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

LILLIE WARD, individually, and on
behalf of all others similarly situated,

Plaintiff,

v.

HEALTH TALENT STRATEGIES,
INC., a California corporation dba
HT2, and DOES 1 through 10,
inclusive,

Defendants.

Case No. 21STCV15025

**CLASS ACTION SETTLEMENT
AGREEMENT AND
STIPULATION**

Hon. Yvette M. Palazuelos
Department 9

Complaint Filed:	April 20, 2021
First Am. Compl.:	June 22, 2021
Sec. Am. Compl.:	August 31, 2023

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6 Attorneys for Plaintiff LILLIE WARD and HUGO NELSON HERNANDEZ
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IT IS HEREBY STIPULATED AND AGREED, by and between the **Parties**,¹ subject to the approval of the **Court**, that the **Action** shall be settled and fully resolved pursuant to the terms and conditions set forth in this Class Action Stipulation of Settlement (the “**Stipulation**”) and Exhibit A and B hereto:

I. THE ACTION AND REASONS FOR STIPULATED SETTLEMENT

A. On April 20, 2021, Plaintiff Lillie Ward initiated a putative class action against Defendant Health Talent Strategies, Inc. (“**Defendant**”) in the Superior Court for the County of Los Angeles, Case No. 21STCV15025. On June 22, 2021, Plaintiff filed a First Amended Complaint. On August 31, 2023, Plaintiffs Lillie Ward and Hugo Nelson Hernandez (“**Plaintiffs**”) filed a Second Amended (“**Complaint**”). **Plaintiffs’ Complaint** alleges the following causes of action for: (1) failure to pay minimum wages in violation of California Labor Code §§ 204, 1194, 1194.2, and 1197; (2) failure to pay overtime compensation in violation of California Labor Code §§ 1194 and 1198; (3) failure to provide meal periods in violation of California Labor Code §§ 226.7 and 512; (4) failure to authorize and permit rest breaks in violation of California Labor Code § 226.7; (5) failure to indemnify necessary business expenses in violation of California Labor Code § 2802; (6) failure to timely pay final wages at termination in violation of California Labor Code §§ 201-203; (7) failure to provide accurate, itemized wage statements in violation of California Labor Code § 226; (8) failure to provide paid sick leave in violation of California Labor Code § 246; (9) failure to pay wages weekly in violation of California Labor Code § 201.3; (10) failure to maintain records pursuant to California Labor Code § 1174; (11) unfair business practices in violation of California Business & Professions Code §§ 17200 et seq.; and (12) Civil Penalties Under the California Private Attorneys General Act pursuant to California Labor Code § 2699 et seq. (“PAGA”). **Plaintiffs** seek to represent a class of persons who are or were employed by Defendant as non-exempt hourly employees in the State of California during the **Class Period**.

B. Defendant denies the allegations in the **Complaint**, and continues to deny any liability or wrongdoing of any kind associated with any of the claims alleged in the **Complaint**.

C. After the filing of the **Action**, the **Parties** engaged in informal discovery. **Defendant**

¹ The definition for all capitalized, bold terms can be found in Part II.

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1 provided **Plaintiffs** with copies of Plaintiff Ward's time and payroll records, time and payroll
2 records for a sample of the **Class**, data for the **Class**, and copies of relevant written policies.

3 **D.** The Parties participated in private mediation with experienced mediator Mark Rudy,
4 Esq., on October 28, 2021, which was unsuccessful. The Parties then agreed to participate in a
5 second mediation session with mediator Lynn Frank, Esq. The **Parties** and their attorneys of record
6 participated in a second mediation session with Lynn Frank, Esq., an experienced and respected
7 mediator. Counsel for the **Parties** engaged in extensive discussions about the respective strengths
8 and weaknesses of the claims and defenses. On August 10, 2023, the **Parties** reached agreement
9 on the material terms of settlement of this **Action** and finalized the material terms in a Memorandum
10 of Understanding.

11 **E.** **Plaintiffs** and **Plaintiffs' Attorneys**, after evaluation of the sharply disputed factual
12 and legal issues relating to the **Parties'** respective positions in the **Action** and taking into account
13 the risks, uncertainties, and expense of continued litigation, as well as the substantial benefits to be
14 received pursuant to the compromise reached by the **Parties** and other relevant considerations, have
15 concluded that a settlement of this **Action** on the terms and conditions set forth in this **Stipulation**
16 is fair, adequate and reasonable, and in the best interests of **Plaintiffs**, the **Class**, and the **Aggrieved**
17 **Employees**. It provides a fair, flexible, speedy, cost-effective, and assured procedure for providing
18 a monetary settlement to **Plaintiffs**, the **Class**, and the **Aggrieved Employees**.

19 **F.** **Defendant** and its counsel, taking into account the risks, uncertainties, disruptions
20 and expense involved in the **Action**, and its desire to put this controversy to rest, has concluded that
21 a settlement of the **Action** on the terms and conditions set forth in this **Stipulation** is in the best
22 interest of **Defendant** because it will end and encompass all pending, threatened, or possible
23 litigation or claims by **Plaintiff**, the **Settlement Class**, and the **Aggrieved Employees** against
24 **Defendant** that involve or allege the claims that have been asserted in the **Action**.

25 **G.** **Defendant** denies any and all wrongdoing and liability alleged in the **Action** and
26 the **Parties** specifically agree that neither **Defendant's** execution of the **Stipulation**, nor anything
27 referred to herein, nor any action taken to carry out this **Stipulation**, is or may be construed as an
28 admission by or against **Defendant** or deemed to be evidence: (i) of the validity of any of the

claims made by **Plaintiffs** or of any liability to **Plaintiffs**, any **Class Member**, or any **Aggrieved Employee**; (ii) that **Defendant** violated California law; or (iii) that this **Action** (or any other action) is properly maintainable as a class action or properly certifiable by the **Court** under California Code of Civil Procedure section 382.

II. DEFINITIONS

These definitions are applicable to this **Stipulation**.

A. “Action” means the lawsuit, entitled *Ward v. Health Talent Strategies, Inc.*, filed on April 20, 2021, in Los Angeles County Superior Court, Case No. 21STCV15025.

B. “Aggrieved Employee PAGA Share” means the Fifty Thousand Dollars and Zero Cents (\$50,000.00) of the Two Hundred Thousand Dollars and Zero Cents (\$200,000.00) that is allocated to penalties under the **PAGA** that remains after making payment of One Hundred Fifty Thousand Dollars and Zero Cents (\$150,000.00) to the **LWDA**.

C. “Aggrieved Employee Payment” or “Aggrieved Employee Payments” means the amounts to be paid to individual **Aggrieved Employees**.

D. “Aggrieved Employee Release” means the full and final release of the **Aggrieved Employee Released Claims** contained in the **Notice**, substantially in the form attached as Exhibit A to be sent to **Aggrieved Employees**.

E. “Aggrieved Employee Released Claims” means the claims released by the **Aggrieved Employees** in Part III.C.3 of the **Stipulation**.

F. “Aggrieved Employees” means any and all persons who were non-exempt employees employed by Defendant in California at any time during the **PAGA Period**.

G. “Agreement” means this **Stipulation** and Exhibit A and B attached hereto.

H. “Class” or “Class Members” means any and all persons who are or were non-exempt employees employed by Defendant in California at any time during the **Class Period**.

I. “Class Period” means April 20, 2017 through June 9, 2021.

J. “Class Release” means the full and final release of the **Settlement Class Released Claims** contained in the **Notice**, substantially in the form attached as Exhibit A to be sent to **Class Members**.

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1 **K. “Class Representative Enhancements”** means the additional sums to be paid to
2 **Plaintiffs** as compensation for their roles as class representatives, and for the risks and work
3 attendant to those roles.

4 **L. “Complaint”** means the Second Amended Class Action Complaint filed by
5 **Plaintiffs** in the **Action**.

6 **M. “Court”** means the Superior Court of the State of California for the County of Los
7 Angeles.

8 **N. “Day”** means calendar day, unless expressly stated to be otherwise.

9 **O. “Defendant”** means Defendant Health Talent Strategies, Inc.

10 **P. “Defendant’s Attorneys”** means Bryan Cave Leighton Paisner LLP.

11 **Q. “Final Judgment”** means the order approving the **Settlement** and this **Stipulation**,
12 and the final determination of the rights of the **Parties** in the **Action** entered pursuant to California
13 Code of Civil Procedure Section 664.6 and California Rules of Court rule 3.769(h), as contemplated
14 in Part III.D.

15 **R. “Final Settlement Date”** means the date on which the **Final Judgment** approving
16 this **Stipulation** becomes final. For purposes of this definition, the **Final Judgment** shall become
17 final:

18 1. If no appeal is taken, on the date on which the time to appeal has expired;
19 2. If any appeal is taken, on the date on which an appeal, including a petition
20 for rehearing or reargument, petition for review and petition for *certiorari* or any other form
21 of review, has been finally disposed of in a manner resulting in affirmance of the **Final**
22 **Judgment**; or

23 3. On a date after entry of the **Final Judgment**, which date counsel for the
24 **Parties** agree to in writing.

25 **S. “Final Settlement Hearing”** means the hearing to be conducted by the **Court** to
26 determine whether to enter the **Final Judgment**.

27 **T. “Gross Settlement Amount”** means the non-reversionary, total settlement amount
28 of Three Million Dollars and Zero Cents (\$3,000,000.00), and includes everything that could be

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payable to resolve the entire case including, by example, **Settlement Payments** to each and every **Settlement Class Member**, **Aggrieved Employee Payments** to each and every **Aggrieved Employee**, the **LWDA Payment**, the **Class Representative Enhancements**, **Plaintiffs' Attorneys' Fees**, **Plaintiffs' Expenses**, and the **Settlement Administration Costs**. The **Gross Settlement Amount** excludes **Defendant's** FICA/FUTA payments and any other payroll taxes owing by **Defendant** on the **Gross Settlement Amount**. The FICA/FUTA payments and any other payroll taxes owing by **Defendant** on the portion of the **Settlement Payments** that are allocated to wages shall be paid by Defendant separately from the **Gross Settlement Amount**.

