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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN DIEGO

MEHRNAZ TAAT, an individual and on
behalf of all others similarly situated,

Plaintiff,

v.

ACELL, INC., a Delaware corporation;
INTEGRA LIFESCIENCES
CORPORATION, a Delaware
corporation; and DOES 1 through 100,
inclusive,

Defendants.

CASE NO.: 37-202200005437-CU-OE
CTL

[Assigned for all purposes to the Hon.
Matthew C. Braner]

CLASS ACTION

**JOINT STIPULATION RE: CLASS
ACTION AND REPRESENTATIVE
ACTION SETTLEMENT**

Action Filed: February 14, 2022
Trial Date: None set

This Joint Stipulation re: Class Action and Representative Action Settlement
("Settlement" or "Agreement" or "Settlement Agreement") is made by and between plaintiff
MEHRNAZ TAAT ("Plaintiff") individually and on behalf of the Settlement Class, on the one
hand; and defendants ACELL, INC. ("ACell"), and INTEGRA LIFESCIENCES

CORPORATION (“Integra”) (ACell and Integra collectively referred to as “Defendants”), on the other hand, in the lawsuit entitled *Mehrnaz Taat v. ACell, Inc et al.*, filed in San Diego County Superior Court, Case No. 37-2022-00005437-CU-OE-CTL (the “Action”). Plaintiff and Defendants shall be, at times, collectively referred to as the “Parties”. This Agreement is intended by the Parties to fully, finally, and forever resolve the claims as set forth herein, based upon and subject to the terms and conditions of this Agreement.

1. DEFINITIONS

A. “Action” means *Mehrnaz Taat v ACell, Inc et al.*, filed in San Diego County Superior Court, Case No. 37-2022-00005437-CU-OE-CTL.

B. “PAGA Group Members” means individuals employed by ACell who worked in California at any point between December 11, 2020 and January 20, 2021.

C. “Class Counsel” means: David D. Bibiyan, Jeffrey D. Klein, and Vedang J. Patel of Bibiyan Law Group, P.C. The term “Class Counsel” shall be used synonymously with the term “Plaintiff’s Counsel.”

D. “Class Period” means the period from May 28, 2017 through the Preliminary Approval Date.

E. “Class Notice” means and refers to the notice sent to Class Members after preliminary approval of the Settlement in the manner described in Paragraph 9(A) of this Agreement.

F. “Court” means the Superior Court of the State of California for the County of San Diego.

G. “Final Approval Date” means the later of: (1) if no Class Member objects to the settlement, the date the Court grants final approval of the settlement; (2) if there is an objector, and objections are filed and overruled, and no appeal is taken, then 7 days after entry of Final Approval and Judgment; or (3) to the extent any appeals have been filed, then 7 days after the appeal is dismissed or after an appellate decision affirming the Judgment becomes final and non-appealable.

1 **H. “Defendants,”** as noted in the introduction to this Agreement, means collectively,
2 Defendant ACell, Inc. (“ACell”) and Defendant Integra Lifesciences Corporation (“Integra”).

3 **I. “Employer Taxes”** means employer-funded taxes and contributions imposed on
4 the wage portions of the Individual Settlement Payments under the Federal Insurance
5 Contributions Act, the Federal Unemployment Tax Act, and any similar state and federal taxes
6 and contributions required of employers, such as for unemployment insurance.

7 **J. “General Release”** means the broader release of claims by Plaintiff, which is in
8 addition to Plaintiff’s limited release of claims as a Participating Class Member.

9 **K. “Gross Settlement Amount”** means a non-reversionary fund in the sum of Two
10 Hundred and Fifty Thousand Dollars and Zero Cents (\$250,000.00),¹ which shall be paid by
11 Defendants, from which all payments for the Individual Settlement Payments to Participating
12 Class Members, the Court-approved amounts for attorneys’ fees and reimbursement of litigation
13 costs and expenses to Class Counsel, Settlement Administration Costs, the Service Award, the
14 PAGA Payment, and the LWDA Payment shall be paid. It expressly excludes Employer Taxes,
15 which shall be paid by Defendants separate, apart, and in addition to the Gross Settlement
16 Amount.

17 **L. “Individual PAGA Payment”** means a payment made to a PAGA Group
18 Member for his or her share of the PAGA Payment, which may be in addition to his or her
19 Individual Settlement Share if he or she is also a Participating Class Member.

20 **M. “Individual Settlement Payment”** means a payment to a Participating Class
21 Member of his or her net share of the Net Settlement Amount.

22 **N. “Individual Settlement Share”** means the amount of the Net Settlement Amount
23 that a Participating Class Member is projected to receive based on the number of Pay Periods
24 that he or she worked as a Settlement Class Member during the Class Period, which shall be
25 reflected in his or her Class Notice.

26 **O. “LWDA Payment”** means the payment to the State of California Labor and
27 Workforce Development Agency (“LWDA”) for its seventy-five percent (75%) share of the total

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¹ As the same may be increased in accordance with Paragraph 17, below.

1 amount allocated toward penalties under the PAGA, all of which is to be paid from the Gross
2 Settlement Amount. The Parties have agreed that Twenty Thousand Dollars and Zero Cents
3 (\$20,000.00) shall be allocated toward PAGA penalties, of which Fifteen Thousand Dollars and
4 Zero Cents (\$15,000.00) will be paid to the LWDA (*i.e.*, the LWDA Payment) and Five Thousand
5 Dollars and Zero Cents (\$5,000.00) will be paid to PAGA Group Members on a *pro rata* basis
6 based on the Pay Periods worked for either or both Defendants as an employee in California in
7 the PAGA Period (*i.e.* the PAGA Payment).

8 **P. “Net Settlement Amount”** means the portion of the Gross Settlement Amount
9 that is available for distribution to the Participating Class Members after deductions for the Court-
10 approved allocations for Settlement Administration Costs, a Service Award to Plaintiffs, an
11 award of attorneys’ fees, reimbursement of litigation costs and expenses to Class Counsel, the
12 LWDA Payment, and the PAGA Payment.

