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

DEREN STROUGHTER, individually, and on
behalf of other members of the general public
similarly situated, and on behalf of other
aggrieved employees pursuant to the California
Private Attorneys General Act;

Plaintiff,

vs.

KADENCE HEALTHCARE, INC., a California
corporation; and DOES 1 through 100, inclusive,

Defendants.

FILED
Superior Court of California
County of Sacramento
04/18/2025
J. Servantez, Deputy

Case No.: 34-2022-00318799-CU-OE-GDS

Honorable Lauri A. Damrell
Department 22

CLASS ACTION

**~~PROPOSED~~ ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

Date: April 18, 2025
Time: 9:00 a.m.
Dept.: 22

Complaint Filed: April 25, 2022
FAC Filed: November 14, 2024
Trial Date: None Set

~~PROPOSED~~ ORDER

Plaintiff Deren Stroughter’s (“Plaintiff”) Motion for Preliminary Approval of Class Action and PAGA Settlement (“Motion”) came on for hearing before this Court on April 18, 2025. The Court, having considered Plaintiff’s Motion, memorandum of points and authorities in support thereof, and supporting declarations filed therewith, and good cause appearing, **HEREBY ORDERS THE FOLLOWING:**

1. The Court **GRANTS** preliminary approval of the Class Action and PAGA Settlement Agreement (“Settlement” or “Settlement Agreement”) entered into between Plaintiff and Defendant Kadence Healthcare, Inc. (“Defendant”), and which is attached as Exhibit 1 to the Declaration of Jill J. Parker in Support of Plaintiff’s Motion for Preliminary Approval of Class Action and PAGA Settlement. The Court finds the Settlement Agreement to be within the range of reasonableness of a settlement that ultimately could be granted approval by the Court at the final approval hearing. All capitalized terms used herein shall have the same meaning as defined in the Settlement Agreement.

2. It appears to the Court on a preliminary basis that the Settlement is fair, adequate, and reasonable. It appears to the Court that adequate investigation and research have been conducted such that counsel for the parties at this time are able to reasonably evaluate their respective positions. It further appears to the Court at this time that the Settlement Agreement will avoid substantial additional costs by all parties, as well as avoid the delay and risks that would be presented by the further prosecution of the case. It further appears that the Settlement Agreement has been reached as the result of intensive, serious and non-collusive, arms-length negotiations, and was entered into in good faith.

3. The Court preliminarily finds that the Settlement Agreement, including the allocations for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Enhancement Award, Administration Expenses Payment, PAGA Penalties, and payments to the Class Members and Aggrieved Employees provided thereby, appear to be within the range of reasonableness of a settlement that could ultimately be given final approval by this Court. Indeed, the Court has reviewed the monetary recovery that is being granted as part of the Settlement Agreement and preliminarily finds that the monetary settlement awards made available to the Class Members and Aggrieved Employees are fair, adequate, and reasonable when balanced against the probable outcome

1 of further litigation relating to certification, liability, and damages issues.

2 4. The Court concludes that, for settlement purposes only, the proposed Class meets the
3 requirements for certification under section 382 of the California Code of Civil Procedure in that: (a)
4 the Class is ascertainable and so numerous that joinder of all members of the Class is impracticable;
5 (b) common questions of law and fact predominate, and there is a well-defined community of interest
6 amongst the members of the Class with respect to the subject matter of the litigation; (c) Plaintiff's
7 claims are typical of the claims of the members of the Class; (d) Plaintiff will fairly and adequately
8 protect the interests of the members of the Class; (e) a class action is superior to other available
9 methods for the efficient adjudication of the controversy; and (f) Class Counsel are qualified to act as
10 counsel for Plaintiff in her individual capacity and as the representative of the Class.

11 5. The Court conditionally certifies, for settlement purposes only, the Class, defined as
12 follows:

13 All persons currently or formerly employed by Defendant, either directly or through any
14 subsidiary, staffing agency, joint venture or professional employer organization, as non-
15 exempt, hourly-paid employees at any time during the period from April 25, 2018, to
16 and through January 21, 2024, in the State of California.