U. "LWDA" means the California Labor & Workforce Development Agency. "LWDA Payment" means the payment of One Hundred Fifty Thousand Dollars and Zero Cents (\$150,000) to be made to the **LWDA** which is 75% of Two Hundred Thousand Dollars and Zero Cents (\$200,000).

V. "LWDA Notice" means Plaintiff Lillie Ward's April 15, 2021 notice to the California Labor and Workforce Development Agency.

W. "Net Settlement Amount" means the figure that shall be determined by deducting the maximum amounts awarded for **Plaintiffs' Attorneys' Fees**, **Plaintiffs' Expenses**, the **Class Representative Enhancements**, **Settlement Administration Costs**, the **LWDA Payment**, and the **Aggrieved Employee PAGA Share** from the **Gross Settlement Amount**.

X. "Notice" means, collectively, the Notice of Class Action and PAGA Settlement, in English and Spanish, substantially in the form attached as Exhibit A, and Allocation Form, in English and Spanish, substantially in the form attached as Exhibit B.

Y. "Objection/Exclusion Deadline Date" means sixty (60) **Days** from the date the **Settlement Administrator** mails the **Notice**, or, in the event of a re-mailed **Notice**, fifteen (15) days from the date the **Settlement Administrator** re-mails the **Notice** or sixty (60) **Days** from the date the **Settlement Administrator** originally mailed the **Notice**, whichever is later. It is the date by which **Class Members** must: (i) mail to the **Settlement Administrator** a written statement objecting to the **Settlement**, or (ii) mail to the **Settlement Administrator** a written request for exclusion if they wish to be excluded from the **Settlement Class** or (iii) mail to the **Settlement**

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1 **Administrator** the Allocation Form disputing the number of workweeks.

2 **Z. "PAGA"** means the California Labor Code Private Attorneys General Act of 2004,
3 California Labor Code sections 2698, *et seq.*

4 **AA. "PAGA Period"** means April 20, 2020 through June 9, 2021.

5 **BB. "Parties"** means **Plaintiffs** and **Defendant**.

6 **CC. "Payment Date"** means ten (10) calendar days after the **Settlement Administrator**
7 receives the **Gross Settlement Amount** from **Defendant**.

8 **DD. "Plaintiffs"** means Plaintiffs Lillie Ward and Hugo Nelson Hernandez, individually,
9 and in their capacity as the parties seeking to act as class representatives.

10 **EE. "Plaintiffs' Attorneys"** means Moon Law Group. PC.

11 **FF. "Plaintiffs' Attorneys' Fees"** means the amount awarded to the **Plaintiffs'**
12 **Attorneys** by the **Court** for prosecuting the **Action**.

13 **GG. "Plaintiffs' Released Claims"** means the **Claims** released by **Plaintiffs** in Part
14 III.C.3, including claims for **Plaintiffs' Attorneys' Fees** and **Plaintiffs' Expenses**.

15 **HH. "Plaintiffs' Expenses"** means all of those expenses and costs incurred in connection
16 with the **Action** by or on behalf of **Plaintiff** or **Plaintiffs' Attorneys**, excluding **Settlement**
17 **Administration Costs**.

18 **II. "Preliminary Approval Date"** means the date of entry of the **Court's** order
19 granting preliminary approval of the **Settlement** according to the terms established in Part III of
20 this **Stipulation**.

21 **JJ. "Released Parties"** means the **Defendant** and its former and present parents,
22 subsidiaries, affiliates, divisions, corporations in common control, predecessors, successors, and
23 assigns, as well as all past and present officers, directors, employees, partners, shareholders and
24 agents, attorneys, insurers, and any other successors, assigns, or legal representatives, if any.

25 **KK. "Settlement"** means the complete settlement and conclusion of the **Action** and all
26 related **Settlement Class Released Claims**, **Aggrieved Employee Released Claims**, and
27 **Plaintiffs' Released Claims** effectuated by this **Stipulation**.

28 **LL. "Settlement Administration Costs"** means the fees and costs of any type incurred

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1 or charged by the **Settlement Administrator** in connection with the execution of its duties under
2 this **Stipulation** including, but not limited to: fees and costs associated with preparing, issuing
3 and/or monitoring notice, translating the notice into Spanish, computing payments and taxes made
4 under this **Stipulation**, handling inquiries about the calculation of payments, and preparing and
5 filing any tax returns and information returns and any other filings required by any governmental
6 taxing authority or governmental agency. The Settlement Administration Costs shall not exceed
7 \$27,500.00.

8 **MM. "Settlement Administrator"** means, Phoenix Class Action Administration
9 Solutions, the third-party administrator, as mutually designated by the **Parties**, to effectuate the
10 processing and payment of all payments set forth in this **Agreement** and approved by the **Court**.

11 **NN. "Settlement Class" or "Settlement Class Member"** means those persons who are
12 members of the **Class** who have not properly and timely opted out of the **Action**.

13 **OO. "Settlement Class Released Claims"** means the claims released by the **Settlement**
14 **Class Members** in Part III.C.1 of the **Stipulation**.

15 **PP. "Settlement Payments"** means the amounts to be paid to individual **Settlement**
16 **Class Members**.

17 **III. SETTLEMENT TERMS**

18 The **Parties** enter into this **Stipulation** and agree as follows:

19 **A. Class Certification.** For the purposes of this **Stipulation** only, the **Parties** have
20 agreed to the certification of a conditional **Class** to facilitate class settlement. The designation of
21 the **Class** is expressly made solely for this proposed **Stipulation** and is without prejudice to the
22 issues of whether this lawsuit can properly be maintained as a class action. The **Parties** specifically
23 reserve the right, should this **Stipulation** become inoperative for any reason, to raise and litigate
24 any and all issues as to whether this **Action** can properly be maintained as a class action. The
25 certification of the **Class** shall be effective only with respect to the **Settlement** of the **Action**. In
26 the event that the **Stipulation** is terminated pursuant to its terms or the **Final Settlement Date** does
27 not occur for any reason, the certification of the **Class** shall be vacated, and the **Action** shall proceed
28 as it existed prior to execution of this **Stipulation**. The fact that the **Parties** were willing to stipulate

1 to class certification as part of the **Settlement** shall have no bearing on, or be admissible in
2 connection with, the issue of whether the **Class** could be certified in a non-settlement context or be
3 considered admissible for any other purpose.

4 **B. Settlement Consideration**

5 **1.** This **Settlement** requires **Defendant** to pay a total settlement amount of
6 Three Million Dollars and Zero Cents (\$3,000,000.00) for: (i) all costs for **Notice** regardless of
7 media (*e.g.*, publication, letter, web-site, *etc.*); (ii) **Aggrieved Employee Payments** according to a
8 formula set forth in Part III.G.2; (iii) cash **Settlement Payments** according to a formula set forth
9 in Part III.G.4; (iv) **Plaintiffs' Attorneys' Fees** not to exceed one-third (1/3) of \$3,000,000.00 (*i.e.*,
10 \$1,000,000.00); (v) **Plaintiffs' Expenses** in an amount not to exceed \$30,000.00; (vi) **Plaintiffs'**
11 **Class Representative Enhancements** as set forth in Part III.I in an amount not to exceed Ten
12 Thousand Dollars and Zero Cents (\$10,000.00) to Plaintiff Lillie Ward and Five Thousand Dollars
13 and Zero Cents (\$5,000.00) to Plaintiff Hugo Nelson Hernandez; (vii) an allocation of Two
14 Hundred Thousand Dollars and Zero Cents (\$200,000) to penalties under **PAGA**, One Hundred
15 Fifty Thousand Dollars and Zero Cents (\$150,000) of the **PAGA** amount shall be paid to the
16 **LWDA**, Fifty Thousand Dollars and Zero Cents (\$50,000) shall be distributed to the **Aggrieved**
17 **Employees**; (viii) **Settlement Administration Costs**, not to exceed \$27,500.00; and (ix) any other
18 amount necessary to perform this **Settlement**.

19 **2.** It is agreed that **Defendant's** maximum and total liability under the
20 **Agreement** is Three Million Dollars and Zero Cents (\$3,000,000.00). Other than the **Gross**
21 **Settlement Amount** and its employer-side tax obligations for the wage portion of the **Settlement**
22 **Payments**, **Defendant** shall not be called upon or required to contribute additional monies under
23 any circumstances whatsoever. All costs and expenses arising out of or in connection with the
24 performance of this **Stipulation** shall be paid from the total consideration unless expressly provided
25 otherwise herein.

26 **C. Release of Claims**

27 **1.** For and in consideration of the mutual promises contained herein, **Plaintiffs**
28 and the **Settlement Class Members** fully and finally release, as of the date that **Defendant** delivers

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the **Gross Settlement Amount** to the **Settlement Administrator**, the **Released Parties** from all claims during the **Class Period** that were alleged in the **Action** or could have been asserted based on the facts and allegations made in the **Action**, and any amendments thereto, including the following claims: (a) failure to pay minimum wages in violation of California Labor Code §§ 204, 1194, 1194.2, and 1197; (b) failure to pay overtime compensation in violation of California Labor Code §§ 1194 and 1198; (c) failure to provide meal periods in violation of California Labor Code §§ 226.7 and 512; (d) failure to authorize and permit rest breaks in violation of California Labor Code § 226.7; (e) failure to indemnify necessary business expenses in violation of California Labor Code § 2802; (f) failure to timely pay final wages at termination in violation of California Labor Code §§ 201-203; (g) failure to provide accurate, itemized wage statements in violation of California Labor Code § 226; (h) failure to provide paid sick leave in violation of California Labor Code § 246; (i) failure to pay wages weekly in violation of California Labor Code § 201.3; (j) failure to maintain records pursuant to California Labor Code § 1174; and (k) all claims for unfair business practices under California Business & Professions Code section 17200 *et seq.* that could have been premised on the claims, causes of action or legal theories of relief described above in (a)-(j); and (l) all damages, including, but not limited to, liquidated damages, civil and statutory penalties, interest and other amounts recoverable under the claims, causes of action or legal theories of relief identified above in (a)-(k). The definition of the released claims shall not be limited in any way by the possibility that **Plaintiffs** or the **Settlement Class Members** may discover new facts or legal theories or legal arguments not alleged in the operative pleadings in the **Action** but which might serve as an alternative basis for pursuing the same claims, causes of action, or legal theories of relief falling within the definition of the **Settlement Class Released Claims**.

