

JOINT STIPULATION AND SETTLEMENT AGREEMENT

Subject to final approval by the Court, this Settlement Agreement is entered into by and between Plaintiff Tyler Coombs (“Plaintiff” or “Plaintiff Coombs”) on behalf of himself and others similarly situated and other aggrieved employees and Defendant Imaging Healthcare Specialists, LLC (“Defendant”). Plaintiff and Defendant are collectively referred to in this Agreement as the “Parties” and may each individually be referred to herein as a “Party.” The Parties agree that the Case (as defined herein) and all claims asserted or that could have been asserted therein shall be fully and finally compromised, settled and released, and final judgment entered upon the terms and conditions as set forth herein and to be approved by the Court.

I. DEFINITIONS

In addition to the other terms defined in this Agreement, the terms below have the following meaning:

- A. **Administration Costs**: All administrative costs incurred by the Settlement Administrator to administer this Settlement including the cost of notice to the Class Members, settlement administration, and any other fees and costs incurred or charged by the Settlement Administrator in connection with the execution of its duties under this Agreement, which the Parties do not expect to exceed \$10,000. All Administration Costs shall be paid from the Qualified Settlement Fund, even if they exceed \$10,000.
- B. **Agreement, Settlement Agreement, Joint Stipulation, or Settlement**: The settlement agreement reflected in this document, titled “Joint Stipulation and Settlement Agreement.”
- C. **Attorney Fee Award**: The amount, not to exceed thirty-five percent (35%) of the Gross Settlement Amount (or \$472,500.00), to be finally approved by the Court and awarded to Class Counsel. The Attorney Fee Award shall be paid from the Qualified Settlement Fund and will not be opposed by Defendant. If the Court awards less than the amount requested, any amount not awarded will become part of the Net Settlement Amount for distribution to Participating Class Members.
- D. **Case or Class Action**: The lawsuit filed by Plaintiff on December 1, 2020 entitled *Coombs v. Imaging Healthcare Specialists, LLC*, Case No. 37-2020-00043781-CU-OE-CTL, in the Superior Court of California, County of San Diego, the First Amended Complaint (“FAC”) filed by Plaintiff in same, as well as the notice Plaintiff filed with the LWDA as to Defendant’s alleged wage and hour violations.

- E. **Class**: All individuals who have previously been or currently are employed by Defendant as an hourly paid and/or non-exempt employee within the State of California during the Class Period.
- F. **Class Counsel**: Douglas Han, Shunt Tatavos-Gharajeh, John M. Bickford, and Phillip Song of Justice Law Corporation.
- G. **Class Member**: Each person eligible to participate in this Settlement who is a member and/or falls within the purview of the Class as defined above.
- H. **Class Notice, Notice of Class Action Settlement, or Notice**: The notice to be provided to all Class Members regarding the terms of this Settlement, substantially like the form attached hereto as Exhibit A, subject to Court approval. The Notice shall constitute class notice pursuant to California Rule of Court 3.769(f) and, once approved by the Court shall be deemed compliant with California Rule of Court 3.766.
- I. **Class Period**: The time period from, and including, June 6, 2016 through, and including, May 4, 2022.
- J. **Class Representative or Plaintiff**: Tyler Coombs.
- K. **Class Representative Enhancement Payment**: The amount the Court awards to Plaintiff for his services as Class Representative, which will not exceed \$10,000. This payment shall be paid from the Qualified Settlement Fund and will not be opposed by Defendant. This enhancement payment is subject to approval of the Court. If the Court awards less than the amount requested, any amount not awarded will become part of the Net Settlement Amount for distribution to Participating Class Members.
- L. **Complaints**: The complaint filed by Plaintiff in this case entitled *Coombs v. Imaging Healthcare Specialists, LLC*, Case No. 37-2020-00043781-CU-OE-CTL, in the Superior Court of California, County of San Diego, on December 1, 2020, and the FAC filed by Plaintiff in the Case.
- M. **Comprehensive Release**: Upon Defendant's fulfillment of its payment obligations under Section III (J)(9) below and in exchange for the consideration provided for by this Agreement, Plaintiff will be deemed to have entered into a binding general settlement and release of all claims as well as released and waived all known and unknown claims he has or may have against Defendant and/or the Released Parties. This release includes a California Civil Code section 1542 waiver.
- N. **Cost Award**: The amount that the Court orders to be paid to Class Counsel for payment of actual litigation costs, which shall not exceed \$20,000.00. The Cost Award will be paid from the Qualified Settlement Fund and will not be opposed by Defendant. The Cost Award is subject to Court approval. If the Court awards less than the amount request, any amount not awarded

will become part of the Net Settlement Amount for distribution to Participating Class Members.

- O. **Counsel for Defendant:** Attorneys Jeffery Cawdrey and Justin Michitsch of Gordon Rees Scully Mansukhani, LLP.
- P. **Court:** The Superior Court of California, County of San Diego.
- Q. **Defendant:** Imaging Healthcare Specialists, LLC
- R. **Effective Final Settlement Date:** The Effective Final Settlement Date shall be the date of Defendant's fulfillment of its payment obligations under Section III (J)(9) below.
- S. **Eligible Aggrieved Employees:** The persons eligible to receive a portion of the PAGA Payment are all individuals who have previously been or currently are employed by Defendant as an hourly paid and/or non-exempt employee within the State of California from April 15, 2021 to May 4, 2022 ("PAGA Timeframe").
- T. **Exclusion Form:** The Election Not to Participate In Class Action Settlement (or Opt Out) Form, substantially like the form attached hereto as Exhibit B and subject to Court approval.
- U. **Judgment or Final Approval:** The "Final Approval Order" means the final order entered by the Court following the Final Fairness and Approval Hearing. The "Final Judgment" means the final judgment entered by the Court following the Final Fairness and Approval Hearing.
- V. **Gross Settlement Amount or GSA:** The total amount to be paid by Defendant for full resolution of the Case and as consideration for the Settlement and all releases and waivers contained herein is One Million Three Hundred Fifty Thousand Dollars and Zero Cents (\$1,350,000.00). This is the full and final monetary amount and/or total Defendant shall be required to pay for full resolution of the Case and as consideration for the Settlement unless the escalator clause set forth at Section III (P)(20) herein is triggered. Under no other circumstances shall Defendant be required, compelled, or obligated to pay any amount in excess of the GSA, with any modification of the GSA constituting a material change to this Settlement. The GSA includes, without limitation: (1) the Net Settlement Amount to be paid to Participating Class Members and Defendant's share of applicable payroll taxes; (2) the Attorney Fee Award and Cost Award to Class Counsel for attorneys' fees and costs, as approved by the Court; (3) the Class Representative Enhancement Payment paid to the Class Representative, as approved by the Court; (4) the Administration Costs, as approved by the Court; and (5) the PAGA Payment to the LWDA and to Eligible Aggrieved Employees, as approved by the Court. No portion of the Gross Settlement Amount will revert to Defendant for any reason.

- W. **Individual Settlement Share(s)**: The amount payable to each Participating Class Member under the terms of this Settlement Agreement. Class Members are not required to submit a claim form to receive their Individual Settlement Shares or be considered a Putative Class Member pursuant to this Agreement. Rather, Participating Class Members will receive an Individual Settlement Share automatically, without the return of a claim form.
- X. **LWDA**: California Labor and Workforce Development Agency.
- Y. **Net Settlement Amount or NSA**: The total amount of money available for payout to Participating Class Members, which is the GSA less the Attorney Fee Award, the Cost Award, the Class Representative Enhancement Payment, the PAGA Payment paid to the LWDA and Eligible Aggrieved Employees, Administration Costs, and Defendant's share of applicable payroll taxes stemming from the Settlement. In other words, the NSA is the portion of the GSA that will be distributed to Class Members who do not request exclusion from the Settlement.
- Z. **Notice Packet**: The Class Notice and Exclusion Form.
- AA. **PAGA**: The California Labor Code Private Attorneys General Act of 2004 (Cal. Labor Code §§ 2698 *et seq.*).
- BB. **PAGA Payment**: The PAGA Payment consists of \$100,000 of the Gross Settlement Amount allocated to satisfy the PAGA penalties claim as alleged in the Case. Of that amount, the Settlement Administrator will pay seventy-five percent (75%), or Seventy-Five Thousand Dollars and Zero Cents (\$75,000.00), to the LWDA, and twenty-five percent (25%), or Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00), to Eligible Aggrieved Employees, on a pro rata basis, as set forth below.
- CC. **Participating Class Member(s)**: All Class Members who do not submit a valid and timely request to exclude themselves from this Settlement.
- DD. **Parties**: Plaintiff Tyler Coombs, individually and as a class representative as well as PAGA representative, and Defendant Imaging Healthcare Specialists, LLC
- EE. **Preliminary Approval or Preliminary Approval Order**: The order entered by the Court following the Preliminary Approval Hearing approving the proposed Settlement.
- FF. **Qualified Settlement Fund or QSF**: A fund within the meaning of Treasury Regulation section 1.468B-1, 26 C.F.R. § 1.468B-1 *et seq.*, which is established by the Settlement Administrator for the benefit of Participating Class Members, the LWDA, and Eligible Aggrieved

Employees, Plaintiff and Class Counsel. This amount shall be made up of the Gross Settlement Amount.

- GG. Released Claims:** Upon Defendant's fulfillment of its payment obligations under Section III (J)(9) below, the claims that Plaintiff (in conjunction with those he is generally releasing via his own Comprehensive Release as noted in Section I (M) herein) and the other Participating Class Members are releasing in exchange for the consideration provided for by this Agreement are all claims alleged or that could have been alleged based on the factual allegations in Plaintiff's Complaints, including but not limited to any and all claims for unpaid wages of any type, unpaid overtime, unpaid doubletime, unpaid minimum wages, untimely wage payments both during and at the end of employment, including but not limited to claims for waiting penalties as to same, failure to pay paid sick leave at appropriate rate (including but not limited to supplemental and/or COVID-19 related paid sick leave), failure to adhere to paid sick leave laws in effect (including but not limited to supplemental and/or COVID-19 related paid sick leave), non-compliant meal periods, non-compliant rest periods, non-compliant wage statements, unreimbursed business expenses, failure to maintain payroll records, failure to pay meal period and/or rest break premiums, including but not limited to at the appropriate rate, working seven consecutive days in violation of California law/seventh day of rest violations, and claims for interest, penalties (including but not limited to waiting time penalties), or premiums in connection with any of the above, as well as any claims under California Labor Code and California Wage Orders, or California Business and Professions Code alleged (specifically California Business and Professions Code §§ 17200 – 17208, California Labor Code §§ 201, 202, 203, 204, 226, 226.3, 226.7, 246, 510, 512, 551/552, 558, 1174, 1194, 1197, 1197.1, 1198, 1199, 2698 *et seq.*, 2800, and 2802), and any claims brought or pursued under the PAGA (for civil penalties or otherwise) that are predicated upon any of the aforementioned alleged violations.
- HH. Released Parties:** Defendant, its past or present companies, subsidiaries, divisions, affiliated companies, and each of its members, officers, partners, joint ventures, consultants, directors, employees, agents, operators, attorneys, insurers, and any individual or entity that could be held jointly liable with Defendant and/or considered or found liable, to any extent, for Defendant's alleged liability in this lawsuit.
- II. Response Deadline:** Sixty (60) calendar days from the initial mailing of the Notice Packet.
- JJ. Settlement Administration:** The Settlement Administrator will conduct all Settlement Administration duties as described in this Settlement Agreement and as ordered by the Court. This includes that the Settlement Administrator will conduct a skip trace for the address of all former employee Class

Members. The Settlement Administrator will mail the Notice Packet by First Class U.S. Mail to all Class Members at the address Defendant have on file for those Class Members and to all former employee Class Members at the address resulting from the skip trace. The Notice Packet will inform Class Members that they have until the Response Deadline to either object to the Settlement or to opt-out (exclude themselves) from the Settlement.

