

Jonathan Melmed, Bar No. 290218
jm@melmedlaw.com
Megan E. Ross, Bar No. 227776
megan@melmedlaw.com
Hannah Becker, Bar No. 345452
hb@melmedlaw.com
MELMED LAW GROUP P.C.
1801 Century Park East, Suite 850
Los Angeles, CA 90067
Phone: (310) 824-3828
Fax: (310) 862-6851

Attorneys for Plaintiff
TAYLOR AMBROSE

Ryan L. Eddings, Bar No. 256519
reddings@littler.com
Annureet K. Bezwada, Bar No. 297883
abezwada@littler.com
LITTLER MENDELSON, P.C.
5200 N. Palm Avenue, Suite 302
Fresno, California 93704
Telephone: 559.244-7500
Fax No.: 559.244.7525

Attorneys for Defendant
US MED-EQUIP, LLC

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA

TAYLOR AMBROSE, individually, and on
behalf of others similarly situated,

Plaintiff,

v.

US MED-EQUIP, LLC, a Texas Limited
Liability Company; and DOES 1 through 50,
inclusive,

Defendants.

Case No. 1:23-cv-00114-SAB

**PRIVATE ATTORNEY GENERAL ACT
SETTLEMENT AGREEMENT AND
RELEASE OF CLAIMS**

Judge: Stanley A. Boone
Courtroom: 9

Trial Date: None Set
Complaint Filed: April 22, 2020

1 This Private Attorney General Act Settlement Agreement and Release of Claims
2 (“Settlement” or “Agreement”) is entered into by and between Plaintiff Taylor Ambrose
3 (“Plaintiff”), on behalf of herself and the California Labor and Workforce Development Agency
4 (“LWDA”) and as a representative of “Aggrieved Employees” as described herein, and Defendant
5 US Med-Equip, LLC, (“Defendant”) and sets forth the terms upon which Plaintiff and Defendant
6 collectively as “Parties,” have agreed to settle the above-captioned matter. All definitions below
7 apply throughout this Settlement Agreement.

8 **I. DEFINITIONS**

9 1. The “**Action**” means Plaintiff’s PAGA lawsuit alleging wage and hour violations
10 against Defendant captioned *Taylor Ambrose v. US Med-Equip, LLC*, United States District Court,
11 Eastern District of California, Case No. 1:23-CV-00114-SAB, initiated on or around January 26,
12 2023.

13 2. “**Agreement**” or “**Settlement**” shall mean this Private Attorneys General Act
14 Settlement Agreement and Release of Claims.

15 3. “**Aggrieved Employee Settlement Fund**” means twenty-five percent (25%) of the
16 Net Settlement Amount. Individual Settlement Payments will be made to the PAGA Members
17 from the Aggrieved Employee Settlement Fund.

18 4. “**Complaint**” means the operative Complaint filed by Plaintiff in the Action on or
19 around April 13, 2023.

20 5. “**Court**” means the United States District Court for the Eastern District of California
21 and specifically the courtroom or department where such judge or judges assigned to the Action
22 sit.

23 6. “**Defense Counsel**” means Ryan L. Eddings and Annureet K. Bezwada of Littler
24 Mendelson P.C.

25 7. “**Individual Settlement Payment**” means the portion of the Aggrieved Employee
26 Settlement Fund allocated to each PAGA Member. Individual Settlement Payments will be
27 calculated proportionately for each PAGA Member based on the number of the pay periods worked
28 during the PAGA Period in relation to other PAGA Members.

1 8. **“LWDA Letter”** means the written notice submitted by Plaintiff to the California
2 Labor and Workforce Development Agency on January 26, 2023, pursuant to Labor Code § 2699.3.

3 9. **“LWDA Payment”** means seventy-five percent (75%) of the Net Settlement
4 Amount. The LWDA Payment will be issued to the LWDA.

5 10. **“PAGA Counsel”** means Jonathan Melmed, Megan E. Ross, and Hannah Becker of
6 Melmed Law Group P.C.

7 11. **“PAGA Period”** means the period of time beginning on August 1, 2022, through
8 December 16, 2023.

9 12. **“PAGA Member”** or **“PAGA Members”** means all persons who are employed or
10 were employed by Defendant in the State of California as an hourly paid or non-exempt employee
11 at any time during the PAGA Period.

12 13. **“PAGA Member List”** means the list of full names, most recent mailing addresses,
13 Social Security numbers, and dates of employment or number of pay periods, as available, for all
14 PAGA Members, which Defendant will diligently and in good faith compile from Defendant’s
15 records.

16 14. **“PAGA Notice”** means the form of notice that will be sent to each PAGA Member
17 accompanying their Individual Settlement Payments, which shall be substantially in the form
18 attached hereto as **Exhibit A**.

19 15. **“Pay Period Value”** means the quotient of the Aggrieved Employee Settlement
20 Fund divided by the Total PAGA Pay Periods.

21 16. **“Settlement Administrator”** means ILYM Group or other third-party settlement
22 administrator appointed by the Court for the purposes of administering this Settlement.

23 17. **“Settlement Approval”** means the settlement approval order and judgment that will
24 be entered by the Court.