2. Further, as a condition of receiving a **Settlement Payment**, each **Settlement Class Member** shall receive, in the **Notice**, substantially in the form attached hereto as Exhibit A, a **Class Release**, and by not timely submitting a written request for exclusion, will be deemed to have accepted and agreed to the terms of the **Class Release**. The terms of the **Class Release** shall be approved by the **Court**, and consistent with Part III.C.1.

3. For and in consideration of the mutual promises contained herein, **Plaintiffs**

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1 and the **Aggrieved Employees** fully and finally release, as of the date that **Defendant** delivers the
2 **Gross Settlement Amount** to the **Settlement Administrator**, the **Released Parties** from all claims
3 for penalties pursuant to **PAGA** during the **PAGA Period** that were alleged in the **Action** and the
4 **LWDA Notice** or that could have been asserted based on the facts and allegations made in the
5 **LWDA Notice** and any amendments thereto, including the following claims: (a) failure to pay
6 minimum wages in violation of California Labor Code §§ 204, 1194, 1194.2, and 1197; (b) failure
7 to pay overtime compensation in violation of California Labor Code §§ 1194 and 1198; (c) failure
8 to provide meal periods in violation of California Labor Code §§ 226.7 and 512; (d) failure to
9 authorize and permit rest breaks in violation of California Labor Code § 226.7; (e) failure to
10 indemnify necessary business expenses in violation of California Labor Code § 2802; (f) failure to
11 timely pay final wages at termination in violation of California Labor Code §§ 201-203; (g) failure
12 to provide accurate, itemized wage statements in violation of California Labor Code § 226; (h)
13 failure to provide paid sick leave in violation of California Labor Code § 246; (i) failure to pay
14 wages weekly in violation of California Labor Code § 201.3; and (j) failure to maintain records
15 pursuant to California Labor Code § 1174. The definition of the released claims shall not be limited
16 in any way by the possibility that **Plaintiffs** or the **Aggrieved Employees** may discover new facts
17 or legal theories or legal arguments not alleged in the operative pleadings in the **Action** but which
18 might serve as an alternative basis for pursuing the same claims, causes of action, or legal theories
19 of relief falling within the definition of the **Aggrieved Employee Released Claims**.

20 **4.** In exchange for the consideration recited in this **Stipulation, Plaintiffs**,
21 solely on behalf of themselves, do hereby and forever release, acquit, and discharge and covenant
22 not to sue the **Released Parties** for any and all lawsuits, charges, claims, complaints, liabilities,
23 obligations, promises, agreements, controversies, damages, actions, omissions, claims for relief,
24 suits, rights, demands, costs, lawsuits, and expenses (including attorneys' fees and costs) of any
25 nature whatsoever, known or unknown, suspected or unsuspected, which **Plaintiffs** now have or
26 claims to have, or which **Plaintiffs** at any time heretofore had or claimed to have, or which
27 **Plaintiffs** at any time hereafter may have or claim to have against each or any of the **Released**
28 **Parties**, arising out of or related to any matter, event, fact, act, omission, cause or thing which

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1 existed, arose or occurred on or prior to the date of the execution of this **Stipulation**, including
2 without limitation, any claim for wages, compensation, overtime, bonuses, meal or rest period
3 premiums, business expense reimbursement, penalties, interest, attorneys' fees or costs; any claim
4 under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the
5 California Fair Employment and Housing Act, the Family and Medical Leave Act, the Americans
6 with Disabilities Act, the California Labor Code, the IWC Wage Orders, the Fair Labor Standards
7 Act, the California Business and Professions Code, the Consolidated Omnibus Budget
8 Reconciliation Act of 1985, and the Employee Retirement Income Security Act of 1974, or any
9 federal, state or local law or regulation prohibiting employment discrimination or regulating
10 employment. This release also includes, but is not limited to, any claim for negligent or intentional
11 infliction of emotional distress, conversion, violation of public policy, wrongful termination,
12 retaliation, breach of contract, unfair business practices or any other claim, however styled, relating
13 to or arising out of **Plaintiffs'** employment with, or separation of employment from, the **Defendant**.

14 5. Except for the obligations expressly provided for in this **Stipulation**,
15 **Plaintiffs** fully and finally release, as of the **Final Settlement Date**, the **Released Parties** from any
16 and all claims in favor of **Plaintiffs' Attorneys** arising from the **Action**, including by way of
17 example only, any and all claims for attorneys' fees, costs, consultant's fees, expert witness fees,
18 interest, or any other expenses incurred by **Plaintiffs** or on behalf of the **Class Members** or
19 **Plaintiffs' Attorneys** in connection with or related in any manner to the **Action**, the **Settlement** of
20 the **Action** or the administration of the **Settlement**.

21 6. **Plaintiffs**, with respect to **Plaintiffs' Released Claims**, shall be deemed to
22 have, and by operation of the **Final Judgment** shall have, expressly waived and relinquished, to
23 the fullest extent permitted by law, the provisions, rights and benefits of section 1542 of the
24 California Civil Code, that provides:

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

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Thus, even if **Plaintiffs** may hereafter discover facts in addition to or different from those which they now know or believe to be true with respect to the subject matter of **Plaintiffs' Released Claims**, **Plaintiffs** shall be deemed to have and by operation of the **Final Judgment** shall have, fully, finally, and forever settled and released any and all of **Plaintiffs' Released Claims** on the **Final Settlement Date**. This is true whether such claims are known or unknown, suspected or unsuspected, contingent or non-contingent whether or not concealed or hidden, which now exist, or heretofore have existed upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law, or rule, without regard to the subsequent discovery or existence of such different or additional facts.

D. Approval of Settlement

1. As soon as practicable, the **Parties** shall execute and file this **Stipulation** including the attached Exhibit A; and **Plaintiffs** shall file a motion for preliminary approval and supporting papers with the **Court** that requests that the **Court** enter a proposed **Preliminary Approval Order**, establishing a procedure for obtaining final approval of the **Settlement**. Any dispute regarding forms of notices and other documents necessary to implement the **Settlement** contained in the **Stipulation**, if not timely resolved among the **Parties**, shall be referred to the **Court**.

2. If preliminary approval is granted, a **Final Settlement Hearing** to determine final approval of the **Settlement** shall be scheduled as soon as practicable, subject to the calendar of the **Court**, after the **Preliminary Approval Date**. Upon final approval of the **Settlement** by the **Court** at or after the **Final Settlement Hearing**, the **Parties** shall seek and obtain from the **Court** a **Final Judgment**. The **Final Judgment** shall comply with section 664.6 of the California Code of Civil Procedure and all applicable California Rules of Court, including rule 3.769(h).

3. After entry of the **Final Judgment**, the **Court** shall have continuing jurisdiction over the **Action** solely for purposes of: (i) entering an order acknowledging satisfaction of the **Final Judgment**; (ii) enforcing this **Stipulation**; (iii) addressing settlement administration matters; and (iv) addressing such post-**Final Judgment** matters as may be appropriate under **Court**

1 rules or applicable law.

2 **4.** Should the **Court** decline to approve this **Stipulation** or fail to enter the
3 **Final Judgment**, the **Stipulation** shall be voidable by any of the **Parties** by written notice to the
4 attorneys of record for the other **Parties** served in a manner authorized by California Code of Civil
5 Procedure section 1013, no later than fifteen (15) **Days** after entry of any such order or after service
6 of an applicable notice of ruling, whichever occurs later, or if no such order is entered or notice of
7 ruling served, within 90 **Days** after the **Final Settlement Hearing**. This right to void the
8 **Stipulation** does not apply to the **Court's** award of **Plaintiffs' Attorneys' Fees, Plaintiffs'**
9 **Expenses** or the **Class Representative Enhancements**, provided any such awards do not exceed
10 the amounts set forth in Parts III.H.3 and III.I. Should the **Court** award less than the maximum
11 amount sought for **Plaintiffs' Attorneys' Fees, Plaintiffs' Expenses** or the **Class Representative**
12 **Enhancements**, the reduced award shall not be grounds to void the settlement.

13 **E. Notice to Class Members**

14 **1.** The **Notice** substantially in the form attached hereto as Exhibit A and Exhibit
15 B, and as approved by the **Court**, shall be provided to the **Class** using the procedures in this Part
16 III.E.

17 **2.** Within fifteen (15) calendar days after the **Preliminary Approval Date**, the
18 **Defendant** shall provide the **Settlement Administrator** with the names, most current mailing
19 addresses, number of workweeks worked by each **Class Member** during the **Class Period**, number
20 of workweeks worked by each **Aggrieved Employee** during the **PAGA Period**, and Social Security
21 numbers for the **Class** from the records maintained by **Defendant**. This information shall remain
22 strictly confidential and shall not be disclosed to anyone, including **Plaintiffs' Attorneys**, except
23 as necessary for the **Settlement Administrator** to carry out the reasonable efforts described in this
24 Part III.E, or pursuant to express written authorization by the **Defendant** or by order of the **Court**.

25 **3.** Within seven (7) calendar days of receipt of the mailing address information,
26 the **Settlement Administrator** shall, using the information provided by the **Defendant** along with
27 any updated information obtained from the National Change of Address database which the
28 **Settlement Administrator** shall use to confirm mailing information, mail the **Notice** to all

1 identified **Class Members** by first-class, regular U.S. Mail to the most recent address known for
2 each **Class Member**. For **Notices** returned as undeliverable, the **Settlement Administrator** shall
3 conduct one or more skip traces, then send additional **Notices** to any new address identified. Upon
4 completion of these steps by the **Settlement Administrator**, the **Parties** shall be deemed to have
5 satisfied their obligation to provide the **Notice** to the **Class**.