KK. Settlement Administrator: The third-party administrator agreed upon by Parties to administer this Settlement is Simpluris, Inc. (“Simpluris”).

LL. Superior Court: The Superior Court of California, County of San Diego.

II. RECITALS

A. Per the Complaints, Plaintiff alleges, *inter alia*, on behalf of himself, all others similarly situated, and other aggrieved employees, that Defendant violated California state wage and hour laws and the California Business and Professions Code section 17200 *et seq.*, and PAGA because of Defendant’s wage and hour policies and practices. Plaintiff alleges that Defendant: (1) failed to pay all wages, including minimum wages, regular wages, overtime and double time wages; (2) failed to properly calculate overtime and double time wages (including as to employee regular rate of pay to determine same); (3) failed to provide meal periods (including without limitation first and second meal periods) each day, including based on the hours worked by each employee, that resulted in meal periods that were short, late, interrupted, and/or missed altogether; (4) failed to authorize and permit legally compliant rest breaks each day, including based on the hours worked by each employee, that resulted in rest breaks that were short, late, interrupted, and/or missed altogether; (5) failed to factor non-discretionary bonuses and other compensation into employees’ regular rates of pay for overtime, double time, meal period/rest break premium, and paid sick leave compensation purposes; (6) failed to timely pay wages during employment for each pay period for every employee; (7) failed to timely pay wages upon discharging employees and/or upon their quitting/cessation of employment; (8) failed to provide one day of rest in seven; (9) failed to adhere to applicable state paid sick leave law (including but not limited to supplemental paid sick leave law in response to COVID-19 and otherwise); and (10) failed to reimburse employees for all reasonable and necessary business expenses incurred in the discharge of their duties for Defendant. Plaintiff further alleged that the aforementioned resulted in the Class receiving inaccurate wage statements; the underpayment of wages to employees upon termination, resignation, and/or any other cessation of employment method; unfair business practices; and a violation of PAGA for which civil penalties may be recovered. The above is not exhaustive and may not include all claims levied or asserted in the Complaints. As such, the Parties incorporate by reference the factual allegations set forth in the Complaints and letter to the LWDA.

- B.** After Plaintiff filed his lawsuit on December 1, 2020, the Parties agreed to attend mediation. Prior to mediation, the Parties conducted significant investigation and discovery of the facts and law both before and after the Class Action was filed. Specifically, Defendant produced documents relating to its policies, practices, and procedures regarding reimbursement of business expenses, paying non-exempt employees for all hours worked, meal and rest period policies, and payroll and operational policies. As part of Defendant's production, Plaintiff also reviewed time records, pay records, and information relating to the size and scope of the Class, as well as data permitting Plaintiff to understand the number of workweeks in the Class Period. Plaintiff also interviewed Class Members who worked for Defendant throughout the Class Period. The Parties agree that the above-described investigation and evaluation, as well as the information exchanged during the settlement negotiations, are more than sufficient to assess the merits of the respective Parties' positions and to compromise the issues on a fair and equitable basis.
- C. Mediation.** Plaintiff and Class Counsel have engaged in good faith, arms-length negotiations with Defendant and Counsel for Defendant concerning possible settlement of the claims asserted in the Class Action. On October 7, 2021, the Parties participated in a mediation before mediator Marc Feder. While the Parties did not settle at mediation, under the auspices of the mediator, the Parties later reached a settlement of the Class Action.
- D. Benefits of Settlement to Class Members.** Plaintiff and Class Counsel recognize the expense and length of continued proceedings necessary to continue the litigation against Defendant through trial and through any possible appeals. Plaintiff and Class Counsel also have considered the uncertainty and risk of further litigation, the potential outcome, the existing arbitration agreements and the difficulties and delays inherent in such litigation as well as Defendant's past and current financial condition confirmed through the opinion of an accounting expert. Plaintiff and Class Counsel conducted extensive settlement negotiations, including formal mediation on October 7, 2021. Based on the foregoing, Plaintiff and Class Counsel believe the Settlement set forth in this Agreement is a fair, adequate, and reasonable settlement, and is in the best interests of the Class Members.
- E. Defendant's Reasons for Settlement.** Although Defendant denies wrongdoing as alleged, Defendant recognizes that the defense of this litigation will be protracted and expensive. Substantial amounts of time, energy, and resources of Defendant have been and, unless this Settlement is made, will continue to be devoted to the defense of the claims asserted by Plaintiff, which could disrupt or impact its ability to provide patient care at the level it is committed to. Defendant, therefore, has agreed to settle in the manner and upon the terms set forth in this Agreement to put to rest the Case and Released Claims.

- F. Defendant's Denial of Wrongdoing.** Defendant generally and specifically denies any and all liability or wrongdoing of any sort with regard to any of the claims alleged, makes no concessions or admissions of liability of any sort, and contends that for any purpose other than settlement, the Case is not appropriate for class treatment and/or is unmanageable as to PAGA. Defendant also asserts several defenses to the claims and has denied any wrongdoing or liability arising out of any of the alleged facts or conduct in the Class Action. Neither this Agreement, nor any document referred to or contemplated herein, nor any statements, discussions, or communications, nor any action taken to carry out this Agreement, is or may be construed as, or may be used as an admission, concession, or indication by or against Defendant or any of the Released Parties of any fault, wrongdoing, or liability whatsoever. Nor should the Agreement be construed as an admission that Plaintiff can serve as an adequate class representative and/or PAGA representative or that any arbitration agreements Defendant has with and/or that are signed by Class Members are not enforceable, both as to the Case as well as outside of the Case and Settlement. . There has been no final determination by any court as to the merits of the claims asserted by Plaintiff against Defendant or as to whether a class or classes should be certified, other than for settlement purposes only.
- G. Plaintiff's Claims.** Plaintiff asserts that Defendant's defenses are without merit. Neither this Agreement nor any documents referred to or contemplated herein, nor any action taken to carry out this Agreement is, may be construed as, or may be used as an admission, concession or indication by or against Plaintiff, Class Members, or Class Counsel as to the merits of any claims or defenses asserted, or lack thereof, in the Class Action. However, in the event that this Settlement is finally approved by the Court, none of Plaintiff, Class Members, or Class Counsel will oppose Defendant's efforts to use this Agreement to prove that Plaintiff, Participating Class Members, and the Eligible Aggrieved Employees have resolved and are forever barred from re-litigating the Released Claim.

III. SETTLEMENT TERMS AND CONDITIONS

- A. Gross Settlement Amount.** Subject to the terms and conditions of this Agreement, the maximum Gross Settlement Amount that Defendant is obligated to pay under this Settlement Agreement is One Million Three Hundred Fifty Thousand Dollars and Zero Cents (\$1,350,000.00). Under no circumstances shall Defendant be required to pay any more than this amount in relation to this settlement unless the escalator clause at Section III (P)(20) is triggered.
- B. Notice to the Labor and Workforce Development Agency ("LWDA").** On April 15, 2022, Plaintiff filed and served his Notice of Labor Code Violations Pursuant to Labor Code Section 2699.3 Thus, Plaintiff has satisfied his notice obligations under the PAGA.

- C. Settlement Class Certification.** Solely for the purposes of this Settlement, the Parties stipulate and agree to certification of the claims asserted on behalf of Class Members in the Case. As such, the Parties stipulate and agree that for this Settlement to occur, the Court must certify the Class for purpose of settlement as defined in this Agreement.
- D. Conditional Nature of Stipulation for Certification.** The Parties stipulate and agree to the certification of the claims asserted on behalf of Plaintiff and Class Members for purposes of this Settlement only. This Stipulation is contingent upon the Preliminary and Final approval of this Agreement and certification of the Class for purposes of settlement only. If the Settlement does not become final, for whatever reason, the fact that the Parties were willing to stipulate provisionally to certification as part of the Settlement shall have no bearing on and shall not be admissible or used in any way in connection with, the question of whether the Court should certify any claims in a non-settlement context in this Class Action or in any other lawsuit. Defendant expressly reserves the right to oppose class certification and/or to proactively move to deny class certification as well as to contest any issues relating to class certification, manageability, standing, statutes of limitations/applicability of relation back doctrine, and liability should this Settlement be modified or reversed on appeal or otherwise not become final.
- E. Appointment of Class Representative.** Solely for the purposes of this Settlement, the Parties stipulate and agree Plaintiff shall be appointed as the representative for the Class.
- F. Appointment of Class Counsel.** Solely for the purpose of this Settlement, the Parties stipulate and agree that the Court appoint Class Counsel to represent the Class.
- G. Individual Settlement Share.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will pay an Individual Settlement Share from the Net Settlement Amount to each Participating Class Member.

1. Calculation.

- a. Individual Settlement Share Calculation.** Each Participating Class Member will receive a proportionate share of the Net Settlement Amount that is equal to (i) the number of weeks he or she worked during the Class Period based on the Class List (defined below) provided by Defendant, divided by (ii) the total number of weeks worked by any and all Participating Class Members collectively, during the Class Period based on the same Class List, which is then multiplied by the Net Settlement Amount. To the extent practical in the data, a partially worked week, even via a single day of work in a week, will be credited as a

workweek for purposes of this calculation. Therefore, the value of each Participating Class Member's Individual Settlement Share ties directly to the amount of weeks that he or she worked at Defendant during the Class Period. Tax withholdings as to this amount is described in Section III (H).

- b. Payment to Eligible Aggrieved Employees.** The PAGA Payment that is paid to each Eligible Aggrieved Employee shall be determined based upon the total number of pay periods he or she was employed for during the PAGA Timeframe. Each Eligible Aggrieved Employee's individual share of the PAGA Payment will be calculated by (i) taking the total number of pay periods an Eligible Aggrieved Employee was employed for during the PAGA Time Frame, then (ii) dividing that by the total number of pay periods all Eligible Aggrieved Employees were employed for during the PAGA Timeframe (*i.e.*, the sum of all pay periods of employment for each Eligible Aggrieved Employee). That number will then be multiplied by the \$25,000 of the PAGA Payment to be paid out to the Eligible Aggrieved Employees (or 25% of the PAGA Payment) in a proportional manner. Eligible Aggrieved Employees' portion of the PAGA Payment will be allocated as one hundred percent (100%) penalties and will be issued an IRS form 1099 if it exceeds \$600.

