability claims, benefit claims, public policy claims,
14 retaliation claims, statutory claims, personal injury claims, emotional distress
15 claims, invasion of privacy claims, defamation claims, fraud claims, quantum
16 meruit claims, and any and all claims arising under any federal, state or other
17 governmental statute, law, regulation or ordinance, including but not limited to
18 any claims arising under the California Labor Code; the Wage Orders of the
19 Industrial Welfare Commission; California Business and Professions Code
20 sections 17200, *et seq.*; the Fair Employment and Housing Act, Cal. Gov't Code
21 sections 12900, *et seq.*; the Healthy Workplaces, Healthy Families Act, Cal.
22 Labor Code sections 245, *et seq.*, Title VII of the Civil Rights Act of 1964, 42
23 U.S.C. sections 2000e, *et seq.*; the Americans with Disabilities Act, 42 U.S.C.
24 sections 12101, *et seq.*; the Employee Retirement Income Security Act of 1974,
25 29 U.S.C. sections 1001, *et seq.*; the Fair Labor Standards Act, 29 U.S.C. sections
26 201, *et seq.*, the Portal to Portal Act, 29 U.S.C. sections 251, *et seq.*, and the
27 Families First Coronavirus Response Act, and/or any other federal, state or other
28 governmental statute, law, regulation or ordinance.

1 (b) Plaintiff acknowledges that her employment with Defendant has ended effective
2 November 7, 2022.

3 (c) Plaintiff acknowledges that she has read section 1542 of the Civil Code of the
4 State of California, which provides as follows:

5 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS
6 WHICH THE CREDITOR OR RELEASING PARTY DOES NOT
7 KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE
8 TIME OF EXECUTING THE RELEASE AND THAT, WHICH IF
9 KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY
10 AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR
11 OR RELEASED PARTY.

12 Plaintiff further warrants that she understands that section 1542 gives Plaintiff the right
13 not to release existing claims of which Plaintiff is not now aware, unless she voluntarily
14 chooses to waive this right. Having been so apprised, Plaintiff nevertheless voluntarily
15 waives the rights described in section 1542, and elect to assume all risks and to release
16 the claims set forth in this subsection, that now exist in their favor, whether known or
17 unknown.

18 (d) The res judicata effect of the Judgment with respect to Plaintiff will be the same
19 as that of Plaintiff's Released Claims. Plaintiff's Released Claims expressly excludes
20 claims that cannot be waived, including claims for unemployment insurance and
21 workers' compensation.

22 (e) The Parties understand and agree that the scope of the Plaintiff's Released
23 Claims described in this subsection: (1) is a material part of the consideration for this
24 Agreement; (2) was critical in justifying the agreed upon economic value of this
25 settlement and without it Defendant would not have agreed to the consideration
26 provided; and (3) is narrowly drafted and necessary to ensure that Defendant is obtaining
27 peace of mind regarding the resolution of claims that were or could have been alleged
28 based on the facts, causes of action, and legal theories contained in the operative
complaints in the Action.

1 92. No Unalleged Claims. Plaintiff and Class Counsel represent that they are not
2 currently aware of any (a) unalleged claims in addition to, or different from, those which are finally
3 and forever settled and released against the Released Parties by this Settlement; and/or (b) unalleged
4 facts or legal theories upon which any claims or causes of action could be brought against Defendant,
5 except such facts and theories specifically alleged in the Class Action and PAGA Complaint. Plaintiff
6 and Class Counsel further represent that, other than the instant Action, they have no current intention
7 of asserting any other claims against Defendant or Released Parties in any judicial or administrative
8 forum. Plaintiff and Class Counsel further represent that they do not currently know of or represent
9 any persons who have expressed any interest in pursuing litigation or seeking any recovery against
10 Defendant or Released Parties. The Parties acknowledge, understand, and agree the representations
11 described in this paragraph are essential to the Settlement and that this Settlement would not have
12 been entered into were it not for this representation.

13 **DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL**

14 93. The Parties shall submit this Joint Stipulation of Class Action and PAGA Settlement
15 to the Court in support of Plaintiff's unopposed Motion for Preliminary Approval for determination
16 by the Court as to its fairness, adequacy, and reasonableness. Upon execution of this Joint Stipulation
17 of Class Action and PAGA Settlement, the Parties shall apply to the Court for the entry of an order:

- 18 (a) Scheduling a Final Approval/Settlement Fairness Hearing on the question of
19 whether the proposed Settlement, including payment of the Attorney's Fees
20 and Costs, and the Class Representatives Enhancement Payments, should be
21 finally approved as fair, reasonable, and adequate as to the Class Members;
22 (b) Conditionally certifying a Class for settlement purposes only;
23 (c) Approving as to form and content the proposed Notice Packet;
24 (d) Directing the mailing of the Notice Packet by the Settlement Administrator;
25 (e) Preliminarily approving the Settlement subject only to the objections of Class
26 Members and final review by the Court;
27 (f) Conditionally appointing Plaintiff and Class Counsel as representatives of the
28 proposed Class Members; and,

(g) Appointing CPT Group as the Settlement Administrator.

