

1 Joshua Konecky, Bar No. 182897
2 jkonecky@schneiderwallace.com
3 Nathan Piller, Bar No. 300569
4 npiller@schneiderwallace.com
5 SCHNEIDER WALLACE COTTRELL
6 KONECKY LLP
7 2000 Powell Street, Suite 1400
8 Emeryville, CA 94608
9 Telephone: (415) 421-7100
10 Facsimile: (415) 421-7105

11 Attorneys for Plaintiff BARBARA GRADY

12 Shannon R. Boyce, Bar No. 229041
13 sboyce@littler.com
14 LITTLER MENDELSON
15 2049 Century Park East, 5th Floor
16 Los Angeles, California 90067.3107
17 Telephone: 310.553.0308
18 Facsimile: 310.553.5583

19 Attorneys for Defendant
20 RCM TECHNOLOGIES (USA), INC. (SUED
21 HEREIN ERRONEOUSLY AS "RCM
22 TECHNOLOGIES, INC.")

23 ***COUNSEL CONTINUED ON NEXT PAGE***

24 UNITED STATES DISTRICT COURT
25 CENTRAL DISTRICT OF CALIFORNIA

26 BARBARA GRADY,
27
28 Plaintiff,

v.

RCM TECHNOLOGIES, INC.,
Defendant.

Case No. 5:22-cv-00842-JLS-SHK

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

1 Martha J. Keon, Bar No. 213771
2 mkeon@littler.com
3 **LITTLER MENDELSON, P.C.**
4 Three Parkway
5 1601 Cherry Street, Suite 1400
6 Philadelphia, PA 19072
7 Telephone: 267-402-3050
8 Facsimile: 267-402-3131

9 Attorneys for Defendant
10 RCM TECHNOLOGIES (USA), INC.
11 (SUED HEREIN ERRONEOUSLY AS
12 "RCM TECHNOLOGIES, INC.")
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1 **JOINT STIPULATION OF CLASS ACTION AND**
2 **PAGA SETTLEMENT AND RELEASE**

3 IT IS HEREBY STIPULATED, by and between Plaintiff BARBARA GRADY
4 (“Plaintiff”), individually and on behalf of others similarly situated, and Defendant RCM
5 TECHNOLOGIES (USA), INC. (erroneously named herein as RCM Technologies, Inc.)
6 (“RCM” or “Defendant”) (collectively, the “Parties”), subject to the approval of the
7 Court, that the Action (as defined below) is hereby compromised and settled pursuant to
8 the terms and conditions set forth in this Joint Stipulation of Class Action and PAGA
9 Settlement and Release (“Agreement,” “Settlement,” or “Stipulation”). The Parties
10 further stipulate that the Court shall make and enter judgment, subject to the continuing
11 jurisdiction of the Court as set forth below, and subject to the definitions, recitals, and
12 terms set forth herein which by this reference become an integral part of this Stipulation.

13 **DEFINITIONS**

14 1. “Action” means the putative class and PAGA action entitled *Barbara Grady*
15 *v. RCM Technologies, Inc.*, United States District Court for the Central District of
16 California, Eastern Division, Case Number 5:22-cv-00842-JLS-SHK (originally filed in
17 Los Angeles Superior Court on or about February 7, 2022 and subsequently removed to
18 United States District Court on or about May 19, 2022), and all pleadings filed therein.

19 2. “Agreement,” “Settlement,” or “Stipulation” means this Joint Stipulation of
20 Class Action and PAGA Settlement.

21 3. “Class Counsel” means Schneider Wallace Cottrell Konecky LLP attorneys
22 Joshua Konecky and Nathan Piller.

23 4. “Class Counsel Award” means the Court-approved attorneys’ fees for Class
24 Counsel’s litigation and resolution of the Action (not to exceed twenty-five percent
25 [25%] of the Gross Settlement Amount, or Four Hundred Fourteen Thousand Six
26 Hundred and Two Dollars and Fifty Cents (\$414,602.50), and the Court approved costs
27 incurred by Class Counsel in connection with this Action (in an amount not to exceed
28 Fifty Thousand Dollars and No Cents (\$50,000.00)). Defendant shall not oppose such

1 an application by Plaintiff for Court approval of attorneys' fees for Class Counsel up to
2 twenty-five percent [25%] of the Gross Settlement Amount, plus reasonable litigation
3 costs in an amount not to exceed Fifty Thousand Dollars and No Cents (\$50,000.00).
4 The Settlement is not contingent on the Court awarding the maximum attorneys' fees
5 and costs that may be sought, or on its awarding of any particular amount.

6 5. "Class Data" or "Class Lists" means information regarding Class Members
7 that Defendant shall in good faith compile from its records and shall be authorized by
8 the Court to transmit in a secure manner to the Settlement Administrator within fourteen
9 (14) calendar days of preliminary approval. Class Data shall be transmitted by
10 Defendant in Microsoft Excel format and shall include each Class Member's: (i) full
11 name; (ii) last known address; (iii) Social Security number; (iv) the number of
12 Workshifts (as defined herein) worked for Defendant as a Class Member; and (v) the
13 number of Workshifts (as defined herein) worked for Defendant as a PAGA Member.

14 6. "Class," "Class Members," or "Settlement Class" means: All current and
15 former non-exempt employees of Defendant who were nurses assigned by Defendant to
16 staff COVID-19 testing and/or vaccination sites for San Bernardino County (including
17 assignments at San Bernardino County's Arrowhead Regional Medical Center), and at
18 K-12 schools for Los Angeles Unified School District (LAUSD), or Ginkgo Concentric
19 (Ginkgo) during the Class Period and who do not submit a timely and valid request for
20 exclusion from the settlement. Defendant's good faith and diligent research of its
21 records shows approximately 382 Class Members assigned to work for San Bernardino
22 County, 109 assigned at the LAUSD K-12 schools, and 612 assigned at Ginkgo
23 Concentric K-12 schools, with 6 of the Class Members working for more than one client,
24 resulting in a total number of 1,097 Class Members.

25 7. "Class Period" shall be March 1, 2020 through March 7, 2023.

26 8. "Class Representative Service Award" means the Court-approved amount to
27 be paid to Plaintiff in an amount of up to Five Thousand Dollars and No Cents
28 (\$5,000.00). Defendant will not oppose such application.

1 9. “Court” shall mean the United States District Court and such other court as
2 may be presiding over this Action.

3 10. “Defense Counsel” means Martha Keon and Shannon R. Boyce of Littler
4 Mendelson P.C.

5 11. “Effective Date” means the date this Agreement is approved as provided
6 herein and the Court’s order granting Final Approval and entry of Judgment or Dismissal
7 becomes final and is no longer appealable. For purposes of this Agreement, “becomes
8 final and is no longer appealable” shall mean the later of: (a) the day after the last date
9 by which a notice of appeal to the Ninth Circuit of the order and judgment finally
10 approving this Agreement may be timely filed and none is filed (i.e., 31 days from notice
11 of entry of judgment); (b) if an appeal is filed, and the appeal is finally disposed of by
12 ruling, dismissal, denial, or in a any other manner that confirms the validity of the order
13 and judgment, the day after the last date for filing a request for further review of the
14 order and judgment approving this Agreement passes, and no further review is requested;
15 or (c) if an appeal is filed and the order approving this Agreement is affirmed and further
16 review of the order is requested, the day after the review is finally resolved and the order
17 and judgment approving this Agreement is affirmed.

18 12. “Employer’s Share of Payroll Taxes” means Defendant’s respective portions
19 of payroll taxes, including, but not limited to FICA and FUTA, on the portion of the
20 Individual Settlement Award that is designated as wages.

21 13. “Final Approval Hearing” means the hearing to be conducted by the Court
22 after the filing by Plaintiff of an appropriate motion and following appropriate notice to
23 Class Members giving Class Members an opportunity to request exclusion from the
24 Settlement Class and Settlement and to object to the Settlement, at which time Plaintiff
25 shall request that the Court finally approve the Settlement, enter the Final Order and
26 Judgment, and take other appropriate action.

27 14. “Final Order and Judgment” means the order and judgment to be entered by the
28 Court upon granting final approval of the Settlement and this Stipulation of Settlement as

1 binding upon the Parties and Participating Class Members. A proposed Final Order and
2 Judgment shall be mutually agreed upon by the Parties and submitted to the Court
3 concurrently with Plaintiff's Motion for Final Approval of the Settlement.

4 15. "Gross Settlement Amount" or "GSA" means the total amount Defendant
5 shall pay in connection with this Settlement, which shall be inclusive of the Net
6 Settlement Amount, the Class Counsel Award, the Class Representative Service Award,
7 PAGA Payment, and Settlement Administration Costs. Subject to Court approval and
8 the terms of this Stipulation of Settlement, the GSA shall be One Million Six Hundred
9 Fifty Eight Thousand Four Hundred Ten Dollars and No Cents (\$1,658,410.00), plus
10 any additional amount required by the Escalator Clause at Paragraph 63 below, should
11 that clause be triggered. The Gross Settlement Amount does not include Defendant's
12 respective shares of payroll taxes for the Individual Settlement Award payments, which
13 shall be paid separately from, and in addition to, the GSA.

14 16. "Individual PAGA Payment" means the amount payable from the PAGA
15 Payment to each PAGA Member.

16 17. "Individual Settlement Award" means the amount payable from the Net
17 Settlement Amount to each Participating Class Member.

18 18. "Net Settlement Amount" or "NSA" means the Gross Settlement Amount,
19 less the Class Counsel Award, Class Representative Service Award, PAGA Payment,
20 and Settlement Administration Costs.

21 19. "Notice of Objection" means a Class Member's objection to the Settlement. To
22 be valid, an objection must (a) be in writing; (b) be signed by the Class Member; (c) be
23 returned by e-mail, fax, or mail to the Settlement Administrator at the specific address
24 and/or facsimile number in the Settlement Notice; (d) clearly state that the Class Member
25 objects to the settlement and the grounds for the objection; (e) be emailed, faxed, or
26 postmarked on or before the Response Deadline, and (f) include the objector's full name,
27 signature, address, telephone number, and the last four digits of his/her Social Security
28 number. The date of the e-mail, fax, or postmark on the return mailing envelope will be

1 the exclusive means to determine whether a Notice of Objection has been timely
2 submitted. At no time shall any of the Parties, Class Counsel, or Defense Counsel seek to
3 solicit or otherwise encourage or discourage Class Members from submitting a Notice of
4 Objection or filing an appeal from the Final Order and Judgment. Non-Participating Class
5 Members (*i.e.*, Class Members who submit valid Requests for Exclusion) may not
6 submit an Objection to the Settlement. If a Class Member submits both a Request for
7 Exclusion and an Objection, the Request for Exclusion will be deemed controlling.

8 20. “PAGA Members” or “PAGA Class” means: The subset of Class Members
9 who worked for Defendant during the PAGA Period.

10 21. “PAGA Notice” means the July 22, 2021 letter that Class Counsel sent to the
11 California Labor Workforce Development Agency (“LWDA”), on behalf of Plaintiff,
12 pursuant to Labor Code §2699.3(a)/(c) seeking to exhaust Plaintiff’s administrative
13 remedies under the Labor Code Private Attorneys General Act of 2004 (“PAGA”), Cal.
14 Lab. Code §§2698, *et seq.*

15 22. “PAGA Payment” means the amount of One Hundred Sixty Five Thousand
16 Eight Hundred and Forty One Dollars (\$165,841.00), subject to Court approval, to be
17 paid from the Gross Settlement Amount for satisfaction of Plaintiff and Class Members’
18 claims under the California Private Attorneys’ General Act of 2004, California Labor
19 Code sections 2698, *et seq.* (“PAGA”). Pursuant to the PAGA, seventy five percent
20 (75%) of the PAGA Payment, or One Hundred Twenty Four Thousand Three Hundred
21 and Eighty Dollars and Seventy Five Cents (\$124,380.75), will be paid to the LWDA
22 and twenty five percent (25%), or Forty One Thousand Four Hundred and Sixty Dollars
23 and Twenty Five Cents (\$41,460.25), will be distributed as the Individual PAGA
24 Payments to Class Members.