13 **Q. “Operative Complaint” or “Complaint”** means the First Amended Complaint
14 deemed filed with the Court pursuant to the Parties’ Stipulation filed on or about November 1,
15 2022.

16 **R. “PAGA Payment** is the 25% portion of the Twenty Thousand Dollars and Zero
17 Cents (\$20,000.00) that is allocated toward PAGA penalties (Five Thousand Dollars and Zero
18 Cents (\$5,000.00)) that will be paid to PAGA Group Members on a *pro rata* basis based on the
19 Pay Periods worked as employees in California in the PAGA Period, which would be in addition
20 to their Individual Settlement Payment if they are Participating Class Members, as well.

21 **S. “PAGA Period”** means the period from December 11, 2020 through the
22 Preliminary Approval Date.

23 **T. “Pay Period”** means any semi-monthly increment of time that a Settlement Class
24 Member worked for ACell during the Class Period in California, based on hire dates, re-hire
25 dates (as applicable), and termination dates (as applicable).

26 **U. “Participating Class Members”** means all Settlement Class Members who do
27 not submit a timely and valid Request for Exclusion.

1 **V. “Participating Individual Settlement Share”** means the gross amount of the Net
2 Settlement Amount that a Participating Class Member is eligible to receive based on the number
3 of Pay Periods that he or she worked as a Settlement Class Member during the Class Period once
4 all opt-outs have been factored in, excluding any Individual PAGA Payment to which he or she
5 may be entitled if he or she is also a PAGA Group Member.

6 **W. “Plaintiff,” “Named Plaintiff” or “Class Representative”** shall refer to
7 Plaintiff Mehrnaz Taat.

8 **X. “Preliminary Approval Date”** means the date on which the Court enters an
9 Order granting preliminary approval of the Settlement.

10 **Y. “Released Parties”** shall mean Defendants and each of their respective past or
11 present officers, owners, managers, directors, shareholders, trustees, members, employees,
12 partners, agents, principals, heirs, representatives, attorneys, accountants, auditors, consultants,
13 insurers, reinsurers, and their respective successors and predecessors in interest, subsidiaries,
14 affiliates, parents, assigns, joint employers, payroll services providers, staffing services
15 providers, and attorneys.

16 **Z. “Response Deadline”** means the deadline for Settlement Class Members to mail
17 any Requests for Exclusion, Objections, or Pay Period Disputes to the Settlement Administrator,
18 which is sixty (60) calendar days from the date that the Class Notice is first mailed in English
19 and Spanish by the Settlement Administrator, unless a Class Member’s notice is re-mailed. In
20 such an instance, the Response Deadline shall be fifteen (15) calendar days from the re-mailing,
21 or sixty (60) calendar days from the date of the initial mailing, whichever is later, in which to
22 postmark a Request for Exclusion, Pay Period Dispute or Objection. The date of the postmark
23 shall be the exclusive means for determining whether a Request for Exclusion, Objection, or Pay
24 Period Dispute was submitted by the Response Deadline.

25 **AA. “Request for Exclusion”** means a written request to be excluded from the
26 Settlement Class pursuant to Paragraph 9(C) below.

1 **BB. “Service Award”** means monetary amounts to be paid to Plaintiff of up to Seven
2 Thousand, Five Hundred Dollars and Zero Cents (\$7,500.00), which subject to Court approval,
3 will be paid out of the Gross Settlement Amount.

4 **CC. “Settlement Administration Costs”** means all costs incurred by the Settlement
5 Administrator in administration of the Settlement, including, but not limited to, translating the
6 Class Notice to Spanish, the distribution of the Class Notice in English and Spanish, calculating
7 Individual Settlement Shares, Individual Settlement Payments, Individual PAGA Payments, and
8 Participating Individual Settlement Shares, as well as associated taxes and withholdings,
9 providing declarations, generating Individual Settlement Payment checks and related tax
10 reporting forms, doing administrative work related to unclaimed checks, transmitting payment to
11 Class Counsel for the Court-approved amounts for attorneys’ fees and reimbursement of
12 litigation costs and expenses, to Plaintiffs for their Service Award, and to the LWDA for the
13 LWDA Payment, providing weekly reports of opt-outs, objections and related information, and
14 any other actions of the Settlement Administrator as set forth in this Agreement, all pursuant to
15 the terms of this Agreement. The Settlement Administration Costs are estimated not to exceed
16 \$5,790.00 If the actual amount of the Settlement Administration Costs is less than \$5,790.00 the
17 difference between \$5,790.00 and the actual Settlement Administration Costs shall be a part of
18 the Net Settlement Amount. If the Settlement Administration Costs exceed \$5,790.00 then such
19 excess will be paid solely from the Gross Settlement Amount and Defendants will not be
20 responsible for paying any additional funds in order to pay these additional costs.

21 **DD. “Settlement Administrator”** means the Third-Party Administrator mutually
22 agreed upon by the Parties that will be responsible for the administration of the Settlement under
23 this Agreement.

24 **EE. “Settlement Class” or “Settlement Class Members”** means all individuals
25 employed by ACell who worked in California at any point between May 28, 2017 and January
26 20, 2021.

27 **2. BACKGROUND**
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1 **A.** On May 28, 2021, Plaintiff filed a putative class action in Los Angeles County
2 Superior Court alleging that, during the Class Period, Defendants: (1) failed to indemnify for
3 business expenses; (2) violated the Fair Credit Reporting Act (“FCRA”); (3) violated the
4 Investigative Consumer Reporting Agency Act (“ICRAA”); (4) violated the Consumer Credit
5 Reporting Agencies Act (“CCRAA”); (5) violated the California Warn Act (“WARN”); (6) failed
6 to timely pay commission wages; (7) failed to produced requested records; and (8) engaged in
7 unfair competition (the “Class Action”).

8 **B.** On June 4, 2021, Plaintiff filed with the LWDA and served on Defendants a notice
9 under Labor Code section 2699.3 stating Plaintiff intended to serve as a proxy of the LWDA to
10 recover civil penalties on behalf of PAGA Group Members for various Labor Code violations.
11 (“PAGA Notice”).