17 6. For purposes of settlement only, the Court designates Plaintiff Deren Stroughter as the
18 Class Representative.

19 7. For purposes of settlement only, the Court designates Arby Aiwazian, Joanna Ghosh,
20 and Yasmin Hosseini of Lawyers *for* Justice, PC and Jill J. Parker and S. Emi Minne of Parker &
21 Minne, LLP as Class Counsel.

22 8. The Court designates Phoenix Settlement Administrators as the third-party Settlement
23 Administrator.

24 9. The Parties are ordered to implement the Settlement Agreement according to the terms
25 of the Settlement Agreement.

26 10. Not later than fourteen (14) calendar days after the date of this Order, Defendant shall
27 provide the Settlement Administrator with the Class List consisting of the following information for
28 each Class Member: (1) full name; (2) last known address; (3) last known telephone number; (4) Social

Security number; (5) start and end dates of active employment as a non-exempt employee of Defendant in the State of California; (6) total Workweeks during the Class Period; (7) total PAGA Pay Periods during the PAGA Period; and (8) any other information required by the Settlement Administrator in order to effectuate the terms of the Settlement.

11. The Court approves, as to form and content, the Court-Approved Notice of Class Action Settlement and Hearing Date For Final Court Approval ("Class Notice") attached as Exhibit A to this Order. The Court finds that the Class Notice appears to fully and accurately inform the Class Members of all material elements of the Settlement, of Class Members' right to be excluded from the Class Settlement by submitting a Request for Exclusion, of Class Members' right to dispute the Workweeks credited to each of them, and of each Class Member's right and opportunity to object to the Class Settlement by sending an objection to the Settlement Administrator or appearing at the Final Approval Hearing. The Court further finds that distribution of the Class Notice substantially in the manner and form set forth in the Settlement Agreement and this Order, and that all other dates set forth in the Settlement Agreement and this Order, meet the requirements of due process and shall constitute due and sufficient notice to all persons entitled thereto. The form and method of giving notice complies fully with the requirements of California Code of Civil Procedure section 382, California Civil Code section 1781, Rules 3.766 and 3.769 of the California Rules of Court, the California and United States Constitutions, and other applicable law.

12. The Court directs the Administrator to mail the Class Notice by First-Class U.S. mail to all Class Members no later than seven (7) calendar days after receiving the Class List from Defendant, in accordance with the terms of the Settlement Agreement.

13. The Court hereby approves the proposed procedure, set forth in the Settlement Agreement, for seeking exclusion from the Class Settlement. Any Class Member may choose to be excluded from the Class Settlement by submitting a timely and valid written Request for Exclusion in conformity with the requirements set forth in the Class Notice, to the Settlement Administrator, postmarked no later than the date which is forty-five (45) calendar days from the initial mailing of the Class Notice to Class Members ("Response Deadline"), or, in the case of a re-mailed Class Notice, the Response Deadline will be fourteen (14) calendar days from the original forty-five (45) calendar day

The Notice is approved provided Plaintiff makes the edits set forth in the Court's ruling.

1 deadline. Any such person who timely and validly chooses to opt out of, and be excluded from, the
2 Class Settlement will not be entitled to any recovery under the Class Settlement and will not be bound
3 by the Class Settlement or have any right to object, appeal, or comment thereon. If the Settlement is
4 granted final approval, Class Members who have not submitted a timely and valid request to be
5 excluded from the Settlement (i.e., Participating Class Members) shall be bound by the Class
6 Settlement and any final judgment based thereon, and Aggrieved Employees will be entitled to
7 recovery from the PAGA Settlement and will be deemed to release the Released PAGA Claims,
8 irrespective of whether they opt out of the Class Settlement.