25 23. “PAGA Period” shall be July 22, 2020 through March 7, 2023.

26 24. “PAGA Release” or “PAGA Released Claims” means the release by all
27 PAGA Members for all claims for civil penalties under PAGA that arise out of or relate
28 to alleged violations of California Labor Code §§ 201-204, 221-223, 226, 226.7, 510,

1 512, 1174, 1174.5, 1194, and 1198; and California Code of Regulations, Title 8 § 11040
2 §§ 3 & 7, 11-12, and under Business & Professions Code §§ 17200-17208, as pled in the
3 PAGA Notice and Class Action and PAGA Complaint, during the PAGA Period. In
4 light of the binding nature of a PAGA judgment on non-party employees pursuant to
5 *Arias v. Superior Ct. (Dairy)*, 46 Cal. 4th 969 (2009), Class Members employed by
6 Defendant who exclude themselves from this Settlement shall still receive an Individual
7 PAGA Payment directly from the Settlement Administrator for the amount of each such
8 individual's estimated share of the PAGA Payment as calculated by the Settlement
9 Administrator, and shall not be able to object to or exclude themselves from releasing
10 the PAGA Released Claims against Defendant (*i.e.*, PAGA Members, as defined above).

11 25. "Participating Class Members" means Plaintiff and all other Class Members
12 who do not submit a valid and timely Request for Exclusion, as well as PAGA Members.

13 26. "Preliminary Approval Order" means the order to be issued by the Court
14 approving and authorizing the mailing of the Settlement Notice by the Settlement
15 Administrator, setting the date of the Final Approval Hearing and granting preliminary
16 approval of the Settlement set forth in this Stipulation of Settlement, among other things.
17 A proposed Preliminary Approval Order shall be mutually agreed upon by the Parties
18 and submitted to the Court concurrently with Plaintiff's Motion for Preliminary
19 Approval of the Settlement.

20 27. "Released Claims" includes all claims under state or local law, whether
21 statutory, common law, or administrative law, whether in law or equity, for the claims
22 that were pled in the Complaint, based on or arising out of the factual allegations therein,
23 during the Class Period, including: (a) all claims for failure to pay minimum wages under
24 Cal. Labor Code §§ 204, 1194, 1194.2, and 1198; (b) all claims for failure to pay
25 overtime wages under Cal. Labor Code §§ 204, 510, 1194, and 1199; (c) all claims for
26 failure to authorize and permit required rest breaks under Cal. Labor Code §§ 226.7 and
27 512 and the applicable IWC Wage Orders; (d) all claims for failure to provide required
28 meal periods under Cal. Labor Code §§ 226.7 and 512 and the applicable IWC Wage

1 Order; (e) all claims for failure to maintain accurate employment records under Cal.
2 Labor Code §§ 1174 and 1174.5; (f) all claims for failure to timely pay wages during
3 employment under Cal. Labor Code §§ 204, 210(a), and 216; (g) all claims for failure
4 to pay all wages earned and unpaid at separation under Cal. Labor Code §§ 201-203;
5 (h) all claims for failure to furnish accurate itemized wage statements under Cal. Labor
6 Code §§ 226; (i) violation of California's Unfair Competition Law, Cal. Bus. &
7 Professions Code §§ 17200, *et seq.*; and (j) civil penalties under the Private Attorneys
8 General Act (California Labor Code sections 2698, *et seq.*, including incorporated or
9 related claims based on alleged violations of California Labor Code §§ 201-204, 221-
10 223, 226, 226.7, 510, 512, 1174, 1174.5, 1194, and 1198; and California Code of
11 Regulations, Title 8 § 11040 §§ 3 & 7, 11-12, and under Business & Professions Code
12 §§ 17200-17208).

13 28. "Released Parties" means Defendant and its affiliated companies, owners,
14 parents, members, subsidiaries, related companies and business concerns, past and
15 present, including successors and predecessors, and each of them, as well as each of their
16 clients for whom Class Members performed services, insurers, partners, trustees,
17 directors, shareholders, officers, agents, attorneys, servants and employees, past and
18 present, and each of them.

19 29. "Request for Exclusion" means a written statement submitted by a Class
20 Member indicating a request to be excluded from the Settlement. The Request for
21 Exclusion must be in writing and (i) be signed by the Class Member;
22 (ii) contain the name, address, telephone number, and the last four digits of the Social
23 Security number of the Class Member requesting exclusion; (iii) clearly state that the Class
24 Member does not wish to be included in the Settlement; (iv) be returned by e-mail, fax, or
25 mail to the Settlement Administrator at the specific email address, mailing address, and/or
26 facsimile number; and (v) be e-mailed, faxed, or postmarked on or before the Response
27 Deadline. The date of the e-mail, fax, or postmark on the return mailing envelope will be
28 the exclusive means to determine whether a Request for Exclusion has been timely

1 submitted. A Class Member who does not request exclusion from the Settlement will be
2 deemed a Participating Class Member and will be bound by all terms of the Settlement, if
3 the Settlement is granted final approval by the Court. Any Class Member who validly
4 requests to be excluded from the Settlement will no longer be a member of the Settlement
5 Class and will not have any right to object, appeal, or comment on the Settlement, but will
6 remain as PAGA Member(s), and will receive an Individual PAGA Payment for the
7 PAGA Released Claims if he or she is a PAGA Member. No later than ten (10) calendar
8 days after the Response Deadline, the Settlement Administrator shall provide Class
9 Counsel and Defense Counsel with a complete list of all Class Members who submitted a
10 timely and valid Request for Exclusion.

11 30. "Response Deadline" means the deadline by which Class Members must e-
12 mail, fax, or mail to the Settlement Administrator a valid Request for Exclusion, Notice
13 of Objection, or Workshift Dispute. The Response Deadline will be forty-five (45)
14 calendar days from the initial mailing of the Settlement Notices by the Settlement
15 Administrator unless the 45th day falls on a Sunday or Federal holiday, in which case
16 the Response Deadline will be extended to the next day on which the U.S. Postal Service
17 is open. The Response Deadline may also be extended by express agreement between
18 Class Counsel and Defense Counsel. Under no circumstances, however, will the
19 Administrator have the unilateral authority to extend the deadline for Class Members to
20 submit a Request for Exclusion, Notice of Objection, or Workshift Dispute to the
21 settlement.

22 31. "Settlement" means the final and complete disposition of the Action pursuant
23 to this Stipulation of Settlement.

24 32. "Settlement Administrator" or "Administrator" means JND Legal
25 Administration, the third-party settlement administrator agreed to by the Parties, to be
26 approved by the Court for purposes of administering this settlement. The Parties each
27 represent that they will not have any financial interest in the Settlement Administrator
28

1 or otherwise have a relationship with the Settlement Administrator that could create a
2 conflict of interest.

3 33. "Settlement Administration Costs" means the reasonable costs and fees of
4 administering the Settlement to be paid from the Gross Settlement Amount, which are
5 currently estimated not to exceed \$33,000 (the final amount subject to reasonable
6 adjustment based on particularities of the settlement administration and Court approval),
7 including, but not limited to: (i) printing, emailing (where applicable), mailing and re-
8 mailing (if necessary) of Settlement Notices to Class Members; (ii) preparing and
9 submitting to Class Members and government entities all appropriate tax filings and
10 forms; (iii) computing the amount of and distributing Individual Settlement Awards, the
11 Class Representative Service Award, and the Class Counsel Award; (iv) processing and
12 validating Requests for Exclusion; (v) establishing a Qualified Settlement Fund, as
13 defined by the Internal Revenue Code; (vi) calculating and remitting to the appropriate
14 government agencies all employer and employee payroll tax obligations arising from the
15 Settlement and preparing and submitting filings required by law in connection with the
16 payments required by the Settlement; (vii) transmitting uncashed Individual Settlement
17 Award payments to the designated and Court-approved *cy pres* beneficiary; and (viii)
18 printing and mailing of all mandated Class Action Fairness Act (CAFA) Settlement
19 Notices.

20 34. "Settlement Notice" means the Notice of Class Action Settlement, substantially
21 in the form attached as **Exhibit 1**, which shall be subject to Court approval and which the
22 Settlement Administrator shall mail (and email, where applicable) to each Class Member
23 containing: (i) information regarding the nature of the Action; (ii) a summary of the
24 Settlement's principal terms; (iii) the Class definitions; (iv) the total number of Workshifts
25 the respective Class Member worked for Defendant during the Class Period and PAGA
26 Period (according to Defendant's best available records, and as further set forth in the
27 definition of "Workshifts" herein); (v) the Class Member's estimated Individual
28 Settlement Award, as well as the formula for calculating the Individual Settlement Award;

(vi) the dates which comprise the Class and PAGA Periods; (vii) instructions on how to submit disputes regarding Workshifts, Requests for Exclusion, and/or Notices of Objection; (viii) the Response Deadline; and (ix) the claims to be released pursuant to the Settlement of the Action.

35. “Workshifts” means the number of shifts worked by each Class Member for Defendant as a non-exempt nurse assigned to work at COVID-19 testing and/or vaccination sites for San Bernardino County (including Arrowhead Regional Medical Center), or K-12 schools for LAUSD or Ginkgo in California during the Class Period (or, where used as part of the PAGA Payment calculation, during the PAGA Period). For purposes of payment, a Workshift shall be defined as any discrete period of time in a day during which the Class Member worked. If there are two or more consecutive hours of time during which the Class Member is completely relieved of duty between periods of work time, then each period of work time will be considered a separate Workshift. To the extent Defendant does not have information about shifts worked readily available due to gaps in electronic or paper time records, Defendant shall use its best available information, including extrapolations where necessary, to compute actual Workshifts, and shall provide that information to the Settlement Administrator.

36. “Workshift Dispute” means a written statement that a Class Member disputes the number of Workshifts, as defined herein, and/or dates of employment, listed on his/her Settlement Notice. Any such Workshift Dispute must be e-mailed, faxed or mailed to the Settlement Administrator by the Response Deadline. The date of the e-mail, fax, or postmark on the mailing envelope will be the exclusive means to determine whether a Workshift Dispute has been timely submitted. A valid Workshift Dispute must be in writing and contain: (i) the Class Member’s full name, signature, address, telephone number, and the last four digits of his/her Social Security number; (ii) the number of Workshifts the Class Member contends is correct; and (iii) any evidence supporting his/her contention. The dates of employment identified for each Class Member in the applicable Class Lists and the number of Workshifts for each Class Member as defined herein will be

1 presumed to be correct, unless a particular Class Member demonstrates otherwise to the
2 Settlement Administrator by credible evidence. All Workshift Disputes will be resolved
3 and decided by the Settlement Administrator, with consultation with Defense Counsel and
4 Class Counsel as appropriate. If the Workshift Dispute cannot be resolved by the
5 Settlement Administrator, then it shall be resolved by the Court.

6 37. "Workshift Value" means the value of each compensable Workshift, as
7 determined by the formula set forth herein.