6 **F. Objection and Exclusion Procedures**

7 **1.** The Notice shall advise **Aggrieved Employees** that: (a) they may not object
8 or request exclusion from the **Court's** approval of the **Aggrieved Employee Payments, Aggrieved**
9 **Employee Release, or LWDA Payment;** (b) they are bound by the **Court's** approval of the
10 **Aggrieved Employee Payments, Aggrieved Employee Release, and LWDA Payment;** and (c)
11 they will receive their **Aggrieved Employee Payment** and release the claims set forth in the
12 **Aggrieved Employee Release** even if they object to or request exclusion from the **Settlement**.

13 **2.** The **Notice** shall provide that **Class Members** who wish to object to any
14 aspect of the **Settlement** other than the **Aggrieved Employee Payments, Aggrieved Employee**
15 **Release, and LWDA Payment** may either submit to the **Settlement Administrator** a written
16 statement objecting to the **Settlement** or appear at the **Final Settlement Hearing** and orally object
17 to the **Settlement** without first providing a written objection to the **Settlement Administrator**. In
18 the case of a written objection, the objection must be signed by the **Class Member**, or an attorney
19 representing the Class Member, and state: (a) the full name of the **Class Member**; (b) the dates of
20 employment of the **Class Member**; (c) the last four digits of the **Class Member's** Social Security
21 number and/or the Employee ID number; (d) contain a statement of the **Class Member's**
22 objections; and (e) the name of the case and case number, *Ward v. Health Talent Strategies, Inc.*,
23 Case No. 21STCV15025. Such written statement must be mailed and postmarked to the **Settlement**
24 **Administrator** on or before the **Objection/Exclusion Deadline Date**. The Settlement
25 Administrator shall email a copy of the written statement objecting to the Settlement to **Plaintiffs'**
26 **Attorneys** and **Defendant's Attorneys**. **Plaintiffs' Attorneys** shall lodge a copy any written
27 statements objecting to the **Settlement** with the **Court**. Any written statement objecting to the
28 **Settlement** that is not postmarked to the **Settlement Administrator** on or before the

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1 **Objection/Exclusion Deadline Date** shall be of no force and effect under any circumstance. **Class**
2 **Members** who fail to timely mail to the **Settlement Administrator** written objections in the
3 manner specified above or who fail to appear at the **Final Settlement Hearing** and orally object to
4 the **Settlement**, shall be deemed to have waived any objections and shall be foreclosed from making
5 any objection (whether by appeal or otherwise) to the **Settlement**.

6 3. The **Notice** also shall provide that **Class Members** who wish to exclude
7 themselves from the **Settlement Class** must submit to the **Settlement Administrator** a written,
8 signed statement expressing his or her desire to be excluded from the **Settlement**, and any such
9 statement shall include the name (and former names, if any), current address, telephone number and
10 the last four (4) digits of Social Security number of the **Class Member** and stating "I wish to be
11 excluded from the *Ward v. Health Talent Strategies, Inc.* settlement." or something analogous to
12 that phrase. The written request for exclusion must be mailed to and received by the **Settlement**
13 **Administrator** and must be postmarked on or before the **Objection/Exclusion Deadline Date**.
14 Any written request for exclusion not received by the **Settlement Administrator** or postmarked
15 after the **Objection/Exclusion Deadline Date** shall be of no force and effect under any
16 circumstance. **Class Members** who fail to mail to the **Settlement Administrator** a valid and
17 timely written request for exclusion on or before the **Objection/Exclusion Deadline Date** shall be
18 deemed a **Settlement Class Member** and bound by all terms of the **Settlement** and any **Final**
19 **Judgment** entered in the **Action** if the **Settlement** is approved by the **Court**, regardless of whether
20 they have objected to the **Settlement**. Any **Class Member** who timely mails a valid written request
21 for exclusion that is received by the **Settlement Administrator** will receive an **Aggrieved**
22 **Employee Settlement Payment**, but will not be a **Settlement Class Member**, will not receive a
23 **Settlement Payment**, and will not have standing to object to the **Settlement**.

24 4. If more than five percent (5%) of the persons in the **Class** file timely written
25 requests for exclusion, then **Defendant** shall have the option to declare this **Stipulation** null and
26 void if, within 15 **Days** after the **Objection/Exclusion Deadline Date**, **Defendant** serves written
27 notice of the exercise of this option on **Plaintiffs' Attorneys** in a manner provided for in California
28 Code of Civil Procedure section 1013. If **Defendant** voids this **Agreement**, it shall pay any

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1 expenses of the **Notice** or claims administration which the **Settlement Administrator** has incurred.

2 **5. Plaintiffs' Attorneys and Defendant's Attorneys** shall receive a copy of all
3 valid and timely written objections and requests for exclusion from the **Settlement Administrator**
4 within three (3) **Days** of the **Settlement Administrator's** receipt. No later than ten (10) **Days**
5 before the **Final Settlement Hearing**, the **Settlement Administrator** shall provide the **Parties**
6 with a complete and accurate list of names of all **Class Members** who have properly requested
7 exclusion from the **Settlement Class** or who have submitted timely objections and all written
8 objections to the **Settlement** and or notices of intention to appear and object that have been
9 received.

10 **6.** The **Parties** agree that neither they nor their counsel will solicit or otherwise
11 encourage directly or indirectly any **Class Member** to request exclusion from the **Settlement**
12 **Class**, object to the **Settlement**, or appeal from the **Court's Final Judgment**.

13 **G. Claims Administration and Payment of Claims**

14 **1. Aggrieved Employees** are not required to submit a claim form as a condition
15 of receiving an **Aggrieved Employee Payment**. Instead, **Aggrieved Employees** shall
16 automatically receive a pro rata share of the **Aggrieved Employee PAGA Share**.

17 **2.** In consideration for the **Settlement** and release of the **Aggrieved Employee**
18 **Released Claims**, the **Defendant** shall deliver to the **Settlement Administrator** and the
19 **Settlement Administrator** shall pay to each **Aggrieved Employee** cash compensation from the
20 **Aggrieved Employee PAGA Share** according to the procedures set forth in this Part III.G.2. The
21 identified **Aggrieved Employees** shall receive a pro rata share of the **Aggrieved Employee PAGA**
22 **Share**. The individual **Aggrieved Employee's** payment shall be calculated by the **Settlement**
23 **Administrator** by dividing the **Aggrieved Employee PAGA Share** distributable to the **Aggrieved**
24 **Employees** by the total workweeks that have accrued for the **Aggrieved Employees** during the
25 **PAGA Period** and multiplying that amount by the number of weeks worked by the individual
26 **Aggrieved Employee** during the **PAGA Period**. Workweeks will be separately and distinctly
27 calculated for each **Aggrieved Employee**. Only **Aggrieved Employees** who can be identified by
28 the **Settlement Administrator** will receive an **Aggrieved Employee Payment**. No **Aggrieved**

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1 **Employee Payment** will be sent to any **Aggrieved Employees** for whom a current address has not
2 been identified.

3 3. **Settlement Class Members** are not required to submit a claim form as a
4 condition of receiving a **Settlement Payment**. Instead, **Settlement Class Members** shall
5 automatically receive a pro rata share of the **Net Settlement Amount**.

6 4. In consideration for the **Settlement** and release of the **Settlement Class**
7 **Released Claims**, the **Defendant** shall deliver to the **Settlement Administrator** and the
8 **Settlement Administrator** shall pay to each **Settlement Class Member** cash compensation from
9 the **Net Settlement Amount** according to the procedures set forth in this Part III.G.4. The identified
10 **Settlement Class Members** shall receive a pro rata share of the **Net Settlement Amount**. The
11 individual **Settlement Class Member's** payment shall be calculated by the **Settlement**
12 **Administrator** by dividing the **Net Settlement Amount** distributable to the **Settlement Class** by
13 the total workweeks that have accrued for the **Settlement Class** during the **Class Period** and
14 multiplying that amount by the number of workweeks worked by the individual **Settlement Class**
15 **Member** during the **Class Period**. Workweeks will be separately and distinctly calculated for each
16 **Settlement Class Member**. Only **Settlement Class Members** who can be identified by the
17 **Settlement Administrator** will receive a **Settlement Payment**. No **Settlement Payments** will be
18 sent to any **Settlement Class Member** for whom a current address has not been identified.

19 5. **Defendant** represents that **Class Members** worked approximately 304,895
20 workweeks during the **Class Period**. If the number of workweeks worked increases by more than
21 ten percent (10%), or there are more than 335,384 workweeks worked during the **Class Period**,
22 then the **Gross Settlement Amount** shall be increased on a pro-rata basis for any workweeks added
23 above the ten percent (10%) increase, or above 335,384 workweeks. For example, if the number
24 of workweeks exceeds 304,895 by eleven percent (11%), then the Gross Settlement Amount will
25 be increased by one percent (1%).

26 6. If any **Settlement Class Member** or **Aggrieved Employee** does not cash
27 his/her settlement check within one hundred eighty (180) **Days** after the **Settlement Administrator**
28 mails the **Settlement Payment** to the **Settlement Class Member** or the **Aggrieved Employee**

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1 **Payment** to the **Aggrieved Employee**, the checks will be void and a stop-payment shall be issued,
2 and the **Settlement Administrator** shall transfer the unclaimed funds to California State Bar's
3 Justice Gap Fund as the *cy pres* recipient. **Defendant** and its counsel, **Plaintiffs** and their counsel,
4 will submit declarations with the preliminary approval motion to the Court attesting to the fact that
5 in no way they are involved or apart of the proposed *cy pres* recipient.

6 7. The **Settlement Administrator** shall regularly and accurately report to the
7 **Parties'** counsel, in written form when requested, the substance of the work performed, including
8 the amounts paid to **Settlement Class Members** and **Aggrieved Employees**, and the total amount
9 of **Settlement Payments** and **Aggrieved Employee Payments**. The **Settlement Administrator**
10 shall respond to questions from **Class Members** and perform other duties as necessary to carry out
11 its responsibilities under this **Stipulation**.