12 **C.** On July 23, 2021, Defendants removed the Class Action to the Central District of
13 California.

14 **D.** On February 14, 2022, after more than sixty-five (65) days had passed since
15 Plaintiff filed and served the PAGA Notice, without any action by the LWDA with respect to the
16 alleged Labor Code violations, Plaintiff filed a separate representative action seeking PAGA civil
17 penalties against Defendants for the Labor Code violations alleged in the PAGA Notice (the
18 “PAGA Action”) in the California Superior Court for the County of San Diego.

19 **E.** Shortly thereafter, the Parties agreed to exchange informal discovery and attend
20 an early mediation, in which Plaintiff was provided with, among other things: (1) a 30% sampling
21 of payroll records for the estimated 54 Class Members; (2) Plaintiff’s wage statements; (3)
22 ACell’s reimbursement policy; (4) Plaintiff’s employment offer letter, job application, and
23 commission breakdown; (5) Plaintiff’s FCRA, ICRAA, and CCRAA notices; and (6) data points
24 indicating the number of Class and PAGA Members, the number of pay periods in the Class and
25 PAGA Period, and the number of Class and PAGA Members who signed releases.

26 **F.** On July 7, 2022, the Parties participated in a full-day mediation before Jeff Ross,
27 Esquire, a well-regarded mediator experienced in mediating complex labor and employment
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1 matters. With the aid of the mediator's evaluation, the Parties reached the Settlement to resolve
2 the Action.

3 **G.** Class Counsel has conducted significant investigation of the law and facts relating
4 to the claims asserted in the Class Action, the PAGA Action, and the PAGA Notice, and have
5 concluded that the Settlement set forth herein is fair, reasonable, adequate, and in the best
6 interests of the Settlement Class, taking into account the sharply contested issues involved, the
7 expense and time necessary to litigate the Action through trial and any appeals, the risks and
8 costs of further litigation of the Action, the risk of an adverse outcome, the uncertainties of
9 complex litigation, the information learned through informal discovery regarding Plaintiff's
10 allegations, and the substantial benefits to be received by Settlement Class Members. As part of
11 the Agreement, Plaintiff agreed to file a First Amended Complaint in the PAGA Action and
12 dismiss the Class Action without prejudice, thereby effectively consolidating the Class Action
13 and PAGA Action, as further set out below (hereinafter, the "Action"). The First Amended
14 Complaint has since been filed.

15 **H.** Defendants have concluded that, because of the substantial expense of defending
16 against the Action, the length of time necessary to resolve the issues presented herein, the
17 inconvenience involved, and the concomitant disruption to its business operations, it is in its best
18 interest to accept the terms of this Agreement. Defendants deny each of the allegations and
19 claims asserted against it in the Action and the PAGA Notice. However, Defendants nevertheless
20 desire to settle the Action for the purpose of avoiding the burden, expense and uncertainty of
21 continuing litigation and for the purpose of putting to rest the controversies engendered by the
22 Action.

23 **I.** This Agreement is intended to and does effectuate the full, final, and complete
24 resolution of all Class Released Claims of Plaintiff and Participating Class Members, and all
25 PAGA Released Claims of Plaintiffs and, to the fullest extent permitted by law, of the State of
26 California and PAGA Group Members.

27 **3. JURISDICTION**
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1 The Court has jurisdiction over the Parties and the subject matter of the Action. The
2 Action includes claims that, if proven, would authorize the Court to grant relief pursuant to the
3 applicable statutes. After the Court has granted Final Approval of the Settlement and entered
4 judgment, the Court shall retain jurisdiction over the Parties to enforce the terms of the judgment
5 pursuant to California Rule of Court, rule 3.769, subdivision (h).

6 **4. STIPULATION OF CLASS CERTIFICATION**

7 The Parties stipulate to the certification of the Settlement Class under this Agreement for
8 purposes of settlement only.

9 **5. AMENDMENT OF PLEADING AND MOTIONS FOR APPROVAL OF**
10 **SETTLEMENT**

11 The Parties stipulated to the filing of a First Amended Complaint in the PAGA Action
12 that includes all of the allegations in the Class and PAGA Action, which has since been filed.
13 The Parties have also since stipulated to dismissing the Class Action in the U.S. District Court
14 for the Central District without prejudice, thereby effectively consolidating all allegations in the
15 Class Action into the PAGA Action.

16 After full execution of this Agreement, Plaintiff will move for an order granting
17 preliminary approval of the Settlement, approving and directing the mailing of the proposed
18 Notice of Class Action Settlement (“Class Notice”) attached hereto as **Exhibit “A”**, conditionally
19 certifying the Settlement Class for settlement purposes only, and approving the deadlines
20 proposed by the Parties for the submission of Requests for Exclusion, Pay Period Disputes, and
21 Objections. If and when the Court preliminarily approves the Settlement, and after
22 administration of the Class Notice in a manner consistent with the Court’s Preliminary Approval
23 Order, Plaintiffs will move for an order finally approving the Settlement and seek entry of a
24 Judgment in line with this Settlement. The Parties may both respond to any Objections lodged
25 to final approval of the Settlement up to five (5) court days before the Final Approval Hearing.

26 The Parties hereby expressly agree that whether or not the Court finally approves the
27 Settlement, Plaintiff’s allegations from the Class Action will be effectively consolidated into the
28 PAGA Action, will relate back to the date on which Plaintiff filed the PAGA Notice, and

Defendants will be estopped from making any argument that there is any adverse effect on the statute of limitations caused by Plaintiff's dismissal of the Class Action without prejudice to effectuate this consolidation.