8 RECITALS

9 38. This Settlement is made and entered into by and between Plaintiff and
10 Defendant, and is subject to the terms and conditions hereof, and to the Court's approval.
11 The Parties expressly acknowledge that this Agreement is entered into solely for the
12 purpose of compromising significantly disputed claims and that nothing herein is an
13 admission of liability or wrongdoing by Defendant or the other Released Parties. The
14 Released Parties deny that they are liable to Plaintiff or the Class Members and deny that
15 they have violated any law.

16 39. Pleading History.

- 17 a. On July 22, 2021, Plaintiff submitted the PAGA Notice to the LWDA for
18 the purpose of complying with California Labor Code § 2699.3's notice
19 requirement.
- 20 b. Thereafter, the parties entered into a tolling agreement under which
21 Defendant agreed to toll the statute of limitation effective October 8, 2021,
22 on all claims based on alleged off-the-clock or meal or rest period
23 violations under the California Labor Code, California Industrial Welfare
24 Commission Wage Orders or Section 17200 of the California Business and
25 Professions Code asserted on behalf of Plaintiff, the Class Members, and
26 the aggrieved employees alleged herein. The purpose of the tolling
27 agreement was to facilitate settlement discussions; however, the parties did
28 not resolve the claims and Plaintiff thereafter provided notice to Defendant

1 that she would file a class action complaint.

2 c. On February 7, 2022, Plaintiff filed a class action and PAGA lawsuit in the
3 Superior Court for the State of California, County of San Bernardino.

4 d. On May 19, 2022, Defendant filed a Notice of Removal to the United
5 States District Court, Central District of California.

6 40. Investigation. Plaintiff's counsel diligently investigated the proposed Class
7 Members' claims against Defendant, including applicable defenses and the applicable
8 law, through the exchange of informal discovery and legal argument. After Plaintiff filed
9 the Complaint, the Parties agreed to participate in an initial mediation.

10 41. Document Production. Before and in connection with the mediation,
11 Defendant produced documents for Plaintiff's review. The documents included the
12 written information and instructions provided to nurses concerning timecard completion,
13 timecard protocol, and meal break requirements and procedures. They also included
14 Defendant's Travel Assignment Contract for nurses in California, which also showed
15 Defendant's policies regarding hourly pay, recording hours worked, and meal and rest
16 periods. Additionally, Defendant produced a copy of Defendant's mandatory arbitration
17 agreement, which contains a class and collective action waiver, among other provisions.

18 42. Data Production. Defendant also produced data showing the following
19 information for each putative class member: (a) the job title of the nurse; (b) the date of
20 each Workshift; (b) the hours clocked-in for each Workshift; (c) the hourly pay rate paid
21 for each Workshift; (d) the location of the assignment for each Workshift; and (e) the
22 type of service corresponding to each Workshift (e.g. COVID-19 testing and/or
23 vaccination, hospital work, school services, etc.) Defendant also provided workweek
24 information from which the number of wage statements issued to each Class Member
25 could be calculated.

26 43. After the initial mediation, Defendant also provided confirmatory discovery
27 regarding the data sources for the composition of the class list, hours worked and shift
28 counts; meal and rest period premium totals; additional information regarding client

1 types including assignments on which RCM was the subcontractor for another
2 professional staffing agency; and additional timekeeping and meal and rest break
3 policies.

4 44. This foregoing production of documents and data allowed Plaintiff to conduct
5 an exposure analysis.

6 45. First Mediation. On December 7, 2022, Defendant and Plaintiff participated
7 in a full-day mediation with Michael Loeb, Esq. That evening, Mr. Loeb issued a
8 mediator's proposal. The Parties accepted the mediator's proposal; however, the Court
9 denied approval of the settlement.

10 46. Discovery. Following the initial mediation, the parties engaged in substantial
11 written discovery, additional data production and depositions. Defendant produced
12 additional documents and data beyond what was earlier produced. This consisted of class
13 member contact information and additional policies and additional procedures
14 applicable to California placements during the putative class period, as well as timecards,
15 acknowledgments of timekeeping, meal period and rest break policies, signed meal
16 period waivers, and arbitration agreements. Plaintiff also propounded, and Defendant
17 answered, interrogatories regarding the breakdown of assignment types and work
18 settings for Class Members, including related information pertaining to that breakdown.
19 Defendant also supplemented information produced previously in the case showing, by
20 employee ID, the daily work hours recorded, the type of service being provided, the
21 applicable wage rates, and related information. Defendant took the deposition of the
22 named Plaintiff. Plaintiff took the deposition of Defendant's Director of National
23 Recruiting, and the deposition of Defendant's 30(b)(6) designee on topics including: the
24 work assignments, settings, and job duties of the putative class members; the policies,
25 procedures, and practices pertaining to meal and rest periods; the policies, procedures,
26 and practices pertaining to wages and compensation of putative class members; and the
27 policies, procedures, and practices pertaining to approval and/or payment of overtime
28 and double time, amongst other topics. Plaintiff also interviewed putative class members

1 and collected signed declarations. On June 21, 2024, Plaintiff filed a motion for class
2 certification.

3 47. Second Mediation. Informed by this further investigation and discovery, the
4 Parties engaged in a second day-long mediation on July 2, 2024, with mediator Michael
5 Loeb. That evening, Mr. Loeb issued a mediator's proposal settling the case as to a
6 narrower class, shorter class period, and higher per class member recovery than under
7 the previous settlement agreement, which the Parties accepted.

8 48. Benefits of Settlement to Plaintiff and the Class Members. Plaintiff and Class
9 Counsel recognize the expense and length of continued proceedings necessary to litigate
10 Plaintiff's disputes in the Action through trial and through any possible appeals. Plaintiff
11 also has taken into account the uncertainty and risks of the outcome of further litigation,
12 and the difficulties and delays inherent in such litigation. Plaintiff and Class Counsel
13 are also aware of the burdens of proof necessary to establish liability for the claims
14 asserted in the Action, both generally and in response to Defendant's defenses thereto,
15 and the risks and uncertainties in establishing damages, penalties, restitution, and other
16 relief sought in the Action. Plaintiff and Class Counsel also have taken into account
17 Defendant's agreement to enter into a settlement that confers substantial benefits upon
18 the Class Members. Based on the foregoing, Plaintiff and Class Counsel have determined
19 that the Settlement set forth in this Stipulation of Settlement is fair, adequate, and
20 reasonable and is in the best interests of all Class Members.

21 49. Defendant's Position. Defendant has concluded that further defense of the
22 Action would be protracted and expensive. Substantial amounts of Defendant's time,
23 energy, and resources have been, and unless this Settlement is completed, shall continue to
24 be, devoted to the defense of the claims asserted by Plaintiff. Defendant has also taken
25 into account the risks of further litigation in reaching its decision to enter into this
26 Settlement. Defendant denies Plaintiff's allegations, and will stipulate for settlement
27 purposes only that Plaintiff is a suitable class representative or aggrieved employee, and
28 reserves all rights in the event this settlement is not approved, including the right to

1 contest suitability for class certification on any basis. This Stipulation of Settlement is a
2 compromise of disputed claims. Nothing contained in this Stipulation of Settlement, no
3 documents referred to herein, and no action taken to carry out this Stipulation of
4 Settlement, shall be construed or used as an admission by or against Defendant as to the
5 merits or lack thereof of the claims asserted in the Action. In the event this Settlement does
6 not obtain final approval, Defendant retains all rights to defend itself in this matter and to
7 take any actions in defense of itself that are available to Defendant.

8 **CLASS CERTIFICATION**

9 50. Solely for purposes of settling the Action, and not for purposes of class
10 certification should the Settlement not be approved or for any other reason, the Parties
11 stipulate and agree that the requisites for establishing class certification with respect to
12 the Settlement Class have been met and are met. More specifically, for purposes of
13 settlement only, the Parties stipulate and agree that:

- 14 a. The Settlement Class is ascertainable and so numerous as to make it
15 impracticable to join all Class Members;
- 16 b. There are common questions of law and fact;
- 17 c. Plaintiff's claims are typical of the claims of the Class Members;
- 18 d. Plaintiff and Class Counsel will fairly and adequately protect the interests
19 of the Class Members;
- 20 e. The prosecution of separate actions by individual Class Members would
21 create the risk of inconsistent or varying adjudications, which would
22 establish incompatible standards of conduct; and
- 23 f. Questions of law and fact common to the Class Members predominate
24 over any questions affecting any individual Class Member, and a class
25 action is superior to other available means for the fair and efficient
26 adjudication of the controversy.

1 51. Should this Settlement not be finally approved or be terminated, all
2 stipulations set forth in the immediately preceding Paragraph shall be null and void and
3 shall not be admissible for any purpose whatsoever.

4 **TERMS OF SETTLEMENT**

5 NOW THEREFORE, in consideration of the mutual covenants, promises, and
6 agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

7 52. Binding Settlement. This Settlement shall bind the Parties, all Participating
8 Class Members, and PAGA Members, subject to the terms and conditions hereof and the
9 Court's approval.

10 53. Settlement Consideration. Defendant shall pay the sum of the Gross
11 Settlement Amount of One Million Six Hundred Fifty Eight Thousand Four Hundred
12 Ten Dollars (\$1,658,410.00), plus any amount required by the Escalator Clause at
13 Paragraph 68 below, if that clause is triggered, as specified in this Agreement in full
14 satisfaction of all claims arising from the Action, which shall be used to pay:
15 (1) Individual Settlement Payments; (2) Class Counsel Award; (3) Class Representative
16 Service Award; (4) Settlement Administration Costs to the Settlement Administrator;
17 and (5) the PAGA Settlement Amount (including LWDA payment). The Parties agree
18 that this is a non-reversionary Settlement and that no portion of the Gross Settlement
19 Amount shall revert to Defendant. With the express exception of employer-side payroll
20 taxes to be paid by Defendant, in no event will Defendant, or any of the Released Parties
21 be required to pay more than the Gross Settlement Amount.

22 54. PAGA Settlement Amount. Subject to Court approval, the Parties agree that
23 the amount of One Hundred Sixty Five Thousand Eight Hundred and Forty One Dollars
24 (\$165,841.00) of the Gross Settlement Amount shall be designated for satisfaction of
25 claims for civil penalties under the PAGA. The Settlement Administration shall pay
26 seventy-five percent (75%) of the PAGA Settlement Amount, i.e., the sum of One
27 Hundred Twenty Four Thousand Three Hundred and Eighty Dollars and Seventy Five
28 Cents (\$124,380.75), to the LWDA. The remaining twenty-five percent (25%), i.e., the

1 sum of Forty One Thousand Four Hundred and Sixty Dollars and Twenty Five Cents
2 (\$41,460.25), shall be part of the Net Settlement Amount to be distributed to PAGA
3 Members — as per this Agreement.

4 55. Tax Liability. The Parties make no representations as to the tax treatment or
5 legal effect of the payments specified herein, and Participating Class Members and PAGA
6 Members are not relying on any statement or representation by the Parties, Class Counsel
7 or Defense Counsel in this regard. Participating Class Members and PAGA Members, as
8 well as Class Counsel, understand and agree that they shall be solely and legally
9 responsible for the payment of all applicable taxes and penalties assessed on the payments
10 specified herein.

