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Attorneys for Plaintiff CHASMINE SHAW,  
individually, and on behalf of a Class of all other  
persons similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF RIVERSIDE, HISTORIC COURTHOUSE

CHASMINE SHAW, individually, and on behalf  
of a Class of all other persons similarly situated,

Plaintiff,

v.

KAISER FOUNDATION HEALTH PLAN, INC.  
a California corporation; and DOES 1 through  
100, inclusive ,

Defendant.

Case No. CVRI2102203

CLASS ACTION

Assigned For All Purposes To:  
Hon. Harold Hopp

**STIPULATION AND SETTLEMENT  
OF CLASS AND REPRESENTATIVE  
ACTION**

Complaint Filed: May 12, 2021  
FAC Filed: Aug. 10, 2021  
SAC Filed: June 13, 2022

1 Subject to final approval by the Court, which counsel and the parties agree to diligently pursue and  
2 recommend in good faith, Plaintiff Chasmine Shaw (“Plaintiff”), individually and on behalf of all other  
3 similarly situated persons and aggrieved employees, on the one hand, and Defendant Kaiser Foundation  
4 Health Plan, Inc. (“Defendant” or “KFHP”), on the other hand (collectively, the “Parties” and individually,  
5 a “Party”), hereby agree to the following binding settlement of the class and representative action  
6 captioned above (the “Action”), pursuant to the terms and conditions set forth below (the “Settlement,”  
7 “Settlement Agreement” or “Agreement”).

8 **I. DEFINITIONS.**

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

11 **A. “Action.”**

12 The case entitled *Chasmine Shaw v. Kaiser Foundation Health Plan, Inc.*, Riverside County  
13 Superior Court Case Number CVRI2102203.

14 **B. “Attorneys’ Fees and Costs.”**

15 The attorneys’ fees agreed upon by the Parties and approved by the Court for Class Counsel’s  
16 litigation and resolution of the Action, and all costs incurred and to be incurred by Class Counsel in the  
17 Action, including, but not limited to, costs associated with documenting the Settlement, providing any  
18 notices required as part of the Settlement or Court’s Order, securing the Court’s approval of the  
19 Settlement, administering the Settlement, and any expert expenses.

20 Class Counsel will request attorneys’ fees not to exceed one-third (1/3) of the Class Settlement  
21 Amount, which is Three Hundred Twenty-Five Thousand Dollars (\$325,000), and actual documented  
22 costs not to exceed \$20,000. The Attorneys’ Fees and Costs awarded are subject to the Court’s approval.  
23 Such Attorneys’ Fees and Costs shall be paid from the Class Settlement Amount. Defendant shall have no  
24 liability for any other attorneys’ fees or costs. Any change in the requested Attorneys’ Fees and Costs  
25 amount is not a material term of this Agreement. To the extent that the Court approves less than the  
26 amount of Attorneys’ Fees and Costs requested by Class Counsel, the difference between the requested  
27 and awarded amounts will be distributed to Class Members on a proportional basis relative to the size of  
28 their claims as set forth in Section VI below. Class Counsel will be issued an IRS Form 1099 for the

Attorneys' Fees and Costs detailed in this Section and shall be solely and legally responsible for paying all applicable taxes on the payment made pursuant to this Section.

**C. "Class Counsel."**

Richard E. Quintilone of Quintilone & Associates, and David Markham, Maggie Realin, and Lisa Brevard of The Markham Law Firm shall be appointed Class Counsel upon approval by the Court.

**D. "Class List."**

A complete list of all Class Members that Defendant will diligently and in good faith compile from its records and provide to the Settlement Administrator within twenty-one (21) calendar days after Preliminary Approval of this Settlement. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet and will include each Class Member's full name, most recent mailing address, telephone number, Social Security number, dates of employment (*i.e.*, hire date and termination date, if applicable), PAGA Pay Periods and Workweeks (as defined below), and any other relevant information needed to calculate settlement payments.

**E. "Class Member(s)" or "Settlement Class."**

All non-exempt persons who were employed by Defendant in the State of California and who held the position of Customer Service Representative I, II, or III, Kaiser job code numbers 21121, 21122, 21123, or 24762 at any time during the Class Period. It shall be an opt-out class.

**F. "Class Period."**

The period from May 12, 2017 through the date of Preliminary Approval.

**G. "Class Representative Enhancement Payment."**

The amount to be paid to Plaintiff in recognition of her effort and work in prosecuting the Action on behalf of Class Members and for her general release of claims, as described in section Z, *infra*. Subject to the Court granting Final Approval of this Settlement Agreement, Plaintiff will request Court approval of a Class Representative Enhancement Payment in the amount of Ten Thousand Dollars (\$10,000). Plaintiff will be issued an IRS Form 1099 in connection with any Class Representative Enhancement Payment awarded by the Court. Plaintiff shall be solely and legally responsible for paying any and all applicable taxes on this payment and shall hold Defendant harmless from any claim or liability for taxes, penalties or interest arising as a result of the payment. The Class Representative Enhancement Payment will be paid

1 from the Class Settlement Amount and will be in addition to Plaintiff's individual settlement amount paid  
2 pursuant to the Settlement. Defendant makes no representations as to the tax treatment or legal effect of  
3 the payment called for herein, and Plaintiff is not relying on any statement or representation by Defendant  
4 or its counsel in this regard. Any change in the requested amount of the Class Representative  
5 Enhancement Payment is not a material term of this Agreement. To the extent that the Court approves less  
6 than the amount of Class Representative Enhancement Payment that Plaintiff requests, the difference  
7 between the requested and awarded amounts will be distributed to Class Members on a proportional basis  
8 relative to the size of their claims.

9 **H. "Class Settlement Amount."**

10 The sum of no more than a Gross Fund Value of Nine Hundred Seventy-Five Thousand Dollars  
11 (\$975,000) to be paid by Defendant in full satisfaction of all claims arising from the Action. The  
12 Settlement will be on a common fund basis, there will be no claim form or claims process and there will be  
13 no reversion to Defendant. The Class Settlement Amount includes all Individual Settlement Payments to  
14 Class Members and PAGA Group Members, the Class Representative Enhancement Payment to Plaintiff,  
15 Settlement Administration Costs to the Settlement Administrator, the Labor and Workforce Development  
16 Agency Payment, and the Attorneys' Fees and Costs. Defendant will be responsible for any employer  
17 payroll taxes required by law, separate and in addition to the Class Settlement Amount, including the  
18 employer FICA, FUTA, and SDI contributions on the wage portion of the Individual Settlement Payments.

19 **I. "Effective Date."**

20 The date on which the Final Award becomes final. For purposes of this Section, the Final Award  
21 "becomes final" only after both of the following have occurred: (i) Final Approval of the Settlement is  
22 granted by the Court and (ii) the Court's Judgment approving the settlement becomes Final. Final shall  
23 mean the latest of: (i) the date final approval is granted by the Court and there was no objection to the  
24 settlement, or the objection was filed and then withdrawn; (ii) if there is an appeal of the Court's  
25 Judgment, the date the Judgment is affirmed on appeal, the date of dismissal of such appeal, or the  
26 expiration of the time to file a petition for review with the California Supreme Court or other court in  
27 California assuming jurisdiction of this matter, or, (iii) if a petition for review is filed, the date of denial of  
28 the petition, or the date the Court's Judgment is pursuant to such petition; or (iv) if no appeal is filed, the

1 expiration date of the time for filing or noticing any appeal of the Court’s Judgment. If a timely objection  
2 to settlement is filed (including an objection from the LWDA), and not withdrawn, “Effective Date” shall  
3 be the later of: (a) the date on which the time for all appeals relating to objections to Settlement and the  
4 Final Approval Order has expired; or (b) if an appeal, review or writ is sought, the date on which the  
5 highest reviewing court renders its decision denying any petition (where the immediately lower court  
6 affirmed the judgment) or affirming the judgment. Provided, however, if the California Labor &  
7 Workforce Development Agency (“LWDA”) has commenced an investigation or issued a Citation prior to  
8 the Effective Date, as determined under the forgoing definition, the Effective Date will be extended to the  
9 date that the LWDA concludes its investigation or resolves the Citation (whichever is later), or if the  
10 LWDA objects to the Settlement, the date when the LWDA’s objection to the Settlement is resolved and  
11 no longer appealable.

12 **J. “Final Approval” or “Final Award.”**

13 The Court entering an Order Granting Final Approval of the Settlement.

14 **K. “Individual Class Settlement Payment.”**

15 Each Class Member’s share of the Net Settlement Amount minus the PAGA Settlement Payment  
16 (defined in Section O below), which shall be distributed to the Class Members, less employee portions of  
17 state and federal withholding taxes, including the employee FICA, FUTA and SDI contributions and any  
18 other applicable payroll deductions required by law as a result of the payment of the amount allocated to  
19 such Class Member as set forth herein. Employer-side payroll taxes shall be paid separately from the Class  
20 Settlement Amount, as defined in Section H, above.

21 **L. “Individual PAGA Settlement Payment.”**

22 Each PAGA Group Member’s share of the PAGA Settlement Payment (defined in Section O),  
23 below), which shall be distributed to the PAGA Group Members.

24 **M. “Individual Settlement Payment.”**

25 The payment to each Class Member that is the sum of the Class Member’s Individual Class and  
26 PAGA Settlement Payments.

**N. “LWDA Notice.”**

The Parties agree that Plaintiff will submit Notice to the Labor and Workforce Development Agency (“LWDA”) of this Settlement along with a copy of this Settlement Agreement concurrently with filing the Preliminary Approval Motion, and will thereafter submit a copy of any judgment or any other order (*e.g.*, the Final Award) providing for an award of civil penalties in conformity with Labor Code Section 2699(l).