- H. Tax Withholdings.** Each Participating Class Member's gross Individual Settlement Share will be apportioned as follows: twenty percent (20%) wages and eighty percent (80%) penalties and interests. The amounts paid as wages by the Settlement Administrator shall be subject to all tax withholdings customarily made from an employee's wages and all other authorized and required withholdings and shall be reported by W-2 forms. All other amounts paid by the Settlement Administrator shall be subject to all authorized and required withholdings other than the tax withholdings customarily made from employees' wages and shall be reported by applicable IRS 1099 forms. The Settlement Administrator will withhold the employee share of payroll tax and required income tax from Participating Class Member's Individual Settlement Share. The Settlement Administrator will also determine as well as withhold and pay out from the GSA, Defendant's share of payroll taxes. Given Defendant's share of employer-side taxes will be paid out of, and not in addition to, the GSA, Defendant will not be required to fund or pay any additional or extra monies to the Qualified Settlement Fund, the Settlement Administrator, or otherwise to pay and/or fund those taxes.

I. Settlement Disbursement. Subject to the terms and conditions of this Agreement, the Settlement Administrator will make the following payments out of the Gross Settlement Amount:

- 1. To the Plaintiff, Tyler Coombs.** In addition to his Individual Settlement Share and pro rata portion of the PAGA Payment (if eligible), and subject to the Court's approval, Plaintiff will receive up to Ten Thousand Dollars (\$10,000) as the Class Representative Enhancement Payment. The Settlement Administrator will pay the Class Representative Enhancement Payment out of the Qualified Settlement Fund. Payroll tax withholdings and deductions will not be taken from the Class Representative Enhancement Payment. An IRS Form 1099 will be issued to Plaintiff by the Settlement Administrator with respect to his Class Representative Enhancement Payment. In the event the Court does not approve the entirety of the application for the Class Representative Enhancement Payment, the Settlement Administrator shall pay whatever amount the Court awards, and neither Defendant nor the Settlement Administrator shall be responsible for paying the difference between the amount requested and the amount awarded. If the amount awarded is less than the amount requested by Plaintiff, the difference shall become part of the NSA and be available for distribution to Participating Class Members.
- 2. To Class Counsel.** Class Counsel will apply to the Court for, and Defendant agrees to not oppose, a total Attorney Fee Award not to exceed thirty-five percent (35%) or \$472,500 of the GSA and a Cost Award not to exceed \$20,000. The Settlement Administrator will pay the court-approved amounts for the Attorney Fee Award and Cost Award out of the Gross Settlement Amount. The Settlement Administrator may purchase an annuity to utilize U.S. treasuries and bonds or other attorney fee deferral vehicles for Class Counsel. Payroll tax withholding and deductions will not be taken from the Attorney Fee Award or the Cost Award. IRS Forms 1099 will be issued to Class Counsel by the Settlement Administrator with respect to these payments. In the event the Court does not approve the entirety of the application for the Attorney Fee Award and/or Cost Award, the Settlement Administrator shall pay whatever amount the Court awards, and neither Defendant nor the Settlement Administrator shall be responsible for paying the difference between the amounts requested and the amounts awarded. If the amounts awarded are less than the amounts requested by Class Counsel for the Attorney Fee Award and/or Cost Award, the difference shall become part of the NSA and be available for distribution to Participating Class Members. Except as provided herein, each side shall bear its own attorneys' fees and costs.

3. **To the Responsible Tax Authorities.** The Settlement Administrator will pay over Defendant's share of employer-side as well as employee payroll taxes and amounts withheld in accordance with this Agreement to the appropriate taxing authorities. All such amounts to be and actually paid will come out of the GSA and not be funded or paid separately by Defendant.
4. **Tax Calculations.** The Settlement Administrator will calculate the amount of the Participating Class Members' and Defendant's portion of payroll withholding taxes and Participating Class Members income tax.
5. **To the Settlement Administrator.** The Settlement Administrator – Simpluris – will pay to itself Administration Costs (reasonable fees and expenses) approved by the Court, which are not expected to exceed \$10,000. This will be paid out of the Qualified Settlement Fund. If the actual amount of Administration Costs is less than the amount estimated, the difference shall become part of the NSA and be available for distribution to Participating Class Members. In the event the Court does not approve the entirety of the application for the Administration Costs, the Settlement Administrator shall pay to itself whatever amount the Court awards, and neither Defendant nor the Plaintiff shall be responsible for paying the difference between the amount requested and the amount awarded.
6. **To Class Members.** The Settlement Administrator will pay Participating Class Members according to the Individual Settlement Share calculations set forth above. All payments to Participating Class Members shall be made from the Qualified Settlement Fund.
7. **To Eligible Aggrieved Employees.** The Settlement Administrator shall pay each Eligible Aggrieved Employee according to their proportional share as described above. All payments to Eligible Aggrieved Employees shall be made from the Qualified Settlement Fund. The payment to the Eligible Aggrieved Employees is based on a claim for penalties. As such, it shall not be treated as wages, and the Settlement Administrator shall issue a 1099 form to Eligible Aggrieved Employees for this payment as described herein. For the avoidance of doubt, an individual who is both a Participating Class Member and an Eligible Aggrieved Employee will receive: (a) a payment based on his/her allocated share of the PAGA Payment; and (b) an Individual Settlement Share. But, if a Class Member who is also an Eligible Aggrieved Employee timely opts out of the Settlement, he/she will not receive an Individual Settlement Share or be a Putative Class Member but will receive his/her allocated share of the PAGA Payment and still be considered an Eligible Aggrieved Employee.

J. Appointment of Settlement Administrator. Solely for the purposes of this Settlement, the Parties stipulate and agree that Simpluris shall be retained to serve as Settlement Administrator. The Settlement Administrator shall be responsible for: (a) preparing, printing, and mailing the Notice Packet to the Class Members; (b) keeping track of any objections or requests for exclusion from Class Members as well as any disputes as to his/her estimated Settlement-related payments; (c) performing skip traces and remailing Notice Packets and Individual Settlement Shares to Class Members; (d) calculating any and all payroll and income tax amounts to be withheld as required by law and the amount of the employer's and employees' share(s) of applicable payroll taxes with respect to the Net Settlement Amount as required under this Agreement; (e) calculating each Participating Class Member's Individual Settlement Share and each Eligible Aggrieved Employee's portion of the PAGA Payment; (f) providing weekly status reports to Counsel for Defendant and Class Counsel, which is to include updates on any objections or requests for exclusion that have been received; (g) providing a due diligence declaration for submission to the Court prior to the Final Approval hearing; (h) mailing Individual Settlement Shares and portion of the PAGA Payment to Participating Class Members and Eligible Aggrieved Employees respectively; (i) mailing the portion of the PAGA Payment to the LWDA; (j) distributing the Attorney Fee Award and the Cost Award to Class Counsel; (k) printing and providing Class Members, Plaintiff, Class Counsel and Eligible Aggrieved Employees with W-2s and 1099 forms as required under this Agreement and applicable law; (l) providing a due diligence declaration for submission to the Superior Court upon the completion of the Settlement; (m) providing any funds remaining in the QSF as a result of uncashed checks to the California Controller's Unclaimed Property Fund in the name of the Participating Class Member or Eligible Aggrieved Employee; and (n) performing other tasks as the Parties mutually agree. The Parties each represent that they do not have any financial interest in Simpluris or otherwise have a relationship with Simpluris that could create a conflict of interest.

K. Procedure for Approving Settlement.

1. Motion for Preliminary Approval and Conditional Certification.

- a.** Plaintiff will move for an order conditionally certifying the Class for settlement purposes only, granting Preliminary Approval of the Settlement, setting a date for the Final Approval hearing, and approving the Class Notice and Exclusion Form.
- b.** At the Preliminary Approval hearing, the Plaintiff will appear, support the granting of the motion, and submit a proposed order granting conditional certification of the Class

and Preliminary Approval of the Settlement; appointing the Class Representative, Class Counsel, and Settlement Administrator; approving the Notice Packet; and setting the Final Approval hearing.

- c. Should the Court decline to conditionally certify the Class for settlement purposes or to preliminarily approve all material aspects of the Settlement, the Settlement will be null and void, and the Parties will have no further obligations under it. The Parties will also return to their respective positions and/or places as of the day immediately prior to the execution by all parties of the Memorandum of Understanding in this matter.

2. Notice to Class Members. After the Court enters its Preliminary Approval Order, every Class Member will be provided with the Notice Packet in accordance with the following procedure:

- a. Within twenty-one (21) calendar days after entry of the Preliminary Approval Order, Defendant shall deliver to the Settlement Administrator the following information about each Class Member's: (1) first and last name; (2) last known mailing address; (3) social security number; (4) hire and termination dates; and (5) the total number of weeks during which the Class Member performed any actual work during the Class Period as a member of the Class (collectively "Class List"). If any or all this information is unavailable to Defendant, Defendant will so inform Class Counsel and the Parties will make their best efforts to reconstruct or otherwise agree upon how to deal with the unavailable information. The Settlement Administrator will conduct a skip trace for the address of all former Defendant employee Class Members. The Settlement Administrator shall maintain the Class List and all data contained within the Class List as private and confidential, and the Class List and data contained therein can only be used for purposes of effectuating this Settlement. However, this provision will not impede Class Counsel's ability to discharge fiduciary duties.
- b. The Settlement Administrator shall run all the addresses on the Class List through the U.S. Postal Service NCOA database (which provides updated addresses for any individual who has moved in the previous four years who has notified the U.S. Postal Service of a forwarding address) to obtain current address information. The Settlement Administrator shall mail the Notice Packet to the Class

Members via first-class regular U.S. Mail using the most current mailing address information available within fourteen (14) calendar days after the receipt of the Class List from Defendant.

- c. If a Notice Packet is returned because of an incorrect address, within ten (10) days from receipt of the returned Notice Packet, the Settlement Administrator will conduct a search for a more current address for the Class Member and re-mail the Notice Packet to the Class Member. The Settlement Administrator will use the National Change of Address Database and skip traces to attempt to find the current address. The Settlement Administrator will be responsible for taking reasonable steps to trace the mailing address of any Class Member for whom a Notice Packet is returned by U.S. Postal Service as undeliverable. These reasonable steps shall include, at a minimum, the tracking of all undelivered mail; performing address searches for all mail returned without a forwarding address; and promptly re-mailing to Class Members for whom new addresses are found. If the Settlement Administrator is unable to locate a better address, the Notice Packet shall be re-mailed to the original address. If the Notice Packet is re-mailed, the Settlement Administrator will note for its own records the date and address of each re-mailing. Those Class Members who receive a re-mailed Notice Packet, whether by skip-trace or forwarded mail, will have their Response Deadline to postmark an Exclusion Form, or mail an objection to the Settlement extended by ten (10) calendar days from the original Response Deadline. The Settlement Administrator shall mark on the envelope whether the Notice Packet is a re-mailed notice.
- d. Class Members may dispute the information provided in their Notice Packet, but must do so in writing, via First Class U.S. Mail, and it must be postmarked by the Response Deadline. To the extent Class Members dispute the number of weeks to which they have been credited or the amount of their Individual Settlement Share, Class Members must produce evidence to the Settlement Administrator showing that such information is inaccurate. Absent evidence rebutting Defendant's records, Defendant's records will be presumed determinative. However, if a Class Member produces evidence to the contrary, the Parties will evaluate the evidence submitted by the Class Member and will make the final decision as to the number of eligible weeks that

should be applied and/or the Individual Settlement Share to which the Class Member may be entitled.