11 56. Circular 230 Disclaimer. The Parties acknowledge and agree that (i) no
12 provision of this Stipulation of Settlement, and no written communication or disclosure
13 between or among the Parties, Class Counsel or Defense Counsel and other advisers, is
14 or was intended to be, nor shall any such communication or disclosure constitute or be
15 construed or be relied upon as, tax advice within the meaning of United States Treasury
16 Department Circular 230 (31 CFR Part 10, as amended); (ii) the acknowledging party
17 (a) has relied exclusively upon his, her, or its own, independent legal and tax counsel for
18 advice (including tax advice) in connection with this Stipulation of Settlement, (b) has
19 not entered into this Stipulation of Settlement based upon the recommendation of any
20 other party or any attorney or advisor to any other party, and (c) is not entitled to rely
21 upon any communication or disclosure by any attorney or adviser to any other party to
22 avoid any tax penalty that may be imposed on the acknowledging party; and (iii) no
23 attorney or adviser to any other party has imposed any limitation that protects the
24 confidentiality of any such attorney's or adviser's tax strategies (regardless of whether
25 such limitation is legally binding) upon disclosure by the acknowledging party of the tax
26 treatment or tax structure of any transaction, including any transaction contemplated by
27 this Stipulation of Settlement.
28

1 57. Preliminary Approval of Settlement. Class Counsel will reserve a date for a
2 hearing on Plaintiff's Motion for Preliminary Approval to take place at a time mutually
3 agreed to by the Parties so that the Parties may request provisional certification of the
4 Settlement Classes for settlement purposes only and the setting of a Final Approval
5 Hearing date. The Parties agree to work diligently and cooperatively to have this
6 Settlement presented to the Court for preliminary approval. Plaintiff shall provide
7 Defense Counsel with a reasonable opportunity to review and provide comments on the
8 draft Preliminary Approval pleadings, including the proposed Order, prior to Plaintiff
9 submitting the Motion for Preliminary Approval to the Court.

10 58. Release by All Participating Class Members. All Participating Class
11 Members, including Plaintiff, shall be deemed to have released their respective Released
12 Claims against the Released Parties upon the date on which the payment of the Gross
13 Settlement Amount is made by Defendant. Plaintiff and Class Members who do not
14 submit a valid Request for Exclusion will be deemed to have fully, finally and forever
15 released, settled, compromised, relinquished, and discharged with respect to all of the
16 Released Parties for any and all Released Claims that accrued during the Class Period.
17 Each Participating Class Member (*i.e.*, each Class Member who has not submitted a valid
18 Request for Exclusion) fully releases and discharges the Released Parties as to all Released
19 Claims during the Class Period.

20 59. PAGA Release by LWDA and All PAGA Members. All PAGA Members,
21 including Plaintiff, and the LWDA, shall be deemed to have released their respective
22 PAGA Released Claims against the Released Parties upon the date on which the
23 payment of the Gross Settlement Amount is made by Defendant. It is understood that
24 Class Members and PAGA Members will not have the opportunity to request exclusion
25 from, or object to, the PAGA Release. Further, all Class Members, the LWDA, and
26 PAGA Members are bound by the PAGA Release regardless of whether they cash and/or
27 otherwise negotiate an Individual PAGA Payment.
28

1 60. Additional Release and Waiver of Claims by Plaintiff. In addition to the release
2 of Released Claims and PAGA Released Claims against the Released Parties, as set forth
3 above, Plaintiff, in her individual capacity, agrees to release the Released Parties from any
4 and all claims, known and unknown, under federal, state and/or local law, statute,
5 ordinance, regulation, common law, or other source of law, arising as of the date of
6 execution of this Agreement including but not limited to claims arising from or related to
7 her employment with Defendant and her compensation while an employee of Defendant
8 (“Plaintiff’s Released Claims”). Plaintiff’s Released Claims include all claims, whether
9 known or unknown. Even if Plaintiff discovers facts in addition to or different from
10 those that she now knows or believes to be true with respect to the subject matter of
11 Plaintiff’s Released Claims, those claims will remain released and forever barred. To
12 effect a full and complete general release as described above, Plaintiff expressly waives
13 and relinquishes all rights and benefits of section 1542 of the Civil Code of the State of
14 California, and does so understanding and acknowledging the significance and
15 consequence of specifically waiving section 1542. Section 1542 of the Civil Code of the
16 State of California states as follows:

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

22 Thus, notwithstanding the provisions of Section 1542, and to implement a full and
23 complete release and discharge of the Released Parties, Plaintiff expressly acknowledges
24 this Stipulation of Settlement is intended to include in its effect, without limitation, all
25 claims Plaintiff does not know or suspect to exist in Plaintiff’s favor at the time of signing
26 this Stipulation of Settlement, and that this Stipulation of Settlement contemplates the
27 extinguishment of any such claims. Plaintiff warrants that she has read this Stipulation of
28 Settlement, including this waiver of California Civil Code section 1542, and that Plaintiff
has consulted with or had the opportunity to consult with counsel of Plaintiff’s choosing

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT AND RELEASE

1 about this Stipulation of Settlement and specifically about the waiver of section 1542, and
2 that Plaintiff understands this Stipulation of Settlement and the section 1542 waiver, and
3 so Plaintiff freely and knowingly enters into this Stipulation of Settlement. Plaintiff further
4 acknowledges that Plaintiff later may discover facts different from or in addition to those
5 Plaintiff now know or believe to be true regarding the matters released or described in this
6 Stipulation of Settlement, and even so Plaintiff agrees that the releases and agreements
7 contained in this Stipulation of Settlement shall remain effective in all respects
8 notwithstanding any later discovery of any different or additional facts. Plaintiff expressly
9 assumes any and all risk of any mistake in connection with the true facts involved in the
10 matters, disputes, or controversies released or described in this Stipulation of Settlement
11 or with regard to any facts now unknown to Plaintiff relating thereto.

12 61. Settlement Administration.

13 a. Within fourteen (14) calendar days of entry of the Preliminary Approval
14 Order, Defendant shall provide the Settlement Administrator with the Class List for
15 purposes of emailing (where applicable) and mailing the Settlement Notices to Class
16 Members. No later than three (3) business days after receipt of the Class Data, the
17 Settlement Administrator shall notify Class Counsel that the list has been received and
18 state the number of Class Members and Workshifts in the Class Data. The Administrator
19 must maintain the Class List as private and confidential, use the Class List only for
20 purposes of this Settlement, and restrict access to the Class List to Administrator
21 employees who need access to the Class Data. However, the Administrator may share
22 an individual Class Member's Class Data with both RCM Counsel and Class Counsel
23 simultaneously (and in no event share only with Class Counsel) in response to
24 affirmative outreach from the individual Class Member and only the amount of that
25 Class Member's Class Data as is necessary to resolve the issue and as necessary for Class
26 Counsel to fulfill their duties to the Class with respect to this Settlement. Class Counsel
27 shall not use Class Data to solicit clients or for any reason other than the administration
28 of the Settlement. Defendant has a continuing duty to immediately notify the

1 Administrator and Class Counsel if it discovers that the Class Data omitted a Class
2 Member and to provide corrected Class Data as soon as reasonably feasible. Without
3 any extension of the deadline by which Defendant must send the Class Data to the
4 Administrator, the Parties and their counsel will expeditiously use best efforts, in good
5 faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class
6 Data.

7 i. Notice by First Class U.S. Mail. Upon receipt of the Class List, the
8 Settlement Administrator shall perform a search based on the National Change of Address
9 Database maintained by the United States Postal Service to update and correct any known
10 or identifiable address changes. Within fourteen (14) calendar days after receiving the Class
11 List from Defendant as provided herein, the Settlement Administrator shall mail copies of
12 the Settlement Notice to all Class Members via regular First-Class U.S. Mail, and email the
13 Settlement Notice to all Class Members for whom Defendant possesses an email address.
14 The Settlement Administrator shall exercise its best judgment to determine the current
15 mailing address for each Class Member. The address identified by the Settlement
16 Administrator as the current mailing address shall be presumed to be the most current
17 mailing address for each Class Member. The Parties agree that this procedure for notice
18 complies with due process.

19 ii. Undeliverable Settlement Notices. Any Settlement Notice returned to
20 the Settlement Administrator as non-deliverable on or before the Response Deadline shall
21 be re-mailed to the forwarding address affixed thereto within three (3) business days of
22 receipt of the returned Settlement Notice by the Settlement Administrator. If no
23 forwarding address is provided, the Settlement Administrator shall attempt to determine a
24 correct address by the use of skip-tracing, or other type of automated search, using the
25 name, address and/or Social Security number of the Class Member involved, and shall
26 then perform a re-mailing to the Class Member whose Settlement Notice was returned as
27 non-deliverable within five (5) calendar days of receipt of the returned Settlement Notice
28 by the Settlement Administrator, assuming another mailing address is identified by the

1 Settlement Administrator. Class Members who are sent a re-mailed Settlement Notice
2 shall have their Response Deadline extended by the number of calendar days that elapsed
3 from the date that the Class Member's original Settlement Notice was mailed to the date
4 the Settlement Administrator re-mails the Settlement Notice. In the event a re-mailed
5 Settlement Notice is returned as undeliverable without a forwarding address and the
6 Settlement Administrator cannot verify a correct address for the Class Member even
7 through skip-tracing, the Parties will make reasonable efforts to search for a current
8 email address for the Class Member and, if one is located, provide it to the Settlement
9 Administrator to send the Settlement Notice to the Class Member. If these procedures
10 are followed, notice to Class Members shall be deemed to have been fully satisfied, and if
11 the intended recipient of the Settlement Notice does not receive the Settlement Notice, the
12 intended recipient shall nevertheless remain a Class Member and shall be bound by all
13 terms of the Settlement and the Final Order and Judgment.

14 iii. Settlement Website. From the date on which the Settlement Notice is
15 first mailed pursuant to Section 61(a)(i), above, until the date on which the final
16 Settlement Awards and Individual PAGA Payments are sent to Participating Class
17 Members, the Settlement Administrator shall host an informational settlement website.
18 The settlement website will contain the Settlement Notice, Settlement Agreement,
19 Motion for Preliminary Approval of the Settlement Agreement, and Motion for
20 Attorneys' Fees and Costs and Service Award. The parties will agree upon a neutrally
21 worded URL for the website. The website will contain no advertising or promotional
22 materials. The purpose of the website is purely informational and to effectuate best
23 practicable notice.

24 iv. Determination of Individual Settlement Awards and Individual PAGA
25 Payments. The Settlement Administrator shall determine the eligibility for, and the
26 amounts of, each Individual Settlement Award and Individual PAGA Payment under the
27 terms of this Stipulation of Settlement, based on the Workshift and Adjusted Workshift
28 information provided by Defendant as defined above. The Settlement Administrator's

determination of the eligibility for and amount of each Individual Settlement Award and Individual PAGA Payment shall be binding upon the Class Members and the Parties; however, it is subject to Court review as appropriate.

v. Disputes Regarding Administration of Settlement. Any dispute not resolved by the Settlement Administrator concerning the administration of the Settlement, in consultation with Class Counsel and Defense Counsel, shall be resolved by the Court.

b. Certification Reports Regarding Individual Settlement Award Calculations. The Settlement Administrator will provide Defense counsel and Class Counsel a weekly report which certifies: (i) the number of Class Members who have submitted valid Requests for Exclusion or Notices of Objections; and (ii) whether any Class Member has submitted a challenge to any information contained in their Settlement Notice, including but not limited to the number of Class Members from the Settlement Classes who have submitted a Workshift Dispute.

c. Best Efforts. The Parties agree to use their best efforts to carry out the terms of this Settlement.

d. Funding and Allocation of Gross Settlement Amount. No later than the date scheduled for the final fairness hearing, the Settlement Administrator shall provide Defendant with instructions for remitting payment of the Gross Settlement Amount into a Qualified Settlement Fund being maintained by the Settlement Administrator. Within seven (7) calendar days after the Effective Date, Defendant shall pay the Gross Settlement Amount into the Qualified Settlement Fund maintained by the Settlement Administrator. Within ten (10) calendar days after the Effective Date, the Settlement Administrator shall provide Defendant with final funding calculations, including employer-side taxes to be paid separately to the Gross Settlement Amount, as well as instructions for remitting payment. Defendant shall then pay the employer-sided taxes within fourteen (14) calendar days after the Effective Date. Defendant shall provide the Gross Settlement Amount and employer-side taxes to the Settlement Administrator in any feasible manner, including, but

1 not limited to, by way of a wire transfer. If this Settlement is not finally approved by the
2 Court in full, or is terminated, rescinded, canceled, or fails to become effective for any
3 reason, or if the Effective Date does not occur, then no portion of the Gross Settlement
4 Amount shall be paid.