9 14. The Court further approves the procedures for Participating Class Members to object to
10 the Settlement Agreement, as set forth in the Class Notice and the Settlement Agreement. To object
11 to the Class Settlement, a Participating Class Member must submit a written objection to the Settlement
12 Administrator on or before the Response Deadline. The objection must be signed and must contain
13 the information that is required, as set forth in the Class Notice, including and not limited to the grounds
14 for the objection. The procedures and requirements for filing objections in connection with the final
15 fairness hearing are intended to ensure the efficient administration of justice and the orderly
16 presentation of any Participating Class Member's objection to the Settlement Agreement, in
17 accordance with the due process rights of all Class Members. Participating Class Members who wish
18 to object to the Class Settlement may also appear at the Final Approval Hearing to object to the Class
19 Settlement.

20 15. The hearing on Plaintiff's Motion for Final Approval is scheduled to take place in
21 Department 22 of this Court, located 720 Ninth Street, Sacramento, California 95814, on
22 August 15, 2025, at 9:00 a.m. / ~~p.m.~~. At the Final Approval hearing, the Court
23 will consider: (a) whether the Settlement Agreement should be finally approved as fair, reasonable,
24 and adequate for the Class; (b) whether a judgment granting final approval of the Settlement
25 Agreement should be entered; and (c) whether Plaintiff's application for the Class Representative
26 Enhancement Award, Administration Expenses Payment, Class Counsel Fees Payment, and Class
27 Counsel Litigation Expenses Payment should be granted.

28 16. Counsel for the parties shall file memoranda, declarations, or other statements and

1 materials in support of their request for final approval of Plaintiff's application for the Class
2 Representative Enhancement Award, Administration Expenses Payment, Class Counsel Fees
3 Payment, and Class Counsel Litigation Expenses Payment prior to the hearing on Plaintiff's Motion
4 for Final Approval of Settlement according to the time limits set by the Code of Civil Procedure and
5 the California Rules of Court.

6 17. The Settlement is not a concession or admission, and shall not be used against
7 Defendant as an admission or indication with respect to any claim of any fault or omission by
8 Defendant. Whether or not the Settlement is finally approved, neither the Settlement, nor any
9 document, statement, proceeding or conduct related to the Settlement, nor any reports or accounts
10 thereof, shall in any event be construed as, offered or admitted into evidence as, received as or deemed
11 to be in evidence for any purpose adverse to Defendant, including, but not limited to, evidence of a
12 presumption, concession, indication or admission by Defendant of any liability, fault, wrongdoing,
13 omission, concession, or damage, except for legal proceedings concerning the implementation,
14 interpretation, or enforcement of the Settlement.

15 18. Pending the Final Approval Hearing, all proceedings in this Action, other than
16 proceedings necessary to carry out or enforce the terms and conditions of the Settlement Agreement
17 and this Order, are stayed.

18 19. Counsel for the Parties are hereby authorized to utilize all reasonable procedures in
19 connection with the administration of the Settlement Agreement which are not materially inconsistent
20 with either this Order or the terms of the Settlement Agreement.

21 20. In the event the Settlement does not become effective in accordance with the terms of
22 the Settlement Agreement, or the Settlement is not finally approved, or is terminated, cancelled or fails
23 to become effective for any reason, this Order shall be rendered null and void, shall be vacated, and
24 the Parties shall revert back to their respective positions as of before entering into the Settlement
25 Agreement.

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1 21. The Court reserves the right to adjourn or continue the date of the Final Approval
2 Hearing and any dates provided for in the Settlement Agreement without further notice to the Class
3 Members, and retains jurisdiction to consider all further applications arising out of or connected with
4 the Settlement.

5 **IT IS SO ORDERED.**

6
7 DATED: 4/18/25



By: _____

A handwritten signature in dark ink, appearing to read "Lauri A. Damrell".

The Honorable Lauri A. Damrell
Judge of The Superior Court

EXHIBIT A

COURT-APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE
FOR FINAL COURT APPROVAL

Stroughter v. Kadence Healthcare, Inc.

Superior Court of the State of California for the County of Sacramento, Case No. 34-2022-00318799

You are not being sued. This is a Court-approved notice that affects your rights. Please read it carefully.