12 8. All **Settlement Payments** paid to **Settlement Class Members** shall be
13 allocated as follows: twenty percent (20%) to wages, subject to applicable withholdings, to be
14 reported on a W-2 form to be issued by the **Settlement Administrator**; forty percent (40%) to
15 interest, not subject to withholdings and reported on a 1099 form to be issued by the **Settlement**
16 **Administrator**; and forty percent (40%) to penalties, not subject to withholdings and reported on
17 a 1099 form to be issued by the **Settlement Administrator**. All **Aggrieved Employee Payments**
18 paid to **Aggrieved Employees** shall be allocated to penalties, not subject to withholdings and
19 reported on a 1099 form to be issued by the **Settlement Administrator**. The **Parties** agree that no
20 taxes will be withheld or paid by **Defendant** with respect to the **Settlement Payments** allocated to
21 interest or penalties or the **Aggrieved Employee Payments**. Each individual **Settlement Class**
22 **Member** and **Aggrieved Employee** shall be responsible for his/her share of taxes due on the portion
23 of his or her **Settlement Payment** and/or **Aggrieved Employee Payment**. The **Parties** further
24 agree that no taxes will be withheld or paid by **Defendant** with respect to payments of the
25 **Settlement Administration Costs, Class Representative Enhancements, Plaintiffs' Attorneys'**
26 **Fees and Plaintiffs' Expenses**. Any taxes due thereon shall be respectively the responsibility of
27 **Class Administrator, Plaintiffs and Plaintiffs' Attorneys**. The **Parties** acknowledge and agree
28 that proper information reporting will be made to the appropriate taxing authorities regarding all

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1 payments made pursuant to this **Stipulation**.

2 **9.** Each **Party** to this **Stipulation** and each **Class Member** acknowledges and
3 agrees that (1) no provision of this **Stipulation**, and no written communication or disclosure
4 between or among the **Parties** or their attorneys and other advisors, is or was intended to be, nor
5 shall any such communication or disclosure constitute or be construed or be relied upon as, tax
6 advice within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as
7 amended); (2) the **Parties** and **Class Members** (a) have relied exclusively upon their own
8 independent legal and tax advisors for advice (including tax advice) in connection with this
9 **Stipulation**, (b) have not entered into this **Stipulation** based upon the recommendation of any other
10 party or any attorney or advisor to any other party, and (c) are not entitled to rely upon any
11 communication or disclosure by an attorney or advisor to any other party to avoid any tax penalty
12 that may be imposed on either party; and (3) no attorney or advisor to any party has imposed any
13 limitation that protects the confidentiality of any such attorneys' or advisor's tax strategies
14 (regardless of whether such limitation is legally binding) upon disclosure by the parties of the tax
15 treatment or tax structure of any transaction, including any transaction contemplated by this
16 **Stipulation**.

17 **10.** **Defendant** will not use the **Settlement Payments** or **Aggrieved Employee**
18 **Payments** to calculate any additional benefits including, by example but not limitation, vacation,
19 holiday pay or 401(k) plan contributions. The **Settlement Payments** and **Aggrieved Employee**
20 **Payments** do not represent any modification of previously-credited hours of service or other
21 eligibility criteria under any employee pension or employee welfare benefit plan sponsored by
22 **Defendant**, nor are the **Settlement Payments** or **Aggrieved Employee Payments** "compensation"
23 for purposes of determining eligibility for, or benefit accrual within, an employee pension benefit
24 plan or employee welfare benefit or other plan sponsored by **Defendant** or its predecessors,
25 subsidiaries or successors.

26 **11.** **Defendant** agrees to deliver the **Gross Settlement Amount** to the
27 **Settlement Administrator** within twenty (20) calendar days after the **Final Settlement Date**. The
28 **Settlement Administrator** shall disburse the **Settlement Payments** to each identified **Settlement**

1 **Class Member, the Aggrieved Employee Payments to the Aggrieved Employees, Class**
2 **Representative Enhancements to Plaintiffs, Plaintiffs' Attorneys' Fees, Plaintiffs' Expenses,**
3 **and the LWDA Payment on the Payment Date.**

4 **H. Plaintiffs' Attorneys' Fees and Plaintiffs' Expenses**

5 **1.** For the purposes of settlement only, **Defendant** agrees that **Plaintiffs'**
6 **Attorneys** are entitled to an award of reasonable attorneys' fees and costs. **Defendant** also
7 acknowledges that the **Class and Aggrieved Employees** possesses a potential claim for reasonable
8 attorneys' fees and costs pursuant to, *inter alia*, the California Labor Code. The **Parties** agree that
9 any and all such claims for reasonable attorneys' fees and costs have been settled in this
10 **Stipulation. Plaintiffs' Attorneys' Fees** are to compensate **Plaintiffs' Attorneys** for all work
11 already performed in this **Action**, and all remaining work to be performed in documenting the
12 **Settlement**, securing **Court** approval of the **Settlement**, making sure the **Settlement** is fairly
13 administered and implemented, and obtaining the **Final Judgment**.

14 **2.** The **Parties** agree that the **Gross Settlement Amount** includes all costs,
15 fees, expenses to be incurred in giving **Notice** to the **Class** and all of the costs, fees, and expenses
16 of administering the disbursement of the **Settlement Payments** and **Aggrieved Employee**
17 **Payments**.

18 **3.** **Defendant** understands that **Plaintiffs' Attorneys** will apply to the **Court**
19 for an award of **Plaintiffs' Attorneys' Fees** and **Plaintiffs' Expenses**, which will be scheduled for
20 determination at the **Final Settlement Hearing** or as the **Court** directs. **Defendant** will not oppose
21 **Plaintiffs' Attorneys'** application for a reasonable award of **Plaintiffs' Attorneys' Fees** in a total
22 amount not to exceed one-third (1/3) of \$3,000,000.00 (*i.e.*, \$1,000,000.00) and **Plaintiffs'**
23 **Expenses** not to exceed \$30,000.00. **Plaintiffs**, the **Settlement Class**, and the **Aggrieved**
24 **Employees** shall not seek payment of attorneys' fees or reimbursement of costs or expenses from
25 **Defendant** except as set forth herein. **Plaintiffs' Attorneys' Fees** and **Plaintiffs' Expenses** shall
26 be paid on the **Payment Date**.

27 ///

28 ///

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I. Class Representative Enhancement

Defendant will not oppose a request that **Plaintiffs** be paid **Class Representative Enhancements** in an amount not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00) to Plaintiff Lillie Ward and Five Thousand Dollars and Zero Cents (\$5,000.00) to Plaintiff Hugo Nelson Hernandez. The **Class Representative Enhancements** shall be paid on the **Payment Date**.

J. Additional Terms

1. Defendant denies it has engaged in any unlawful activity, has failed to comply with the law in any respect, or has any liability to anyone under the claims asserted in the **Action**. **Plaintiffs** acknowledge that their claims against **Defendant** have been amicably resolved. The **Parties** expressly acknowledge that this **Stipulation** is entered into for the purpose of compromise of highly disputed claims and that nothing herein is an admission of liability, wrongdoing or certification of a class for purposes of determination on the merits by **Defendant**. Neither the **Stipulation** nor any document prepared in connection with the **Settlement** may be admitted in any proceeding as an admission by **Defendant, Plaintiffs**, or any person within the definition of the **Class**. However, this paragraph and all other provisions of this **Stipulation** notwithstanding, any and all provisions of this **Stipulation** may only be admitted in evidence and otherwise used in any and all proceedings to enforce any or all terms of this **Stipulation**, or in defense of any claims released or barred by this **Stipulation**.

2. Plaintiffs and Plaintiffs' Attorneys shall only disclose the **Settlement** or its terms in papers filed with the **Court**, in accordance with **Court** approved notice procedures, in response to any inquiries from any **Settlement Class Members**, or if required by legal process. **Plaintiffs and Plaintiffs' Attorneys** shall not publicize the **Settlement** or the **Action**, directly or indirectly, to any representative of any form of mass or social media, including, but not limited to, speeches, press conferences, press releases, interviews, television, print, radio, or internet media. **Plaintiffs and Plaintiffs' Attorneys** shall not make any public statement or release, including, but not limited to, on any website, which specifically references the **Action** or **Released Parties**. **Defendant** may make such disclosures as required under its contractual and legal obligations.

3. 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 mail, addressed as follows:

To the **Class** or the **Plaintiff**:

MOON LAW GROUP. PC
Kane Moon
Lilit Ter-Astvatsatryan
1055 W. Seventh St., Suite 1880
Los Angeles, California 90017
Telephone: (213) 232-3128
Facsimile: (213) 232-3125
kmoon@moonlawgroup.com
lilit@moonlawgroup.com

To **Defendant Health Talent Strategies, Inc.:**

**BRYAN CAVE LEIGHTON
PAISNER LLP**
Robert J. Hoffman
Aileen M. Hunter
Christopher J. Archibald
1920 Main St., Suite 1000
Irvine, California 92614-7276
Telephone: (949) 223-7000
Facsimile: (949) 223-7100
rjhoffman@bclplaw.com
aileen.hunter@bclplaw.com
christopher.archibald@bclplaw.com

4. Except as expressly provided in this **Stipulation, Plaintiffs**, individually and as class representatives, **Defendant**, all attorneys for **Plaintiffs** and the **Class**, and all attorneys for **Defendant**, hereby waive any and all rights to appeal, this waiver being contingent upon the **Court** entering the **Final Judgment**. This waiver includes waiver of all rights to any post-judgment proceeding and appellate proceeding, including but not limited to, motions for relief from judgment and motions to amend or alter the judgment.

5. After this **Stipulation** is fully executed by all **Parties** and their attorneys of record, this **Stipulation** and its attached Exhibit A shall constitute the entire agreement relating to settlement of this **Action** and the causes of action and defenses asserted therein, and it shall then be deemed that no oral representations, warranties or inducements have been made to any party concerning this **Stipulation** or its Exhibit A and Exhibit B other than the representations, warranties and covenants expressly stated in this **Stipulation** and its Exhibit A and Exhibit B. In the event this **Stipulation** is canceled, rescinded, terminated, voided or nullified, however that may occur, or this **Stipulation** is barred by operation of law, or invalidated, or ordered not to be carried out by a court of competent jurisdiction, this **Stipulation** shall be null and void for all purposes and neither **Plaintiffs** nor **Defendant** shall be bound by any of its terms. If such an event were to occur, the **Parties** shall revert to the position they were in immediately preceding the execution of this **Stipulation**.