- e. If any Exclusion Form received is incomplete or deficient, the Settlement Administrator shall send a letter informing the Class Member of the deficiency and allow fourteen (14) days to cure the deficiency. However, any cure period will not extend the Response Deadline. If the Exclusion Form is not cured prior to expiration of the cure period, it will be determined that the Class Member did not exclude himself or herself from the Settlement and will be bound by the Settlement.
 - f. The Settlement Administrator shall provide a weekly status report to the Parties. As part of its weekly status report, the Settlement Administrator will inform Class Counsel and Counsel for Defendant of the number of Notice Packets mailed, the number of Notice Packets returned as undeliverable, the number of Notice Packets re-mailed, number of objections received, and the number of Exclusion Forms received.
 - g. No later than fourteen (14) calendar days after the Response Deadline, the Settlement Administrator will serve on the Parties a declaration of due diligence setting forth its compliance with its obligations under this Agreement. The declaration from the Settlement Administrator shall also be filed with the Court by Class Counsel no later than ten (10) calendar days before the Final Approval hearing. Before the Final Approval hearing, the Settlement Administrator will supplement its declaration of due diligence if any material changes occur from the date of the filing of its prior declaration.
 - h. Any Class Member who does not receive a Notice Packet after the steps outlined above have been taken will still be bound by the Settlement and/or Judgment and be considered a Putative Class Member and Eligible Aggrieved Employee (if and as applicable).
3. **Objections to Settlement.** The Notice Packets will provide that the Class Members who wish to object to the Settlement must do so in writing, signed, dated, and mailed to the Settlement Administrator postmarked no later than the Response Deadline. For any Class Member to object to this Settlement, or any term of it, the person making the objection must not submit a request for exclusion (*i.e.*,

must not opt out). The timeframe to submit an objection will not be increased for returned mailings.

- a. Format.** Any Objections must: (a) state the objecting person's full name, address, and telephone number and the name and address of counsel, if any; (b) have the words "Notice of Objection" or "Formal Objection"; (c) describe, in clear and concise terms, the legal and factual arguments supporting the objection; (d) list identifying witness(es) the objector may call to testify at the Final Approval hearing; (e) provide true and correct copies of any exhibit(s) the objector intends to offer at the Final Approval hearing; (f) be signed by the objecting Class Member or his or her attorney; (g) state whether the objecting Class Member (or someone on his or her behalf) intends to appear at the Final Approval Hearing; and (h) identify the name of the case, *Coombs v. Imaging Healthcare Specialists, LLC*
 - b. Appearance at Final Approval and Oral Objection.** Class Members may (though are not required to) appear at the Final Approval Hearing, either in person or through the objector's own counsel, at their own expense and orally object to the Settlement. Any attorney who will represent an individual objecting to this Settlement must file a notice of appearance with the Court and serve Class Counsel and Defense Counsel no later than fifteen (15) calendar days before the Final Approval hearing.
 - c.** If a Class Member objects to the Settlement, the objecting Class Member will remain a member of the Settlement as well as a Participating Class Member and if the Court approves the Settlement, the objecting Class Member will be bound by the terms of the Settlement in the same way and to the same extent as a Participating Class Member who does not object. Any ruling made by the Court on an objection does not impact that Class Member's status as a Putative Class Member in relation to this Settlement.
 - d.** Plaintiff and Defendant will be permitted to respond in writing to such objections no less than seven (7) days before the Final Approval hearing. Plaintiff waives any right to object to the Settlement, and hereby endorses the Settlement as fair, reasonable and adequate and in the best interests of the Settlement Class.
- 4. Request for Exclusion from the Settlement ("Opt-Out").** The Notice Packet will provide that Class Members who wish to exclude

themselves from the Settlement must mail to the Settlement Administrator an Exclusion Form. The written request for exclusion must: (a) include the Class Member's name, address, and last four digits of the social security number; (b) be addressed to the Settlement Administrator; (c) be signed by the Class Member or his or her lawful representative; (d) be postmarked no later than the Response Deadline; and (e) identify the name of the case, *Coombs v. Imaging Healthcare Specialists, LLC*. If a Class Member who timely and validly opts out is also an Eligible Aggrieved Employee, such an individual will still be entitled to the Eligible Aggrieved Employee's portion of the PAGA Payment and remains subject to the PAGA Release of Claims (defined below). Class Members cannot opt out of the release of their PAGA-based claims and/or status as an Eligible Aggrieved Employee (if and as applicable).

- a. **Confirmation of Authenticity.** The date of the initial mailing of the Notice Packet, and the date the signed request to be excluded is postmarked, shall be conclusively determined according to the records of the Settlement Administrator. If there is a question about the authenticity of a signed request for exclusion, the Settlement Administrator may demand additional proof of the Class Member's identity. The Settlement Administrator will also have the authority to make the final decision as to whether a Class Member has timely opted out of the Settlement for Participating Class Member and/or Individual Settlement Share purposes.
- b. **Effect of Opt-Out and Decision to Opt-Out.** Any Class Member who returns a timely, valid, and executed Exclusion Form will not participate in or be bound by the Settlement and Judgment, will not receive an Individual Settlement Share, and will not have any right to object, appeal, or comment thereon. But, if he/she is also an Eligible Aggrieved Employee, his/her Request for Exclusion will have no impact on that status and he/she will receive his/her proportional share of the portion of the PAGA Payment to be paid out to all Eligible Aggrieved Employees as well as be deemed and considered to have released his/her PAGA-based claims as set forth herein. A Class Member who does not complete and mail a timely Exclusion Form will automatically be included in the Settlement, will be considered and deemed to be a Participating Class Member, will receive an Individual Settlement Share, and be bound by all terms and conditions of the Settlement, if the Settlement is approved by the Court, and by the Judgment, regardless of whether he or she has objected to the Settlement and/or

disputed his/her estimated monies to be received pursuant to the Settlement.

- c. **Report.** No later than seven (7) calendar days after the Response Deadline, the Settlement Administrator will provide the Parties with a complete and accurate accounting of the number of Notice Packets mailed to Class Members, the number of Notice Packets returned as undeliverable, the number of Notice Packets re-mailed to Class Members, the number of re-mailed Notice Packets returned as undeliverable, the number of Class Members who objected to the Settlement and copies of their submitted objections, the number of Class Members who returned valid requests for exclusion, and the number of Class Members who returned invalid requests for exclusion.

Defendant's Option to Terminate. Defendant shall retain the right, in the exercise of its sole discretion, to nullify the Settlement if five percent (5%) or more of the Class Members make a valid request to be excluded from the Settlement. If Defendant exercises this option to nullify the Settlement, Defendant shall be responsible for the Settlement Administrator's Administration Costs through that date. Otherwise, the Parties will bear all of their other own costs and fees incurred or spent in relation to this Settlement if Defendant elects to exercise this option.

- 5. **No Solicitation of Objection or Requests for Exclusion.** Neither the Parties nor their respective counsel will solicit or otherwise encourage directly or indirectly any Class Member to object to the Settlement, request exclusion from the Settlement, or appeal from the Judgment.

6. **Motion for Final Approval.**

- a. Upon expiration of the Objection/Exclusion Deadlines, Class Counsel will file unopposed motions and memorandums in support thereof for Final Approval of the Settlement and the following payments in accord with the terms of the Settlement: (1) the Attorney Fee Award; (2) the Cost Award; (3) the Administration Costs; (4) the Class Representative Enhancement Payment; and (5) the PAGA Payment. Class Counsel will also move the Court for an order of Final Approval (and associated entry of Judgment) releasing and barring any Released Claims of the Class Members who do not opt out of the Settlement. Such a Final Approval order will also provide for the PAGA Release of

Claims for all Eligible Aggrieved Employees regardless of whether they opted out from the Settlement/being a Participating Class Member.

- b.** If the Court moves the hearing on the Final Approval of the Settlement, the Administrator shall mail out a postcard alerting Class Members of the new hearing date.
 - c.** If the Court does not grant Final Approval of the Settlement, or if the Court's Final Approval of the Settlement is reversed or materially modified on appellate review, then this Settlement will become null and void. If that occurs, the Parties will have no further obligations under the Settlement, including any obligation by Defendant to pay the Gross Settlement Amount or any amounts that otherwise would have been owed under this Agreement. Further, should this occur, the Parties agree Plaintiff shall be responsible for the Settlement Administrator's Administration Costs through that date. An award by the Court of a lesser amount than sought by Plaintiff and Class Counsel for the Class Representative Enhancement Payment, the Attorney Fee Award, and/or the Cost Award, will not constitute a material modification to the Settlement within the meaning of this paragraph.
 - d.** Upon Final Approval of the Settlement, the Parties shall present to the Court a proposed Final Approval Order, approving the Settlement and entering Judgment in accordance therewith. After entry of Judgment, the Court shall have continuing jurisdiction over the Class Action for purposes of: (1) enforcing this Settlement Agreement; (2) addressing settlement administration matters; and (3) addressing such post-Judgment matters as may be appropriate under Court rules and applicable law.
- 7. Waiver of Right to Appeal.** Provided that the Judgment is consistent with the terms and conditions of this Agreement, if Class Members do not timely object to the Settlement, then the Parties and their respective counsel waive any and all rights to appeal from the Judgment, including, but not limited to, all rights to any post-judgment proceeding and appellate proceeding, such as a motion to vacate or set aside judgment, and any extraordinary writ, and the Judgment will become non-appealable at the time it is entered. The waiver of appeal does not include any waiver of the right to oppose any appeal, appellate proceeding, or post-judgment proceeding. The Parties shall cooperate in opposing any appeal, appellate proceeding, or post-judgment proceeding if an appeal occurs.