You may be eligible to receive money from an employee class and representative action lawsuit (“Action”) against Kadence Healthcare, Inc. (“Kadence”) pending in the Superior Court for the County of Sacramento, *Stroughter v. Kadence Healthcare, Inc.*, Sacramento Superior Court Case No. 34-2022-00318799, for alleged wage and hour violations. The Action was filed by a former Kadence employee, Deren Stroughter (“Stroughter”) and seeks payment of (1) back wages and other relief for a class of non-exempt, hourly-paid employees who worked for Kadence in the State of California, either directly or through any subsidiary, staffing agency, joint venture or professional employer organization, during the Class Period from April 25, 2018 to January 21, 2024 (“Class Members”); and (2) penalties under the California Private Attorneys General Act (“PAGA”) for all persons currently or formerly employed by Kadence, either directly or through any subsidiary, staffing agency, joint venture or professional employer organization, as non-exempt, hourly-paid employees in the State of California during the PAGA Period from May 16, 2021 to January 21, 2024 (“Aggrieved Employees”).

The proposed Settlement has two main parts: (1) a Class Settlement requiring Kadence to fund Individual Class Payments, and (2) a “PAGA Settlement” requiring Kadence to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

Based on Kadence’s records, and the Parties’ current assumptions, your Individual Class Payment is estimated to be \$ [REDACTED] (less withholding) and your Individual PAGA Payment is estimated to be \$ [REDACTED]. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Kadence’s records you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.)

The above estimates are based on Kadence’s records showing that you worked [REDACTED] workweeks during the Class Period and you worked [REDACTED] pay periods during the PAGA Period. If you believe that you worked more workweeks or pay periods during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved of the proposed settlement and this Notice. The Court has not yet decided whether to grant final approval. **Your legal rights may be affected, and you have a choice to make now.** Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Stroughter and Stroughter’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires Kadence to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Kadence.

If you worked for Kadence during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

- (1) **Do Nothing.** You don’t have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Kadence.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting a written Request for Exclusion. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against Kadence, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt out of the PAGA portion of the proposed Settlement.

Kadence will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT

1. WHAT ARE MY OPTIONS?	
DO NOTHING	Receive an Individual Class Payment and an Individual PAGA Payment (if eligible). If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment, and, if eligible, an Individual PAGA Payment. In exchange, you will give up your right to assert the wage claims against Kadence that are covered by this Settlement (Released Class Claims; see Section 8 below).
OPT-OUT OF THE CLASS SETTLEMENT BUT NOT THE PAGA SETTLEMENT THE OPT-OUT DEADLINE IS [REDACTED]	Exclude Yourself from the Class Settlement and Receive No Individual Class Payment. If eligible, you will still receive an Individual PAGA Payment because you cannot exclude yourself from the PAGA Settlement. If you don't want to fully participate in the proposed Settlement, you may opt-out of the Class Settlement by sending the Settlement Administrator a signed, written Request for Exclusion (see Section 9(B) below) that must be postmarked no later than [Response Deadline]. If you submit a valid and timely Request for Exclusion, you will not receive any payment from the Class Settlement and you will not be bound by the release of class claims provided under the Settlement. You cannot opt-out of the PAGA Settlement. Kadence must pay Individual PAGA Payments to all Aggrieved Employees and who must give up their rights to pursue Released PAGA Claims (see Section 8 below).
OBJECT TO THE CLASS SETTLEMENT WRITTEN OBJECTIONS MUST BE SUBMITTED BY [REDACTED]	Object to the Class Settlement. You cannot object to the PAGA Settlement. All Class Members who do not opt out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Stroughter, who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Stroughter, but every dollar paid to Class Counsel and Stroughter reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Stroughter if you think they are unreasonable. To object, you can submit an objection (see Section 9(C) below) to the Settlement Administrator no later than [Response Deadline], or you can appear at the Final Approval Hearing and state any objections to the Class Settlement. If the Court overrules your objection, you will receive an Individual Class Payment, and you will release the right to assert all of the Released Class Claims (see Section 8 below) against Kadence and the other Released Parties.
PARTICIPATE IN THE [REDACTED] FINAL APPROVAL HEARING	Participate in the Final Approval Hearing. The Court's Final Approval Hearing is scheduled to take place on [REDACTED]. You don't have to attend but you have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, or by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 10 below.
CHALLENGE THE CALCULATION OF YOUR WORKWEEKS/PAY PERIODS	You may Challenge the Calculation of Your Workweeks/Pay Periods. The amount of your Individual Class Payment and Individual PAGA Payment (if any) depends on how many Workweeks (as defined below) and how many Pay Periods (as