**O. “LWDA Payment.”**

The amount that the Parties have agreed to pay to the LWDA in connection with settlement of Plaintiff’s PAGA claims. The Parties have agreed that Forty-Eight Thousand Seven Hundred Fifty Dollars (\$48,750) of the Class Settlement Amount will be allocated to the resolution of any Class Members’ claims arising under the PAGA (“PAGA Settlement Amount”). Pursuant to the PAGA, seventy-five percent of the PAGA Settlement Amount (Thirty-Six Thousand Five Hundred Sixty-Two Dollars and Fifty Cents (\$36,562.50)) will be paid to the LWDA (“LWDA Payment”) and twenty-five percent of the PAGA Settlement Amount (Twelve Thousand One Hundred Eighty-Seven Dollars and Fifty Cents (\$12,187.50)) will be included in the Net Settlement Amount. The \$12,187.50 included in the Net Settlement Amount will be referred to as the “PAGA Settlement Payment.” Any change in the requested PAGA Settlement Amount is not a material term of this Agreement. If the Court approves a lesser or greater amount than that requested, the other terms of this Agreement shall still remain in effect. However, some approval of a PAGA Settlement Amount is a material term of the Settlement and this Agreement. If the Court does not approve any PAGA Settlement Amount, without leave to amend, then the entire Agreement will be, at Defendant’s sole discretion, void and unenforceable. In such a case, the Parties shall be returned to their respective statuses as of the date and time immediately prior to the execution of this Settlement Agreement, and the Parties shall proceed in all respects as if this Settlement Agreement had not been executed, except that the costs of administration shall be borne by Defendant.

**P. “Net Settlement Amount.”**

The portion of the Class Settlement Amount remaining after deduction of the approved Class Representative Enhancement Payment, Settlement Administration Costs, LWDA Payment, and the

Attorneys' Fees and Costs. Twelve Thousand One Hundred Eighty-Seven Dollars and Fifty Cents (\$12,187.50) of the Net Settlement Amount will be attributed to the PAGA Settlement Payment.

**Q. "Notice of Class Action Settlement."**

The document substantially in the form attached as **Exhibit 1** that will be mailed to Class Members' last known addresses and which will provide Class Members with information regarding the Action and information regarding the Settlement of the Action.

**R. "Notice of Objection."**

A Class Member's valid and timely written objection to the Settlement Agreement. For the Notice of Objection form to be valid, it must be completed in its entirety and signed by the Class Member. The Notice of Objection Form is attached hereto as Exhibit A to the Notice Packet. The Notice of Objection must be returned by mail or fax to the Settlement Administrator at the specified address or facsimile number and postmarked or faxed on or before the Response Deadline. The date of the postmark or fax receipt confirmation will be the exclusive means to determine whether a Notice of Objection has been timely submitted.

Class Members who fail to make objections in the manner specified above shall be deemed to have waived any objections and shall be foreclosed from making any objection (whether by appeal or otherwise) to the Settlement Agreement. However, anyone wishing to appear at the Final Approval hearing to discuss concerns or objections to the Settlement shall be permitted to do so, whether or not they submit a Notice of Objection. Neither the Parties nor their counsel will solicit or otherwise encourage Class Members to submit written objections to the Settlement Agreement or appeal from the Order and Judgment. Class Counsel will not represent any Class Members with respect to any such objections to this Settlement. The Settlement Administrator shall provide counsel for the Parties with complete copies of all objections received, including the date of postmark or fax receipt confirmation for each objection, within two (2) business days of receipt. The Administrator will provide copies of any objections and supporting documents to the Court in its declaration, at least sixteen (16) court days before the Final Approval Hearing. Plaintiffs and/or Defendant may file responses to any properly filed objections at least five (5) court days before the date of the Final Approval Hearing. In the event the Final Approval Hearing date is continued, Class Counsel will notify the Administrator so that the Administrator may notify any

1 objector(s) of the continued hearing date. Any objection will be considered by the Court at the Final  
2 Approval Hearing regardless of whether the objector chooses to appear at the Final Approval Hearing, or  
3 not. A Class Member who excludes himself or herself from the Settlement shall lose standing to object.

4 **S. “Notice Packet.”**

5 The Notice of Class Action Settlement and Individual Settlement Payment calculations. The  
6 packet, attached as Exhibit 1, will include information regarding each Class Member’s PAGA Pay Periods  
7 and/or Workweeks.

8 **T. “Operative Complaint.”**

9 The Second Amended Complaint filed in the Action on June 13, 2022.

10 **U. “PAGA Group.”**

11 The Parties agree that the PAGA Settlement Payment will be allocated to the PAGA Group, which  
12 will be composed of all Settlement Class Members who were employed by Defendant in the State of  
13 California between May 11, 2020 through the date of Preliminary Approval (“PAGA Period”).

14 **V. “PAGA Pay Period.”**

15 Any pay period during the PAGA Period in which a member of the PAGA Group has performed  
16 work for Defendant. PAGA Pay Periods do not include full pay periods when a member of the PAGA  
17 Group was on a leave of absence, vacation, or otherwise performed no work for Defendant.

18 **W. “Plaintiff.”**

19 Plaintiff Chasmine Shaw on behalf of herself and all others similarly situated and the general  
20 public.

21 **X. “Preliminary Approval.”**

22 The Court’s order granting preliminary approval of the Settlement Agreement.

23 **Y. “Qualified Settlement Account.”**

24 The fund established by the Settlement Administrator pursuant to Internal Revenue Code Section  
25 1.468B-1.

26 **Z. “Released Claims.”**

27 As of the date of the Order Granting Final Approval, Class Members who do not opt out shall  
28 release Defendant and its present and former affiliates and all of their officers, directors, employees,

agents, servants, registered representatives, attorneys, insurers, successors and assigns, and any other persons acting by through, under or in concert with any of them (“Releasees”), from any and all claims, debts, liabilities, demands, obligations, penalties, premium pay, guarantees, costs, expenses, attorney’s fees, damages, actions or causes of action of whatever kind or nature, whether known or unknown, contingent or accrued, under any legal theory under federal and state law for all claims alleged or that could have been alleged based on the facts asserted in the Operative Complaint, including for any alleged failure to pay all wages due (including minimum wage and overtime wages), claims regarding rounding, grace periods, shift tolerance, failure to pay for all hours worked (including off-the-clock work), that the Labor Code Section 514 exemption does not apply to Defendant’s employees, failure to properly calculate the regular rate of pay, failure to provide meal and/or rest periods, short meal and/or rest periods, failure to relieve employees of all duties during meal and/or rest periods, combining of meal and/or rest periods, that Defendant’s exemption permit from the DLSE is not valid or does not apply to Class Members, failure to pay or properly calculate meal period premiums and/or rest period premiums, failure to timely pay wages and final wages, failure to furnish accurate wage statements, failure to reimburse business expenses, unfair competition and/or business practices and unlawful competition and/or business practices, liquidated damages, conversion of wages, and recordkeeping violations (the “Class Release”). This Release shall include all claims and theories arising under the California Labor Code, wage orders, and applicable regulations, including Labor Code sections 201, 202, 203, 204, 206, 210, 218, 218.5, 218.6, 226, 226.3, 226.7, 510, 511, 512, 551, 552, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, all claims and theories arising under Labor Code section 2802 as well as claims under Business & Professions Code section 17200 et seq., California Code of Regulations, title 8, section 11000 set seq., and/or Labor Code section 2698 et seq. based on alleged violations of the above Labor Code provisions. Class Members who do not opt out shall further waive their right to pursue individual lawsuits as to any of the released claims against the Releasees to the extent such claims accrued during the Settlement Period.

As to the claims released under the Class Release only, each Class Member waives all rights provided by California Civil Code section 1542, which states:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE  
CREDITOR OR RELEASING PARTY DOES NOT KNOW OR

1 SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF  
2 EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR  
3 HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER  
4 SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

5 Additionally, Plaintiff, on behalf of the State of California, will release Defendant and Releasees  
6 from any and all PAGA claims or causes of action of whatever kind or nature which occurred during the  
7 PAGA Period that were or reasonably could have been brought based on the facts alleged in the Operative  
8 Complaint and in the LWDA Letter submitted by Plaintiff, regardless of theory of recovery, including but  
9 not limited to, any alleged violations of or relief under California Labor Code as outlined above (the  
10 “PAGA Release”). The release shall run through the date of Preliminary Approval.

11 Upon the Effective Date, and as a condition of receiving any portion of her Class Representative  
12 Enhancement Payment, Plaintiff shall fully and finally release the Released Parties from any and all  
13 claims, known and unknown, under federal, state and/or local law, statute, ordinance, regulation, common  
14 law, or other source of law, including but not limited to claims arising from or related to her employment  
15 with Defendant and her compensation while an employee of Defendant which occurred at any time  
16 including before or during the Class Period. Excepted from Plaintiff’s general release are any claims by  
17 Plaintiff for workers’ compensation benefits, and the claims currently asserted in Plaintiff’s lawsuit  
18 entitled, *Chasmine Shaw v. Kaiser Foundation Health Plan et al.*, Riverside County Case Number CV-RI-  
19 2301904. As to the released claims, Plaintiff waives all rights provided by California Civil Code section  
20 1542, which states:

21 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE  
22 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR  
23 SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF  
24 EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR  
25 HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER  
26 SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

27 This Agreement is contingent upon the releases by Plaintiff and Class Members as described  
28 herein, and upon covenants by the Plaintiff and Class Members that they will not participate in any

actions, lawsuits, proceedings, complaints or charges in any court or before any administrative body related to any claims they have released under this Agreement.