8. **Vacating, Reversing, or Modifying Judgment on Appeal.** If, after a notice of appeal, the reviewing court vacates, reverses, or modifies the Judgment such that there is a material modification to the Settlement, and that court's decision is not completely reversed and the Judgment is not fully affirmed on review by a higher court, then this Settlement will become null and void and the Parties will have no further obligations under it. A material modification would include, but not necessarily be limited to, any alteration of the Gross Settlement Amount, an alteration in the calculation of the Net Settlement Amount, and any change to the calculation of the Individual Settlement Share. Further, should this occur, the Parties agree Plaintiff shall be responsible for the Settlement Administrator's Administration Costs through that date.
9. **Disbursement of Settlement Shares and Payments.** Subject to the Court finally approving the Settlement, the Settlement Administrator shall distribute funds pursuant to the terms of this Agreement and the Superior Court's Final Approval Order and Judgment. The maximum amount Defendant can be required to pay under this Settlement for any purpose is the Gross Settlement Amount. The Settlement Administrator shall keep Counsel for Defendant and Class Counsel apprised of all distributions from the Gross Settlement Amount. The Settlement Administrator shall respond to questions from Counsel for Defendant and Class Counsel. No person shall have any claim against Defendant, Counsel for Defendant, Plaintiff, Class Counsel, or the Settlement Administrator based on the distributions and payments made in accordance with this Agreement.
 - a. **Funding the Settlement:** In the event that there are no objections to the Settlement, no later than fourteen (14) calendar days after both the entry of the order granting final approval of the Settlement and the Judgment in the case, Defendant shall deposit the Gross Settlement Amount of One Million Three Hundred Fifty Thousand Dollars and Zero Cents (\$1,350,000.00) needed to pay the entire GSA by wiring the funds to the Settlement Administrator. If there are objections to the Settlement, then no later than fourteen (14) calendar days after either: (i) the expiration of the appellate period without an appeal; or (ii) a decision affirming the Settlement without material modification that has been remitted back to the trial court, Defendant shall deposit the Gross Settlement Amount by wiring the funds to the Settlement Administrator. Defendant shall also at this time provide any tax information that the Settlement Administrator may need to calculate each Participating Class Member's Individual Settlement Share and/or Defendant's

share of employer-side payroll taxes. Any such tax payments will be made out of the GSA and by the Settlement Administrator.

- b. **Disbursement**: Within fourteen (14) calendar days after the funding of the Settlement, the Settlement Administrator shall calculate and pay all payments due under the Settlement Agreement, including all Individual Settlement Shares, the Attorney Fee Award, the Cost Award, the Class Representative Enhancement Payment, the portion of the PAGA Payment (25%) to be distributed to all Eligible Aggrieved Employees, and the Administration Costs. The Settlement Administrator will also forward a check for the remaining portion of the PAGA Payment (75%) to the LWDA for settlement of the PAGA claim.
- c. **QSF**: The Parties agree that the QSF is intended to be a “Qualified Settlement Fund” under Treasury Regulations section 1.468B-1, 26 C.F.R. § 1.468B-1 *et seq.*, and will be administered by the Settlement Administrator as such. The Parties shall cooperate in securing an order of the Court to establish the QSF in accordance with the terms hereof in conjunction with the Final Approval of the Settlement. The Court will retain jurisdiction over the administration of the QSF. The Parties and Settlement Administrator shall treat the QSF as coming into existence as a Qualified Settlement Fund on the earliest date permitted as set forth in Treasury Regulation Section 1.468B-1, and such election statement shall be attached to the appropriate returns as required by law. Any taxes due as a result of income earned by the QSF will be paid by the QSF.

- 10. **Uncashed Checks**. Participating Class Members and Eligible Aggrieved Employees must cash or deposit their Individual Settlement Share checks or their checks for the PAGA Payment to Eligible Aggrieved Employees within one hundred eighty (180) calendar days after the checks are mailed by the Settlement Administrator to them. If any checks are not redeemed or deposited within ninety (90) calendar days after mailing, the Settlement Administrator will send a reminder postcard indicating that unless the check is redeemed or deposited in the next ninety (90) calendar days, it will expire and become non-negotiable, and offer to replace the check if it was lost or misplaced. If any checks remain uncashed or not deposited by the expiration of the 90-day period after mailing the reminder notice, the Settlement Administrator will, within two hundred (200) calendar days after the checks are mailed, cancel the checks, and pay the amount of the Individual Settlement Share to

the California Controller's Unclaimed Property Fund in the name of the Participating Class Member and Eligible Aggrieved Employee. The Parties agree that this disposition results in no "unpaid residue" within the meaning of California Code of Civil Procedure Section 384, as the entire Net Settlement Amount will be paid to Participating Class Members and Eligible Aggrieved Employees whether or not they cash their checks. Also, the Parties agree that cashing of settlement checks is not required for this Settlement and all releases and waivers set forth herein to apply to, attach to, and/or bind Participating Class Members and/or Eligible Aggrieved Employees. Participating Class Members and/or Eligible Aggrieved Employees cannot opt out or avoid being bound by this Settlement via refusal to cash or return of any settlement checks issued in relation to the Settlement.

- 11. Final Report by Settlement Administrator.** Within ten (10) calendar days after the disbursement of all funds, the Settlement Administrator will serve on the Parties a declaration providing a final report on the disbursements of all funds.
 - 12. Defendant's Legal Fees.** Defendant is responsible for paying for all of Defendant's own legal fees, costs, and expenses incurred in this Class Action outside of the Gross Settlement Amount.
- L. Release of Claims.** Upon Defendant's fulfillment of its payment obligations under Section III (J)(9)(a) of this Agreement, Class Members, who do not submit a timely and valid request for exclusion, hereby waive, release, promise never to assert in any forum, remise and forever discharge the Released Parties from the Released Claims during the Class Period.
- M. Effect of PAGA Settlement.** Upon Defendant's fulfillment of its payment obligations under Section III (J)(9)(a) of this Agreement, the LWDA and any other representative, proxy, or agent thereof, including, but not limited to, Plaintiff and any and all Eligible Aggrieved Employees during the PAGA Timeframe, will be barred from and will be deemed and considered to have released and waived the ability to seek and/or pursue any action for civil penalties under the California Labor Code Private Attorneys General Act of 2004 ("PAGA"), Labor Code §§ 2698, *et seq.*, against Defendant and/or the Released Parties based on or arising out of alleged violations of Labor Code sections and/or wage and hour laws alleged in Plaintiff's letter to the LWDA and the Complaints ("PAGA Release of Claims").
- N. Plaintiff's Release of Claims and General Release.** Upon Defendant's fulfillment of its payment obligations under Section III (J)(9)(a) of this Agreement, and in exchange for the Class Representative Enhancement Payment to the Plaintiff in an amount not to exceed Ten Thousand Dollars (\$10,000), in recognition of his work and efforts in obtaining the benefits

for the Class, and undertaking the risk for the payment of costs in the event this matter had not successfully resolved, Plaintiff hereby provides a general release of claims for himself and his respective spouse, heirs, successors and assigns, and forever release, remise, and discharge Defendant and the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, penalties and expenses of any nature and description whatsoever, known or unknown, suspected or unsuspected, asserted or that might have been asserted, whether in tort, contract, equity, or otherwise, arising out of or relating to Plaintiff's asserted employment and/or joint employment with Defendant or a Released Party, payment of wages during that employment and the cessation of that employment and/or violation of any federal, state or local statute, rule, ordinance, regulation and/or law. With respect to the General Release, Plaintiff stipulates and agrees that, as of the Effective Final Settlement Date, Plaintiff shall be deemed to have, expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or state law, which provides:

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

- O. Termination of Settlement.** In the event that the Settlement Agreement is terminated, cancelled, declared void or fails to become effective in accordance with its terms, or to the extent termination, cancellation, or voiding of the Settlement Agreement is otherwise provided, no payments shall be made or distributed to anyone in accordance with the terms of this Settlement Agreement. The Parties will bear their own costs and fees with regard to the efforts to obtain Court approval, and this Settlement Agreement shall be deemed null and void with no effect on the litigation whatsoever. Unless otherwise specified in this Agreement, the Parties will be equally responsible to the Settlement Administrator for the costs of such Administration Costs actually incurred. In such event, the terms and provisions of the Settlement Agreement shall have no further force and effect with respect to the Parties and shall not be used in this litigation or any other proceeding for any purpose, and any judgment or order entered by the Court in accordance with the terms of the Settlement Agreement shall be treated as vacated, *nunc pro tunc*. In the event of a termination of settlement, each party should bear its own costs and attorneys' fees and the Parties will return to their respective positions that they each held on the day immediately prior to the Memorandum of Understanding being signed by all parties.

P. Miscellaneous Terms.

- 1. No Admission of Liability.** Defendant makes no admission of liability or wrongdoing by virtue of entering into this Agreement. Additionally, Defendant reserves the right to contest any issues relating to class certification, PAGA manageability and standing, statute of limitations/applicability of relation back doctrine, and liability if the Settlement is not approved. Defendant denies that it has engaged in any unlawful activity, has failed to comply with the law in any respect, has any liability to anyone under the claims asserted in the Case, or that, but for the Settlement, a Class should be certified in the Case. This Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendant of liability or wrongdoing. This Settlement and Plaintiff's and Defendant's willingness to settle the Case will have no bearing on, and will not be admissible in connection with, any litigation (other than solely in connection with this Settlement).
- 2. No Effect on Employee Benefits.** The amounts paid under this Agreement do not represent a modification of any previously credited hours of service under any employee benefit plan, policy or bonus program sponsored by Defendant. Such amounts will not form the basis for additional contributions to, benefits under, or any other monetary entitlement under, benefit plans (self-insured or not) sponsored by Defendant's policies or bonus programs. Any payments made under the terms of this Settlement shall not be applied retroactively, currently or on a going-forward basis as salary, earnings, wages, or any other form of compensation for the purposes of Defendant's benefit plan (including but not limited to any retirement, 401k, pension, or health and welfare benefit plans or programs), policy, or bonus programs. Defendant retains the right to modify the language of its benefit plans, policies and bonus programs to effect this intent and to make clear that any amounts paid pursuant to this Settlement are not for "hours worked," "hours paid," "hours of service," or any similar measuring term as defined by applicable plans, policies and bonus programs for purpose of eligibility, vesting, benefit accrual or any other purpose, and that additional contributions or benefits are not required by this Settlement.
- 3. Publicity.** Class Counsel and Plaintiff agree to discuss the terms of this Settlement only in declarations submitted to a court to establish Class Counsel's adequacy to serve as Class Counsel, in declarations submitted to a court in support of motions for preliminary approval, Final Approval, for attorneys' fees/costs, and any other pleading filed with the Court in conjunction with the Settlement, and in

discussions with Class Members in the context of administering this Settlement until the Preliminary Approval Order is issued. Class Counsel and Plaintiff agree that they shall not publish any press releases or press statements regarding the Settlement, identify Defendant or Counsel for Defendant by name in any media including Class Counsel's website, or have any communications with the press or media about the Case or the Settlement. Plaintiff, in response to inquiries, will state that "the Case was resolved." This provision will not impede Class Counsel's ability to discharge fiduciary duties, including effectuating the terms of this settlement. The Parties acknowledge and agree that non-public information about the business practices and business records of Defendant disclosed solely during the scope of privileged mediation proceedings and settlement negotiations ("Confidential Information") will not be disclosed to any third parties and will be returned to Defendant, with no copies retained after the Court issues Final approval of the Settlement. The Parties further acknowledge and agree that such Confidential Information has not and will not be used for any purpose other than for evaluating claims for purposes of entering into this Settlement Agreement. The Parties, Class Counsel and Counsel for Defendant further agree that none of them will post commentary about this Settlement or the terms of it on any social media website, or through any online or print media outlet, or in any article or blog.