**WRITTEN CHALLENGES
MUST BE SUBMITTED BY**

defined below) you worked during the Class Period and the PAGA Period, respectively. The number of Class Period Workweeks and PAGA Pay Periods that you worked according to Kadence's records is stated in Section 6. If you wish to dispute the Workweeks and/or Pay Periods credited to you in this Notice, you must submit a challenge to the Settlement Administrator no later than **Response Deadline** as described in Section 6.

2. WHY DID I GET THIS NOTICE?

Kadence's records show that you were employed by Kadence in California at some point during the period from April 25, 2018 to January 21, 2024 (the "Class Period"). The Court has authorized this notice because you have the right to know about the Settlement and your options before the Court decides whether to approve it. This notice explains what the Action is about, the terms of the Settlement, and your rights.

3. WHAT IS THIS LAWSUIT ABOUT?

On April 25, 2022, Stroughter filed a Class Action Complaint for Damages in the Superior Court for the County of Sacramento. Stroughter alleged that Kadence failed to pay all wages due, including overtime wages, meal period premiums, rest period premiums, and minimum wages; failed to timely pay wages during employment and upon termination; failed to issue compliant wage statements; failed to maintain accurate payroll records; failed to reimburse all necessary business expenses; and engaged in unfair business practices. In his Complaint, Stroughter sought to represent a class of all current and former non-exempt and/or hourly-paid employees who worked for Kadence in the State of California at any time during the period from April 25, 2018 to final judgment. On March 11, 2022, Stroughter provided written notice to the LWDA and Kadence of the specific provisions of the California Labor Code that he contends were violated ("PAGA Notice"). On May 16, 2022, Stroughter filed a Complaint for Enforcement Under the Private Attorneys General Act, California Labor Code §§ 2698, et seq. (the "PAGA Complaint") in the Superior Court for the County of Sacramento, Case No. 34-2022-00320029. On [REDACTED], Stroughter filed a First Amended Class Action Complaint for Damages and Enforcement Under the Private Attorneys General Act, California Labor Code §§ 2698, Et Seq. (the "First Amended Complaint"), thereby consolidating the claims in the Class Action Complaint and the PAGA Complaint.

Kadence denies all of the material allegations in the First Amended Complaint and asserted numerous affirmative defenses.

4. WHY IS THERE A SETTLEMENT?

The Court has not made any decision about the merits of Stroughter's Class Action lawsuit. There has been no trial. However, to avoid additional expense and the risks of continued litigation, Stroughter and Kadence have decided to settle the Settlement Administrator on the terms summarized in this Notice. The Settlement was reached after an exchange of extensive information about the facts and legal arguments in support of, and against, all of the claims raised in the Settlement Administrator.

5. SUMMARY OF THE SETTLEMENT

Kadence has agreed to pay a settlement amount of Three Hundred Eighty-Five Thousand Dollars and Zero Cents (\$385,000.00) ("Gross Settlement Amount") to fully settle the Action. The portion of the Gross Settlement Amount available for payment to the Class Members is referred to as the "Net Settlement Amount." The Net Settlement Amount will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) Class Representative Enhancement Award in an amount not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00), (2) PAGA Penalties in an amount not to exceed Forty Thousand Dollars and Zero Cents (\$40,000.00), (3) Class Counsel Fees Payment in an amount not to exceed thirty-five percent (35%) of the Gross Settlement Amount (i.e., \$134,750.00), (4) Class Counsel Litigation Expenses in an amount not to exceed Thirty Thousand Dollars and Zero Cents (\$30,000.00), and (5) Administration Expenses Payment in an amount not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00).