**AA. “Request for Exclusion.”**

A notice submitted by a Class Member requesting to be excluded from the Settlement. For the Request for Exclusion form to be valid, it must be completed in entirety and signed by the Class Member. The Request for Exclusion Form is attached hereto as Exhibit B to the Notice Packet. The Request for Exclusion must be returned by mail or fax to the Settlement Administrator at the specified address or facsimile number and postmarked or faxed on or before the Response Deadline. The Settlement Administrator will submit a declaration at least sixteen (16) days prior to Final Approval documenting any exclusion forms received. The date of the postmark or fax receipt confirmation will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. A Class Member who does not submit a timely and valid Request for Exclusion from the Settlement will be deemed a Class Member and will be bound by all terms of the Settlement Agreement if the Settlement is granted Final Approval by the Court.

Any Class Member who opts out of this Agreement may not submit an Objection, shall not receive any Class Settlement Payment, and shall not be bound by the Class Release set forth in this Agreement. However, a PAGA Group Member who submits a Request for Exclusion will still remain a member of the PAGA Group, will receive a PAGA Settlement Payment, and will be bound by the PAGA Release. If a Class Member submits both a Request for Exclusion and an Objection, then the Request for Exclusion will be valid and will invalidate the Objection. Plaintiff, as class representative, is not permitted to, and agrees that she will not object to or opt out of this Agreement.

**BB. “Response Deadline.”**

The deadline by which Class Members must mail or fax to the Settlement Administrator valid Requests for Exclusion, Notices of Objection to the Settlement, or PAGA Pay Period or Workweek disputes (“Pay Period / Workweek Disputes”). The Response Deadline will be forty-five (45) calendar days from the initial mailing of the Notice Packet by the Settlement Administrator, unless the 45th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline for Requests for Exclusion, Notices of

1 Objection, or Pay Period / Workweek Disputes will be extended fifteen (15) calendar days for any Class  
2 Member who is re-mailed a Notice Packet by the Settlement Administrator, unless the 15th day falls on a  
3 Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on  
4 which the U.S. Postal Service is open. The Response Deadline may also be extended by express  
5 agreement between Class Counsel and Defendant. Under no circumstances, however, will the Settlement  
6 Administrator have the authority to unilaterally extend the deadline for Class Members to submit a  
7 Request for Exclusion, Notice of Objection to the Settlement, or Pay Period / Workweek Disputes.

8 **CC. "Settlement Administrator."**

9 ILYM Group, Inc. shall be the third-party class action settlement administrator as agreed to by the  
10 Parties and approved by the Court for the purposes of administering this Settlement and will issue to class  
11 members a form W-2 and 1099 for all amounts paid under this Settlement, making all deductions and  
12 withholdings required under law. The Parties mutually selected the Settlement Administrator after  
13 soliciting bids from four class action settlement administrators. The Parties each represent that they do not  
14 have any financial interest in the Settlement Administrator or otherwise have a relationship with the  
15 Settlement Administrator that could create a conflict of interest.

16 **DD. "Settlement Administration Costs."**

17 The costs payable from the Class Settlement Amount to the Settlement Administrator for  
18 administering this Settlement, including, but not limited to, printing, distributing, and tracking  
19 documents for this Settlement, calculating estimated amounts per Class Member, tax reporting,  
20 distributing the Class Settlement Amount, and providing necessary reports and declarations, and other  
21 duties and responsibilities set forth herein to process this Settlement Agreement, and as requested by the  
22 Parties. The Settlement Administration Costs will be paid from the Class Settlement Amount, including,  
23 if necessary, any such costs in excess of the amount represented by the Settlement Administrator as  
24 being the maximum costs necessary to administer the Settlement. The Settlement Administration Costs  
25 are currently estimated to be approximately \$11,475. To the extent actual Settlement Administration  
26 Costs are greater than \$11,475 such excess amount will be deducted from the Class Settlement Amount,  
27 subject to the Court's approval. The Settlement Administration Costs will be paid no sooner than fifteen  
28 (15) calendar days following the Effective Date.

1           **EE.   “Settlement Payment Check.”**

2           The payment to Class Members.

3           **FF.   “Workweek.”**

4           Any workweek during the Class Period in which a Class Member has performed work for  
5 Defendant. Workweeks do not include full workweeks when a Class Member was on a leave of absence,  
6 vacation, or otherwise performed no work for Defendant.

7           **II.    FUNDING OF THE CLASS SETTLEMENT AMOUNT.**

8           Within fourteen (14) calendar days after the Effective Date of the Settlement, Defendant will make  
9 a one-time deposit of all approved and claimed amounts from the Class Settlement Amount into a  
10 Qualified Settlement Account to be established by the Settlement Administrator. Within fourteen (14)  
11 calendar days of the funding of the Settlement, the Settlement Administrator will issue payments to: (a)  
12 Class Members; (b) the Labor and Workforce Development Agency (LWDA); (c) Plaintiff; and (d) Class  
13 Counsel. The Settlement Administrator will also issue a payment to itself for Court-approved services  
14 performed in connection with the Settlement. Defendant has no obligation to deposit such funds prior to  
15 the deadline set forth herein.

16           **III.   ATTORNEYS’ FEES AND COSTS.**

17           Class Counsel will apply for attorneys’ fees of not more than Three Hundred Twenty-Five  
18 Thousand Dollars (\$325,000), plus actual documented costs. Class Counsel shall not be entitled to  
19 attorneys’ fees or costs for work performed in the Action other than as provided in this Settlement  
20 Agreement. The instant Settlement Agreement is the exclusive means for recovery of attorneys’ fees and  
21 costs incurred in the Action by any attorney, law firm and/or other legal services provider.

22           **IV.    LABOR AND WORKFORCE DEVELOPMENT AGENCY PAYMENT.**

23           Subject to Court approval, the Parties agree that Forty-Eight Thousand Seven Hundred Fifty  
24 Dollars (\$48,750) of the Class Settlement Amount will be designated for satisfaction of Plaintiff’s and  
25 Class Members’ PAGA claims (the “PAGA Settlement Amount”). Pursuant to the PAGA, Thirty-Six  
26 Thousand Five Hundred Sixty-Two Dollars and Fifty Cents (\$36,562.50) (75%) of the PAGA Settlement  
27 Amount will be paid to the LWDA and Twelve Thousand One Hundred Eighty-Seven Dollars and Fifty  
28

Cents (\$12,187.50) (25%) of the PAGA Settlement Amount will be included in the Net Settlement Amount.

**V. NET SETTLEMENT AMOUNT.**

The Net Settlement Amount will be used to satisfy Individual Settlement Payments to Class Members from the Settlement Class in accordance with the terms of this Settlement.

**VI. INDIVIDUAL SETTLEMENT PAYMENT CALCULATIONS.**

**A. Individual PAGA Settlement Payment**

Twelve Thousand One Hundred Eighty-Seven Dollars and Fifty Cents (\$12,187.50) of the Net Settlement Amount will be apportioned among the PAGA Group Members. Specific calculations of Individual PAGA Settlement Payments will be made as follows: Defendant will calculate the PAGA Pay Periods of each PAGA Group Member during the PAGA Period and provide those calculations to the Settlement Administrator. PAGA Group Members will receive a pro-rated share of the PAGA Settlement Payment based on their PAGA Pay Periods worked for Defendant during the PAGA Period. Each PAGA Group Member will be entitled to receive an amount that is determined by multiplying the PAGA Settlement Payment by a ratio that is determined by dividing the PAGA Group Member's PAGA Pay Periods by the PAGA Pay Periods worked by all PAGA Group Members, as expressed by the following formula: PAGA Group Member Payment = (PAGA Group Member's PAGA Pay Periods divided by Total PAGA Pay Periods) x PAGA Settlement Payment.

**B. Individual Class Settlement Payment**

Separate and apart from PAGA Settlement Payment, Individual Class Settlement Payments will be calculated and apportioned from the Net Settlement Amount minus the PAGA Settlement Payment based on the Workweeks of each Class Member during the Class Period. Specific calculations of Individual Class Settlement Payments will be made as follows: Defendant will calculate the Workweeks of each Class Member during the Class Period and provide those calculations to the Settlement Administrator. Class Members will receive a pro-rated share of the Net Settlement Amount ("NSA") less the PAGA Settlement Payment (the "Remaining NSA"), less applicable withholdings, based on their Workweeks worked for Defendant during the Class Period. Each Class Member will be entitled to receive an amount that is determined by multiplying the Remaining NSA by a ratio that is determined by dividing the Class

Member's Workweeks by the Workweeks worked by all Class Members, as expressed by the following formula: Class Member Payment = (Class Member's Workweeks divided by Total Workweeks) x Remaining NSA.

**C. Individual Settlement Payment Calculation**

Each Class Member's Individual Settlement Payment will be the sum of the Class Member's Individual PAGA Settlement Payment and Individual Class Settlement Payment. Each Class Member's Individual Settlement Payment will be reduced by any required deductions for the Class Member as set forth herein, including employee-side tax withholdings or deductions.

The Individual Settlement Payments made to Class Members under this Settlement, and any other payments made pursuant to this Settlement, will not be utilized to calculate any additional benefits under any benefit plans to which any Class Members may be eligible, including, but not limited to, profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Class Members may be entitled under any benefit plans.