4. **Integrated Agreement.** After this Agreement is signed and delivered by all Parties and their counsel, this Agreement and its exhibits will constitute the entire Agreement between the Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties, covenants, or inducements have been made to any party concerning this Agreement or its exhibits, other than the representations, warranties, covenants, and inducements expressly stated in this Agreement and its exhibits. Except as expressly provided herein, this Agreement has not been executed in reliance upon any other written or oral representations or terms, and no such extrinsic oral or written representations or terms shall modify, vary, or contradict its terms. In entering into this Agreement, the Parties agree that this Agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence. Nothing in this Agreement in any way limits or negates the enforceability and effect of the underlying arbitration agreements signed by employees of Defendant and/or Class Members, obligating them to arbitrate any and all claims on an individual (and not on a class, collective, or representative) basis. Defendant may still seek to enforce such arbitration agreements if and as necessary outside of this Settlement, and Defendant entering into this Settlement has no effect on its ability to do so nor does it

constitute a waiver of enforcement of such agreements, in whole or part, as to any Class Member, regardless of his/her status as a Participating Class Member. Indeed, Defendant raised existence of valid and binding arbitration agreements as a defense in this matter, meaning Defendant has taken all steps necessary and appropriate in upholding and effectuating those agreements.

5. **Authorization to Enter into Settlement Agreement.** Class Counsel and Counsel for Defendant warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties under this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement this Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the Parties will seek the assistance of the Court, and in all cases, all such documents, supplemental provisions, and assistance of the Court will be consistent with this Agreement.
6. **Exhibits and Headings.** The terms of this Agreement include the terms set forth in the attached exhibits, which are incorporated by this reference as though fully set forth herein. Any exhibits to this Agreement are an integral part of the Settlement and must be approved substantially as written. The descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience of reference only and do not constitute a part of this Agreement.
7. **Deadlines Falling on Weekends or Holidays.** To the extent that any deadline set forth in this Settlement Agreement falls on a Saturday, Sunday, or legal holiday, that deadline shall be continued until the following business day.
8. **Interim Stay of Proceedings.** The Parties agree to stay and hold all proceedings in the Case in abeyance, except such proceedings necessary to implement and complete the Settlement, pending the Final Approval hearing to be conducted by the Court.
9. **Amendment or Modification of Agreement.** This Agreement, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by counsel for all Parties or their successors-in-interest.

10. **Agreement Binding on Successors and Assigns.** This Agreement will be binding upon, and inure to the benefit of, the successors and assigns of the Parties, as previously defined.
11. **No Prior Assignment.** Plaintiff hereby represents, covenants, and warrants that he has not directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or rights herein released and discharged.
12. **Applicable Law.** All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the laws of California, without giving effect to any conflict of law principles or choice of law principles.
13. **Fair, Adequate, and Reasonable Settlement.** The Parties and their respective counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Class Action and have arrived at this Agreement through arms-length negotiations, taking into account all relevant factors, current and potential.
14. **No Tax or Legal Advice.** The Parties understand and agree that the Parties are neither providing tax or legal advice, nor making representations regarding tax obligations or consequences, if any, related to this Agreement, and that Class Members will assume any such tax obligations or consequences that may arise from this Agreement, and that Class Members shall not seek any indemnification from the Parties or any of the Released Parties in this regard. The Parties agree that, in the event that any taxing body determines that additional taxes are due from any Class Member, such Class Member assumes all responsibility for the payment of such taxes. Other than the employer's share of payroll taxes as described in this Agreement, which shall be paid out of the GSA, the Parties further agree that Defendant shall have no legal obligation to pay, in relation to the Participating Class Members, any taxes deficiencies, levies, assessments, fines, penalties, interests or costs, which may be required to be paid with respect to settlement payments.

Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR

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

15. **Jurisdiction of the Superior Court.** Pursuant to Code of Civil Procedure section 664.6, the Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Agreement and all orders and judgment entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Superior Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Agreement and all orders and judgments in connection therewith.
16. **Invalidity of Any Provision; Severability.** Before declaring any provision of this Agreement invalid, the Parties request that the Court first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents, so as to define all provisions of this Agreement valid and enforceable. In the event any provision of this Agreement shall be found unenforceable, the unenforceable provision shall be deemed deleted, and the validity and enforceability of the remaining provisions shall not be affected thereby.

17. **Cooperation in Drafting.** The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
18. **Notice to LWDA.** Class Counsel shall be responsible for timely submitting any copies of filings, judgments and/or orders that are required to be submitted to the LWDA. If the LWDA challenges the Settlement, in whole or part, Plaintiff will make all good faith efforts to address the challenge and/or oppose it and/or secure LWDA approval of the Settlement.
19. **Execution in Counterpart.** This Agreement may be executed in one or more counterparts. All executed counterparts, and each of them, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange between themselves original signed counterparts. Facsimile or PDF signatures will be accepted. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
20. **Escalation Clause.** During settlement discussions, Defendant represented that the total number of workweeks for Defendant's non-exempt employees during the period of June 6, 2016 to February 21, 2022 was approximately 92,697. If the number of workweeks for the Class Members for the period of June 6, 2016 through May 4, 2022 increases by more than 10 percent (or, more specifically, the total number of workweeks of the Class Members ends up being more than 101,966), then the Gross Settlement Amount shall be increased on a pro-rata basis for any workweeks beyond 101,966. Thus, even if the 101,966 workweek count is surpassed, Defendant shall not have to contribute to the Gross Settlement Amount for any workweeks added to the 92,697 workweeks estimate up to and including the 101,966th workweek. Instead, Defendant will only have to add monies to the Gross Settlement Amount for the 101,967th workweek and any workweeks above that.

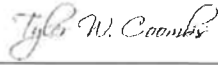
EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel execute this Agreement.

[signatures on following page]

Dated: 8/16/22, 2022

TYLER COOMBS



Plaintiff

Dated: 08/26/22, 2022

**IMAGING HEALTHCARE SPECIALISTS,
LLC**



Daniel Loch (Aug 26, 2022 13:07 PDT)

Defendant

Name: Daniel Loch

Title: CEO

Dated: 8/18/, 2022

JUSTICE LAW CORPORATION

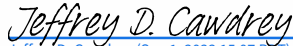


Douglas Han, Esq.

Attorneys for Plaintiff Tyler Coombs, on behalf of
himself and all others similarly situated

Dated: 09/01/22, 2022

**GORDON REES SCULLY MANSUKHANI,
LLP**



Jeffrey D. Cawdrey (Sep 1, 2022 15:07 PDT)

Jeffery Cawdrey, Esq.

Justin Michitsch, Esq.

Attorneys for Defendant Imaging Healthcare
Specialists, LLC

EXHIBIT A

NOTICE OF CLASS ACTION and PAGA SETTLEMENT

A court authorized this notice. This is not a solicitation.

This is not a lawsuit against you, and you are not being sued.

However, your legal rights are affected by whether you act or don't act.

TO: All individuals who have previously been or currently are employed by Imaging Healthcare Specialists, LLC, as an hourly paid and/or non-exempt employee within the State of California at any time from June 6, 2016 to May 4, 2022.

The California Superior Court, County of San Diego has granted preliminary approval to a proposed settlement ("Settlement") of the above-captioned class and Private Attorneys General Act ("PAGA") actions (the "Action"). Because your rights may be affected by this Settlement, it is important that you read this Notice of Class Action and PAGA Settlement ("Notice") carefully.

The Court has certified the following class for settlement purposes ("Class" or "Class Members"):

All individuals who have previously been or currently are employed by Imaging Healthcare Specialists, LLC, as an hourly paid and/or non-exempt employee within the State of California at any time from June 6, 2016 to May 4, 2022.

The purpose of this Notice is to provide a brief description of the claims alleged in the Action, the key terms of the Settlement, and your rights and options with respect to the Settlement.

YOU MAY BE ENTITLED TO MONEY UNDER THE PROPOSED SETTLEMENT. PLEASE READ THIS NOTICE CAREFULLY; IT INFORMS YOU ABOUT YOUR LEGAL RIGHTS.

WHAT INFORMATION IS IN THIS NOTICE

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1. *Why Have I Received This Notice?*

The records of Imaging Healthcare Specialists, LLC (“Defendant” or “IHS”) indicate that you may be a Class Member. The Settlement will resolve all Class Members’ Released Claims, as described below, from the time period from June 6, 2016 to May 4, 2022 (the “Class Period”) as well as PAGA claims of certain Class Members (discussed further below).

A Preliminary Approval Hearing was held on [the date of Preliminary Approval], in the Superior Court of California, County of San Diego. The Court conditionally certified the Class for settlement purposes only and directed that you receive this Notice.

The Court has only determined that there is sufficient evidence to suggest that the proposed settlement might be fair, adequate, and reasonable, and that any final determination of those issues will be made at the Final Approval Hearing.

The Court will hold a Final Approval Hearing concerning the proposed settlement on [the date of final approval hearing], at [time a.m./p.m.], before Hon. Richard S. Whitney, located at 330 W. Broadway San Diego, California 92101, Department C-68.

2. *What Is This Case About?*

Tyler Coombs filed a class action lawsuit against Defendant in the Superior Court of California, County of San Diego, on December 1, 2020, Case Number 37-2020-00043781-CU-OE-CTL. The operative complaint alleges violations of: (1) Labor Code sections 510 and 1198 (unpaid overtime); (2) Labor Code sections 226.7 and 512(a) (unpaid meal period premiums); (3) Labor Code section 226.7 (unpaid rest period premiums); (4) Labor Code sections 1194, 1197.1, and 1197 (unpaid minimum wages); (5) Labor Code sections 201, 202, and 203 (final wages not timely paid); (6) Labor Code section 226(a) non-compliant wage statements; (7) Labor Code section 2800 and 2802 (unreimbursed business expenses); (8) Labor Code section 246 (paid sick leave); (9) Labor Code sections 551/552 (day of rest); (10) Labor Code section 204 (timely payment of wages); (11) Labor Code section 2698, *et seq.* (Private Attorneys General Act of 2004); and (12) Business & Professions Code section 17200, *et seq.*

Plaintiff and Defendant attended mediation on the matter on October 7, 2021. Under the auspices of the mediator Marc Feder, the Parties were able to reach a settlement of the Action.

The Court has not made any determination as to whether the claims advanced by Plaintiff have any merit or can proceed in a class or representative manner. In other words, the Court has not determined whether any laws have been violated, nor has it decided in favor of Plaintiff or Defendant; instead, both sides agreed to resolve the lawsuit with no decision or admission of who is right or wrong. By agreeing to resolve the lawsuit, all Parties avoid the risks and cost of a trial.

Moreover, IHS expressly denies wrongdoing or that it violated the law and further denies any liability to Plaintiff or the Class. However, IHS understands the costs involved with litigation as well as the significant disruptions it

can cause to a company's operations. As such, to ensure IHS can continue to provide its patients with a high level of care without interference or distraction, IHS has agreed to resolve the Action in full at this time.