6. STATEMENT OF NO ADMISSION

Defendants deny any wrongdoing of any sort and further deny any liability to Plaintiff and the Settlement Class with respect to any claims or allegations asserted in the Action and the PAGA Notice. This Agreement shall not be deemed an admission by Defendants of any claims or allegations asserted in the Action or the PAGA Notice. Except as set forth elsewhere herein, in the event that this Agreement is not approved by the Court, or any appellate court, is terminated, or otherwise fails to be enforceable, Plaintiff will not be deemed to have waived, limited or affected in any way any claims, rights or remedies, or defenses in the Action or the PAGA Notice, and Defendants will not be deemed to have waived, limited, or affected in any way any of their objections or defenses in the Action and the PAGA Notice. The Parties shall be restored to their respective positions in the Action prior to the entry of this Settlement.

7. RELEASE OF CLAIMS

A. Release by All Participating Class Members.

Effective upon the entry of an Order granting Final Approval of the Settlement, entry of Judgment, and payment by Defendants to the Settlement Administrator of the full Gross Settlement Amount and Employers' Taxes necessary to effectuate the Settlement, Plaintiff and all Participating Class Members release any and all claims against the Released Parties asserted in the Operative Complaint filed in the Action, and any and all claims that may be or could have been asserted against the Released Parties based on the factual allegations in the Operative Complaint filed in the Action: For the duration of the Class Period, the release for Participating Class Members includes but is not limited to: (1) failure to indemnify for business expenses; (2) all claims asserted through California Business & Professions Code section 17200, *et seq.*; (3) violation of the Federal Credit Reporting Act; (4) violation of the Investigative Consumer Reporting Agency Act; (5) violation of the California Consumer Credit Reporting Agencies Act;

(6) violation of the California Warn Act; (7) failure to produce requested records; and (8) failure to timely pay wages (the “Class Released Claims”).

B. Release by All PAGA Group Members

For all PAGA Group Members, and, to the fullest extent permitted by law, the State of California, the release includes for the duration of the PAGA Period, all claims asserted in the PAGA Notice and thereafter alleged in the Operative Complaint for PAGA civil penalties or that reasonably could have been alleged based on the facts asserted in the PAGA Notice and thereafter alleged in the Operative Complaint including civil penalties pursuant to Labor Code sections 210, 226.3, 558, 1174.5, 1197.1, and 2699 in connection with alleged violations of Labor Code sections 96, 98.6, 200, 201, 202, 203, 204, 226, 226.7, 227.3, 232, 232.5, 246, 281.5 *et seq.*, 432, 510, 512, 1102.5, 1174, 1194, 1197, 1197.5, 1198.5, 2699, 2802, and 2810.5 (the “PAGA Released Claims”). The Class Released Claims and PAGA Released Claims shall be referred to herein as the “Released Claims”.

C. Claims Not Released

The releases above expressly exclude all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, and workers’ compensation.

D. General Release.

Effective only upon the entry of an Order granting Final Approval of the Settlement, entry of Judgment, and payment by Defendants to the Settlement Administrator selected of the full Gross Settlement Amount and Employers’ Taxes necessary to effectuate the Settlement, in addition to the Released Claims, Plaintiff makes the additional following General Release: Plaintiff releases the Released Parties from all claims, demands, rights, liabilities and causes of action of every nature and description whatsoever, known or unknown, asserted or that might have been asserted, whether in tort, contract, or for violation of any state or federal statute, rule, law or regulation arising out of, relating to, or in connection with any act or omission of the Released Parties through the date of full execution of this Agreement in connection with Plaintiff’s employment with Defendants or the termination thereof, except for any and all other

claims that may not be released as a matter of law through this Agreement. To the extent of the General Release provided herein, Plaintiff stipulates and agrees that, upon entry of an Order granting Final Approval of the Settlement, entry of Judgment, and payment by Defendants to the Settlement Administrator selected of the full Gross Settlement Amount and Employers' Taxes necessary to effectuate the Settlement, they shall have expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or state law, which provides:

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

8. SETTLEMENT ADMINISTRATOR

A. Plaintiff and Defendants, through their respective counsel, have selected Apex Class Action Settlement Administration to administer the Settlement, which includes but is not limited to translating the Class Notice to Spanish, distributing and responding to inquiries about the Class Notice and calculating all amounts to be paid from the Gross Settlement Amount. Charges and expenses of the Settlement Administrator, currently estimated to be \$5,790.00 will be paid from the Gross Settlement Amount. If the actual amount of the Settlement Administration Costs is less than \$5,790.00, the difference between \$5,790.00 and the actual Settlement Administration Costs shall be a part of the Net Settlement Amount. If the Settlement Administration Costs exceed \$5,790.00, then such excess will be paid solely from the Gross Settlement Amount and Defendants will not be responsible for paying any additional funds in order to pay these additional costs.

9. NOTICE, PAY PERIOD DISPUTE, OBJECTION, AND EXCLUSION PROCESS

A. Notice to the Settlement Class Members

(1) Within fourteen (14) calendar days after the Preliminary Approval Date, Defendants' Counsel shall provide the Settlement Administrator with information with respect to each Settlement Class Member, including his or her: (1) name; (2) last known address(es)

1 currently in Defendants' possession, custody, or control; (3) last known telephone number(s)
2 currently in Defendants' possession, custody, or control; (4) last known Social Security
3 Number(s) in Defendants' possession, custody, or control; and (5) the dates of employment (*i.e.*,
4 hire dates, and, if applicable, re-hire date(s) and/or separation date(s)) for each Settlement Class
5 Member ("Class List"). The Settlement Administrator shall perform an address search using the
6 United States Postal Service National Change of Address ("NCOA") database and update the
7 addresses contained on the Class List with the newly-found addresses, if any. Within seven (7)
8 calendar days, or soon thereafter, of receiving the Class List from Defendants, the Settlement
9 Administrator shall mail the Class Notice in English and Spanish to the Settlement Class
10 Members via first-class regular U.S. Mail using the most current mailing address information
11 available. The Settlement Administrator shall maintain the Class List and digital copies of all
12 the Settlement Administrator's records evidencing the giving of notice to any Settlement Class
13 Member, for at least four (4) years from the Final Approval Date.