5 e. Payments to the Class Members. Class Members shall not be required to
6 submit a claim in order to receive a share of the Net Settlement Amount or an Individual
7 PAGA Payment, and no portion of the Gross Settlement Amount shall revert to
8 Defendant or result in an unpaid residue. The Settlement Administrator shall first
9 compute the Net Settlement Amount by deducting from the Gross Settlement Amount
10 approved by the Court for the Class Counsel Award, Class Representative Service
11 Award, PAGA Payment, and Settlement Administration Costs. To the extent the Court
12 does not approve the full requested attorneys' fees, litigation costs, enhancement
13 payments or settlement administration costs, the Net Settlement Amount will increase
14 accordingly, by the difference between the requested amount and the amount awarded
15 by the Court.

16 f. Individual Settlement Award: From the Net Settlement Amount, the
17 Settlement Administrator will calculate each Individual Settlement Award as follows:

18 i. The Settlement Administrator will weight each Workshift to calculate
19 Adjusted Workshifts based on assignment type as follows:

- 20 (1) Ginkgo Bioworks = 1.00 Adjusted Workshift due to the shorter
21 average shift length (4.7 hours) and shifts that were guaranteed
22 paid for 6 hours, regardless of whether worked in whole or in part;
23 (2) LAUSD and San Bernardino County (pop up sites and Arrowhead
24 Regional Medical Center) = 1.50 Adjusted Workshift.

25 ii. The Settlement Administrator will divide the General Claim Fund by
26 the total number of Adjusted Workshifts, resulting in the Adjusted Workshift Value.

27 iii. The Settlement Administrator will calculate each Participating Class
28 Member's share of the General Claim Fund by multiplying the Adjusted Workshift

1 Value by the number of Adjusted Workshifts worked by that Participating Class
2 Member;

3 iv. All Workshift Disputes will be resolved and decided by the Settlement
4 Administrator, in consultation with Class Counsel and/or Defense Counsel, as
5 appropriate, and subject to review by the Court as needed.

6 g. Individual PAGA Payment: The Settlement Administrator will calculate each
7 PAGA Member's Individual PAGA Payment by dividing the 25% of the PAGA
8 Payment to be distributed to PAGA Members by the total number of Pay Periods during
9 the PAGA Period for all PAGA Members, resulting in the PAGA Pay Period Value; and
10 then multiplying the PAGA Pay Period Value by the number of Pay Periods for each
11 PAGA Member during the PAGA Period, as defined above.

12 i. Individual Settlement Award and Individual PAGA Payments shall be
13 mailed by the Settlement Administrator by regular First Class U.S. Mail to each
14 Participating Class Member and/or PAGA Member's last known mailing address
15 (including any updated address obtained from the mailing of the Settlement Notice)
16 within ten (10) calendar days after Defendant provides the Settlement Administrator
17 with the Gross Settlement Amount and employer-side taxes. Prior to mailing the
18 Individual Settlement Awards and the Individual PAGA Payments, the Settlement
19 Administrator shall perform a search based on the National Change of Address Database
20 maintained by the United States Postal Service to update and correct any known or
21 identifiable address changes. The Settlement Administrator shall also attempt at least
22 one re-mailing of any Individual Settlement Award returned as undeliverable to any
23 forwarding address provided and, if no forwarding address is provided, the Settlement
24 Administrator will perform at least one skip-trace and re-mailing the Individual
25 Settlement Award to any updated address obtained.

26 ii. Individual Settlement Awards shall be allocated as follows: one-third
27 (33%) as alleged unpaid wages subject to all applicable tax withholdings; one-third
28 (33%) as alleged unpaid interest; and one-third (33%) as alleged unpaid penalties.

1 Individual PAGA Awards shall be allocated as alleged unpaid civil penalties for which
2 an IRS Form 1099 shall be issued. The Settlement Administrator shall issue an IRS
3 Form W-2 to each Participating Class Member for the portion of each Individual
4 Settlement Award payment allocated as alleged unpaid wages and subject to all
5 applicable tax withholdings. The Settlement Administrator shall issue an IRS Form
6 1099 to each Participating Class Member and PAGA Member for the portion of each
7 Individual Settlement Award and for the Individual PAGA Payment allocated as alleged
8 unpaid nonwage penalties and interest and not subject to payroll tax withholdings, to the
9 extent such issuance is required by law. The Settlement Administrator shall calculate
10 the amount of the Employer's Share of Payroll Taxes and shall remit and report the
11 applicable portions of the payroll tax payment to the appropriate taxing authorities in a
12 timely manner. Defendant will be responsible for paying its portion of the Payroll Taxes
13 and this amount will not be deducted from the GSA.

14 iii. Participating Class Members will have 180 days to cash the settlement
15 checks sent by the Settlement Administrator. After the expiration of the 180-day period,
16 the Settlement Administrator will prepare and provide to the parties a report regarding
17 the distribution of the Gross Settlement Amount, including the total amount that was
18 cashed/deposited by Participating Class Members and the total amount of any uncashed
19 settlement checks. If after 180 calendar days of mailing, the checks cashed by Class
20 Members total less than 100% of the Net Settlement Amount, the total amount of any
21 uncashed settlement checks will be transmitted by the Settlement Administrator to a
22 Court-approved *cy pres* beneficiary. No later than the deadline for filing the Motion for
23 Final Approval, the Parties shall agree upon one or more potential *cy pres* recipients and
24 submit same to the Court for its consideration and approval; if the Parties cannot reach
25 agreement on the *cy pres* recipient(s), they shall file separate proposals no later than the
26 deadline for filing the Motion for Final Approval.

27 iv. In the event a Participating Class Member and/or PAGA Member fails
28 to cash/deposit his or her Individual Settlement Award check and/or Individual PAGA

1 Payment check, the Participating Class Member and/or PAGA Member shall
2 nevertheless remain bound by the Settlement.

3 v. All monies received by Class Members under the Settlement which are
4 attributable to wages shall constitute income to such Class Members solely in the year in
5 which such monies actually are received by the Class Members. It is expressly understood
6 and agreed that the receipt of Individual Settlement Awards shall not entitle any Class
7 Member to additional compensation or benefits under any collective bargaining agreement
8 or under any bonus, contest or other compensation or benefit plan or agreement in place
9 during the periods covered by the Settlement, nor shall it entitle any Class Member to any
10 increased pension and/or retirement, or other deferred compensation benefits. It is the
11 intent of the Parties that the Individual Settlement Awards and Individual PAGA Payments
12 provided for in this Stipulation of Settlement are the sole payments to be made by
13 Defendant to Class Members in connection with this Settlement, with the exception of
14 Plaintiff, and that the Class Members are not entitled to any new or additional
15 compensation or benefits as a result of having received the Individual Settlement Awards
16 and/or and Individual PAGA Payments.

17 h. Class Representative Service Award. For the purposes of this
18 Settlement only, the Parties agree to the designation of Plaintiff as the class
19 representative. In recognition of her time and effort in bringing and presenting the
20 Action, Plaintiff shall request a Class Representative Service Award not to exceed Five
21 Thousand Dollars and No Cents (\$5,000.00). Plaintiff's request for such Class
22 Representative Service Award shall be subject to approval from the Court. Defendant
23 agrees not to oppose or object to Plaintiff's request for a Class Representative Service
24 Award in an amount not to exceed this amount. The Class Representative Service Award
25 will be in addition to Plaintiff's Individual Settlement Payment and PAGA Payment paid
26 pursuant to the Settlement. The Settlement Administrator shall issue an IRS Form 1099
27 to Plaintiff for her Class Representative Service Award. Plaintiff shall be solely and
28 legally responsible to pay any and all applicable taxes on her Class Representative

1 Service Award. Any amount requested by Plaintiff for the Class Representative Service
2 Award and not awarded by the Court shall become part of the Net Settlement Amount
3 and shall be distributed to Participating Class Members as part of their Individual
4 Settlement Awards.

5 i. Class Counsel Award. Defendant agrees not to oppose or impede any
6 application or motion by Class Counsel for attorneys' fees in an amount up to twenty-five
7 percent (25%) of the Gross Settlement Amount, which amounts to Four Hundred Fourteen
8 Thousand Six Hundred Two Dollars and Fifty Cents (\$414,602.50). In addition,
9 Defendant agrees not to oppose or impede any application or motion by Class Counsel to
10 request an award of costs associated with Class Counsel's prosecution of the Action up to
11 Fifty Thousand Dollars and No Cents (\$50,000.00). Class Counsel's request for such
12 attorneys' fees and costs shall be subject to approval from the Court. In the event the
13 Court awards Class Counsel less than the requested amount of attorneys' fees and/or costs,
14 the difference shall become part of the Net Settlement Amount and shall be distributed to
15 Participating Class Members as part of their Individual Settlement Awards. Class Counsel
16 shall be solely and legally responsible to pay all applicable taxes on the Class Counsel
17 Award. Class Counsel shall provide the Settlement Administrator with properly
18 completed and signed copies of IRS Form W-9 in order for the Settlement Administrator
19 to process the Class Counsel Award approved by the Court. The Settlement Administrator
20 shall issue an IRS Form 1099 to Class Counsel for the Class Counsel Award.

21 62. Settlement Administration Costs. The Settlement Administration fees and
22 expenses, which are estimated at this time not to exceed \$33,000 (the final amount
23 subject to Court approval), shall be paid from the Gross Settlement Amount. Prior to
24 Plaintiff filing a Motion for Final Approval of the Settlement, the Settlement
25 Administrator shall provide the Parties with a statement detailing the Settlement
26 Administration Costs to date. The Parties agree to cooperate in the Settlement
27 Administration process and to make all reasonable efforts to control and minimize
28 Settlement Administration Costs.

- 1 a. The Parties each represent they do not have any financial interest in the
2 Settlement Administrator or otherwise have a relationship with the
3 Settlement Administrator that could create a conflict of interest.
4
5 b. The Settlement Administrator shall keep the Parties timely apprised of the
6 performance of all Settlement Administrator responsibilities required by
7 the Settlement. The Settlement Administrator shall be authorized to
8 establish a Qualified Settlement Fund (“QSF”) pursuant to IRS rules and
9 regulations in which the Gross Settlement Amount shall be placed and
10 from which payments required by the Settlement shall be made.

11 63. Payroll Taxes. In accordance with this Settlement and to the fullest extent
12 possible, the Gross Settlement Amount shall resolve, satisfy and completely extinguish
13 all of Defendant’s liability with respect to the Class Members and PAGA Members,
14 except that Defendant shall solely be responsible for the employer portion of the
15 payroll taxes on the portion of the Individual Settlement Awards that constitutes wages
16 and these taxes shall be paid by Defendant in addition to the GSA. Upon the transfer of
17 the Gross Settlement Amount and the employer portion of payroll taxes on the portion
18 of the Individual Settlement Awards that constitutes wages, Defendant shall have no
19 further payment or defense obligation whatsoever with respect to any claims covered
20 by this Settlement made or asserted by any person or entity anywhere in the world in
21 connection with the Class Members.