3. Am I A Class Member?

You are a Class Member if you currently work or formerly worked at Imaging Healthcare Specialists as an hourly paid and/or non-exempt employee in California at any time from June 6, 2016 to May 4, 2022

4. How Does This Class Action Settlement Work?

In this Action, Plaintiff sued on behalf of himself and all other similarly situated employees who worked at IHS as hourly paid and/or non-exempt employees in California at any time during the Class Period. Plaintiff and these other current and former employees comprise a "Class" and are "Class Members." The settlement of this Action resolves the Released Claims of all Class Members, except for those who exclude themselves from the Class by requesting to be excluded in the manner set forth in Section No. 7 below. This settlement also resolves claims brought under PAGA as they pertain to the Eligible Aggrieved Employees (defined below).

Plaintiff and Class Counsel believe the Settlement is fair and reasonable. The Court must also review the terms of the Settlement and determine if it is fair and reasonable to the Class. The Court file has the Settlement documents, which explain the Settlement in greater detail. If you would like copies of the Settlement documents, you can contact Class Counsel, whose contact information is below, and they will provide you with a copy free of charge.

5. Who Are the Attorneys Representing the Parties?

Attorneys for Plaintiff and the Class	Attorneys for Defendant
JUSTICE LAW CORPORATION Douglas Han Shunt Tatavos-Gharajeh John M. Bickford Phillip Song 751 N. Fair Oaks Avenue, Suite 101 Pasadena, California 91103 Telephone: (818) 230-7502	GORDON REES SCULLY MANSUKHANI, LLP Jeffery Cawdrey Justin Michitsch 101 W. Broadway, Suite 2200 San Diego, California 92101 Telephone: (619) 230-7438 Facsimile: (619) 696-7124

The Court has decided that Justice Law Corporation is qualified to represent you and all other Class Members simultaneously in the settlement of this Action.

Class Counsel is working on your behalf. If you want your own attorney, you may hire one at your own cost.

6. What Are My Options?

The purpose of this Notice is to inform you of the proposed Settlement and your options. Each option has its consequences, which you should understand before making your decision. Your rights regarding each option, and any steps you must take to select each option, are summarized below and explained in more detail in this Notice.

Important Note: Defendant's anti-retaliation policy applies to this Settlement. As such, you will not be retaliated against for either participating or not participating in this Settlement.

- **DO NOTHING:** If you do nothing and the Court grants final approval of the Settlement, you will become part of this lawsuit and will receive an Individual Settlement Share based on the total number of workweeks you worked as an hourly paid and/or non-exempt employee in California during the Class Period. You will release all the Released Claims, as defined in Section No. 9 below, and you will give up your right to pursue the Released Claims, as defined in Section No. 9 below. Those who do nothing and do not opt out are referred to herein as "Participating Class Members." If you are also an Eligible Aggrieved Employee, you will receive a payment for your portion of the PAGA Payment based on the total number of pay periods you were employed during the PAGA Timeframe, and you will be bound by the PAGA Release of Claims, as defined in Section No. 9 below.

So, to receive the full amount of money the Settlement Administrator you may be entitled to as a result of the proposed Settlement, simply do nothing.

- **OPT OUT/EXCLUDE FROM THE SETTLEMENT:**

If you do not want to participate as a Class Member, you may "opt out," which will remove you from the Class and the settlement of the class action brought by Plaintiff. If the Court grants final approval of the Settlement, you will not receive an Individual Settlement Share and will not release or waive the Released Claims as defined in Section No. 9 below. However, if you are also an Eligible Aggrieved Employee, and you timely and validly opt out of the Settlement, you will still receive your portion of the PAGA Payment and will be subject to the PAGA Release of Claims, defined in Section No. 9 below. Opting out of the class action does not remove an Eligible Aggrieved Employee from the PAGA settlement and/or PAGA Release of Claims.

- **OBJECT:** You may mail a legal objection to the proposed Settlement. If you would like to object, you may not opt out of this Settlement. Regardless of how the Court rules on your objection, you will still be considered a Participating Class Member and Eligible Aggrieved Employee if you fall within the definition of same.

The procedures for opting out and objecting are set forth below in the sections entitled "How Do I Opt Out or Exclude Myself From This Settlement" and "How Do I Object To The Settlement?"

Regardless of which option you choose, you must keep the Settlement Administrator advised of any change of address.

7. I Have a Signed Arbitration Agreement with IHS. Can I Still Participate in This Settlement?

Yes, any Class Member who has a signed arbitration agreement in relation to their employment with IHS may participate in this Settlement in full. Having a signed arbitration agreement does not bar or preclude a person from being able to be a Participating Class Member. The Settlement also has no impact on the enforcement of any arbitration agreement an employee may have with IHS outside of this Settlement.

7. How Do I Opt Out Or Exclude Myself From This Settlement?

If you do not wish to participate in the Settlement, you may be excluded from the Settlement (*i.e.*, “opt out”) by sending a timely opt out form. A form (“ELECTION TO NOT PARTICIPATE IN (‘OPT OUT’ FORM) CLASS ACTION SETTLEMENT”) (“Exclusion Form”) has been provided to you along with this Notice, which can be used for this purpose; alternatively, you can submit your own written document that includes this same information. If you opt out of the Settlement, you will not be releasing the Released Claims, set forth in Section No. 9. The Exclusion Form must be signed, dated, and mailed by First Class U.S. Mail, **postmarked no later than _____, 2022** to: **SIMPLURIS, INC. C/O Imaging Healthcare Specialists Settlement, [INSERT ADDRESS]**. You cannot exclude yourself by phone.

If you received a re-mailed Notice Packet, whether by skip-trace or forwarded mail, your Response Deadline to postmark an Exclusion Form will be extended by ten (10) calendar days from the original Response Deadline. The envelope should indicate whether the Notice Packet has been forwarded or re-mailed. We encourage you to keep copies of all documents, including the envelope, in the event the deadline is challenged.

The Court will exclude any Class Member from the Settlement as to the class action lawsuit who submits a complete and timely Exclusion Form as described in the paragraph above. The Exclusion Form must: (a) include the Class Member’s name, address, and last four digits of the social security number; (b) be addressed to the Settlement Administrator; (c) be signed by the Class Member or his or her lawful representative; (d) be postmarked no later than the Response Deadline; and (e) identify the name of the case, *Coombs v. Imaging Healthcare Specialists, LLC*. Exclusion Forms that do not include all required information and/or that are not timely submitted will be deemed null, void, and ineffective. Any Class Member who does not submit a valid and timely Exclusion Form on or before the above-specified deadline shall be bound by all terms of the Settlement, release, and any Judgment entered in the Action if the Settlement receives final approval from the Court.

You are responsible for ensuring that the Settlement Administrator receives any request for exclusion you submit.

If you are a Class Member who is also an Eligible Aggrieved Employee, and you timely and validly exclude yourself from the Settlement in the manner described above, you will still be considered an Eligible Aggrieved Employee, receive your portion of the PAGA Payment, and be remain subject to the PAGA Release of Claims, defined in Section No. 10 below.

8. How Do I Object To The Settlement?

If you are a Class Member who does not opt out of the Settlement, you may object to the Settlement, personally or through an attorney, by mailing it to the Settlement Administrator by First Class U.S. Mail, **postmarked no later than _____, 2022** to: **SIMPLURIS, INC., C/O Imaging Healthcare Specialists, LLC, Settlement [INSERT ADDRESS]**. Objections must: (a) state the objecting person’s full name, address, and telephone number and the name and address of counsel, if any; (b) have the words “Notice of Objection” or “Formal Objection;” (c) describe, in clear and concise terms, the legal and factual arguments supporting the objection; (d) list identifying witness(es) the objector may call to testify at the Final Approval hearing; (e) provide true and

correct copies of any exhibit(s) the objector intends to offer at the Final Approval Hearing; (f) be signed by the objecting Class Member or his or her attorney; (g) state whether the objecting Class Member (or someone on his or her behalf) intends to appear at the Final Approval Hearing; and (h) identify the name of the case, *Coombs v. Imaging Healthcare Specialists, LLC*.

Class Members may appear at the Final Approval Hearing, either in person or through the objector's own counsel and orally object to the Settlement. Class Members' timely and valid objections to the Settlement will still be considered even if the objector does not appear at the Final Approval Hearing. Any attorney who will represent an individual objecting to this Settlement must file a notice of appearance with the Court and serve Class Counsel and Defense Counsel no later than fifteen (15) calendar days before the Final Approval hearing.

Class Members who do not object in the manner specified above shall be deemed to have waived any objections and shall be foreclosed from making any objections (whether by appeal or otherwise) to the Settlement.

Again, to be valid and effective, any objections must be mailed to the Settlement Administrator postmarked on or before **[the Response Deadline]**. However, if you received a re-mailed Notice Packet, whether by skip-trace or forwarded mail, your Response Deadline to postmark an objection to the Settlement will be extended by ten (10) calendar days from the original Response Deadline. The envelope should indicate whether the Notice Packet has been forwarded or re-mailed. We encourage you to keep copies of all documents, including the envelope, in the event the deadline is challenged.

Regardless of the Court's ruling on a Class Member's objection, an objecting Class Member will still receive an Individual Settlement Share and be bound by the terms of the Settlement.

9. How Does This Settlement Affect My Rights? What are the Released Claims?

If the proposed Settlement is approved by the Court, a Final Judgment will be entered by the Court. All Class Members who do not opt out of the Settlement will be bound by the Court's Final Judgment and will fully release and discharge IHS, its past or present companies, subsidiaries, divisions, affiliated companies, and each of its members, officers, partners, joint ventures, consultants, directors, employees, agents, operators, attorneys, insurers, and any individual or entity that could be held jointly liable with IHS and/or considered or found liable, to any extent, for IHS' alleged liability in this lawsuit ("Released Parties").

A. Released Claims.

Upon Defendant's fulfillment of its payment obligations under the Settlement Agreement (the "Effective Final Settlement Date"), the claims that Plaintiff and the other Participating Class Members are releasing in exchange for the consideration provided for by this Agreement are all claims alleged or that could have been alleged based on the factual allegations in Plaintiff's December 1, 2020 complaint and First Amended Complaint, including but not limited to any and all claims for unpaid wages of any type, unpaid overtime, unpaid doubletime, unpaid minimum wages, untimely wage payments both during and at the end of employment, including but not limited to claims for waiting penalties as to same, failure to pay paid sick leave at appropriate rate, non-compliant meal periods, non-compliant rest periods, non-compliant wage statements, unreimbursed business expenses, failure to maintain payroll records, failure to pay meal period and/or rest break premiums, including but not limited to at the appropriate rate, working seven consecutive days in violation of California law/seventh day of rest violations, and claims for interest, penalties (including but not limited to waiting time penalties), or premiums in connection with any of the above, as well as any claims under California Labor Code and California Wage Orders, or

California Business and Professions Code alleged (specifically California Business and Professions Code §§ 17200 – 17208, California Labor Code §§ 201, 202, 203, 204, 226, 226.3, 226.7, 246, 510, 512, 551/552, 558, 1174, 1194, 1197, 1197.1, 1198, 1199, 2698 *et seq.*, 2800, and 2802), and any claims brought or pursued under the PAGA (for civil penalties or otherwise) that are predicated upon any of the aforementioned alleged violations.