DUTIES OF THE PARTIES FOLLOWING FINAL COURT APPROVAL

101. In conjunction with the hearing of a motion for final approval by the Court as provided for in this Joint Stipulation of Class Action and PAGA Settlement, Class Counsel will provide to Defendant's Counsel for review and approval and then submit to the Court a proposed final order and judgment containing provisions sufficient to accomplish the following:

- (a) Approving the Settlement, adjudging the terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and provisions;
- (b). Approving Class Counsel's application for Attorneys' Fees and Costs;
- (c) Approving the Class Representative Enhancement Payment to the Class Representative;
- (d) Adjudging the Settlement Administrator has fulfilled its initial notice and reporting duties under the Settlement.
- (e) Adjudging Plaintiff and Class Counsel have adequately represented the Class for the purpose of entering into and implementing the Settlement;
- (f) Entering a final judgment in the action;
- (g) Adjudging that any prospective Class Member's valid and timely request for exclusion as a Class Member does not affect the applicability of the Released PAGA Claims provision; and
- (h) Directing the posting of the final judgment on a website maintained by the Settlement Administrator for a period of not less than ninety (90) days after entry of final judgment.

Any revised final judgment will also be provided to Defendant's Counsel for review and approval before submission to the Court.

PUBLICITY

102. Publicity Agreement. Plaintiff and Class Counsel agree not to disclose or publicize the Settlement, including the fact of the Settlement, its terms or contents, and the negotiations underlying the Settlement, in any manner or form, directly or indirectly, to any person or entity,

1 except to the prospective Class Members as required to effectuate the terms of the Settlement. For
2 the avoidance of doubt, this paragraph means Plaintiff and Class Counsel agree not to issue press
3 releases, communicate with, or respond to any media or publication entities, publish information in
4 any manner or form, whether printed or electronic, on any medium, or otherwise communicate,
5 whether by print, video, recording or any other medium, with any person or entity concerning the
6 Settlement, including the fact of the Settlement, its terms or contents and the negotiations underlying
7 the Settlement, except as shall be contractually required to effectuate the terms of the Settlement.
8 For the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other
9 actions, Class Counsel may disclose the name of the Parties and the venue/case number of the Action
10 (but not any other settlement details).

11 **GENERAL PROVISIONS**

12 103. Exhibits Incorporated by Reference. The terms of this Settlement include the terms
13 set forth in any attached Exhibits, which are incorporated by reference as though fully set forth
14 herein. Any Exhibits to this Settlement are an integral part of the Settlement.

15 104. Entire Agreement. This Agreement and any attached Exhibits constitute the entirety
16 of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements may
17 be deemed binding on the Parties. This provision has no application or impact on any arbitration
18 agreements, confidentiality agreements, employee handbooks or policies executed by any
19 prospective Class Member, Class Member or PAGA Employee, during his or her employment with
20 Defendant, which remain in full force and effect.

21 105. No Prior Assignments. The Parties represent, covenant, and warrant that they have
22 not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
23 encumber to any person or entity any portion of any liability, claim, demand, action, cause of action
24 or right herein released and discharged.

25 106. Amendment or Modification. This Settlement Agreement may be amended or
26 modified only by a written instrument signed by the Parties' counsel or their successors-in-interest.

27 107. Authorization to Enter Into the Settlement Agreement. The Parties' counsel warrant
28 and represent they are expressly authorized by the Parties whom they represent to negotiate this

1 Settlement and to take all appropriate action required or permitted to be taken by such Parties
2 pursuant to this Settlement to effectuate its terms and to execute any other documents required to
3 effectuate the terms of this Settlement. The Parties and their counsel will cooperate with each other
4 and use their best efforts to effect the implementation of the Settlement. If the Parties are unable to
5 reach agreement on the form or content of any document needed to implement the Settlement, or on
6 any supplemental provisions that may become necessary to effectuate the terms of this Settlement,
7 the Parties shall refer the matter to Mediator Tripper Ortman for resolution.