**VII. SETTLEMENT ADMINISTRATION PROCESS.**

1. The Parties agree to cooperate in the administration of the Settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in administration of the Settlement. The Settlement Administrator will provide the following services:

- a. Establish and maintain a Qualified Settlement Account.
- b. Calculate the Individual Class and PAGA Settlement Payment each Class Member is eligible to receive, and the sum of such payments.
- c. Print and mail the Notice Packet.
- d. Establish and maintain a toll-free information telephone support line and case-dedicated static webpage to assist Class Members who have questions regarding the Notice Packet.
- e. Conduct additional address searches for mailed Notice Packets that are returned as undeliverable.

- f. Process Requests for Exclusion, calculate Class Members' Individual Class and PAGA Settlement Payment and the sum of such payments, field inquiries from Class Members, and administer any Requests for Exclusion. This service will include settlement proceeds calculation, printing and issuance of Settlement Payment Checks, and preparation of IRS W-2 and 1099 Tax Forms. Basic accounting for and payment of employee tax withholdings and forwarding all payroll taxes and penalties to the appropriate government authorities will also be included as part of this service.
- g. Settling disputes from Class Members regarding number of PAGA Pay Periods and Workweeks, with the involvement and assistance of Defendant's Counsel and Class Counsel.
- h. Issuing to Plaintiff, Class Members, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement.
- i. Provide declarations and/or other information to the Court as requested by the Parties and/or the Court.
- j. Provide weekly status reports to counsel for the Parties.

2. Within twenty-one (21) calendar days of Preliminary Approval, Defendant will provide the Class List to the Settlement Administrator.

3. Within fourteen (14) calendar days after receiving the Class List from Defendant, the Settlement Administrator will mail a Notice Packet to all Class Members via regular First-Class U.S. Mail, using the last known mailing addresses identified in the Class List.

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

1 Security number of the Class Member involved and will then perform a single re-mailing. Those Class  
2 Members who receive a re-mailed Notice Packet, whether by skip-trace or by request, will have between  
3 the later of (a) an additional fifteen (15) calendar days or (b) the Response Deadline to postmark or fax a  
4 Request for Exclusion or Notice of Objection to the Settlement.

5 5. All Class Members will be mailed a Notice Packet containing the forms attached as Exhibit  
6 1 as approved by the Court.

7 6. Class Members will have an opportunity to dispute the information provided in their Notice  
8 Packets. To the extent Class Members dispute the PAGA Pay Periods or Workweeks (“Pay Period /  
9 Workweek Dispute”) they have been credited or the amount of their Individual Settlement Payment, Class  
10 Members may produce evidence to the Settlement Administrator showing that such information is  
11 inaccurate. Absent evidence rebutting Defendant’s records, Defendant’s records will be presumed  
12 determinative. However, if a Class Member produces evidence to the contrary, the Settlement  
13 Administrator will evaluate the evidence submitted by the Class Member and will make the final decision  
14 as to the number of PAGA Pay Periods and/or Workweeks that should be applied and/or the Individual  
15 Settlement Payment to which the Class Member may be entitled. The Pay Period / Workweek Dispute  
16 must be returned by mail or fax to the Settlement Administrator at the specified address or facsimile  
17 number and postmarked or faxed on or before the Response Deadline. The date of the postmark or fax  
18 receipt confirmation will be the exclusive means to determine whether a Pay Period / Workweek Dispute  
19 has been timely submitted. All such disputes are to be resolved not later than fourteen (14) calendar days  
20 after the Response Deadline.

21 7. Defective Submissions. If a Class Member’s Request for Exclusion is defective as to the  
22 requirements listed herein, that Class Member will be given an opportunity to cure the defect(s). The  
23 Settlement Administrator will mail the Class Member a cure letter within three (3) business days of  
24 receiving the defective submission to advise the Class Member that his or her submission is defective and  
25 that the defect must be cured to render the Request for Exclusion valid. The Class Member will have until  
26 the later of (a) the Response Deadline or (b) fifteen (15) calendar days from the date of the cure letter,  
27 whichever date is later, to postmark or fax a revised Request for Exclusion.  
28

1           8.     Request for Exclusion Procedures. Any Class Member wishing to opt-out from the  
2 Settlement Agreement must sign and postmark or fax the written Request for Exclusion attached to this  
3 Agreement as Exhibit B to the Settlement Administrator within the Response Deadline. The date of the  
4 postmark on the return mailing envelope or the fax receipt confirmation will be the exclusive means to  
5 determine whether a Request for Exclusion has been timely submitted. All Requests for Exclusion will be  
6 submitted to the Settlement Administrator, who will certify jointly to Class Counsel and Defendant's  
7 Counsel the Requests for Exclusion that were timely submitted. Any Class Member who does not timely  
8 seek exclusion will be bound by the terms of this Settlement Agreement.

9     **VIII. NULLIFICATION OF THE SETTLEMENT AGREEMENT.**

10           1.     Defendant's Option to Nullify the Settlement Agreement. If five percent (5%) or more of  
11 the Class Members opt out of the Settlement (or are otherwise excluded), Defendant, in its sole discretion,  
12 shall have the option of nullifying the Settlement Agreement. Defendant shall give written notice to Class  
13 Counsel within five (5) calendar days after the Settlement Administrator informs the Parties that the opt  
14 out rate exceeds five percent (5%). In such a case, the Parties and any funds to be awarded under this  
15 Settlement Agreement shall be returned to their respective statuses as of the date and time immediately  
16 prior to the execution of this Agreement, and the Parties shall proceed in all respects as if this Settlement  
17 Agreement had not been executed, except that any fees already incurred by the Settlement Administrator  
18 shall be paid by Defendant.

19           2.     Nullification of the Settlement Agreement. In the event: (i) the Court does not enter the  
20 Preliminary Approval Order and approve the Released Settlement specified herein; (ii) the Court does not  
21 finally approve the Settlement as provided herein; (iii) Defendant exercises its option to nullify the  
22 Settlement Agreement based on an excessive number of opt-outs, as described in the above Section; or  
23 (iv) the Settlement does not become final for any other reason (*e.g.*, an objection by the LWDA), this  
24 Settlement Agreement shall be null and void. Any order or judgment entered by the Court in furtherance  
25 of this Settlement Agreement shall be treated as void from the beginning, and the Stipulations and Recitals  
26 contained herein shall be of no force or effect, and shall not be treated as an admission by the Parties or  
27 their counsel. In such a case, the Parties and any funds to be awarded under this Settlement Agreement  
28 shall be returned to their respective statuses as of the date and time immediately prior to the execution of

1 this Settlement Agreement, and the Parties shall proceed in all respects as if this Settlement Agreement  
2 had not been executed, except that, in the event of (i), (ii) or (iv) as set forth in this paragraph, any fees  
3 already incurred by the Settlement Administrator shall be shared equally.

4 3. Settlement Terms Bind All Class Members Who Do Not Opt Out. Any Class Member who  
5 does not affirmatively opt out of the Settlement Agreement by submitting a timely and valid Request for  
6 Exclusion will be bound by all its terms, including those pertaining to the Releases.

7 **IX. CERTIFICATION REPORTS REGARDING INDIVIDUAL SETTLEMENT PAYMENT**  
8 **CALCULATIONS.**

9 1. The Settlement Administrator will provide Defendant's counsel and Class Counsel a  
10 weekly report which certifies: (a) the number of Class Members who have submitted valid Requests for  
11 Exclusion; (b) any objections submitted to the Settlement along with a copy of any such objection; and  
12 (c) whether any Class Member has submitted a challenge to any information contained in his/her Notice  
13 Packet. Additionally, the Settlement Administrator will provide to counsel for both Parties any updated  
14 reports regarding the administration of the Settlement Agreement as needed or requested.

15 2. Uncashed Settlement Checks. Any checks issued by the Settlement Administrator to Class  
16 Members will be negotiable for one-hundred eighty (180) calendar days. After one-hundred eighty (180)  
17 calendar days from the date of mailing, the checks shall become null and void, and any monies remaining  
18 in the distribution account which are attributed to the Individual Class Settlement Payments shall be  
19 distributed to the *cy pres* recipient selected by the parties, California Rural Legal Assistance, consistent  
20 with California Code of Civil Procedure § 384, subject to Court approval and the Class Member remains  
21 bound by the Settlement. Pursuant to California Code of Civil Procedure § 384.4, the Parties and the  
22 attorneys signing this Agreement hereby notify the Court that they and their respective firms have no  
23 relationship with or connection to the *cy pres* recipient, California Rural Legal Assistance, that could  
24 create an appearance of impropriety. Any portion of the Settlement Check attributed to the PAGA  
25 Settlement Payment which remains uncashed, will be distributed to the LWDA.

26 3. Certification of Completion. Upon completion of administration of the Settlement, the  
27 Settlement Administrator will provide a written declaration under oath to certify such completion to the  
28 Court and counsel for all Parties.

1 **X. TAX TREATMENT OF INDIVIDUAL SETTLEMENT PAYMENTS.**

2 The Individual Class Settlement Payments will be allocated as follows: one-third (1/3) wages, one-  
3 third (1/3) interest and one-third (1/3) penalties. The Individual PAGA Settlement Payments will be  
4 allocated 100% to penalties and interest.

5 The portion allocated to wages will be reported on an IRS Form W-2 and the portions allocated to  
6 non-wages will be reported on an IRS Form-1099 by the Settlement Administrator. The gross Individual  
7 Settlement Payments will be reduced by any required legal deductions for each Class Member. All  
8 standard employee payroll deductions will be made for state and federal withholding taxes, including any  
9 other applicable payroll deductions owed by the Class Members as a result of the Wage Component,  
10 resulting in a net wage component. The Settlement Administrator will issue a check and W-2 Form to  
11 each Class Member for the wage component. No withholding shall be made on the penalty portions of the  
12 gross Individual Settlement Payment. The Settlement Administrator will issue a second check and IRS  
13 Form-1099 for the remaining penalty component. The Settlement Administrator shall be responsible for  
14 issuing the payments and calculating and withholding all required state and federal taxes. The Settlement  
15 Administrator shall determine the eligibility for, and the amounts of, any Individual Settlement Payments  
16 under the terms of this Settlement Agreement. Any disputes not resolved by the Settlement Administrator  
17 concerning the administration of the Settlement will be resolved by the Court, under the laws of the State  
18 of California. Prior to any such involvement of the Court, counsel for the Parties will confer in good faith  
19 to resolve the dispute without the necessity of involving the Court.