14 (2) The Class Notice will set forth:

- 15 (a) the Settlement Class Member's estimated Individual
16 Settlement Payment and Individual PAGA Payment,
17 and the basis for each;
- 18 (b) the information required by California Rule of Court,
19 Rule 3.766, subdivision (d);
- 20 (c) the material terms of the Settlement;
- 21 (d) the proposed Settlement Administration Costs;
- 22 (e) the definition of the Settlement Class;
- 23 (f) a statement that the Court has preliminarily approved
24 the Settlement;
- 25 (g) how the Settlement Class Member can obtain
26 additional information, including contact information
27 for Class Counsel and Defendants' Counsel;
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- 1 (h) information regarding opt-out and objection
2 procedures;
- 3 (i) the date and location of the Final Approval Hearing;
4 and
- 5 (j) that the Settlement Class Member must notify the
6 Settlement Administrator no later than the Response
7 Deadline if the Settlement Class Member disputes the
8 accuracy of the number of worked Pay Periods as set
9 forth on his or her Class Notice (“Pay Period Dispute”).
10 If a Settlement Class Member fails to timely dispute the
11 number of Pay Periods attributed to him or her in
12 conformity with the instructions in the Class Notice,
13 then he or she shall be deemed to have waived any
14 objection to its accuracy and any claim to any
15 additional settlement payment based on different data.

16 (3) If a Class Notice from the initial notice mailing is returned as
17 undeliverable, the Settlement Administrator will attempt to obtain a current address for the
18 Settlement Class Member to whom the returned Class Notice had been mailed, within five (5)
19 calendar days of receipt of the returned Class Notice, by: (1) contacting the Settlement Class
20 Member by phone, if possible, and (2) undertaking skip tracing. If the Settlement Administrator
21 is successful in obtaining a new address, it will re-mail the Class Notice to the Settlement Class
22 Member within three (3) business days. Further, any Class Notices that are returned to the
23 Settlement Administrator with a forwarding address before the Response Deadline shall be
24 promptly re-mailed to the forwarding address affixed thereto within three (3) business days.

25 (4) No later than seven (7) calendar days from the Response Deadline, the
26 Settlement Administrator shall provide counsel for the Parties with a declaration attesting to the
27 completion of the notice process, including the number of attempts to obtain valid mailing
28 addresses for and re-sending of any returned Class Notices, as well as the identities, number of,

1 and copies of all Requests for Exclusion and Objections received by the Settlement
2 Administrator.

3 **B. Objections.**

4 Only Participating Class Members may object to the Settlement. In order for any
5 Settlement Class Member to object to this Settlement in writing, or any term of it, he or she must
6 do so by mailing a written objection to the Settlement Administrator at the address or phone
7 number provided on the Class Notice no later than the Response Deadline. The Settlement
8 Administrator shall email a copy of the Objection forthwith to Class Counsel and Defendants'
9 counsel and attach copies of all Objections to the Declaration it provides Class Counsel, which
10 Class Counsel shall file in support of Plaintiff's Motion for Final Approval. The Objection
11 should set forth in writing: (1) the Objector's name; (2) the Objector's address; (3) the last four
12 digits of the Objector's Social Security Number; (4) the Objector's signature; (5) a statement of
13 whether the Objector plans to appear at the Final Approval Hearing; and (6) the reason(s) for the
14 Objection, along with whatever legal authority, if any, the Objector asserts in support of the
15 Objection. If a Settlement Class Member objects to the Settlement, the Settlement Class Member
16 will remain a member of the Settlement Class and if the Court approves this Agreement, the
17 Settlement Class Member will be bound by the terms of the Settlement in the same way and to
18 the same extent as a Settlement Class Member who does not object. The date of mailing of the
19 Class Notice to the objecting Settlement Class Member shall be conclusively determined
20 according to the records of the Settlement Administrator. Settlement Class Members need not
21 object in writing to be heard at the Final Approval Hearing; they may object or comment in
22 person at the hearing at their own expense. Class Counsel and Defendants' Counsel may respond
23 to any objection lodged with the Court up to five (5) court days before the Final Approval
24 Hearing.

25 **C. Requesting Exclusion.**

26 Any Settlement Class Member may request exclusion from (*i.e.*, "opt out" of) the
27 Settlement by mailing a written request to be excluded from the Settlement ("Request for
28 Exclusion") to the Settlement Administrator, postmarked on or before the Response Deadline.

1 To be valid, a Request for Exclusion must include: (1) the Class Member's name; (2) the Class
2 Member's Social Security Number; (3) the Class Member's signature; and (4) the following
3 statement: "Please exclude me from the Settlement Class in the *Taat v. ACell, Inc. et al.* matter"
4 or any statement of similar meaning standing for the proposition that the Class Member does not
5 wish to participate in the Settlement. The Settlement Administrator shall immediately (within
6 one (1) business day), provide copies of all Requests for Exclusion to Class Counsel and
7 Defendants' Counsel and shall report the Requests for Exclusions that it receives, to the Court,
8 in its declaration to be provided in advance of the Final Approval Hearing. Any Settlement Class
9 Member who requests exclusion using this procedure will not be entitled to receive any payment
10 from the Settlement and will not be bound by the Settlement Agreement or have any right to
11 object to, appeal, or comment on the Settlement. Any Settlement Class Member who does not
12 opt out of the Settlement by submitting a timely and valid Request for Exclusion will be bound
13 by all terms of the Settlement, including those pertaining to the Released Claims, as well as any
14 Judgment that may be entered by the Court if Final Approval of the Settlement is granted. A
15 Settlement Class Member cannot submit both a Request for Exclusion and an objection. If a
16 Settlement Class Member submits an Objection and a Request for Exclusion, the Request for
17 Exclusion will control, and the Objection will be overruled. Settlement Class Members who
18 worked during the PAGA Period as PAGA Group Members that submit a valid Request for
19 Exclusion will still be deemed PAGA Group Members, will still receive their Individual PAGA
20 Payments, and will be bound by the release of the PAGA Released Claims.