22 64. Final Settlement Approval Hearing and Entry of Final Order and Judgment.
23 Following expiration of the Response Deadline, a Final Approval Hearing shall be
24 conducted by the Court for the Court to determine whether to grant final approval of the
25 Settlement, including determining the amounts properly payable for: (i) the Class Counsel
26 Award; and (ii) the Class Representative Service Award. Prior to the Final Approval
27 Hearing, the Settlement Administrator shall provide a written report or declaration to the
28 Parties describing the process and results of the administration of the Settlement to date,
which report or declaration shall be filed by Plaintiff with the Court prior to the Final

1 Approval Hearing. The Parties agree to work diligently and cooperatively to have this
2 Settlement presented to the Court for final approval. Plaintiff will present the draft moving
3 papers for any motion for final settlement approval to counsel for Defendant no fewer than
4 three (3) business days before filing any such motion.

5 65. Duties of the Parties Prior to Court Approval. The Parties shall promptly
6 submit this Settlement Agreement to the Court in support of Plaintiff's Motion for
7 Preliminary Approval and determination by the Court as to its fairness, adequacy, and
8 reasonableness. Promptly upon execution of this Settlement Agreement, the Parties shall
9 apply to the Court for the entry of an order scheduling a fairness hearing on the question
10 of whether the proposed Settlement, including payment of Class Counsel's attorneys' fees
11 and costs, the Class Representative's Service Award payment, and the PAGA Payment,
12 should be finally approved as fair, reasonable and adequate as to the members of the
13 Settlement Classes. As part of Plaintiff's Motion for Preliminary Approval, Plaintiff shall
14 also apply to the Court for the entry of an Order as follows:

- 15 a. Certifying the Settlement Classes for settlement purposes only;
- 16 b. Approving, as to form and content, the proposed Settlement Notice;
- 17 c. Approving the manner and method for Class Members to object or
18 request exclusion from the Settlement, as contained herein and within the
19 Settlement Notice;
- 20 d. Directing the mailing of the Settlement Notices to Class Members, by first
21 class mail;
- 22 e. Preliminarily approving the Settlement subject only to the objections of
23 Class Members and final review by the Court; and
- 24 f. Setting a Final Approval Hearing.

25 66. Duties of the Parties Following Final Approval. Following final approval
26 by the Court of the Settlement provided for in this Settlement Agreement, Class
27 Counsel will submit a proposed Final Order of Approval and Judgment:
28

- a. Approving the Settlement, adjudging the terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and provisions;
- b. Approving Class Counsel's application for an award of attorneys' fees and costs;
- c. Approving the Class Representative Service Award payment to Plaintiff;
- d. Setting a date when the Parties shall submit the Final Report regarding the distribution of the Gross Settlement Amount, and, if necessary a date for a final accounting hearing following its receipt of the Final Report;
- e. Entering judgment in this Action barring and enjoining all members of the Settlement Classes from prosecuting against any of the Released Parties, any individual or class, or representative claims released herein pursuant to the Settlement Agreement, upon satisfaction of all payments and obligations hereunder.

67. Revocation of Settlement by Defendant. Defendant may, at their option, withdraw from the settlement if five percent (5%) or more of the Settlement Class Members request exclusion from the settlement. Defendant has 30 calendar days following the Settlement Administrator's final report summarizing the notice process, including the number of requests for exclusions received, to revoke the agreement pursuant to this Paragraph. If Defendant chooses to withdraw from the settlement, it shall be responsible for all costs incurred by the Settlement Administrator to date, and the Parties shall revert to their respective procedural positions in the Action as if no settlement had occurred.

68. Escalator Clause. For purposes of this settlement, Defendant estimated that there were 1,097 total Class Members and 61,902 Workshifts worked by Settlement Class Members during the Class Period. Defendant further estimated that among these 61,902 Workshifts, there were 25,667 Workshifts at the San Bernardino County and Arrowhead Regional Medical Center sites; 6,412 Workshifts at the Los Angeles Unified

1 School District worksites; and 29,823 Workshifts at the Ginkgo Concentric worksites.
2 Defendant further estimated that among the 1,097 Class Members, there were 382 Class
3 Members who worked at the San Bernardino County and Arrowhead Regional Medical
4 Center sites; 109 who worked at the Los Angeles Unified School District worksites; and
5 612 Class Members who worked at the Ginkgo Concentric worksites, with 6 Class
6 Members having worked with more than one of the foregoing clients. Should the actual
7 number of Workshifts exceed 61,902 by more than ten percent (10%), then RCM shall
8 pay a pro rata additional sum for the amount exceeding 10%. Alternatively, RCM may
9 elect to end the release date when the number of Workshifts exceeds 10% over the
10 represented amount.

11 69. Nullification of Settlement. In the event: (i) the Court does not enter the
12 Preliminary Approval Order; (ii) the Court does not grant final approval of the
13 Settlement; (iii) the Court does not enter the Final Order and Judgment; or (iv) the
14 Settlement does not become final for any other reason, this Stipulation of Settlement
15 shall be rendered null and void, any order or judgment entered by the Court in
16 furtherance of this Settlement shall be treated as void from the beginning and this
17 Stipulation of Settlement and any documents related to it shall not be used by any Class
18 Member or Class Counsel to support any claim or request for class certification in the
19 Action, and shall not be used in any other civil, criminal or administrative action against
20 Defendant or any of the other Released Parties. Additionally, should the Settlement not
21 become final for any reason, the Parties will request that the Court reopen proceedings
22 within thirty (30) calendar days, and any Settlement Administration Costs already
23 incurred by the Settlement Administrator shall be split evenly between the Parties,
24 except if Defendant elects to revoke the Settlement pursuant to Section 67 herein, in
25 which case Defendant shall bear the Settlement Administration Costs incurred by the
26 Settlement Administrator as of the date of such revocation.

27 70. Plaintiff's Waiver of Right to Be Excluded. Plaintiff agrees that by signing this
28 Settlement Agreement, she will be bound by the terms herein. Plaintiff further agrees

1 that, upon signing this Settlement Agreement, she will not submit a Request for
2 Exclusion from this Settlement and that any such Request for Exclusion by Plaintiff will
3 be void and of no force or effect.

4 71. Waiver of Certain Appeals. The Parties agree to waive appeals and to
5 stipulate to class certification for purposes of this Settlement only; and either party may
6 appeal any Court order that materially alters the Settlement Agreement's terms. Nothing
7 in this Settlement Agreement shall preclude Plaintiff from appealing from a Court order
8 denying or failing to grant in full their requests for attorneys' fees, costs, or service
9 award.

10 72. No Admission by Defendant. Defendant denies all claims alleged in this Action
11 and denies all wrongdoing whatsoever by Defendant. Neither this Stipulation of
12 Settlement, nor any of its terms and conditions, nor any of the negotiations connected with
13 it, is a concession or admission, and none shall be used against Defendant as an admission
14 or indication with respect to any claim of any fault, concession, or omission by Defendant
15 or that class certification is proper under the standard applied to contested certification
16 motions. The Parties stipulate and agree to the certification of the proposed classes for
17 settlement purposes only. The Parties further agree that this Stipulation of Settlement will
18 not be admissible in this or any other proceeding as evidence that either (i) a class action
19 should be certified or (ii) Defendant is liable to Plaintiff or any Class Member, other than
20 according to the terms of this Stipulation of Settlement.

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

25 74. Judgment and Continued Jurisdiction. Upon final approval of the Settlement
26 by the Court or after the Final Approval/Settlement Fairness Hearing, the Parties will
27 present the Judgment to the Court for its approval. After entry of the Judgment, the
28 Court will have continuing jurisdiction solely for purposes of addressing: (i) the

1 interpretation and enforcement of the terms of the Settlement, (ii) Settlement
2 administration matters, and (iii) such post-Judgment matters as may be appropriate under
3 court rules or as set forth in this Agreement.

4 75. Exhibits and Headings. The terms of this Stipulation of Settlement include the
5 terms set forth in any attached Exhibits, which are incorporated by this reference as though
6 fully set forth herein. The Exhibits to this Stipulation of Settlement are an integral part of
7 the Settlement. The descriptive headings of any paragraphs or sections of this Stipulation
8 of Settlement are inserted for convenience of reference only.

9 76. Amendment or Modification. This Stipulation of Settlement may be amended
10 or modified only by a written instrument signed by counsel for all Parties or their
11 successors-in-interest.

12 77. Entire Agreement. This Stipulation of Settlement and any attached Exhibits
13 constitute the entire agreement between the Parties, and no oral or written
14 representations, warranties, or inducements have been made to Plaintiff or Defendant
15 concerning this Stipulation of Settlement or its Exhibits other than the representations,
16 warranties, and covenants contained and memorialized in this Stipulation of Settlement
17 and its Exhibits. No other prior or contemporaneous written or oral agreements,
18 including but not limited to the MOU, may be deemed binding on the Parties.

19 78. Authorization to Enter Into Settlement Agreement. Class Counsel and Defense
20 Counsel warrant and represent they are expressly authorized by the Parties whom they
21 represent to negotiate this Stipulation of Settlement and to take all appropriate actions
22 required or permitted to be taken by such Parties pursuant to this Stipulation of Settlement
23 to effectuate its terms, and to execute any other documents required to effectuate the terms
24 of this Stipulation of Settlement. The Parties, Class Counsel and Defense Counsel shall
25 cooperate with each other and use their best efforts to effect the implementation of the
26 Settlement. In the event the Parties are unable to reach agreement on the form or content
27 of any document needed to implement the Settlement, or on any supplemental provisions
28 that may become necessary to effectuate the terms of this Settlement, the Parties may seek

1 the assistance of the Court to resolve such disagreement. The persons signing this
2 Stipulation of Settlement on behalf of the Defendant represents and warrants that they are
3 authorized to sign this Stipulation of Settlement on behalf of Defendant. Plaintiff
4 represents and warrants that she is authorized to sign this Stipulation of Settlement and
5 that she has not assigned any claim, or part of a claim, covered by this Settlement of
6 Settlement to a third party. The Parties have cooperated in the drafting and preparation of
7 this Stipulation of Settlement. Hence, in any construction made of this Stipulation of
8 Settlement, the same shall not be construed against any of the Parties.

9 79. Confidentiality. The Parties and their counsel agree that they will not issue
10 any press releases, initiate any contact with the press, respond to any press inquiry, or
11 have any communication with the press about the fact, amount, or terms of the
12 Settlement prior to the mailing of the Notice Packet. In addition, the Parties and their
13 counsel agree that they will not engage in any advertising or distribute any marketing
14 materials relating to the Settlement, including but not limited to posting on social media
15 about it or any announcement of the Settlement on any websites maintained by Class
16 Counsel. Nothing set forth herein, however, shall prohibit the Parties from providing
17 this Stipulation to the Court in connection with the Parties' efforts to seek Court approval
18 of this Settlement.

19 80. Binding on Successors and Assigns. This Stipulation of Settlement shall be
20 binding upon, and inure to the benefit of, the successors and assigns of the Parties.

21 81. California Law Governs. All terms of this Stipulation of Settlement and the
22 Exhibits hereto shall be governed by and interpreted according to the laws of the State
23 of California, without giving effect to any law that would cause the laws of any
24 jurisdiction other than the State of California to be applied.