B. PAGA Release of Claims.

Upon Defendant’s fulfillment of its payment obligations under the Settlement Agreement (the “Effective Final Settlement Date”), the LWDA and any other representative, proxy, or agent thereof, including, but not limited to, Plaintiff and any and all Eligible Aggrieved Employees during the PAGA Timeframe, will be barred from and will be deemed and considered to have released and waived the ability to seek and/or pursue any action for civil penalties under the California Labor Code Private Attorneys General Act of 2004, Labor Code §§ 2698, *et seq.*, against Defendant and/or the Released Parties based on or arising out of alleged violations of Labor Code sections and/or wage and hour laws alleged in Plaintiff’s letter to the LWDA, December 1, 2020 Complaint, and the First Amended Complaint (“PAGA Release of Claims”).

10. *How Much Can I Expect to Receive From This Settlement?*

The total maximum amount that Defendant is required to pay under the Agreement shall be up to but no more than \$1,350,000 (“Gross Settlement Amount” or “GSA”).

The “Net Settlement Amount” or “NSA” means the portion of the Gross Settlement Amount available for distribution to Class Members after the deduction of (1) the Class Representative Enhancement Payment to Plaintiff Tyler Coombs in an amount up to \$10,000 for the prosecution of the Action, risks undertaken for the payment of attorneys’ fees and costs, and a general release of all claims; (2) the Administration Costs to the Settlement Administrator in the amount not to exceed \$10,000; (3) the PAGA Payment of \$100,000, seventy-five percent (75%) of which (or \$75,000) shall be paid to the LWDA as required by law, and twenty-five percent (25%) of which (or \$25,000) shall be distributed to Eligible Aggrieved Employees, on a pro rata basis; (4) the Attorney Fee Award to Class Counsel in an amount not to exceed \$472,500 (35% of the Gross Settlement Amount); (5) payment to Class Counsel of Cost Award in an amount not to exceed \$20,000 for litigation costs; and (6) payment of employer-side payroll taxes. All these payments are subject to court approval.

After deducting the above-referenced items, the remaining Net Settlement Amount will be proportionately distributed among all Class Members who have not opted out. The Settlement Administrator will pay an Individual Settlement Share from the Net Settlement Amount to each Participating Class Member. Each Participating Class Member will receive a proportionate share of the Net Settlement Amount that is equal to: (i) the number of weeks he or she worked during the Class Period based on the Class List provided by Defendant, divided by (ii) the total number of weeks worked by any and all Participating Class Members collectively, during the Class Period based on the same Class List, which (iii) is then multiplied by the Net Settlement Amount. One day worked in a given week will be credited as a week for purposes of this calculation. Therefore, the value of each Participating Class Member’s Individual Settlement Share is directly based on the amount of weeks that he or she worked at IHS during the Class Period.

Although your exact share of the Net Settlement Amount cannot be precisely calculated until after the time during which individuals may object or seek exclusion from the Settlement concludes, based upon the calculation above, your approximate share of the Net Settlement Amount (or Individual Settlement Share), is as follows:

\$_____, less taxes. This is based on Defendant’s records which show you worked ____ workweeks during the Class Period.

If you believe the number of eligible workweeks records are incorrect, you must provide documentation and/or an explanation to show contrary information to the Settlement Administrator at [address] on or before [the Response Deadline]. If you do not provide any documents supporting your dispute, the number of workweeks reported in Defendant’s records will be presumed correct, and your challenge will be rejected by the Settlement Administrator. Any evidence submitted will be reviewed and the Class Counsel and Counsel for Defendant will make a final determination.

Twenty percent (20%) of your Individual Settlement Share will be treated as unpaid wages, and eighty percent (80%) of your Individual Settlement Share will be treated as penalties and interest. The wages portion of your Individual Settlement Share will be subject to all tax withholdings customarily made from an employee’s wages and all other authorized and required withholdings and will be reported on an IRS Form W-2. All other amounts paid to you by the Settlement Administrator will be subject to all authorized and required withholdings other than the tax withholdings customarily made from employees’ wages and shall be reported by applicable IRS Forms 1099. The Settlement Administrator will calculate, withhold, and pay to the appropriate taxing authorities the employee’s share of payroll tax and required income tax from the Participating Class Member’s Individual Settlement Share.

Assuming the Court grants final approval of the Settlement, IHS will fund the Settlement pursuant to the Agreement. The Settlement Administrator will then issue checks in accordance with same.

It is strongly recommended that upon receipt of your Individual Settlement Share check, you immediately cash it or cash it before the 180-day void date shown on each check. If any checks remain uncashed or not deposited by the expiration of the 180-day period after mailing, the Settlement Administrator will, within two hundred (200) calendar days after the checks are mailed, cancel the checks, and pay the amounts of the Individual Settlement Shares to the California Controller’s Unclaimed Property Fund in the names of the Participating Class Members.

If you are both a Participating Class Member and an Eligible Aggrieved Employee, you will receive both (a) an Individual Settlement Share, and (b) a payment based on your allocated portion of the PAGA Payment, described in greater detail in Section No. 11 below.

11. What is the PAGA Payment and Am I Eligible for it?

Under the terms of the Settlement, \$100,000 of the Gross Settlement Amount has been set aside as a PAGA Payment. This portion is the total amount of civil penalties collected on behalf of California. \$75,000 will be sent to California as required by law. Eligible Aggrieved Employees will share \$25,000 based on the number of pay periods they worked as explained immediately below.

You are an “aggrieved employee” eligible to a portion of the PAGA Payment under the settlement (or an “Eligible Aggrieved Employee”), if you are an individual who worked at IHS as a non-exempt employee within California from April 15, 2021 to May 4, 2022 (“PAGA Timeframe”).

The Settlement Administrator shall pay each Eligible Aggrieved Employee according to his or her proportional share, which will be based upon the total number of pay periods he or she was employed for by IHS during the PAGA Timeframe. The individual share will be calculated by (i) taking the total number of pay periods an Eligible

Aggrieved Employee was employed for during the PAGA Time Frame, then (ii) dividing that by the total number of pay periods all Eligible Aggrieved Employees were employed for during the PAGA Timeframe (*i.e.*, the sum of all pay periods of employment for each Eligible Aggrieved Employee). That number will then be multiplied by the \$25,000 of the PAGA Payment to be distributed to the Eligible Aggrieved Employees (or 25% of the PAGA Payment) in a pro rata manner.

It is strongly recommended that upon receipt of your check for your portion of the PAGA Payment, you immediately cash it or cash it before the 180-day void date shown on each check. If any checks remain uncashed or not deposited by the expiration of the 180-day period after mailing, the Settlement Administrator will, within two hundred (200) calendar days after the checks are mailed, cancel the checks, and pay the amounts of the checks to the California Controller's Unclaimed Property Fund in the names of the Eligible Aggrieved Employees.

Based on your total number of pay periods, your estimated Individual Settlement Share for the PAGA Payment is \$ _____. One hundred percent (100%) of this payment will be considered penalties. As such, this payment will not be treated as wages, and the Settlement Administrator will issue you an IRS Form 1099 if your payment exceeds \$600. You are responsible for paying any federal, state or local taxes owed as a result of this payment.

You cannot exclude yourself from the PAGA portion of the Settlement if the Court grants final approval.

If you are not an Eligible Aggrieved Employee, this Section does not apply to you.

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

The attorneys for Plaintiff and the Class will be paid from the Gross Settlement Amount. Subject to Court approval, the attorneys for Plaintiff and the Class shall be paid an amount not to exceed thirty-five percent (35%) of the Gross Settlement Amount (or \$472,500) for attorney fees and up to \$20,000 for litigation costs.

IHS has paid all its own attorneys' fees and costs and no amount of the Gross Settlement Amount will revert back to IHS.

Plaintiff will also be paid a Class Representative Enhancement Payment in the amount up to \$10,000, subject to Court approval for his time and effort in prosecuting this case on behalf of the Class.

13. Final Approval Hearing

The Court will hold a Final Fairness Hearing concerning the proposed settlement on [the date of final approval hearing], at [time a.m./p.m.], before the Hon. Richard S. Whitney, located at 330 W. Broadway San Diego, California 92101, Department C-68. You are not required to appear at this hearing. If the Court moves the Final Fairness Hearing, the Settlement Administrator will mail you a postcard alerting you of the new hearing date.

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact the Settlement Administrator at the telephone number listed below, toll free. Please refer to the "Imaging Healthcare Specialists, LLC, class action settlement."

This Notice does not contain all the terms of the proposed Settlement or all the details of these proceedings. For more detailed information, you may refer to the underlying documents and papers on file with the San Diego County Superior Court at 330 W. Broadway San Diego, California 92101, between 8:30 a.m. and 4:30 p.m.

PLEASE DO NOT TELEPHONE THE COURT OR COURT'S CLERK FOR INFORMATION ABOUT THIS SETTLEMENT.

EXHIBIT B

ELECTION TO NOT PARTICIPATE IN ("OPT OUT" FROM) CLASS ACTION SETTLEMENT

Superior Court of the State of California, County of San Diego

Tyler Coombs v. Imaging Healthcare Specialists, LLC

Case No. 37-2020-00043781-CU-OE-CTL

DO NOT SIGN OR SEND THIS DOCUMENT UNLESS YOU WISH TO EXCLUDE YOURSELF FROM THE SETTLEMENT. IF YOU SIGN AND SEND THIS DOCUMENT, THEN YOU WILL NOT BE ENTITLED TO RECEIVE AN INDIVIDUAL SETTLEMENT SHARE.

THIS DOCUMENT MUST BE POSTMARKED NO LATER THAN _____, 2022.

PLEASE MAIL THIS EXCLUSION FORM VIA REGULAR U.S. MAIL TO:

**IMAGING HEALTHCARE SPECIALISTS, LLC, SETTLEMENT ADMINISTRATOR, C/O
PHOENIX CLASS ACTION ADMINISTRATION SOLUTIONS [INSERT ADMINISTRATOR
ADDRESS]**

IT IS MY DECISION TO NOT PARTICIPATE IN THE CLASS ACTION REFERRED TO ABOVE, AND NOT BE INCLUDED IN THE CLASS FOR THAT ACTION. I UNDERSTAND THAT BY EXCLUDING MYSELF, I WILL NOT RECEIVE AN INDIVIDUAL SETTLEMENT SHARE AND ANY CLAIMS I HAVE DURING THE CLASS PERIOD WILL NOT BE RELEASED. However, if I am an Eligible Aggrieved Employee and qualify for a payment from the PAGA Payment, I will be mailed a check for that payment regardless of whether I exclude myself from the class portion of the proposed settlement and will be subject to the PAGA Release of Claims.

I confirm that I have received and reviewed the Notice of Class Action Settlement in this action. I have decided to be excluded from the class, and I have decided **NOT** to participate in the proposed settlement and will **NOT** receive an Individual Settlement Share as a result

Dated: _____

(Signature)

(Last Four Digits of Social Security
Number)

(Type or print name and former name(s))

(Telephone Number)

(Address)

(Address continued)