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1 6. After this **Stipulation** is fully executed by all **Parties** and their attorneys of
2 record, all litigation in the **Action** shall be stayed, and no **additional Court** filings shall be made
3 by the **Parties** except as specifically provided for herein and as are necessary to enforce the terms
4 of this **Stipulation** or as ordered by the **Court**.

5 7. **Plaintiffs' Attorneys** unconditionally warrant and represent that they are
6 authorized by **Plaintiffs** for whom they are attorneys of record, and the attorneys of record for
7 **Defendant** warrant and represent that they are authorized by **Defendant**, to take all appropriate
8 action required or permitted to be taken by such **Parties** pursuant to this **Stipulation** to effectuate
9 its terms, and to execute any other documents required to effectuate the terms of this **Stipulation**.
10 The **Parties** and their counsel will cooperate with each other and use their best efforts to effect the
11 implementation of the **Settlement**. In the event the **Parties** are unable to reach agreement on the
12 form or content of any document needed to implement the **Stipulation**, or on any supplemental
13 provisions that may become necessary to effectuate the terms of this **Stipulation**, the **Parties** agree
14 to first seek the assistance of mediator Steve Serratore. If the **Parties** are unable to reach an
15 agreement with the mediator's assistance, they will seek the assistance of the **Court**. In all cases
16 all such documents, supplemental provisions and assistance of the mediator and the **Court** shall be
17 consistent with this **Stipulation**.

18 8. **Plaintiffs' Attorneys** shall be permitted to retain a copy of all confidential
19 documents produced by **Defendant** in the **Action** for a period of not more than five (5) years from
20 the date of entry of Judgment. **Plaintiffs' Attorneys** shall not be permitted to use any confidential
21 documents produced by **Defendant** in the **Action**, except in a proceeding for malpractice against
22 **Plaintiffs' Attorneys**.

23 9. This **Stipulation** may be amended, modified, changed, or waived only by an
24 express written instrument signed by all **Parties** or their successors-in-interest.

25 10. This **Stipulation** shall be binding upon, and inure to the benefit of, the
26 successors of each of the **Parties**.

27 11. All **Settlement** documents, including form of notice, preliminary approval
28 and final approval must be acceptable to both **Parties** prior to being filed with the **Court**.

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12. All terms of this **Stipulation** and its Exhibit A and Exhibit B shall be governed by and interpreted according to the laws of the State of California, without giving effect to any conflict of law principles or choice of law principles.

13. The **Parties** have cooperated in the drafting and preparation of this **Stipulation**. This **Stipulation** shall not be construed against any party on the basis that the party was the drafter or participated in the drafting.

14. This **Stipulation** may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. Facsimile signatures or electronic signature may be used for the same purposes as an original. Any executed counterpart shall be admissible in evidence to prove the existence and contents of this **Stipulation**.

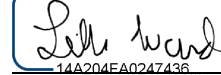
15. **Plaintiffs** and **Defendant** believe this is a fair, reasonable and adequate **Settlement** and have arrived at this **Settlement** through arms-length negotiations, taking into account all relevant factors, present and potential.

16. The descriptive headings of any paragraph or sections of this **Stipulation** are inserted for convenience of reference only and do not constitute a part of this **Stipulation**.

Dated: October ²⁶____, 2023

Lillie Ward

DocuSigned by:



Lillie Ward

Dated: October ²⁶____, 2023

Hugo Nelson Hernandez

DocuSigned by:



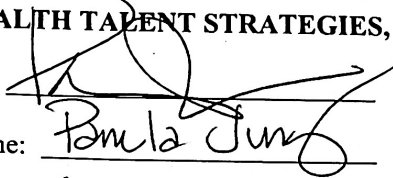
Hugo Nelson Hernandez

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Dated: ~~October~~ November 1, 2023

HEALTH TALENT STRATEGIES, INC.

By: 

Name: Paula Jung

Title: CEO

APPROVED AS TO FORM ONLY:

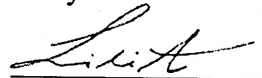
Dated: October ____, 2023

BRYAN CAVE LEIGHTON PAISNER LLP
Robert J. Hoffman
Aileen M. Hunter
Christopher J. Archibald

By: _____
Christopher J. Archibald
Attorneys for Defendant
HEALTH TALENT STRATEGIES,
INC.

Dated: October 26, 2023

MOON LAW GROUP, PC
Kane Moon
Lilit Ter-Astvatsatryan

By: 
Kane Moon
Lilit Ter-Astvatsatryan
Attorneys for Plaintiffs
LILLIE WARD and HUGO NELSON
HERNANDEZ

Dated: October _____, 2023

HEALTH TALENT STRATEGIES, INC.

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM ONLY:

Dated: ~~October~~ November 2
XXXXX _____, 2023

BRYAN CAVE LEIGHTON PAISNER LLP

Robert J. Hoffman

Aileen M. Hunter

Christopher J. Archibald

By: _____

Christopher J. Archibald

Attorneys for Defendant

HEALTH TALENT STRATEGIES,
INC.

Dated: October 26, 2023

MOON LAW GROUP, PC

Kane Moon

Lilit Ter-Astvatsatryan

By: _____

Kane Moon

Lilit Ter-Astvatsatryan

Attorneys for Plaintiffs

LILLIE WARD and HUGO NELSON
HERNANDEZ

EXHIBIT A

WARD V. HEALTH TALENT STRATEGIES, INC.
Los Angeles Superior Court Case No. 21STCV15025
A court authorized this notice. This is not a solicitation. You are not being sued.

NOTICE OF CLASS ACTION AND PAGA SETTLEMENT

If you worked for Health Talent Strategies, Inc. in California as a non-exempt employee between April 20, 2017 and June 9, 2021, then you may get money from a class action and Private Attorneys General Act (“PAGA”) settlement.

YOUR RIGHTS AND OPTIONS REGARDING THE SETTLEMENT	
<u>You may:</u>	<u>What will happen:</u>
Do nothing	You will get your Settlement Payment and Aggrieved Employee Payment , and give up the right to bring your own lawsuit for the Settlement Class Released Claims or Aggrieved Employee Released Claims. See below.
Submit the Allocation Form and information or document(s) you have in support of the corrections to the Allocation Form	A decision will be made regarding the number of workweeks based on the information in the Allocation Form and evidence submitted. You will get your Settlement Payment and Aggrieved Employee Payment , and give up the right to bring your own lawsuit for the Settlement Class Released Claims or Aggrieved Employee Released Claims. See below.
Request to be excluded from the settlement	You will not receive your Settlement Payment but you will receive your Aggrieved Employee Payment . You will retain the right to file your own lawsuit for the Settlement Class Released Claims, but not for the Aggrieved Employee Released Claims. See below.
Object to the terms of the settlement	The court will consider your objection. If the court overrules your objection, you will still be bound by the terms of the settlement. See below.

I. What is the purpose of this notice?

The purpose of this notice is to let you know that there is a class action and PAGA lawsuit pending in the Superior Court of California for the County of Los Angeles, a proposed settlement has been reached, and you may be a member of the class. This lawsuit was filed by Lillie Ward and Hugo Nelson Hernandez (“Plaintiffs”), former employees of Defendant Health Talent Strategies, Inc. (“Defendant”), Case No. 21STCV15025 (“the Lawsuit”). The Second Amended Class Action Complaint claims that Defendant allegedly failed to pay minimum and overtime wages, failed to provide meal periods, failed to provide rest breaks, failed to indemnify necessary business expenses, failed to pay all wages owed at the time of termination, failed to provide accurate itemized wage statements, failed to provide paid sick leave, failed to pay wages weekly, failed to maintain records, had unfair business practices, and owes penalties under the California Labor Code Private Attorneys’ General Act (Cal. Labor Code §§ 2698 *et seq.* “PAGA”). On [REDACTED], the Honorable Yvette M. Palazuelos, who is overseeing this class and PAGA action, ordered that you be sent this Notice. The Court file contains the settlement documents with more information about the Lawsuit.

II. Why do Plaintiffs seek settlement approval?

Plaintiffs seek approval of the settlement because they have reached a proposed settlement with Defendant that they believe to be fair, reasonable, and adequate and in the best interest of the members of the class and all parties that resolves the uncertainties in this case. Please note that the Court has not decided anything yet, only that you should get a copy of this Notice so that you can review the settlement and determine whether you want to participate in the settlement, object to it, or exclude yourself from the settlement.

III. What is Defendant's position on settlement?

Defendant denies that any of its practices at issue in this Lawsuit were or are unlawful and Defendant is not admitting to any allegations in the case. Defendant views the settlement as a compromise, to which it has agreed in order to avoid the burden and expense of continued litigation. Thus, Defendant reserves the right to defend against all claims if the settlement fails for any reason.

IV. Why did I get this Notice?

You received this Notice because Defendant's records identify you as a member of the class. You may get money from the settlement if you worked for Defendant in California as a non-exempt employee between April 20, 2017 and June 9, 2021 (the "Class Period"). Specifically, "Class Member" is defined as follows:

Any and all persons who are or were non-exempt employees employed by Defendant in California at any time during the Class Period.

V. Who are the parties in this class action?

This lawsuit was filed against Defendant. Lillie Ward and Hugo Nelson Hernandez, former non-exempt employees of Defendant, are the Plaintiffs who brought the action on behalf of themselves and all similarly situated non-exempt employees in the state of California. The parties are settling the Lawsuit.

VI. Who are the attorneys for the parties?

Counsel for Plaintiff and Class Counsel

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VII. What is the proposed settlement?