20 **XI. ADMINISTRATION OF TAXES BY THE SETTLEMENT ADMINISTRATOR.**

21 1. Tax Liability. Defendant makes no representation as to the tax treatment or legal effect of  
22 the payments called for hereunder, and Plaintiff and Class Members are not relying on any statement,  
23 representation, or calculation by Defendant or by the Settlement Administrator in this regard. Plaintiff and  
24 Class Members understand and agree they will be solely responsible for the payment of their share of any  
25 taxes and penalties assessed on the payments described herein.

26 2. Circular 230 Disclaimer. EACH PARTY TO THIS SETTLEMENT AGREEMENT (FOR  
27 PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY TO THIS  
28 SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER

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

## **XII. RELEASE BY CLASS MEMBERS.**

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

2. Class Release. It is the desire of Plaintiff, Class Members (except those who exclude themselves from the Settlement), and Defendant to fully, finally, and forever settle, compromise, and discharge the claims set forth in the Class Release in Section I(Z) above. Upon the Final Approval by the Court of this Settlement Agreement, and except as to such rights or claims as may be created by this

Settlement Agreement, the Class Release shall become fully effective as to Plaintiff and all Class Members. This release shall be binding on all Class Members who have not timely submitted a valid and complete Request for Exclusion, including each of their respective attorneys, agents, spouses, executors, representatives, guardians ad litem, heirs, successors, and assigns, and shall inure to the benefit of the Released Parties, who shall have no further or other liability or obligation to any Class Member with respect to the Released Claims, except as expressly provided herein.

### **XIII. RELEASE BY PAGA GROUP MEMBERS**

1. PAGA Release. It is the desire of Plaintiff, PAGA Group Members, and Defendant to fully, finally, and forever settle, compromise, and discharge the claims set forth in the PAGA Release in Section I(Z) above. Upon the Final Approval by the Court of this Settlement Agreement, Plaintiff on behalf of the State of California will release Defendant and Released Parties from all claims described in the PAGA Release in Section I(Z) above. This release shall be binding on all PAGA Group Members, who have no opportunity to exclude themselves from this release.

### **XIV. MATERIALITY OF TERMS.**

1. The Court's approval of Class Representative Enhancement Payment, Attorneys' Fees and Costs, and the LWDA Payment are not material terms of this Agreement. If the Court approves only a lesser amount of these payments, then the other terms of this Agreement shall still remain in effect and the difference will remain part of the Net Settlement Amount.

2. Except as otherwise stated herein, each substantive term of this Agreement is material and has been relied upon by the Parties in entering into this Agreement. Any failure by the Court to fully and completely approve the material terms of this Settlement Agreement, without leave to amend, will result in this Settlement Agreement entered into by the Parties, and all obligations under this Settlement Agreement, being nullified and voided. Upon such failure, any order or judgment entered by the Court in furtherance of this Settlement Agreement shall be treated as void from the beginning, and the Stipulations and Recitals contained herein shall be of no force or effect and shall not be treated as an admission by the Parties or their counsel. In such a case, the Parties and any funds to be awarded under this Settlement Agreement shall be returned to their respective statuses as of the date and time immediately prior to the execution of this Settlement Agreement, and the Parties shall proceed in all respects as if this Settlement

Agreement had not been executed, except that any fees already incurred by the Settlement Administrator shall be paid by the Parties as set forth in Section VIII herein.

**XV. PRELIMINARY APPROVAL HEARING.**

1. Plaintiff will obtain a hearing before the Court to request Preliminary Approval of the Settlement Agreement and the entry of a Preliminary Approval Order for: (a) conditional certification of the Settlement Class for settlement purposes only, (b) Preliminary Approval of the proposed Settlement Agreement, and (c) setting a date for a Final Approval/Settlement Fairness Hearing.

2. The Preliminary Approval Order will provide for the Notice Packet to be sent to all Class Members as specified herein. In conjunction with the Preliminary Approval Hearing, Plaintiff will submit this Settlement Agreement and will include the proposed Notice Packet.

3. Class Counsel will be responsible for drafting all documents necessary to obtain Preliminary Approval.

**XVI. FINAL SETTLEMENT APPROVAL HEARING AND ENTRY OF JUDGMENT.**

1. Upon expiration of the Response Deadline, and with the Court's permission, a Final Approval/Settlement Fairness Hearing will be conducted to determine the Final Approval of the Settlement Agreement along with the amounts properly payable for: (a) Individual Settlement Payments; (b) the LWDA Payment; (c) the Attorneys' Fees and Costs; (d) the Class Representative Enhancement Payment; and (e) all Settlement Administration Costs.

2. The Parties will request that the Final Approval/Settlement Fairness Hearing will be held no later than forty-five (45) calendar days after the Response Deadline, subject to the Court's calendar.

3. Class Counsel will be responsible for drafting all documents necessary to obtain Final Approval. Class Counsel will also be responsible for drafting the Attorneys' Fees and Costs application to be heard at the Final Approval/Settlement Fairness Hearing.

**XVII. ESCALATOR CLAUSE**

1. Based on its records, Kaiser estimates that, as of the date of the Parties' mediation, there were (1) 1,050 Class Members and 140,248 total Workweeks during the Class Period; and (2) 830 PAGA Group Members and 31,931 total PAGA Pay Periods during the PAGA Period. If the actual number of Workweeks during the Class Period exceeds this estimate by more than Ten Percent (10%)

(i.e., at least 154,273 Total Workweeks worked by Participating Class Members during the Class Period), Defendant shall have the option in its sole and absolute discretion to either: a) increase the Gross Fund Value proportionately for each additional Workweek worked by Participating Class Members over 154,273 Total Workweeks; or b) agree that the Class Period and the PAGA Period shall cut off as of the date the number of Workweeks worked by Participating Class Members is at least 154,273.

#### **XVIII. JUDGMENT AND CONTINUED JURISDICTION.**

1. The Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Settlement Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Settlement Agreement and all orders and judgments entered in connection therewith.

#### **XIX. OTHER PROVISIONS.**

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

2. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties.

3. Amendment or Modification. This Settlement Agreement may be amended or modified only by a written instrument and that said written instrument need only be signed by counsel for all Parties or their successors-in-interest and approved by the Court.

4. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. If the Parties are unable to

1 reach agreement on the form or content of any document needed to implement the Settlement, or on any  
2 supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties  
3 may seek the assistance of David Rotman to resolve such disagreement.

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

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

8 7. Execution and Counterparts. This Settlement Agreement is subject only to the execution of  
9 all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All  
10 executed counterparts and each of them, including facsimile and scanned copies of the signature page, will  
11 be deemed to be one and the same instrument.

12 8. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this  
13 Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this  
14 Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account  
15 all relevant factors, present and potential. The Parties further acknowledge that they are each represented  
16 by competent counsel and that they have had an opportunity to consult with their counsel regarding the  
17 fairness and reasonableness of this Settlement.

18 9. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement  
19 invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible  
20 consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and  
21 enforceable.

22 10. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class  
23 certification for purposes of this Settlement only; except, however, that either Party may appeal any Court  
24 order that materially alters the Settlement Agreement's terms.

25 11. Class Action Certification for Settlement Purposes Only. The Parties agree to stipulate to  
26 class certification only for purposes of the Settlement. If, for any reason, the Settlement is not approved,  
27 the stipulation to certification will be void. The Parties further agree that certification for purposes of the  
28 Settlement is not an admission that class action certification is proper under the standards applied to

1 contested certification motions and that this Settlement Agreement will not be admissible in this or any  
2 other proceeding as evidence that either: (a) a class action should be certified or (b) Defendant is liable to  
3 Plaintiff or any Class Member, other than according to the Settlement's terms.

4 12. Non-Admission of Liability. The Parties enter into this Settlement Agreement to resolve  
5 the dispute that has arisen between them and to avoid the burden, expense, and risk of continued litigation.  
6 In entering into this Settlement Agreement, Defendant does not admit, and specifically denies, that it has  
7 violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any  
8 statute or any other applicable laws, regulations or legal requirements; breached any contract; violated or  
9 breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful  
10 conduct with respect to its employees. Neither this Settlement Agreement, nor any of its terms or  
11 provisions, nor any of the negotiations connected with it, shall be construed as an admission or concession  
12 by Defendant of any such violations or failures to comply with any applicable law. Except as necessary in  
13 a proceeding to enforce the terms of this Settlement Agreement, this Settlement Agreement and its terms  
14 and provisions shall not be offered or received as evidence in any action or proceeding to establish any  
15 liability or admission on the part of Defendant or to establish the existence of any condition constituting a  
16 violation of, or a non-compliance with, federal, state, local or other applicable law.

17 13. Captions. The captions and section numbers in this Settlement Agreement are inserted for  
18 the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the  
19 provisions of this Settlement Agreement.