21 **D. Disputes Regarding Settlement Class Members' Pay Period Data.**

22 Each Settlement Class Member may dispute the number of Pay Periods attributed to him
23 or her on his or her Class Notice ("Pay Period Dispute"). Any such disputes must be mailed to
24 the Settlement Administrator by the Settlement Class Member, postmarked on or before the
25 Response Deadline. The Settlement Administrator shall immediately (within one (1) business
26 day) provide copies of all disputes to Class Counsel and counsel for Defendants and shall
27 immediately attempt to resolve all such disputes directly with relevant Settlement Class
28

Member(s) with the assistance of Defendants and Class Counsel. If the dispute cannot be resolved in this manner, the Court shall adjudicate the dispute.

10. INDIVIDUAL SETTLEMENT PAYMENTS AND INDIVIDUAL PAGA PAYMENTS

Individual Settlement Payments will be calculated and distributed to Participating Class Members from the Net Settlement Amount on a *pro rata* basis, based on the Participating Class Members' respective number of Pay Periods during the Class Period. Individual PAGA Payments to PAGA Group Members will be calculated and distributed to PAGA Group Members from the PAGA Payment on a *pro rata* basis based on PAGA Group Members' respective number of Pay Periods during the PAGA Period. Specific calculations of the Individual Settlement Shares and Individual PAGA Payments to PAGA Group Members will be made as follows:

A. The Settlement Administrator will determine the total number of Pay Periods worked by each Settlement Class Member during the Class Period ("Class Member's Pay Periods"), as well as the aggregate number of Pay Periods worked by all Settlement Class Members during the Class Period ("Class Pay Periods"). Additionally, the Settlement Administrator will determine the total number of Pay Periods worked by each PAGA Group Member during the PAGA Period ("PAGA Group Member's Pay Periods"), as well as the aggregate number of Pay Periods worked by all PAGA Group Members during the PAGA Period ("PAGA Pay Periods").

B. To determine each Settlement Class Member's Individual Settlement Share, the Settlement Administrator will use the following formula:

$$\text{Participating Individual Settlement Share} = (\text{Participating Settlement Class Member's Pay Periods} \div \text{Class Pay Periods}) \times \text{Net Settlement Amount}.$$

C. To determine each Participating Class Member's Participating Individual Settlement Share, the Settlement Administrator will determine the aggregate number of Pay Periods worked by all Participating Class Members during the Class Period ("Participating Class Pay Periods") and use the following formula: Individual Settlement Share =

(Participating Class Member's Pay Periods ÷ Participating Class Pay Periods) × Net Settlement Amount.

D. The net amount of the Participating Individual Settlement Share is to be paid out to Participating Class Members by way of check and is referred to as "Individual Settlement Payment(s)".

E. To determine each PAGA Group Member's Individual PAGA Payment, the Settlement Administrator will use the following formula: PAGA Group Member's Individual PAGA Payment = (PAGA Group Member's Pay Periods ÷ PAGA Pay Periods) x \$5,000.00 (the PAGA Payment).

F. Individual Settlement Payments and Individual PAGA Payments shall be paid to Participating Class Members and/or PAGA Group Members by check. When a Participating Class Member is also an PAGA Group Member, one check may be issued that aggregates both the Individual Settlement Payment and the Individual PAGA Payment

11. DISTRIBUTION OF PAYMENTS

A. Distribution of Individual Settlement Payments.

Participating Class Members will receive an Individual Settlement Payment and PAGA Group Members will receive an Individual PAGA Payment. Individual Settlement Payment and Individual PAGA Payment checks shall remain valid and negotiable for one hundred and eighty (180) calendar days after the date of their issuance. Within seven (7) calendar days after expiration of the 180-day period, checks for such payments shall be canceled and funds associated with such checks shall be considered unpaid, unclaimed or abandoned cash residue pursuant to Code of Civil Procedure section 384 ("Unpaid Residue"). The Unpaid Residue plus accrued interest, if any, as provided in Code of Civil Procedure section 384, shall be transmitted to Legal Aid at Work, 180 Montgomery Street, Suite 600, San Francisco, California 94104, the *cy pres* recipient, for use in San Diego County. The Settlement Administrator shall prepare a report regarding the distribution plan pursuant to Code of Civil Procedure section 384 and the report shall be presented to the Court by Class Counsel along with a proposed

1 amended judgment that is consistent with the provisions of Code of Civil Procedure section
2 384.

3 **B. Funding of Settlement.**

4 Defendants shall, within twenty-one (21) calendar days of Final Approval Date, make
5 payment of the Gross Settlement Amount (as the same may be escalated pursuant to Paragraph
6 17 of this Agreement) and Employer Taxes to the Settlement Administrator pursuant to Internal
7 Revenue Code section 1.468B-1 for deposit in an interest-bearing qualified settlement account
8 (“QSA”) with an FDIC insured banking institution, for distribution in accordance with this
9 Agreement and the Court’s Orders and subject to the conditions described herein.

10 **C. Time for Distribution.**

11 Within seven (7) calendar days after payment of the full Gross Settlement Amount and
12 Employer Taxes by Defendants, or as soon thereafter as practicable, the Settlement Administrator
13 shall distribute all Payments due from the QSA for: (1) the Service Award to Plaintiff as specified
14 in this Agreement and approved by the Court; (2) the Attorneys’ Fees and Cost Award to be paid
15 to Class Counsel, as specified in this Agreement and approved by the Court; (3) the Settlement
16 Administrator Costs, as specified in this Agreement and approved the Court; (4) the LWDA
17 Payment, as specified in this Agreement and approved by the Court; (5) Individual PAGA
18 Payments as specified in this Agreement and approved by the Court; and (6) Individual
19 Settlement Payments to Participating Class members, less applicable taxes and withholdings, as
20 specified in this Agreement and approved by the Court. All interest accrued shall be for the
21 benefit of the Class Members and distributed on a *pro rata* basis to Participating Class Members
22 based on the number of Pay Periods worked by them in the Class Period.