Forty Thousand Dollars and Zero Cents (\$40,000.00) of the Gross Settlement Amount has been allocated towards penalties under the PAGA ("PAGA Penalties"), of which 75% will be allocated to the LWDA ("LWDA PAGA Payment"), and the remaining 25% will be allocated to the Aggrieved Employees ("Employee PAGA Amount").

Class Members are eligible to receive payment of their *pro rata* share of the Net Settlement Amount ("Individual Class Payment") based on the number of weeks that each Class Member was credited to have worked for Kadence as an hourly-paid or non-exempt employee in the State of California at any time during the Class Period, and worked at least one day ("Workweeks").

The Settlement Administrator has divided the Net Settlement Amount by the Workweeks of all Class Members to yield the "Estimated Class Workweek Value" and multiplied each Class Member's individual Workweeks by the Estimated Class Workweek Value to yield his or her estimated Individual Class Payment that he or she may be eligible to receive under the Settlement. If the Court grants final approval of the Settlement, the Settlement Administrator shall divide the final Net Settlement Amount by the Workweeks of all Class Members who did not submit a valid and timely Request for Exclusion ("Participating Class Members") to yield his or her Individual Class Payment, which shall be paid from the Net Settlement Amount, less applicable employee-side tax withholdings.

Each Individual Class Payment will be allocated twenty percent (20%) to wages, which will be reported on an IRS Form W2, and eighty percent (80%) to penalties and interest, which will be reported on an IRS Form 1099 (if applicable). The Settlement Administrator will withhold the employee's share of taxes and withholdings with respect to the wage portion of the Individual Class Payments, and issue checks to Participating Class Members for their Individual Class Payments (i.e., payment of their Individual Class Payment net of these taxes and withholdings). The employer's share of taxes on the wage portion of Individual Class Payments will be paid by Kadence separately and in addition to the Gross Settlement Amount. The Individual PAGA Payments are characterized as penalties rather than wages for tax purposes. The Settlement Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

6. YOUR WORKWEEKS BASED ON DEFENDANT'S RECORDS

According to Kadence's records, during the period **from April 25, 2018 to January 21, 2024 (i.e., the Class Period)** you worked for Kadence as an hourly-paid or non-exempt employee in California for approximately [REDACTED] Workweeks.

According to Kadence's records, during the period **from May 16, 2021 to January 21, 2024 (i.e., the PAGA Period)** you worked for Kadence as an hourly-paid or non-exempt employee in California for approximately [REDACTED] Pay Periods.

If you wish to dispute the Workweeks or Pay Periods credited to you in this Notice, you must submit a written, signed challenge ("Workweeks Dispute") to the Settlement Administrator. The Workweeks Dispute must contain: (1) the case name and number of the Settlement Administrator (*Stroughter v. Kadence Healthcare, Inc.*, Case No. 34-2022-00318799); (2) your full name, address, telephone number, signature, and last four digits of your Social Security number; and (3) a statement setting forth the number of Workweeks during the Class Period and/or Pay Periods during the PAGA Period that you contend is correct and any relevant documentation in support thereof. The Workweeks Dispute must be submitted to the Settlement Administrator by mail, postmarked no later than [Response Deadline].

7. WHAT IS MY ESTIMATED INDIVIDUAL CLASS PAYMENT?

As explained above, your estimated Individual Class Payment and Individual PAGA Payment (if eligible) is based on the number of Workweeks and Pay Periods credited to you.

Under the terms of the Settlement, your Individual Class Payment is estimated to be \$ [REDACTED]. The Individual Class Payment is subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Class Payment.

Under the terms of the Settlement, your Individual PAGA Payment is estimated to be \$ [REDACTED].

Your Individual Class Payment and Individual PAGA Payment (if applicable) reflected in this Notice is only an estimate. Your actual Individual Class Payment and Individual PAGA Payment (if applicable) may be higher or lower.