20 14. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement  
21 or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or  
22 constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

23 15. Enforcement Action. If one or more of the Parties institutes any legal action or other  
24 proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare  
25 rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover  
26 from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees  
27 incurred in connection with any enforcement actions.  
28

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

6           17.   Representation by Counsel. The Parties acknowledge that they have been represented by  
7 counsel throughout all negotiations that preceded the execution of this Settlement Agreement and that this  
8 Settlement Agreement has been executed with the consent and advice of counsel and reviewed in full.  
9 Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the Settlement  
10 Agreement.

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

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

16           20.   Binding Agreement. The Parties warrant that they understand and have full authority to  
17 enter into this Settlement, intend that this Settlement Agreement will be fully enforceable and binding on  
18 all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its  
19 terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal  
20 or state law. Plaintiff, and not her representative(s), must personally execute this Settlement Agreement.

21           21.   No Prior Assignments or Undisclosed Liens. Plaintiff and Class Counsel represent that  
22 they have not assigned, transferred, conveyed, or otherwise disposed of any Released Claim or claim to  
23 attorneys' fees and costs award to be paid under this Agreement. Plaintiff and Class Counsel further  
24 represent and warrant that there are not any liens or claims against any amount that Defendant is to pay  
25 under this Agreement. Plaintiff and Class Counsel agree to defend, to indemnify, and to hold Defendant  
26 harmless from any liability, losses, claims, damages, costs, or expenses, including reasonable attorneys'  
27 fees, resulting from a breach of these representations or from any lien or assignment.  
28

22. Confidential Information. Class Counsel will destroy all confidential documents and information provided by Defendant within 60 calendar days after the completion of the administration of this Agreement. Notwithstanding this provision, Class Counsel are entitled to retain an archival copy of all pleadings, motion papers, trial, deposition, and hearing transcripts, legal memoranda, correspondence, deposition and trial exhibits and attorney work product. Class Counsel further agree that none of the information provided by Defendant shall be used for any purpose other than prosecution of this Action.

23. Publicity. Plaintiff and Class Counsel shall not publicize the settlement on their websites, in advertising/marketing materials or on social media, other than filing documents with the Court. The Parties and their counsel agree that they will not issue any press releases or initiate any contact with the media about the fact, amount, or terms of the settlement. If counsel for any party receives an inquiry about the settlement from the media, counsel may respond only after the motion for approval of the settlement has been filed and only by confirming the accurate terms of the settlement. However, for the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other actions, Class Counsel may disclose the name of the Parties in this action and the venue/case number of this action, and the Gross Settlement Amount, for such purposes. Nothing in this provision shall prevent the parties from making any required disclosure.

SIGNATURES ON NEXT PAGE

1 Dated: Jul 7, 2023

*Chasmine Shaw*

2 Plaintiff Chasmine Shaw

3  
4 **KAISER FOUNDATION HEALTH PLAN,**  
5 **INC.**

6  
7 Dated: \_\_\_\_\_

8  
9 Please Print Name of Authorized Signatory

10 **APPROVED AS TO FORM**

11 **THE MARKHAM LAW FIRM**

12  
13 Dated: July 7, 2023

*David Markham*

14 David Markham

15 Maggie Realin

16 Lisa Brevard

Attorneys for Plaintiff Chasmine Shaw

17 **QUINTILONE & ASSOCIATES**

18  
19 Dated: \_\_\_\_\_

20 Richard E. Quintilone

Attorney for Plaintiff Chasmine Shaw

21  
22 **SEYFARTH SHAW LLP**

23  
24 Dated: \_\_\_\_\_

25 Christian J. Rowley

26 Andrew M. McNaught

27 Bailey K. Bifoss

Attorneys for Defendant KAISER  
FOUNDATION HEALTH PLAN, INC.

1 Dated: \_\_\_\_\_

2 Plaintiff Chasmine Shaw

3  
4 **KAISER FOUNDATION HEALTH PLAN,**  
5 **INC.**

6  
7 Dated: \_\_\_\_\_

8  
9 Please Print Name of Authorized Signatory

10 **APPROVED AS TO FORM**

11 **THE MARKHAM LAW FIRM**

12  
13 Dated: \_\_\_\_\_

14 David Markham  
15 Maggie Realin  
16 Lisa Brevard  
Attorneys for Plaintiff Chasmine Shaw

17 **QUINTILONE & ASSOCIATES**

18  
19 Dated: July 7, 2023



20 Richard E. Quintilone  
21 Attorney for Plaintiff Chasmine Shaw

22  
23 **SEYFARTH SHAW LLP**

24  
25 Dated: \_\_\_\_\_

26 Christian J. Rowley  
27 Andrew M. McNaught  
28 Bailey K. Bifoss  
Attorneys for Defendant KAISER  
FOUNDATION HEALTH PLAN, INC.

1 Dated: \_\_\_\_\_

2 Plaintiff Chasmine Shaw

3  
4 **KAISER FOUNDATION HEALTH PLAN,**  
5 **INC.**

6  
7 Dated: Jul 11, 2023

8   
9 Chuck Bevilacqua (Jul 11, 2023 14:50 PDT)

10 Charles Bevilacqua  
11 Senior Vice President of Health Plan Product,  
12 Service, and Administration for Kaiser  
13 Permanente

14 **APPROVED AS TO FORM**

15 **THE MARKHAM LAW FIRM**

16 Dated: \_\_\_\_\_

17 David Markham  
18 Maggie Realin  
19 Lisa Brevard  
20 Attorneys for Plaintiff Chasmine Shaw

21 **QUINTILONE & ASSOCIATES**

22 Dated: \_\_\_\_\_

23 Richard E. Quintilone  
24 Attorney for Plaintiff Chasmine Shaw

25 **SEYFARTH SHAW LLP**

26 Dated: 7/13/2023

27 

28 Christian J. Rowley  
Andrew M. McNaught  
Bailey K. Bifoss  
Attorneys for Defendant KAISER  
FOUNDATION HEALTH PLAN, INC.

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# **EXHIBIT 1**

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SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF RIVERSIDE, HISTORIC COURTHOUSE

CHASMINE SHAW, individually, and on behalf of  
a Class of all other persons similarly situated,

Plaintiff,

v.

KAISER FOUNDATION HEALTH PLAN, INC. a  
California corporation; and DOES 1 through 100,  
inclusive,

Defendant.

Case No. CVRI2102203

CLASS ACTION

Assigned For All Purposes To:  
Hon. Harold Hopp

**NOTICE OF PENDENCY OF CLASS  
ACTION SETTLEMENT**

Complaint Filed: May 12, 2021  
FAC Filed: Aug. 10, 2021  
SAC Filed: June 13, 2022

*A court approved this notice. This is not an advertisement.*

**NOTICE**

If you work or worked as a non-exempt hourly-paid employee for Kaiser Foundation Health Plan (“KFHP” or “Defendant”) in California as a Customer Service Representative I, II, or III from May 12, 2017 through \_\_\_\_\_, 2023, you may be eligible to receive money from a class action settlement.

KFHP’s records indicate that you worked a total of \_\_ Workweeks and \_\_ Pay Periods as a non-exempt hourly-paid employee from May 12, 2017 through \_\_\_\_\_, 2023. Based on the preceding information, your estimated settlement payment based on your Workweeks and Pay Periods will be approximately \$ \_\_\_\_\_. This amount may vary depending on, for example, the number of Class Members who participate and/or who request to opt out of the Settlement.

**You are NOT being sued.** However, your legal rights are affected whether you act or not.

KFHP **will not** fire, punish, retaliate, or otherwise discriminate against any employee because he or she chooses to participate in this Settlement, chooses not to participate, or objects to the Settlement.

1 PLEASE READ THIS NOTICE

2 WHAT INFORMATION IS IN THIS NOTICE

|   |     |                                                                             |   |
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| 3 | 1.  | Why It Is Important To Read This Notice: .....                              | 1 |
| 4 | 2.  | What The Case Is About: .....                                               | 1 |
|   | 3.  | What Is The Class Action Settlement?.....                                   | 2 |
| 5 | 4.  | Who Is The Plaintiff in This Class Action? .....                            | 2 |
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|   | 8.  | What If I Disagree With The Terms Of The Settlement? .....                  | 3 |
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10  
11 **1. Why It Is Important To Read This Notice:**

12 The Superior Court of the State of California in and for the County of Riverside (the “Court”) has  
13 granted Preliminary Approval of a proposed settlement (the “Settlement”) of a class action lawsuit  
14 regarding wage and hour claims of persons who were employed by KFHP in California as hourly,  
15 non-exempt employees in the position of Customer Service Representative I, II, or III (the  
16 “Lawsuit”). Because your rights may be affected by the Settlement, it is important that you read  
17 this notice carefully.

18 KFHP’s records show that you were employed by KFHP in California as an hourly, non-exempt  
19 employee in the position of Customer Service Representative I, II, or III sometime between May  
20 12, 2017 and \_\_\_\_\_, 2023. Therefore, you are a “Class Member” in this Lawsuit.

21 The purpose of this Notice is to provide you with a brief description of the Lawsuit, what  
22 investigation of the claims has taken place, and, finally, to inform you of the terms of the proposed  
23 Settlement and to discuss your rights and options in connection with the Lawsuit and the  
24 Settlement.

25 **2. What The Case Is About:**

26 Plaintiff in the case of *Chasmine Shaw v. Kaiser Foundation Health Plan, Inc.*, Riverside County  
27 Superior Court Case No. CVRI2102203, on behalf of herself and others similarly situated, alleges  
28 that KFHP failed to properly pay wages in accordance with California wage and hour laws.  
Specifically, Plaintiff seeks unpaid minimum wages and overtime, unpaid meal and rest period  
premiums, unreimbursed business expenses, restitution, attorneys’ fees and penalties on the basis  
of potential wage and hour violations, including without limitation failure to pay all wages owed,  
failure to provide meal and rest periods, failure to provide accurate wage statements under Labor  
Code section 226, failure to pay wages timely during employment under Labor Code section 204,  
failure to pay wages timely upon termination under Labor Code section 203, and such related and  
derivative claims under California Business & Professions Code section 17200, *et seq.* and Labor  
Code sections 2698, *et seq.* (“Private Attorneys General Act” or “PAGA”).