23 **12. ATTORNEYS’ FEES AND LITIGATION COSTS**

24 Class Counsel shall apply for, and Defendants shall not oppose, an award of attorneys’
25 fees of up to 35% of the Gross Settlement Amount, which, unless escalated pursuant to Paragraph
26 17 of this Agreement, amounts to Eighty Seven Thousand Five Hundred Dollars and Zero Cents
27 (\$87,500.00). Class Counsel shall further apply for, and Defendants shall not oppose, an
28 application or motion by Class Counsel for reimbursement of actual costs associated with Class

Counsel's prosecution of this matter as set forth by declaration testimony in an amount up to Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00). Awards of attorneys' fees and costs shall be paid out of the Gross Settlement Amount, for all past and future attorneys' fees and costs necessary to prosecute, settle, and obtain Final Approval of the settlement in Action. The "future" aspect of the amounts stated herein includes, without limitation, all time and expenses expended by Class Counsel (including any appeals therein). There will be no additional charge of any kind to either the Settlement Class Members or request for additional consideration from Defendants for such work. Should the Court approve attorneys' fees and/or litigation costs and expenses in amounts that are less than the amounts provided for herein, then the unapproved portion(s) shall be a part of the Net Settlement Amount.

13. SERVICE AWARD TO PLAINTIFF

Named Plaintiff shall seek, and Defendants shall not oppose, a Service Award in an amount not to exceed Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) to Plaintiff, for participation in and assistance with the Action. Any Service Award awarded to Plaintiff shall be paid from the Gross Settlement Amount and shall be reported on an IRS Form 1099. If the Court approves the Service Award to Plaintiff in less than the amounts sought herein, then the unapproved portion(s) shall be a part of the Net Settlement Amount. The Service Award will issue at the same time all Individual Settlement Payments are mailed to the Settlement Class. The Court's approval of the Service Award to named Plaintiff is not a material term of the Settlement Agreement. The Court's refusal to approve the Service Award requested by Class Counsel does not give Plaintiff or Class Counsel any basis to abrogate the Settlement Agreement.

14. TAXATION AND ALLOCATION

a. Each Individual Settlement Share shall be allocated as follows: 20% as wages (to be reported on an IRS Form W2); and 80% as interest and penalties (to be reported on an IRS Form 1099). Each Individual PAGA Payment shall be allocated entirely as penalties. The Parties agree that the employees' share of taxes and withholdings with respect to the wage-portion of the Individual Settlement Share will be withheld from the Individual Settlement Share in order to yield the Individual Settlement Payment. The amount of federal income tax withholding will be

1 based upon a flat withholding rate for supplemental wage payments in accordance with Treasury
2 Regulation § 31.3402(g)-1(a)(2) as amended or supplemented. Income tax withholding will also
3 be made pursuant to applicable state and/or local withholding codes or regulations.

4 b. Forms W-2 and/or Forms 1099 will be distributed by the Settlement
5 Administrator at times and in the manner required by the Internal Revenue Code of 1986 (the
6 “Code”) and consistent with this Agreement. If the Code, the regulations promulgated
7 thereunder, or other applicable tax law, is changed after the date of this Agreement, the processes
8 set forth in this Section may be modified in a manner to bring Defendants into compliance with
9 any such changes.

10 c. All Employer Taxes shall be paid by Defendants separate, apart, and in addition
11 to the Gross Settlement Amount. Defendants shall remain liable to pay the employer’s share of
12 payroll taxes as described above.

13 d. Neither Counsel for Plaintiff nor Defendants intend anything contained in this
14 Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Agreement
15 be relied upon as such within the meaning of United States Treasury Department Circular 230
16 (31 C.F.R. Part 10, as amended) or otherwise.

17 **15. PRIVATE ATTORNEYS’ GENERAL ACT ALLOCATION**

18 The Parties agree to allocate Twenty Thousand Dollars and Zero Cents (\$20,000.00) of
19 the Gross Settlement Amount toward PAGA penalties. Pursuant to the PAGA, seventy-five
20 percent (75%) of the amount allocated toward PAGA (\$15,000.00) will be paid to the LWDA
21 and twenty-five percent (25%) (\$5,000.00) will be distributed to PAGA Group Members on a
22 *pro rata* basis based upon their respective Pay Periods as PAGA Group Members during the
23 PAGA Period.

24 **16. COURT APPROVAL**

25 This Agreement is contingent upon an order by the Court granting Final Approval of the
26 Settlement, and that the LWDA does not intervene and object to the Settlement. In the event that
27 the Settlement is not approved by the Court or the LWDA intervenes, the Parties shall be restored
28 to their respective positions in the Action prior to execution of the Parties’ MOU. If this

Settlement Agreement is voided, not approved by the Court or approval is reversed on appeal, it shall have no force or effect and no Party shall be bound by its terms except to the extent: (a) the Court reserves any authority to issue any appropriate orders when denying approval; and/or (b) there are any terms and conditions in this Settlement Agreement specifically stated to survive the Settlement Agreement being voided or not approved, and which control in such an event.

17. INCREASE IN PAY PERIODS

Defendants represents that there are no more than 1,692 Pay Periods worked during the Class Period. In the event that it is determined that the number of Pay Periods worked by Class Members during the Class Period increases by more than 5%, or 85 Pay Periods, then the Gross Settlement Amount shall be increased proportionally by the Pay Periods in excess of 1,692 Pay periods multiplied by the Pay Period Value. The Pay Period Value shall be calculated by dividing the originally agreed-upon Gross Settlement Amount (\$250,000.00) by 1,692, which amounts to a Pay Period Value of \$147.75. Thus, for example, should there be 1,792 Pay Periods in the Class Period, then the Gross Settlement Amount shall be increased by \$14,750.00. ((1,792 Pay Periods – 1,692 Pay Periods) x \$147.75 per Pay Period.).

18. WITHDRAWAL FROM SETTLEMENT BASED ON REQUESTS FOR EXCLUSION

Defendants shall retain the right to nullify the Agreement in the event that more than 10% of Class Members submit timely and valid Requests for Exclusion. Defendant must provide written notice to Class Counsel of their withdrawal within seven (7) calendar days of receiving sufficient information to determine that the opt-out rate exceeds 10%. If Defendants exercise this right, it shall be solely responsible for the costs incurred for settlement administration up to the date of nullification.