The settlement approval process may take multiple months. Payments will be distributed only after the Court grants final approval of the Settlement, and after the Settlement goes into effect.

8. WHAT RIGHTS AM I RELEASING IF I PARTICIPATE IN THE SETTLEMENT?

If the Court approves the Settlement, the Court will enter a judgment and the Settlement Agreement will bind all Participating Class Members (i.e., Class Members who have not submitted a timely and valid Request for Exclusion) as well as all Aggrieved Employees. This will bar all Participating Class Members and Aggrieved Employees from bringing certain claims against Kadence. Aggrieved Employees cannot opt out of the Settlement.

Upon the Effective Date and the full funding of the Gross Settlement Amount and Employer Taxes, Stroughter and all Participating Class Members waive, release, and discharge Released Parties of any and all Released Class Claims. "Released Class Claims" means any and all wage-related claims that were alleged in or which could have been alleged in the First Amended Complaint based on the factual allegations in the First Amended Complaint, arising during the Class Period, including the following claims, under any legal theory of liability, for: (1) alleged failure to pay overtime wages pursuant to California Labor Code sections 510, 1194, and 1198 and the IWC Wage Orders; (2) alleged failure to provide meal periods pursuant to California Labor Code sections 226.7 and 512 and the IWC Wage Orders; (3) alleged failure to provide rest periods pursuant to California Labor Code section 226.7 and the IWC Wage Orders; (4) alleged failure to pay all minimum wages owed pursuant to California Labor Code sections 1194, 1194.2, 1197, and 1197.1 and the IWC Wage Orders; (5) alleged failure to pay all wages owed at termination pursuant to California Labor Code sections 201-203 and the IWC Wage Orders; (6) alleged failure to pay all wages in a timely manner during employment pursuant to California Labor Code section 204 and the IWC Wage Orders; (7) alleged failure to furnish accurate itemized wage statements pursuant to California Labor Code section 226 and the IWC Wage Orders; (8) alleged failure to maintain adequate payroll records pursuant to California Labor Code section 1174 and IWC Wage Orders; (9) alleged failure to reimburse all necessary business expenses pursuant to California Labor Code sections 2800 and 2802 and the IWC Wage Orders; and (10) alleged violations of California Business & Professions Code sections 17200, *et seq.*

Upon the Effective Date and the full funding of the Gross Settlement Amount and Employer Taxes, Stroughter, the State of California, and Aggrieved Employees waive, release, and discharge Released Parties of any and all Released PAGA Claims. "Released PAGA Claims" means any and all claims, actions, and causes of action for civil penalties under the Private Attorneys General Act, California Labor Code section 2698, *et seq.*, arising during the PAGA Period, based on the factual allegations and legal theories in the PAGA Notice and First Amended Complaint, for alleged violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Orders 1-2001, 4-2001, and 7-2001.

"Released Parties" means Kadence and each of its present and former directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.

The information provided in this Notice is only a summary. The terms of the Settlement Agreement are the binding terms of this settlement, and all of these terms, including the releases that will bind you as a class member if you do not submit a Request for Exclusion, are set forth fully in the Settlement Agreement that is on file with the Court and which can also be found at www.██████████. If the Court does not approve the Settlement, or the Settlement does not become final for some other reason, the litigation against Kadence will continue.

9. WHAT ARE MY RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. PARTICIPATE IN THE SETTLEMENT

If you wish to participate in the Settlement and receive money from the Settlement, you do not have to do anything. You will automatically be included in the Settlement and will be issued your Individual Class Payment and Individual PAGA Payment (if eligible). If you participate in the Settlement, you will be bound by its terms and any judgment that

may be entered by the Court based thereon, and you will release all of the claims described in Section 8 above. As a Participating Class Member, you will not be separately responsible for the payment of attorneys' fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorneys' fees and expenses.