Defendant has agreed to pay a settlement amount of up to Three Million Dollars and Zero Cents (\$3,000,000.00) ("Gross Settlement Amount"). This sum includes the following: (1) fees for Settlement Administration, which is anticipated to be no more than \$27,500.00, (2) Class Representative Enhancements Payments in an amount not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00) to Plaintiff Lillie Ward, and Five Thousand Dollars and Zero Cents (\$5,000.00) to Plaintiff Hugo Nelson Hernandez, the class representatives, for the initiation of the lawsuit, prosecution and risks undertaken for costs in the event the case was unsuccessful, (3) the PAGA Payment of Two Hundred Thousand Dollars and Zero Cents (\$200,000.00), and (4) Plaintiff's attorneys' fees in an amount of up to One Million Dollars and Zero Cents (\$1,000,000.00) and actual litigation costs of up to \$30,000.00, as approved by the Court.

The following is a summary of the settlement provisions. The specific and complete terms of the proposed settlement are stated in the Class Action Settlement Agreement and Stipulation between Plaintiffs and Defendant ("Settlement Agreement"), a copy of which is filed with the Clerk of the Court and available on the Settlement Administrator's website at [www. \[REDACTED\] .com](http://www. [REDACTED] .com).

Settlement Payments. Defendant has agreed to pay all Class Members who do not submit a written Request for Exclusion (“Opt-Out”) through the Settlement Administrator in accordance with the terms of the Settlement Agreement, after Final Approval of the Settlement.

After the deduction of the Court-approved expenses from the settlement amount, the remaining sum (“Net Settlement Amount”) will be available to pay each Class Member who does not Opt-Out (“Settlement Class Member”). Each Settlement Class Member will receive a share of the Net Settlement Amount that is based on the total number of weeks the individual Settlement Class Member worked for Defendant in California during the Class Period (“Settlement Payment”).

The Settlement Payment paid to each Settlement Class Member will be allocated as follows: twenty percent (20%) will be attributed to wages and will be reported as such on an IRS Form W-2 from which payroll withholding taxes and contributions shall be taken; forty percent (40%) to interest, not subject to withholdings and reported on an IRS Form 1099; and forty percent (40%) to penalties, not subject to withholdings and reported on an IRS Form 1099.

Aggrieved Employee Payment. Of the Two Hundred Thousand Dollars and Zero Cents (\$200,000.00) PAGA Payment, One Hundred Fifty Thousand Dollars and Zero Cents (\$150,000.00) will be paid to the California Labor & Workforce Development Agency (“LWDA”) and Fifty Thousand Dollars and Zero Cents (\$50,000.00) (“Aggrieved Employee PAGA Share”) will be available for distribution to Class Members who were employed by Defendant at any time between April 20, 2020 and June 9, 2021 (“Aggrieved Employees”). The time frame from April 20, 2020 and June 9, 2021 is known as the “PAGA Period.” Each Aggrieved Employee will receive a share of the Aggrieved Employee PAGA Share that is based on the total number of weeks the Aggrieved Employee worked for Defendant in California during the PAGA Period (“Aggrieved Employee Payment”).

The Aggrieved Employee Payment paid to each Aggrieved Employee will be allocated as penalties, not subject to withholdings and reported on an IRS Form 1099.

The parties agree that all Settlement Class Members and Aggrieved Employees who receive any payment pursuant to the settlement will be responsible for any and all tax obligations associated with such receipt. **You will be responsible for correctly characterizing this compensation for tax purposes and paying any taxes that may be due on the payment you receive.**

VIII. What are my rights with regard to this matter?

A. Option One: You May Do Nothing.

If you do not file a correction to the enclosed Allocation Form and do not Opt-Out from the class, you will receive your Settlement Payment and Aggrieved Employee Payment based on the information contained in the Allocation Form, you will be bound by the Settlement, and you will be barred from separately pursuing the claims released by the Settlement Agreement.

B. Option Two: Correct Information on Allocation Form

If you believe the information contained on the Allocation Form is incorrect, you **must** complete the enclosed Allocation Form and return it to the Settlement Administrator, [REDACTED], at the address provided below on or before [REDACTED] (“Response Deadline”). The date of the postmark on the return mailing envelope on the Allocation Form shall be the exclusive means used to determine whether the Allocation Form was timely submitted. The Settlement Administrator will evaluate the information and document(s) you submit and, after reviewing the Company’s records, the Settlement Administrator, together with the parties’ counsel, will attempt to informally resolve the dispute as to your correct number of workweeks. Unresolved disputes will be decided by the Settlement Administrator, subject to final approval by the Court. If you dispute the number of workweeks, you may consult with Plaintiff’s Attorneys or Settlement Administrator about your disputed claim.

C. Option Three: You May Exclude Yourself (“Opt-Out”) From the Settlement Agreement.

If you do not wish to participate in or be bound by the Settlement Agreement, you must submit to the Settlement Administrator a written signed statement expressing your desire to be excluded from the Settlement (“Request for Exclusion”), and any such statement shall include the name (and former names, if any), current address, telephone number and the last four (4) digits of Social Security number of the Class Member and stating “I wish to be excluded from the *Ward v. Health Talent Strategies, Inc.* settlement,” or something analogous to that phrase, and be postmarked by [REDACTED] and returned to the Settlement Administrator at the specified address. The Request for Exclusion will not be valid if it is not timely submitted, if it is not signed by the Class Member, or if it does not contain the name, address, and the last four digits of the Social Security number of the person requesting exclusion. The date of the postmark on the return mailing envelope on the Request for Exclusion shall be the exclusive means used to determine whether the Request for Exclusion was timely submitted.

Any Class Member who requests to be excluded from the Settlement Class will not be entitled to a Settlement Payment and will not be bound by the terms of the Settlement or have any right to object, appeal, or comment thereon. However, even if you request to be excluded from the Settlement Class and the Court approves the Settlement, you will still receive an Aggrieved Employee Payment if you worked during the PAGA Period and will have been deemed to release the Aggrieved Employee Released Claims. There is no right to exclude yourself from the settlement of the PAGA Claims.

Class Members who fail to submit a valid and timely written Request for Exclusion on or before [REDACTED] will be bound by all terms of the Settlement Agreement and any final judgment entered in this Action if the Settlement Agreement is approved by the Court.

D. Option Four: You May Object to the Settlement.

If you are a Class Member and you do not Opt-Out, you may object to the Settlement before Final Approval of the Settlement by the Court. However, there is no right object to the settlement of the PAGA Claims. This means that you may not object to the Court’s approval of the Aggrieved Employee Payments, Aggrieved Employee Release, or LWDA Payment. If you object to the Settlement and your objection is overruled, you will receive your Settlement Payment and Aggrieved Employee Payment based on the information contained in the Allocation Form, you will be bound by the Settlement, and you will be barred from separately pursuing the claims released by the Settlement Agreement.

If you choose to object to the Settlement, you may enter an appearance by yourself or through an attorney that you hire and pay for yourself. You may either submit to the Settlement Administrator a written statement objecting to the Settlement or appear at the Final Settlement Hearing, scheduled for [REDACTED] in Department 9 of Los Angeles County Superior Court, located 312 N. Spring Street, Los Angeles, CA 90012, and orally object to the Settlement without first providing a written objection to the Settlement Administrator. However, if you choose to object in writing, any written objection must be signed by the Class Member, or an attorney representing the Class Member, and state: (a) the full name of the Class Member; (b) the dates of employment of the Class Member; (c) the last four digits of the Class Member’s Social Security number and/or the Employee ID number; (d) contain a statement of the Class Member’s objections, and (e) the name of the case and case number, *Ward v. Health Talent Strategies, Inc.*, Case No. 21STCV15025. You must mail such written objection to the Settlement Administrator on or before [REDACTED] in order to be considered by the Court. The date of the postmark on the return mailing envelope shall be the exclusive means used to determine whether the objection was timely submitted. Any Class Member who submits a Request for Exclusion will not have the right to object to the Settlement.

IX. How much money will I get if I do not submit a Request for Exclusion?

The estimated gross share that you will receive under the settlement if you are a Settlement Class Member or Aggrieved Employee is preprinted on your customized Allocation Form accompanying this Notice. The actual amount you receive may be higher or lower than this amount.

Defendant has agreed to pay a gross settlement amount of up to Three Million Dollars and Zero Cents (\$3,000,000.00) to settle the Lawsuit. The amount that you receive as a Settlement Payment depends on the number of weeks you worked during the Class Period for Defendant, calculated by multiplying the number of weeks you worked during the Class Period

by the amount available for each such week. The amount available per week will be calculated by dividing the Net Settlement Amount by the total number of qualifying weeks worked by all Class Members during the Class Period.

The amount that you receive as an Aggrieved Employee Payment depends on the number of weeks you worked during the PAGA Period for Defendant, calculated by multiplying the number of weeks you worked during the PAGA Period by the amount available for each such week. The amount available per week will be calculated by dividing the Aggrieved Employee PAGA Share by the total number of qualifying weeks worked by all Aggrieved Employees during the PAGA Period.

You will have 180 days to cash your check. If you do not cash your check within 180 days, the funds from the uncashed checks will be distributed as directed by the Court pursuant to Code of Civil Procedure section 384.

X. What is the effect of the settlement on my rights?

Upon Final Approval by the Court, each Class Member who does not Opt-Out shall release, as of the date that Defendant delivers the Gross Settlement Amount to the Settlement Administrator, Defendant, and any of its former and present parents, subsidiaries, affiliates, divisions, corporations in common control, predecessors, successors, and assigns, as well as all past and present officers, directors, employees, partners, shareholders and agents, attorneys, insurers, and any other successors, assigns, or legal representatives, if any, from all claims during the Class Period under state, and local law that were alleged in the Action or could have been asserted based on the facts and allegations made in the Action, and any amendments thereto, including the following claims: (a) failure to pay minimum wages in violation of California Labor Code §§ 204, 1194, 1194.2, and 1197; (b) failure to pay overtime compensation in violation of California Labor Code §§ 1194 and 1198; (c) failure to provide meal periods in violation of California Labor Code §§ 226.7 and 512; (d) failure to authorize and permit rest breaks in violation of California Labor Code § 226.7; (e) failure to indemnify necessary business expenses in violation of California Labor Code § 2802; (f) failure to timely pay final wages at termination in violation of California Labor Code §§ 201-203; (g) failure to provide accurate, itemized wage statements in violation of California Labor Code § 226; (h) failure to provide paid sick leave in violation of California Labor Code § 246; (i) failure to pay wages weekly in violation of California Labor Code § 201.3; (j) failure to maintain records pursuant to California Labor Code § 1174; and (k) all claims for unfair business practices under California Business & Professions Code section 17200 et seq. that could have been premised on the claims, causes of action or legal theories of relief described above in (a)-(j); and (l) all damages, including, but not limited to, liquidated damages, civil and statutory penalties, interest and other amounts recoverable under the claims, causes of action or legal theories of relief identified above in (a)-(k) (“Settlement Class Released Claims”).