25 82. Counterparts. This Stipulation of Settlement may be executed in one or more
26 counterparts. All executed counterparts and each of them shall be deemed to be one and
27 the same instrument.
28

1 83. This Settlement is Fair, Adequate, and Reasonable. Plaintiff represents that
2 this Settlement is a fair, adequate, and reasonable settlement of the Action and she has
3 arrived at this Settlement after extensive arm's-length negotiations, taking into account
4 all relevant factors, present and potential.

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

11 85. Representation by Counsel. The Parties acknowledge that they have been
12 represented by counsel throughout all negotiations that preceded the execution of this
13 Agreement, and that this Agreement has been executed with the consent and advice of
14 counsel. Further, Plaintiff and Class Counsel warrant and represent that there are no liens
15 on the Agreement.

16 86. Enforcement Actions. In the event that one or more of the Parties institutes
17 any legal action or other proceeding against any other Party or Parties to enforce the
18 provisions of this Settlement, or to declare rights and/or obligations under this
19 Settlement, the prevailing Party or Parties shall be entitled to recover from the non-
20 prevailing Party or Parties reasonable attorneys' fees and costs, including expert witness
21 fees incurred in connection with any enforcement actions.

22 87. Disputes Regarding Language of Final Settlement Agreement. If the Parties
23 have a dispute with regard to the language of the Agreement, the Parties agree to first
24 informally resolve the dispute by engaging Michael Loeb, Esq. to mediate such dispute.

25 88. Invalidity of Any Provision. Before declaring any term or provision of this
26 Stipulation of Settlement invalid, the Parties request that the Court first attempt to
27 construe the terms or provisions valid to the fullest extent possible consistent with
28 applicable precedents so as to define all provisions of this Stipulation of Settlement as

1 valid and enforceable. In the event the Court declares any material provision of this
2 Stipulation of Settlement invalid, the Stipulation of Settlement will be void and its terms
3 will be of no force and effect, except as otherwise agreed to by the Parties in writing.

4 89. Binding Nature of Notice of Class Action Settlement. It is agreed that,
5 because the Class Members are so numerous, it is impossible or impractical to have each
6 Class Member execute the Stipulation of Settlement. The Class Notice shall advise all
7 Class Members of the binding nature of the Settlement, and the release of Released
8 Claims and shall have the same force and effect as if this Stipulation of Settlement were
9 executed by each Participating Class Member.

10 IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed
11 this Joint Stipulation of Class Action and PAGA Settlement and Release between
12 Plaintiff, on the one hand, and Defendant, on the other hand, as of the date(s) set forth
13 below.

14 Dated: 07 / 26 / 2024



15 Plaintiff **Barbara Grady** (on her own behalf
16 and on behalf of the Class Members and
17 aggrieved employees)

18 **RCM Technologies (USA), Inc.**

19 Dated: _____

20 By: Kevin Miller, Chief Financial Officer

21 90-0961-6851.1 / 090137-1042

valid and enforceable. In the event the Court declares any material provision of this Stipulation of Settlement invalid, the Stipulation of Settlement will be void and its terms will be of no force and effect, except as otherwise agreed to by the Parties in writing.

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

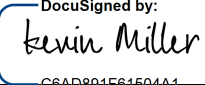
IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action and PAGA Settlement and Release between Plaintiff, on the one hand, and Defendant, on the other hand, as of the date(s) set forth below.

Dated: _____

Plaintiff **Barbara Grady** (on her own behalf and on behalf of the Class Members and aggrieved employees)

RCM Technologies (USA), Inc.

Dated: 7/26/2024 _____

DocuSigned by:

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 By: Kevin Miller, Chief Financial Officer

90-0961-6851.1 / 090137-1042

EXHIBIT 1

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

Barbara Grady v. RCM Technologies, Inc.

Case No. 5:22-cv-00842-JLS-SHK

NOTICE OF CLASS ACTION SETTLEMENT

If you are or were employed by RCM as a non-exempt nurse assigned to COVID-19 testing and/or vaccination sites for San Bernardino County (including Arrowhead Regional Medical Center), or at K-12 schools for Los Angeles Unified School District (LAUSD), or Ginkgo Concentric (Ginkgo) in California at any time between March 1, 2020 and March 7, 2023, you are eligible to receive compensation from a class action settlement.

- A nurse who worked for RCM Technologies (USA), Inc. (“RCM” or “Defendant”) in an hourly, non-exempt position at various COVID-19 testing worksites in California filed a lawsuit alleging that she and other similarly situated nurses were denied off-duty meal periods and rest breaks, denied wages (including overtime wages) for all hours worked, while working for RCM, among other related claims.
- RCM denies the allegations, but the parties have reached a settlement that the Court has preliminarily approved on the ground that the settlement appears to be fair, reasonable, adequate, and in the best interests of the class members.
- *A court authorized this notice. This is not an advertisement. This is not a lawsuit against you. You are not being sued, but, your rights will be affected by this settlement.*

YOUR LEGAL RIGHTS & OPTIONS IN THIS SETTLEMENT	
DO NOTHING AND GET AN AUTOMATIC PAYMENT	If you received this Notice of Class Action Settlement, you will <u>automatically</u> receive your share of the settlement, unless you exclude yourself. You do <u>not</u> need to submit a claim form to receive your share of the Settlement. However, you will not be able to bring or pursue the same claims covered by this Settlement in another case.
EXCLUDE YOURSELF; GET NO PAYMENT; KEEP RIGHT TO SUE SEPARATELY	You can choose to exclude yourself from the Settlement. If you exclude yourself, you can pursue the same claims covered by this Settlement in another case. The deadline to submit a request for exclusion is [REDACTED], 2024.
OBJECT	If you so choose, you may object to this settlement. However, you must remain a Settlement Class Member to object to the Settlement. In other words, you cannot object to the Settlement if you also request to exclude yourself from the Settlement. The deadline to submit objections is [REDACTED], 2024.

Any questions? Read the entire notice and if you still have questions, please call (xxx) xxx-xxxx.

PLEASE READ THIS NOTICE CAREFULLY.

Your rights will be affected by this settlement.

EXHIBIT 1

1. Why did I get this notice?

You received this notice because RCM's business records indicate that you have worked for RCM in California at some point between March 1, 2020 and March 7, 2023 as a non-exempt nurse assigned to work at COVID-19 testing or vaccination sites for San Bernardino County (including Arrowhead Regional Medical Center), LAUSD or Ginkgo in California. All current and former RCM employees who fall within this category are known as Class Members.

2. Why should I read this notice?

This notice is to let you know that the parties in *Grady v. RCM Technologies, Inc.*, pending in the United States District Court for the Central District of California, as Case No. 5:22-cv-00842-JLS-SHK, have reached a class action settlement. Under applicable law, a class action settlement must be reviewed and approved by a judge. On [REDACTED], 2024, Judge Josephine L. Staton preliminarily approved the terms of this proposed settlement and ordered this notice to be mailed to all class members. The Court will hold a Final Fairness Hearing on the proposed settlement on [REDACTED], 2024 at [REDACTED]. This notice explains your rights to share in the settlement or to exclude yourself ("opt out").

3. What is this case about?

Plaintiff claims on behalf of herself and others similarly situated that RCM violated the California Labor Code by failing to provide off-duty meal and rest breaks, failing to pay regular and overtime wages for alleged off-the-clock work, failing to pay all wages due timely and upon termination, failing to maintain accurate employment records, and failing to provide accurate wage statements. Plaintiff also seeks to recover civil penalties under the Private Attorneys General Act ("PAGA"), Cal. Labor Code § 2698, *et seq.* RCM denies these allegations.

4. Who are the parties in this case?

Barbara Grady is the Plaintiff and Class Representative. RCM Technologies (USA), Inc. (erroneously named as RCM Technologies, Inc.) is the Defendant.

5. Why did RCM enter into the settlement?

RCM entered into the settlement as a compromise in order to finally, fully and completely resolve the dispute and avoid protracted litigation. RCM denies the allegations in the case, and is not giving up its right to defend itself against any of the allegations involved in the lawsuit if this settlement fails for any reason.

6. How much is the settlement and how will it be allocated?

The Total Settlement Amount is **\$1,658,410**, which will be allocated approximately as follows: (1) \$ [REDACTED] to the Net Settlement Amount to be distributed to participating Class Members; (2) \$165,841 to the claims for civil penalties PAGA claims; (3) \$5,000 to Plaintiff Barbara Grady for the class representative service payment; (4) up to \$414,602.50 for Class Counsel's attorney's fees and up to \$50,000 in costs; and (5) an estimated \$ [REDACTED] for the Settlement Administrator's costs. Defendant will pay its share of applicable employer-side payroll taxes on the wage portion of the settlement separately from the Total Settlement Amount, and its own attorney's fees and costs.

Individual Class Settlement Payments from the Net Settlement Amount. The amount that you will receive from the Net Settlement Amount will be based on the number of shifts you worked at COVID-19 testing and vaccination sites at San Bernardino County (including Arrowhead Medical Center), LAUSD, or Ginkgo in California between March 1, 2020 and March 7, 2023 (the "Class Period"), as compared to other participating Class Members, as shown by RCM's records. The distribution formula is based on number of Adjusted Workshifts after applying a multiplier for each client to account for different shift lengths and other relevant client-specific facts and

circumstances, and is set forth in the Settlement Agreement, which you can access by visiting [ADD agreed upon URL for case website] checking the court case file (see Paragraph 19 below) or contacting Class Counsel (see Paragraph 14 below). **YOU DO NOT NEED TO SUBMIT A CLAIM FORM IN ORDER TO RECEIVE YOUR SHARE OF THE SETTLEMENT.**

Individual PAGA Payment from the PAGA Fund. “PAGA” refers to the Private Attorneys General Act, Cal. Labor Code §2698, *et seq.* For purposes of this Settlement, “PAGA Employees” means the subset of Class Members who worked as nurses for RCM assigned to the above-specified client sites between July 22, 2020 and March 7, 2023 (PAGA Period). As required by law, 75% of the PAGA Fund (\$124,380.75) will be distributed to the California Labor and Workforce Development Agency (“LWDA”) as civil penalties and the remaining 25% of the PAGA Fund (\$41,460.25) will be distributed to the PAGA Employees on a pro rata basis based on the number of pay periods worked during the PAGA Period. PAGA Employees cannot exclude themselves from the Individual PAGA Payment portion of the Settlement. If the Court approves the Settlement and you fall within the definition of PAGA Employee, you will receive an Individual PAGA Payment (which will be considered miscellaneous income reported on an IRS Form 1099, without withholdings).

7. How much will I receive from the settlement?

RCM’s business records indicate that you worked the following shifts during the Class Period (March 1, 2020 to March 7, 2023):

Client Assignment	# Shifts	Adjustment	# Adjusted Shifts
Ginkgo Concentric		* 1.0	
Los Angeles Unified School District		* 1.5	
San Bernardino County		* 1.5	
Total Adjusted Shifts:			

Based on the formula in the Settlement Agreement, you have [REDACTED] Adjusted Workshifts. If you do not opt out of this Settlement, you will automatically be mailed a check for your share of the settlement payment based on the number of your Adjusted Workshifts. Your settlement share is estimated to be \$[REDACTED]. In addition, you will automatically be paid an estimated \$[REDACTED] Individual PAGA payment based on RCM’s business records indicating that you worked [REDACTED] weeks during the PAGA Period (July 22, 2020 to March 7, 2023), whether you participate or opt out.