B. EXCLUDE YOURSELF FROM THE CLASS SETTLEMENT

If you wish to exclude yourself from the Class Settlement because you wish to pursue a separate lawsuit against Kadence for the claims asserted in this Settlement Administrator, or if you do not wish to participate in the Settlement for other reasons, you must submit a signed Request for Exclusion to the Settlement Administrator asking to exclude yourself from the Settlement. The Request for Exclusion must: (1) contain the case name and number of the Settlement Administrator (*Stroughter v. Kadence Healthcare, Inc.*, Case No. 34-2022-00318799); (2) contain your full name, address, telephone number, and last four digits of your Social Security number; (3) be signed by you or your authorized representative; (4) contain a clear statement that you request to be excluded from the Class Settlement; and (5) be mailed to the Settlement Administrator, postmarked no later than [Response Deadline] to the following address:

[Name of Settlement Administrator]
[Mailing Address]

Requests for Exclusion that are postmarked after [Response Deadline] will not be valid. Requests for Exclusion that do not include all of the required information will be deemed null, void, and ineffective.

If the Court grants final approval of the Settlement, any Class Member who submits a valid and timely Request for Exclusion will not be entitled to receive any payment from the Settlement, will not be bound by the Settlement (and the release of claims described in Section 8 above), and will not have any right to object to, appeal, or comment on the Settlement. Any Class Members who do not submit a valid and timely request for exclusion will be deemed Participating Class Members and will be bound by all terms of the Settlement, including those pertaining to the release of claims described in Section 8 above, as well as any judgment that may be entered by the Court based thereon.

Class Members who are Aggrieved Employees will receive their share of the PAGA payment, regardless of whether they opt out of being a Class Member and will be bound by the PAGA-related terms of the Settlement.

C. OBJECT TO THE CLASS SETTLEMENT

If you do not think the Class Settlement is fair, you can object to the Class Settlement and tell the Court you do not agree with the Class Settlement or some part of it if you have not submitted a Request for Exclusion from the Class Settlement. You cannot object to the PAGA Settlement. The Court will consider your views. To object, you must submit a written objection to the Settlement Administrator or appear at the final settlement hearing to explain your objection. To be valid, a written objection must: (1) contain the case name and number of the Settlement Administrator (*Stroughter v. Kadence Healthcare, Inc.*, Case No. 34-2022-00318799); (2) contain your full name, address, telephone number, signature, and last four digits of your Social Security number; (3) clearly state the grounds for the objection; (4) state whether you intend to appear at the Final Approval Hearing; and (5) be mailed to the Settlement Administrator, postmarked no later than [Response Deadline] to the address listed in Section 9(B).

10. WHEN AND WHERE IS THE FINAL APPROVAL HEARING?

The Court will hold a Final Approval Hearing on [Date] at [Time] in Department 22 of the Sacramento County Superior Court, located at 720 Ninth Street, Sacramento, California 95814 to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve and award the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment to Class Counsel and the Class Representative Enhancement Award. The hearing may be postponed without further notice to Class Members. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to do so. You may appear (1) in person; (2) remotely by using the following zoom link: <https://saccourt-ca-gov.zoomgov.com/join/916184738886>; or (3) by phone using the following information: (833) 568-8864 / ID: 16184738886.

11. WHAT IF I HAVE QUESTIONS?

A complete copy of the Settlement Agreement and this Notice are available at www. [REDACTED]. This website may be updated periodically to update the Class Members on any developments in the case.

You may also view the Settlement Agreement and documents filed in the Action for a fee by visiting the Civil Records Unit, located in Room 102 of the Gordon D. Schaber County Courthouse located at 720 Ninth Street, Sacramento, California 95814, during business hours, or online by visiting the following website: <https://www.saccourt.ca.gov/indexes/new-portal-info.aspx>.

For further information about this case, you may contact Class Counsel or the Settlement Administrator. Class Counsel's contact information is as follows:

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Telephone: (310) 882-6833

The contact information for the Settlement Administrator is as follows:

[Name of Settlement Administrator]

[Mailing Address]

[Telephone Number]

DO NOT CONTACT THE COURT, KADENCE, OR KADENCE'S ATTORNEYS ABOUT THIS NOTICE.