In addition, each Class Member shall release, as of the date that Defendant delivers the Gross Settlement Amount to the Settlement Administrator, Defendant, and any of its former and present parents, subsidiaries, affiliates, divisions, corporations in common control, predecessors, successors, and assigns, as well as all past and present officers, directors, employees, partners, shareholders and agents, attorneys, insurers, and any other successors, assigns, or legal representatives, if any, from all claims for penalties pursuant to PAGA during the PAGA Period that were alleged in the Action and the LWDA Notice or that could have been asserted based on the facts and allegations made in the LWDA Notice and any amendments thereto, including the following claims: (a) failure to pay minimum wages in violation of California Labor Code §§ 204, 1194, 1194.2, and 1197; (b) failure to pay overtime compensation in violation of California Labor Code §§ 1194 and 1198; (c) failure to provide meal periods in violation of California Labor Code §§ 226.7 and 512; (d) failure to authorize and permit rest breaks in violation of California Labor Code § 226.7; (e) failure to indemnify necessary business expenses in violation of California Labor Code § 2802; (f) failure to timely pay final wages at termination in violation of California Labor Code §§ 201-203; (g) failure to provide accurate, itemized wage statements in violation of California Labor Code § 226; (h) failure to provide paid sick leave in violation of California Labor Code § 246; (i) failure to pay wages weekly in violation of California Labor Code § 201.3; and (j) failure to maintain records pursuant to California Labor Code § 1174 (“Aggrieved Employee Released Claims”).

If the Settlement Agreement is not approved by the Court or does not become final for some other reason, then the litigation will continue.

XI. What is a “Class Representative Enhancement Payment”?

In class actions such as this one, a court may provide the Class Representatives a “class representative enhancement payment” in recognition of the time, effort and risks the Class Representatives took to prosecute the class action and the Class Representatives’ execution of a general release of all claims. Plaintiff Lillie Ward will request that the Court approve a Class Representative Enhancement Payment of Ten Thousand Dollars and Zero Cents (\$10,000.00), which will be deducted from the Gross Settlement Amount if approved by the Court. Plaintiff Hugo Nelson Hernandez will request that the Court approve a Class Representative Enhancement Payment of Five Thousand Dollars and Zero Cents (\$5,000.00), which will be deducted from the Gross Settlement Amount if approved by the Court.

XII. Why does the Labor Workforce Development Agency receive any money?

PAGA allows private citizens to step into the State’s shoes and recover civil penalties for alleged violations of California’s Labor Code. Seventy-five (75) percent of any such recovery must be given to the State. In the present case, the Settlement provides for One Hundred Fifty Thousand Dollars and Zero Cents (\$150,000.00) to be paid to the State as its share of the penalties recovered in this case (“LWDA Payment”). If the Court awards less than this amount, the difference will be made available for distribution to Aggrieved Employees as part of the Aggrieved Employee PAGA Share.

XIII. How much will the attorneys for Plaintiff get?

Class Counsel and/or Plaintiffs will seek approval from the Court for payment of attorneys’ fees in an amount up to one-third (1/3) of the Gross Settlement Amount or One Million Dollars and Zero Cents (\$1,000,000.00), plus costs not to exceed \$30,000.00. These amounts, if approved by the Court, will be deducted from the Gross Settlement Amount.

XIV. Who is the Settlement Administrator?

The Settlement Administrator is an independent third party appointed by the Court to send this notice, process and issue Settlement Payments and Aggrieved Employee Payments, and otherwise administer the settlement. It is estimated that it will cost approximately \$27,500.00 for the Settlement Administrator to fully administer the settlement. The Court has approved [REDACTED] to be the Settlement Administrator in this case. You may contact the Settlement Administrator to provide updated contact information, make corrections regarding your employment information at the Company, or ask questions regarding the processing of settlement payments. **It is your responsibility to keep a current address on file with the Settlement Administrator to ensure receipt of your settlement payment.** You may contact the Settlement Administrator at:

Ward v. Health Talent Strategies, Inc. Settlement Administrator
c/o _____

FAX NUMBER: _____

EMAIL: _____

XV. When will the Court consider whether to finally approve the Settlement?

The Court will hold a Final Settlement Hearing in Department 9 of the Los Angeles County Superior Court, located 312 N. Spring Street, Los Angeles, CA 90012 on [REDACTED] at [REDACTED] .m., to decide whether to finally approve the settlement as fair, reasonable, and adequate. At that time, the Court also will be asked to approve Plaintiffs’ Attorneys’ request for attorneys’ fees and reimbursement of costs, and the Class Representative Enhancement Payments. The hearing may be postponed without further notice to the Class. If the Settlement is not approved, the lawsuit will continue to be prepared for trial or other judicial resolution.

Questions? You can contact the Settlement Administrator or Plaintiffs’ Attorneys at the numbers listed above.

DO NOT CONTACT THE COURT OR DEFENDANT’S ATTORNEYS REGARDING THE SETTLEMENT OR THE SETTLEMENT ADMINISTRATION PROCESS.

EXHIBIT B

ALLOCATION FORM

You do NOT have to mail this Allocation Form to get your Settlement Payment or Aggrieved Employee Payment.

Return this form to the Settlement Administrator ONLY if you need to correct any of the personal and/or employment information reported below.

TO CLASS MEMBER [MERGED_FirstName] [MERGED_LastName]:

TO RECEIVE MONEY FROM THE SETTLEMENT, YOU DO NOT NEED TO TAKE ANY ACTION.

1. Under the terms of the Class Action Settlement Agreement and Stipulation ("Settlement"), you are entitled to receive a Settlement Payment in the approximate estimated amount of **[\$[MERGED_EstSettAmnt_CALC]**, minus all applicable payroll and tax deductions, after the Court approves the Settlement, and after it goes into effect. Your Individual Settlement Payment will be treated as follows: twenty percent (20%) will be attributed to wages and will be reported as such on an IRS Form W-2 from which payroll withholding taxes and contributions shall be taken; forty percent (40%) will be attributed to interest and will be reported on an IRS Form 1099; and forty percent (40%) will be attributed to penalties and will be reported on an IRS Form 1099.
2. Under the terms of the Settlement, you are also entitled to receive an Aggrieved Employee Payment in the approximate estimated amount of **[\$[MERGED_EstSettAmnt_CALC]**. Your Aggrieved Employee Payment will be attributed to penalties and will be reported on an IRS Form 1099.
3. The Parties agree that all Settlement Class Members and Aggrieved Employees who receive any payment pursuant to this settlement will be responsible for any and all tax obligations associated with such receipt. Your Settlement Payment and Aggrieved Employee Payment reflected on this Notice are only estimates. The exact amount of your Settlement Payment and Aggrieved Employee Payment could vary, up or down.
4. Your Settlement Payment is based on your total workweeks during the Class Period. Your Aggrieved Employee Payment is based on your total workweeks during the PAGA Period.
5. You have been credited with [MERGED_] workweeks for purposes of calculating your Settlement Payment. You have been credited with [MERGED_] workweeks for purposes of calculating your Aggrieved Employee Payment
6. If you **DO NOT WANT TO DISPUTE** the total amount of workweeks being credited to you, **YOU SHOULD NOT RETURN THIS FORM AND DO NOT NEED TO TAKE ANY FURTHER ACTION TO RECEIVE YOUR SETTLEMENT PAYMENT AND AGGRIEVED EMPLOYEE PAYMENT.** The Settlement Payment and Aggrieved Employee Payment will be mailed to you after the Settlement goes into effect in

approximately six months.

7. **YOU SHOULD ONLY COMPLETE THIS SECTION IF YOU DISPUTE** the number of workweeks listed above. To file a dispute you must: (1) check the dispute box below and fully complete the chart that follows, including specifying the dates during the Class Period and/or PAGA Period and providing documents to establish the accuracy of your contention; (2) sign this form under penalty of perjury; and (3) mail the completed and signed form to the Settlement Administrator so that it is postmarked no later than [REDACTED]. The Settlement Administrator will evaluate the information and document(s) you submit and, after reviewing Defendant's records, the Settlement Administrator, together with the parties' counsel, will attempt to informally resolve the dispute as to your correct number of workweeks. Unresolved disputes will be decided by the Settlement Administrator, subject to final approval by the Court. Late or incomplete disputes, or disputes that are mailed without a visible postmark date, will not be considered and your Settlement Payment will be based on the workweeks listed above.

QUESTIONS?

CALL THE SETTLEMENT ADMINISTRATOR AT [REDACTED]

☐ I WANT TO DISPUTE the number of workweeks credited to me under this Settlement. I worked the following number of workweeks:

	Dates of Employment During the Class Period
	Workweeks Worked During the Class Period

	Dates of Employment During the PAGA Period
	Workweeks Worked During the PAGA Period

BY SIGNING BELOW, I DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT I WORKED AS A NON-EXEMPT EMPLOYEE FOR HEALTH TALENT STRATEGIES, INC. DURING THE CLASS PERIOD AND THAT THE ABOVE STATEMENTS ARE TRUE AND CORRECT.

Date

Signature of Class Member

Daytime Telephone Number

Print Name

Last 4 digits of Social Security Number: ____ ____ ____ ____

YOU SHOULD NOT RETURN THIS FORM IF YOU DO NOT DISPUTE THE NUMBER OF WORKWEEKS ABOVE.