19. NOTICE OF JUDGMENT

In addition to any duties set out herein, the Settlement Administrator shall provide notice of the Final Judgment entered in the Action by posting the same on its website for a period of no less than two (2) years.

20. MISCELLANEOUS PROVISIONS

1 **A. Interpretation of the Agreement.**

2 This Agreement constitutes the entire agreement between the Parties with respect to its
3 subject matter. Except as expressly provided herein, this Agreement has not been executed in
4 reliance upon any other written or oral representations or terms, and no such extrinsic oral or
5 written representations or terms shall modify, vary or contradict its terms. In entering into this
6 Agreement, the Parties agree that this Agreement is to be construed according to its terms and
7 may not be varied or contradicted by extrinsic evidence. The Agreement will be interpreted and
8 enforced under the laws of the State of California, both in its procedural and substantive aspects,
9 without regard to its conflict of law provisions. Any claim arising out of or relating to the
10 Agreement, or the subject matter hereof, will be resolved solely and exclusively in the Superior
11 Court of the State of California for the County of San Diego, and Plaintiff and Defendants hereby
12 consent to the personal jurisdiction of the Court in the Action over it solely in connection
13 therewith. The foregoing is only limited to disputes concerning this Agreement. The Parties,
14 and each of them, participated in the negotiation and drafting of this Agreement and had available
15 to them the advice and assistance of independent counsel. As such, neither Plaintiff nor
16 Defendants may claim that any ambiguity in this Agreement should be construed against the
17 other. The Agreement may be modified only by a writing signed by counsel for the Parties and
18 approved by the Court.

19 **B. Further Cooperation.**

20 The Parties and their respective attorneys shall proceed diligently to prepare and execute
21 all documents, to seek the necessary approvals from the Court, and to do all things reasonably
22 necessary to consummate the Settlement as expeditiously as possible. The Parties agree that they
23 will not take any action inconsistent with this Agreement, including, without limitation,
24 encouraging Class Members to opt out of the Settlement. In the event the Court finds that any
25 Party has taken actions inconsistent with the Settlement, including, without limitation,
26 encouraging Class Members to opt out of the Settlement, the Court may take any corrective
27 actions, including enjoining any Party from communicating regarding the Settlement on an *ex*
28 *parte* basis, issuing (a) corrective notice(s), awarding monetary, issue, evidentiary and/or

1 terminating sanctions against that Party, and/or enforcing this Agreement despite the presence of
2 opt-outs and/or objections.

3 **C. Counterparts.**

4 The Agreement may be executed in one or more actual or non-original counterparts, all
5 of which will be considered one and the same instrument and all of which will be considered
6 duplicate originals.

7 **D. Enforceability**

8 In event any civil action or litigation instituted to remedy, prevent, or obtain relief from
9 a material breach of this Settlement Agreement by a Party, including any failure by Defendants
10 to fund the Settlement, the prevailing Party in such enforcement action will be entitled to
11 attorneys' fees and costs in connection with such enforcement action.

12 **E. Authority.**

13 Each individual signing below warrants that he or she has the authority to execute this
14 Agreement on behalf of the Party for whom or which that individual signs.

15 **F. Deadlines Falling on Weekends or Holidays.**

16 To the extent that any deadline set forth in this Agreement falls on a Saturday, Sunday,
17 or legal holiday, that deadline shall be continued until the following business day.

18 **G. Jurisdiction of the Court**

19 Pursuant to California Code of Civil Procedure section 664.6, the Court shall retain
20 jurisdiction with respect to the interpretation, implementation, and enforcement of the terms
21 of this Settlement Agreement and all orders and judgments entered in connection therewith,
22 and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of
23 interpreting, implementing, and enforcing the settlement embodied in this Settlement
24 Agreement and all orders and judgments entered in connection therewith.

25 **H. Severability.**

26 In the event that one or more of the provisions contained in this Agreement shall for any
27 reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or
28 unenforceability shall in no way effect any other provision if Defendants' Counsel and Class

Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

IT IS SO AGREED:

Dated: Jun 8, 2023, ~~2022~~



Mehrnaz Taat (Jun 8, 2023 17:38 CDT)

MEHRNAZ TAAT
Plaintiff and Class Representative

Dated: _____, 2022

For ACELL, INC.
Defendant

By: _____

Its: _____

Dated: _____, 2022

For INTEGRA LIFESCIENCES
CORPORATION
Defendant

By: _____

Its: _____

AGREED AS TO FORM:

Dated: June 9, 2023, ~~2022~~



DAVID D. BIBIYAN
VEDANG J. PATEL
Counsel for Plaintiff MEHRNAZ TAAT

Dated: _____, 2022

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JOHN R. GIOVANONNE
LINDA WANG
**Counsel for Defendants ACELL, INC and
INTEGRA LIFESCIENCES
CORPORATION**

Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

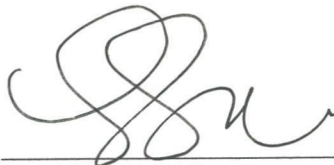
IT IS SO AGREED:

Dated: Jun 8, 2023, ~~2022~~


Mehrnaz Taat (Jun 8, 2023 17:38 CDT)

MEHRNAZ TAAT
Plaintiff and Class Representative

Dated: June 13,, 2022



For ACELL, INC.
Defendant

By: Lisa Evoli

Its: EVP & CHRO

Dated: June 13, 2022



For INTEGRA LIFESCIENCES
CORPORATION
Defendant

By: Lisa Evoli

Its: EVP & CHRO

AGREED AS TO FORM:

Dated: June 9, 2023, ~~2022~~

Vedang J. Patel

DAVID D. BIBIYAN
VEDANG J. PATEL
Counsel for Plaintiff MEHRNAZ TAAT

Dated: _____, 2022

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Dated: June 13, 2023



JOHN R. GIOVANONNE
LINDA WANG
**Counsel for Defendants ACELL, INC and
INTEGRA LIFESCIENCES
CORPORATION**