1 KFHP denies and continues to deny each of the claims and contentions in the Lawsuit. However,  
2 it has concluded that any further defense of the Lawsuit would be protracted and expensive for all  
3 Parties. KFHP has already spent substantial amounts of time, energy and resources defending the  
4 Lawsuit. KFHP has, therefore, agreed to settle in the manner and upon the terms set forth in the  
5 Settlement Agreement to put to rest the claims as set forth in the Action.

### 6 ***3. What Is The Class Action Settlement?***

7 The Court must approve the terms of the Settlement described below as fair and reasonable to the  
8 class. The Court has determined only that there is sufficient evidence to suggest that the proposed  
9 settlement might be fair, adequate, and reasonable, and that any final determination of those issues  
10 will be made at the final hearing. The Settlement will affect all members of the class. This Notice  
11 will explain the terms of the Settlement and the amount of money you may receive.

### 12 ***4. Who Is The Plaintiff in This Class Action?***

13 Chasmine Shaw is the Plaintiff and Class Representative in the Settlement. She is acting on behalf  
14 of herself and on behalf of all other non-exempt hourly paid employees who worked for Defendant  
15 in the position of Customer Service Representative I, II, or III.

### 16 ***5. Who Are The Attorneys Representing The Parties?***

| 17 <b>Attorneys for Plaintiff &amp; the Class</b>                                                                                                                                                                                                                                           | 18 <b>Attorneys for Defendant</b>                                                                                                                                                       |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 19 THE MARKHAM LAW FIRM<br>20 David Markham<br>21 Maggie Realin<br>22 Lisa Brevard<br>23 888 Prospect Street, Suite 200<br>24 La Jolla, CA 92037<br>25 Telephone: (619) 399-3995<br>26 Facsimile: (619) 615-2067<br>27 <a href="mailto:contact@markham-law.com">contact@markham-law.com</a> | 28 SEYFARTH SHAW LLP<br>Christian J. Rowley<br>Andrew M. McNaught<br>Bailey K. Bifoss<br>560 Mission Street, 31st Floor<br>San Francisco, California 94105<br>Telephone: (415) 397-2823 |
| QUINTILONE & ASSOCIATES<br>Richard E. Quintilone II<br>22974 El Toro Road, Suite 100<br>Lake Forest, CA 92630<br>Tel: 949.458.9675<br>Fax: 949.458.9679                                                                                                                                     |                                                                                                                                                                                         |

### 29 ***6. What Do I Need To Do To Get Money From This Settlement?***

30 For purposes of the Settlement, the Class Members are defined as all current and former non-  
31 exempt, hourly employees employed by Defendant in California and who held the position of  
32 Customer Service Representative I, II, or III at any time from May 12, 2017 through  
33 \_\_\_\_\_, 2023.

1 Class Members do not need to take any action to receive their share of the Settlement fund. All  
2 Class Members who do not timely and effectively exclude themselves from the Settlement  
3 (“Settlement Class Members”) will receive their share of the settlement fund.

4 Following final approval of the Settlement by the court, Defendant will fund the Settlement in a  
5 single installment. Distribution of the net settlement monies will be made to the Settlement Class  
6 Members within 14 calendar days after funding of the Settlement is complete. It is important to  
7 update any changes to your mailing address between now and [INSERT FINAL APPROVAL  
8 DATE], 2023, by contacting the Settlement Administrator.

## 7. *How Do I Remove Myself From This Settlement?*

### **Excluding Yourself from the Settlement.**

9 If you do not wish to take part in the Settlement, you must submit a written request to the  
10 Settlement Administrator to be excluded from the Settlement, using the form attached to this  
11 Notice. The form must be completed in its entirety and signed by you. The form must be  
12 postmarked or faxed to the Settlement Administrator on or before [REDACTED], 2023.

The Settlement Administrator is:

12 ILYM

13 P.O. Box [INSERT]

[INSERT], CA 9[INSERT]

14 [insert fax]

15 The Judgment following approval of the Settlement by the Court will bind all Class Members who  
16 do not request exclusion from the Settlement. Any Class Member who does not request exclusion  
17 may, if they wish, enter an appearance through his or her own lawyer.

## 8. *What If I Disagree With The Terms Of The Settlement?*

### **Objecting to the Settlement**

19 If you wish to object to the Settlement, you must complete in entirety the objection form attached  
20 to this Notice and file it with the Settlement Administrator. The objection form must be completed  
21 in its entirety, including the reasons why the Court should not approve the Settlement, your name,  
22 address, and phone number, and/or the name, address and phone number of the attorney  
23 representing you at your cost, if you have one. For an objection to be considered timely, it must be  
24 postmarked or faxed on or before DATE. Counsel for the parties may oppose your objection in  
25 writing and/or orally at the hearing on Final Approval. Whether or not you appear at the hearing  
26 on Final Approval, the Court will consider all timely filed Objections. Please note, that Objections  
27 postmarked or faxed later than DATE shall be considered untimely and waived.

### **DO NOT TELEPHONE THE COURT.**

26 Regardless of whether or not you have submitted a written objection, you may, if you wish, appear  
27 at the Final Approval Hearing set for [REDACTED] at [REDACTED] .m. in Dept. \_\_\_\_  
28 of the Riverside County Superior Court and discuss your objections with the Court and the Parties.  
The date of the Final Approval Hearing is subject to change; please reach out to Class Counsel or

1 the Settlement Administrator to confirm the date and time in the event you plan to appear.

2 **9. How Does The Settlement Affect My Rights?**

3 Attorneys for the Class, also known as “Class Counsel,” appointed and approved by the Court for  
4 settlement purposes only, will represent you.

5 If the proposed Settlement is approved by the Court, a Judgment will be entered by the Court. The  
6 Judgment following approval of the Settlement by the Court will bind all Class Members who do  
7 not request exclusion from the Settlement. Any Class Member who does not request exclusion  
8 may, if they wish, enter an appearance, and may choose to be represented by the Class Member’s  
9 own lawyer, at the Class Member’s expense.

10 If the Settlement is approved and you choose not to exclude yourself from the Settlement, you will  
11 be forever barred from asserting any of the claims arising out of or relating to the Lawsuit  
12 (“Released Claims) against Defendant and its present and former affiliates and all of their officers,  
13 directors, employees, agents, servants, registered representatives, attorneys, insurers, successors  
14 and assigns, and any other persons acting by through, under or in concert with any of them  
15 (“Released Parties”).

16 The Released Claims include any and all claims, debts, liabilities, demands, obligations, penalties,  
17 premium pay, guarantees, costs, expenses, attorney’s fees, damages, actions or causes of action of  
18 whatever kind or nature, whether known or unknown, contingent or accrued, under any legal theory  
19 under federal and state law for all claims alleged or that could have been alleged based on the facts  
20 asserted in the Operative Complaint, including for any alleged failure to pay all wages due  
21 (including minimum wage and overtime wages), claims regarding rounding, grace periods, shift  
22 tolerance, failure to pay for all hours worked (including off-the-clock work), that the Labor Code  
23 Section 514 exemption does not apply to Defendant’s employees, failure to properly calculate the  
24 regular rate of pay, failure to provide meal and/or rest periods, short meal and/or rest periods, failure  
25 to relieve employees of all duties during meal and/or rest periods, combining of meal and/or rest  
26 periods, that Defendant’s exemption permit from the DLSE is not valid or does not apply to Class  
27 Members, failure to pay or properly calculate meal period premiums and/or rest period premiums,  
28 failure to timely pay wages and final wages, failure to furnish accurate wage statements, failure to  
reimburse business expenses, unfair competition and/or business practices and unlawful competition  
and/or business practices, liquidated damages, conversion of wages, and recordkeeping violations  
(the “Class Release”). This Release shall include all claims and theories arising under the California  
Labor Code, wage orders, and applicable regulations, including Labor Code sections 201, 202, 203,  
204, 206, 210, 218, 218.5, 218.6, 226, 226.3, 226.7, 510, 511, 512, 551, 552, 558, 1174, 1174.5,  
1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, all claims and theories arising under  
Labor Code section 2802 as well as claims under Business & Professions Code section 17200 et  
seq., California Code of Regulations, title 8, section 11000 set seq., and/or Labor Code section 2698  
et seq. based on alleged violations of the above Labor Code provisions. Class Members who do not  
opt out shall further waive their right to pursue individual lawsuits as to any of the released claims  
against the Releasees to the extent such claims accrued during the Settlement Period.

26 As to the claims released under the Class Release only, each Class Member waives all rights  
27 provided by California Civil Code section 1542, which states:

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

8 Additionally, Plaintiff, on behalf of the State of California, will release Defendant and the Released  
9 Parties from any and all PAGA claims or causes of action of whatever kind or nature which occurred  
10 during the PAGA Period that were or reasonably could have been brought based on the facts alleged  
11 in the Operative Complaint and in the LWDA Letter submitted by Plaintiff, regardless of theory of  
12 recovery, including but not limited to, any alleged violations of or relief under California Labor  
13 Code as outlined above (the "PAGA Release"). The release shall run through the date of Preliminary  
14 Approval.