8 108. Binding on Successors and Assigns. This Agreement will be binding upon, and inure
9 to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

10 109. California Law Governs. All terms of this Settlement Agreement and Exhibits hereto
11 will be governed by and interpreted according to the laws of the State of California.

12 110. Execution and Counterparts. This Settlement Agreement is subject only to the
13 execution of all Parties. However, the Settlement may be executed in one or more counterparts. All
14 executed counterparts and each of them, including facsimile and scanned copies of the signature
15 page, will be deemed to be one and the same instrument if the Parties' counsel will exchange among
16 themselves original signed counterparts.

17 111. Acknowledgement that the Settlement Agreement is Fair and Reasonable. The
18 Parties believe this Settlement is a fair, adequate, and reasonable settlement of the Action and have
19 arrived at this Settlement after arm's-length negotiations and in the context of adversarial litigation,
20 considering all relevant factors, present and potential. The Parties further acknowledge that they are
21 each represented by competent counsel and that they have had an opportunity to consult with their
22 counsel regarding the fairness and reasonableness of this Settlement. In addition, the mediator may
23 execute a declaration supporting the Settlement and the reasonableness of the Settlement. The Court
24 may, in its discretion, contact the mediator to discuss the Settlement and whether the Settlement is
25 objectively fair and reasonable.

26 112. Invalidity of Any Provision. Before declaring any provision of this Settlement
27 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
28

possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

113. Non-Admission of Liability. The Parties enter this Settlement to resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of continued litigation. In entering this Settlement, Defendant does not admit, and specifically deny, that it: (a) violated any federal, state, or local law; (b) violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations, or legal requirements; (c) breached any contract; (d) violated or breached any duty; (e) engaged in any misrepresentation or deception; or (f) engaged in any other unlawful conduct with respect to its employees. Neither this Settlement, nor any of its terms or provisions, nor any of the negotiations connected with it, will be construed as an admission or concession by Defendant of any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this Settlement, this Settlement and its terms and provisions will not be offered or received as evidence in any action or proceeding to establish any liability or admission on the part of Defendant or to establish the existence of any condition constituting a violation of, or a non-compliance with, federal, state, local or other applicable law.

114. Waiver. No waiver of any condition or covenant contained in this Settlement or failure to exercise a right or remedy by any of the Parties will be considered to imply or constitute a further waiver by such Party of the same or any other condition, covenant, right or remedy.

115. Notices. Unless otherwise specifically provided herein, all notices, demands, or other communications given hereunder shall be in writing and shall be deemed to have been duly given as of the third business day after mailing by United States registered or certified mail, return receipt requested, addressed as follows:

Class Counsel

BRADLEY/GROMBACHER, LLP
Marcus J. Bradley
Kiley L. Grombacher
Lirit A. King
31365 Oak Crest Drive, Suite 240
Westlake Village, CA 91361

Defendant's Counsel

MCDERMOTT WILL & EMERY LLP
Yesenia M. Gallegos
Amanda D. Murray
2049 Century Park East
Suite 3200
Los Angeles CA 90067-3206

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

117. Class Counsel Signatures. It is agreed because the Class Members are so numerous, it is impossible or impractical to have each Class Member execute this Settlement. The Notice of Class Action and PAGA Settlement will advise all Class Members of the binding nature of the Released Class Claims and Released PAGA Claims, and the release shall have the same force and effect as if this Settlement were executed by each Class Member.

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

119. Representation By Counsel. The Parties acknowledge they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement and that this Settlement has been executed with the consent and advice of counsel. Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the Settlement.

120. All Terms Subject to Final Court Approval. All amounts and procedures described in this Settlement Agreement herein will be subject to final Court approval.

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

122. Binding Agreement. The Parties warrant they understand and have full authority to enter this Settlement and further intend that this Settlement will be fully enforceable and binding on all Parties. The Parties also agree that this Settlement will be admissible and subject to disclosure in

any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

SO AGREED AND STIPULATED.

Dated: 1/19/2023

PLAINTIFF

DocuSigned by:

Keyhona Campbell

Dated: 1/17/2023

DEFENDANT

Huffmaster Management, Inc.

By: Ryan Huffmaster

Title: Vice President

DATED: 1/25/2023

BRADLEY/GROMBACHER, LLP

By

Marcus J. Bradley

Kiley L. Grombacher

Lirit A. King

Attorneys for Keyhona Campbell, and all other similarly situated employees

DATED: 1/19/2023

MCDERMOTT WILL & EMERY LLP

By

Yesenia M. Gallegos

Amanda D. Murray

Attorneys for Huffmaster Management, Inc.