If you disagree with whether you are a current or former employee, or the number of your Adjusted Workshifts during the Class Period, or the number of weeks you worked during PAGA Period, as summarized in the prior paragraph, please contact the Settlement Administrator at [REDACTED], Tel: (xxx) xxx-xxxx, Fax: (xxx) xxx-xxxx, Email: [REDACTED], no later than [REDACTED], 2023 [fill in opt-out deadline], and provide your dates of employment with RCM and the total number of shifts and weeks that you believe you worked as a non-exempt hourly paid nurse for RCM in California and were assigned to COVID-19 testing or vaccination sites for San Bernardino County (including Arrowhead Regional Medical Center), LAUSD, or Ginkgo during the Class Period and PAGA Period. You will need to submit supporting documentation. For a dispute to be valid, it must be in writing and contain: (i) your full name, signature, address, telephone number, and the last four digits of your Social Security number; (ii) the dates of employment, number of Workweeks and/or number of shifts you contend is correct; and (iii) any evidence supporting your contention. The dates of employment and shift information identified in RCM’s records are presumed correct, unless you prove otherwise to the Settlement Administrator by credible evidence. All Disputes will be resolved and decided by the Settlement Administrator, with consultation with Defense Counsel and Class Counsel as appropriate. If the Dispute cannot be resolved by the Settlement Administrator, then it shall be resolved by the Court.

EXHIBIT 1

8. How will my settlement payment be taxed?

Individual Settlement Awards to Class Members will be taxed as follows: one-third (33%) of the award will be taxed as alleged unpaid wages subject to all applicable tax withholdings, for which IRS Form W-2 will be issued; one-third (33%) will be taxed as alleged unpaid interest for which the appropriate IRS Form 1099 will be issued; and one-third (33%) will be taxed as alleged unpaid penalties for which IRS Form 1099-MISC will be issued. Individual PAGA Awards paid to the PAGA Employees will be taxed as alleged unpaid civil penalties for which an IRS Form 1099-MISC shall be issued. The Settlement Administrator will issue W-2 and 1099 forms, to the extent required by law. You should speak with an accountant or other tax professional about any tax implications of your Settlement checks.

9. What rights will I give up to stay in the class and get compensation?

Everyone who participates in the settlement will fully and finally release and discharge the Released Parties from all liability for the Released Claims from March 1, 2020 to March 7, 2023. "Released Parties" means RCM and its affiliated companies, owners, parents, members, subsidiaries, related companies and business concerns, past and present, including successors and predecessors, and each of them, as well as each of their clients for whom Class Members performed services, insurers, partners, trustees, directors, shareholders, officers, agents, attorneys, servants and employees, past and present, and each of them. "Released Claims" means all claims under state or local law, whether statutory, common law, or administrative law, whether in law or equity, for the claims that were pled in the Complaint, based on or arising out of the factual allegations therein, during the Class Period, including claims for failure to pay minimum and overtime wages, failure to authorize and permit required rest breaks and provide required meal periods, failure to maintain accurate employment records, failure to timely pay wages during employment and upon separation, and failure to furnish accurate, itemized wage statements, as well as claims for alleged violation of California's Unfair Competition Law, Cal. Bus. & Professions Code §§ 17200, *et seq.*, and claims seeking civil penalties under the Private Attorneys General Act, Cal. Labor Code §2698, *et seq.*

This means that if you do not exclude yourself from the Settlement pursuant to the procedures explained in Section 11 below, you will release the Released Claims described in the preceding paragraph that may have against RCM and the Released Parties during the period of time March 1, 2020 to March 7, 2023.

In addition, if you are a PAGA Employee (as defined in Paragraph 6 above), you will release all PAGA Claims that were actually alleged or could have been alleged based upon the facts set forth in the Complaint in this action by the named Plaintiff on behalf of the State of California, herself, and the PAGA Employees.

10. Is there a trial date set for this class action?

No, currently, there is no trial date. If the settlement is not approved by the Court, the parties may proceed to trial.

11. How do I exclude myself from this Settlement (opt-out)?

To exclude yourself from the Settlement, you must send a letter by U.S. mail, facsimile or email clearly saying that you have read this notice and want to be excluded from the Settlement Class in *Grady v. RCM Technologies, Inc.*, Case No. 5:22-cv-00842-JLS-SHK. To be timely and valid, any exclusion request must be postmarked, faxed, or emailed no later than **[RESPONSE DEADLINE]**, to: **[ADD CONTACT INFO OF ADMINISTRATOR]**

You cannot exclude yourself on the phone. Additionally, for a Request for Exclusion from the Settlement to be valid, it must be (i) in writing and signed by you; (ii) contain your name, address, telephone number, and the last four digits of your Social Security number; (iii) clearly state that you do not wish to be included in the Settlement; (iv) be returned by e-mail, fax, or mail to the Settlement Administrator at the specific email address, mailing address, and/or facsimile number provided above; and (v) be e-mailed, faxed, or postmarked on or before **[ADD RESPONSE DEADLINE]**. The date of the e-mail, fax, or postmark on the return mailing envelope will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. A Class Member who does not request exclusion from the Settlement will be deemed a Participating Class Member and will be bound by all terms of the

Settlement, if the Settlement is granted final approval by the Court. Any Class Member who validly requests to be excluded from the Settlement will no longer be a member of the Settlement Class and will not have any right to object, appeal, or comment on the Settlement, but will remain as PAGA Member(s), and will receive an Individual PAGA Payment for the PAGA Released Claims if he or she is a PAGA Member.

If you submit a valid and timely request to be excluded, you will not be legally bound by anything that happens in this lawsuit. However, you also will not get any payments or benefits from the Settlement and you will not be able to object to the Settlement.

12. Can I object the the Settlement?

If you are a Participating Settlement Class Member, you can tell the Court that you object to the Settlement, and/or Plaintiff's application for attorneys' fees and costs or Service Award, and think the Court should not approve them. You can also tell the Court that you like the Settlement, and that it should be approved. The Court will consider your views. You can't ask the Court to order a different settlement; the Court can only approve or reject this Settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. If that is what you want to happen, you must object.

To be valid, an objection must (a) be in writing; (b) be signed by the Class Member making the objection; (c) be returned by e-mail, fax, or mail to the Settlement Administrator at the specific address, e-mail and/or facsimile number listed in Section 11 above; (d) clearly state that the Class Member objects to the settlement and all grounds for the objection; (e) be emailed, faxed, or postmarked on or before [ADD RESPONSE DEADLINE], and (f) include the objector's full name, signature, address, telephone number, and the last four digits of his/her Social Security number. The date of the e-mail, fax, or postmark on the return mailing envelope will be the exclusive means to determine whether a Notice of Objection has been timely submitted.

If you do not submit a written objection to the proposed Settlement or the application of Class Counsel for attorneys' fees and costs, or the application by the named Plaintiff for a Service Award, in accordance with the deadline and procedure set forth above, you will waive your right to be heard at the Final Approval Hearing and to appeal from any order or judgment of the Court concerning the matter. However, the Court in its discretion may allow a Participating Class Member to still object by appearing at the Final Approval Hearing, regardless of whether such Participating Class Member submits a written objection. Nonetheless, to preserve your right to be heard at the Final Approval Hearing and to appeal from any order or judgment of the Court concerning this matter, you must submit a written objection to the Settlement Administrator that is postmarked on or before [ADD RESPONSE DEADLINE], as provided above.

13. What is the difference between Objecting and excluding myself?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you stay in the Settlement Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement Class and the Settlement. If you exclude yourself, you have no basis to object because the case no longer affects you. If you submit both an objection and a request for exclusion, the request for exclusion will be deemed controlling.

14. Who are the attorneys representing the class?

The attorneys representing the named Plaintiff and the Class Members who participate in the Settlement are: SCHNEIDER WALLACE COTTRELL KONECKY LLP, Joshua Konecky, CA Bar No. 182897, Nathan Piller, CA Bar No. 300569, 2000 Powell Street, Suite 1400, Emeryville, CA 94608. Phone: (415) 421-7100; Fax: (415) 421-7105; jkonecky@schneiderwallace.com; .

15. How will the attorneys representing the settlement class be paid?

Class Counsel will ask the Court for attorneys' fees of up to 25% of the total settlement amount, as specified in Section 6 above. Class Counsel will also seek reimbursement from the Settlement Fund of actual expenses they

incurred in pursuing the lawsuit, such as costs for filing fees, service of process costs, and mediation fees. Class Counsel will file an application to the Court no later than [ADD DATE] setting forth the attorneys' fees and expenses they will be seeking from the total settlement amount for their work on behalf of the Class Members. You can obtain a copy of Class Counsel's application for attorneys' fees and expenses after [ADD DATE] by visiting [ADD agreed upon url for case website] checking the court case file (see Paragraph 19 below) or contacting Class Counsel at (415) 421-7100.

17. Will there be a service award?

The Settlement also provides that the Class Representative Plaintiff may apply for Service Awards of up to \$5,000 in recognition for the time, effort and risks she took in bringing the case on behalf of the Class. The Court may award less than this amount. Plaintiff will file an application to the Court no later than [ADD DATE] that discusses the basis of the request for this Service Award. You can obtain a copy of this application after [ADD DATE] by checking the court case file (see Paragraph 19 below), visiting [add agreed upon url for case website] or by contacting Class Counsel at (415) 421-7100.

18. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval hearing on [ADD DATE/TIME] in Courtroom 8A, on the 8th Floor of the, United States District Court for the Central District of California, 350 W. First Street, Los Angeles, CA 90012. At this hearing the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Judge may listen to people who have previously asked in writing to speak at the hearing. The Judge may also decide how much to pay Class Counsel or whether to approve the requested Service Award for the named Plaintiff. After the hearing, the Court will decide whether to approve the Settlement. We do not know how long it will take for the Court to make its decision.

You do not have to come to the hearing. Class Counsel will answer questions that the Judge may have. But you are welcome to come at your own expense. If you submit an objection, you do not have to come to court to talk about it. As long as you submitted it on time and in accordance with the instructions in Section 12 of this Notice, the Court will consider it. You may pay your own lawyer to attend the hearing, but it is not necessary.

If you do not exclude yourself, you may ask the Court's permission to speak at the hearing about the Settlement, the application for attorneys' fees and costs, and/or the application for a service award. To do so, please send a letter saying that it is your intention to appear at the Final Approval Hearing in *Grady v. RCM Technologies, Inc.*, Case No. 5:22-cv-00842-JLS-SHK. The letter should state the position you intend to present at the hearing, state the identities of all attorneys who will represent you (if any), and include your full name, address, telephone number, and signature. To preserve your right to object to the Settlement and appeal and judgment, however, you must submit a timely, written objection to the Settlement Administrator in accordance with the procedures described in Section 12 above. To be timely, it must be postmarked, faxed or emailed to the addresses provided in Section 12 no later than [ADD RESPONSE DEADLINE]. Additionally, you cannot speak at the hearing if you exclude yourself from the Class.

19. What if I need additional information?

For a more detailed statement of the matters involved in the Action and the Class Settlement, you may refer to the pleadings, the Joint Stipulation of Settlement of Class Action, and other papers filed in this action. The case file may be inspected at the Office of the Court Clerk, United States District Court, Central District of California, located at the Edward R. Roybal Federal Building & U.S. Courthouse, 255 East Temple Street, Room 180, Los Angeles, CA 90012, during the Court's normal business hours. You may inspect the case file for both cases online using the Public Access to Court Electronic Records system ("PACER"), at <https://pacer.uscourts.gov/>. All inquiries by Class Members about this settlement should be directed to: [REDACTED]. Refer to the Grady v. RCM Class Action Settlement.

PLEASE DO NOT CALL THE COURT.

EXHIBIT 1