15 **10. How Much Can I Expect To Receive?**

16 Defendant will pay a class settlement amount of \$975,000 ("Class Settlement Amount") to cover:  
17 (1) Settlement payments to Settlement Class Members; (2) the costs of administering the  
18 Settlement estimated to be \$11,475; (3) a Class Representative Enhancement Payment to Class  
19 Representative Chasmine Shaw, as set forth below (4) payment of \$36,562.50 to the California  
20 Labor and Workforce Development Agency ("LWDA") for its portion of PAGA penalties; and (5)  
21 the Class Counsel Award and costs, as set forth below. All wages paid to Class Members shall be  
22 reflected on such Class Members' W-2 forms unless such forms are unavailable, in which case a  
23 form 1099 shall be used.

24 After deducting the Class Representative Enhancement, Class Counsel's awarded attorneys' fees  
25 and expenses, payment to the LWDA, and the Settlement Administrator's fees and expenses, the  
26 balance of the Class Settlement Amount (the "Net Settlement Fund") will be available for payment  
27 to Settlement Class Members. Class Members will receive a pro-rated share of the Net Settlement  
28 Fund less the PAGA Settlement Payment (the "Remaining NSA"). PAGA Group Members (Class  
Members who were employed between May 11, 2020 and [REDACTED], 2023 (the "PAGA  
Period")) shall share the PAGA Settlement Payment of \$12,187.50.

The Settlement Payments for each Participating Settlement Class Member shall be determined on  
a pro-rata basis based on the number of Workweeks and Pay Periods that each Settlement Class  
Member worked during the class period as an hourly, non-exempt KFHP employee in the position  
of Customer Service I, II, or III.

Each Individual Class Settlement Payment will be determined by multiplying the Remaining Net  
Settlement Fund by a ratio that is determined by dividing a Settlement Class Member's  
Workweeks during the Class Period in California by the Workweeks of all Settlement Class  
Members employed by Defendant during the Class Period. Each Individual PAGA Settlement  
Payment will be determined by multiplying the PAGA Settlement Payment by a ratio that is  
determined by dividing a PAGA Group Member's Pay Period by the Pay Periods of all PAGA  
Group Members employed by Defendant during the PAGA Period.

Each Participating Settlement Class Member's Individual Class Settlement Payment will be

1 allocated as follows: one-third (1/3) to satisfaction of claims for unpaid wages (subject to required  
2 wage withholdings and deductions), one-third (1/3) to the satisfaction of claims for interest and  
3 one-third (1/3) to the satisfaction of claims for penalties. Each PAGA Group Member's Individual  
4 PAGA Settlement Payment will be allocated 100% to penalties and interest. Defendant's employer  
5 contributions of all federal, state, and local taxes (including, but not limited to, FICA, FUTA, and  
6 SDI) in regard to the wage portion of the Individual Settlement Payments will be paid separately  
by Defendant. All wages paid to Settlement Class Members shall be reflected on their individual  
W-2 forms. All remaining portions of any Individual Settlement Payments made to Settlement  
Class Members shall, if required by applicable state and/or federal law, be reported on a federal  
form 1099 that shall be provided to the Individual Class Members.

7 **Defendant's records indicate that your Workweeks worked as a non-exempt hourly-paid**  
8 **KFHP employee in the position of Customer Service I, II, or III during the Class Period**  
9 **were [REDACTED].**

10 **Defendant's records indicate that your Pay Periods worked as a non-exempt hourly-paid**  
11 **KFHP employee in the position of Customer Service I, II, or III during the PAGA Period**  
12 **were [REDACTED].**

13 **Based on the preceding information, your estimated class settlement payment is [REDACTED].**

14 ***11. What if I Dispute the Number of My Workweeks or Pay Periods?***

15 If you dispute the number of your Workweeks and/or Pay Periods stated above, Defendant's  
16 records will control unless you are able to provide documentation to the Settlement Administrator  
17 that establishes otherwise and that Defendant's records are mistaken. If you dispute the amount of  
18 your Workweeks and/or Pay Periods stated above, you must submit a written dispute to the Claims  
19 Administrator. The written dispute must: (a) state your full name, address, telephone number; (b)  
20 state the number of Workweeks and/or Pay Periods that you claim to have worked during the  
21 relevant period, along with any supporting documentation; (c) be signed by you; (d) be addressed  
22 to the Settlement Administrator, \_\_\_\_\_; and (e) be postmarked or faxed on or  
before \_\_\_\_\_, 20\_\_.

23 The Settlement Administrator is:

24 ILYM  
25 P.O. Box [INSERT]  
26 [INSERT], CA [INSERT]

27 For a dispute to be considered timely, it must be postmarked or faxed on or before [REDACTED]. If the  
28 dispute cannot be resolved informally, the dispute will be resolved by the Settlement  
Administrator.

12 ***12. How Will the Attorneys for the Class and Class Representative Be Paid?***

13 The attorneys for the Representative Plaintiff and the Class will be paid from the Class Settlement  
14 Amount. The actual amount of attorneys' fees awarded will be determined by the Court, but will  
15 not exceed \$325,000, plus reasonable actual costs not to exceed \$20,000. Additionally, Class  
16 Representative Chasmine Shaw will seek an enhancement award for services as Class

1 Representative in an amount not to exceed \$10,000, subject to the Court's approval.

2 The Final Approval Hearing will be on **DATE**. You are welcome to attend and be heard by the  
3 Court. Hearings are currently being conducted remotely with the assistance of a third-party service  
4 provider, \_\_\_\_\_. Class members who wish to appear at the final fairness  
5 hearing should arrange a telephonic appearance through \_\_\_\_\_ at  
6 \_\_\_\_\_ at least three days before the hearing if possible. The Court may change the  
7 date/time of the hearing, so you should consult the Court's website **[ADDRESS]**, or contact the  
8 Settlement Administrator, as the date approaches, if you want to appear. It is unnecessary to file an  
9 objection with the Court to be heard on matters unrelated to an objection. If you exclude yourself  
10 from the Settlement, you may not be heard at the Final Approval Hearing.

11 The settlement documents, including the settlement agreement which is Exhibit 1 to the  
12 Declaration of David Markham, can be viewed on the Administrator's website **[insert]**, the Court's  
13 website under the case search function **[insert case number CVRI2102203]**, or in person at the  
14 clerk's office, located at 4050 Main St, Riverside, CA 92501, The clerk's office is currently open  
15 from 7:30 am to 4:00 pm, Monday - Friday (except court holidays). IF YOU NEED MORE  
16 INFORMATION OR HAVE ANY QUESTIONS, you may call the Settlement Administrator at  
17 the telephone number listed below, toll free.

18 *Shaw v. Kaiser Foundation Health Plan, Inc.*

19 Settlement Administrator

20 c/o

21 ILYM

22 P.O. Box **[INSERT]**

23 **[INSERT]**, CA **[INSERT]**

24 Phone: **INSERT PHONE NUMBER**

25 **PLEASE DO NOT TELEPHONE THE COURT FOR INFORMATION ABOUT THIS  
26 SETTLEMENT.**

27 **DATE:** \_\_\_\_\_  
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## **EXHIBIT A**

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6 **Kaiser Wage and Hour Class Administration**  
7 **SUPERIOR COURT OF CALIFORNIA FOR THE COUNTY OF RIVERSIDE**  
8 ***Shaw v. Kaiser* (Case No. CVRI2102203)**

9 **REQUEST FOR EXCLUSION FROM CLASS SETTLEMENT**

10 To exclude yourself from the proposed Class Action Settlement,  
11 please fill out this form in its entirety. Write your name and address below,  
12 sign this form, and return this postcard in the envelope provided no later than [REDACTED], 2023.

13 If you wish to submit a Request for Exclusion, return the postcard to the administrator at  
14 the following address or fax:

15 The Settlement Administrator is:

16 ILYM  
17 P.O. Box [REDACTED]  
18 [REDACTED], CA 9[REDACTED]  
19 [insert fax]

20 ***NOTE: ONLY RETURN THIS POSTCARD IF WISH TO EXCLUDE***  
21 ***YOURSELF FROM THE SETTLEMENT. IF YOU EXCLUDE***  
22 ***YOURSELF YOU CANNOT OBJECT AND WILL NOT RECEIVE AN***  
23 ***INDIVIDUAL SETTLEMENT AWARD. YOU CANNOT EXCLUDE***  
24 ***YOURSELF FROM THE PAGA PORTION OF THE SETTLEMENT***  
25 ***AND WILL RECEIVE A PAGA PAYMENT EVEN IF YOU EXCLUDE***  
26 ***YOURSELF FROM THE CLASS ACTION SETTLEMENT.***

27 Name: \_\_\_\_\_

28 Address: \_\_\_\_\_

Signature \_\_\_\_\_

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## **EXHIBIT B**

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**IF THE COURT APPROVES THE SETTLEMENT DESPITE YOUR OBJECTION, YOU WILL STILL BE INCLUDED AS PART OF THE SETTLEMENT AND HAVE YOUR PERTINENT CLAIMS RELEASED. TO AVOID A POTENTIAL RELEASE OF YOUR CLAIMS, YOU MUST FILL OUT THE SEPARATE FORM TITLED: "REQUEST FOR EXCLUSION".**

You may also appear at the Final Approval Hearing on [REDACTED] in Department 1 of the Riverside County Superior Court located at 4050 Main St, Riverside, CA 92501, either in person, by audio, or video, to object to the Settlement. If you do not object on or before the Final Approval Hearing, you will be deemed to have approved the Settlement and shall not be able to make any objections (by appeal or otherwise) to the Settlement.

**I wish to object to the settlement reached in the *Shaw v. Kaiser* matter. The nature and basis for the objection are as follows (please use attachments as needed):**

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**City, State and Zip Code:** \_\_\_\_\_