25 18. **“Settlement Fund Account”** means the bank account established by the Settlement
26 Administrator in accordance with the terms of this Settlement Agreement, from which all monies
27 payable under the terms of this Settlement Agreement shall be paid, as set forth herein.
28

1 19. **“Total PAGA Pay Periods”** means the sum of all pay periods worked by all PAGA
2 Members as an hourly paid or non-exempt hourly employee in California during the PAGA Period.

3 20. **“Void Date”** means the 181st day after issuance of Individual Settlement Payment
4 checks to PAGA Members, upon which the Individual Settlement Payment checks will no longer
5 be valid and negotiable.

6 **A. ESSENTIAL MONETARY TERMS**

7 21. **“Gross Settlement Amount”** (“GSA”) means the amount of Fifty-Seven Thousand
8 and Five Hundred Dollars and Zero Cents (**\$57,500.00**) that Defendant will pay if the Court
9 approves this Long-Form Settlement Agreement and the Effective Date occurs. The GSA will fund:
10 (a) the Aggrieved Employee Settlement Fund; (b) the LWDA Payment; (c) the award of Attorney’s
11 Fees to PAGA Counsel; (d) the award of Attorney’s Costs to PAGA Counsel; (e) the Representative
12 Enhancement Award to Plaintiff; and (f) the Settlement Administration Costs.

13 22. **“Attorneys’ Fees”** means such attorneys’ fees as the Court may award to PAGA
14 Counsel for the services they have rendered and will render to the PAGA Members in the Action,
15 and which shall not exceed Thirty Percent (30%) of the GSA, or **\$17,250.00**. This amount will
16 cover any and all work performed and any and all attorneys’ fees incurred in connection with this
17 litigation, including without limitation: all work performed and all attorneys’ fees incurred to date;
18 and all work to be performed and attorneys’ fees to be incurred in connection with obtaining the
19 Court’s approval of this Long-Form Settlement Agreement, including addressing any objections
20 raised and handling any appeals necessitated by those objections. Attorneys’ Fees will be funded
21 by the GSA.

22 23. **“Attorneys’ Costs”** means such litigation costs as the Court may award to PAGA
23 Counsel for the costs they have incurred and will incur in the investigation, litigation, and resolution
24 of the Action, and in administration of the Settlement. This amount will cover any and all actual
25 litigation costs incurred in connection with this Action, as supported by a declaration from PAGA
26 Counsel, including without limitation: all litigation costs incurred to date; and all litigation costs to
27 be incurred in connection with obtaining the Court’s approval of this Long-Form Settlement
28

1 Agreement, including addressing any objections raised and handling any appeals necessitated by
2 those objections. Attorneys' Costs will be funded by the GSA.

3 24. **"Representative Enhancement Award"** means such compensation as the Court
4 may award to Plaintiff for her efforts during the Action, which shall not exceed Five Thousand
5 Dollars and Zero Cents (**\$5,000.00**). The Representative Enhancement Award will be funded by
6 the GSA and shall be in addition to any Individual Settlement Payment issued to Plaintiff.

7 25. **"Settlement Administration Costs"** means the reasonable amount from the GSA
8 which shall be allocated, subject to the Court's approval, to the Settlement Administrator for
9 services rendered in administering the settlement of the Action, and which shall not exceed Two
10 Thousand Eight Hundred and Fifty Dollars (**\$2, 850.00**).

11 26. **"Net Settlement Amount"** means the Gross Settlement Amount minus Attorneys'
12 Fees, Attorneys' Costs, Representative Enhancement Award, and Settlement Administration Costs.
13 Seventy-five percent (75%) of the Net Settlement Amount will be distributed to the LWDA and
14 twenty-five percent (25%) of the Net Settlement Amount will be distributed to PAGA Members.

15 **B. RELEASES DEFINED**

16 27. **"Released Claims"** means all claims for civil penalties under PAGA arising from
17 the same facts and/or claims alleged in the Action, or claims that were pled or that could have been
18 pled based on the facts alleged in the Complaint and the LWDA Letter, including but not limited
19 to: (A) claims for failure to pay all wages due (including minimum wages, straight time wages, and
20 overtime wages), failure to provide compliant meal periods, failure to authorize and permit
21 compliant rest periods, failure to provide accurate and itemized wage statements, failure to maintain
22 required records, failure to timely pay all wages due during employment and at the time of
23 termination, failure to reimburse employees for all business-related expenses, and any claims based
24 on alleged violations of California Labor Code sections 201, 202, 203, 204, 210, 223, 224, 225.5,
25 226, 226.3, 226.7, 300, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198,
26 1199, 2699, and 2802, and the California Industrial Welfare Commission Wage Orders based on
27 the preceding claims, which arose during the PAGA Period; (B) all claims that Defendant is liable
28 for the attorney's fees and costs incurred in the prosecution of this Action on behalf of the PAGA

1 Members; (C) all claims that Defendant is liable for any other remedies, penalties, or interest based
2 on the facts alleged in the Action; (D) all claims that Plaintiff and/or the PAGA Members may have
3 against the Released Parties relating to the payment, taxation, and allocation of attorney's fees and
4 costs to PAGA Counsel pursuant to the Settlement Agreement; and (E) all claims that could have
5 been pled arising out of the same operative facts. The period of the release shall extend to the limits
6 of the PAGA Period. The *res judicata* effect of the judgment will be the same as that of the Release.

7 28. **"Released Parties"** means Defendant and any of its subsidiaries, affiliates,
8 shareholders, members, agents, predecessors, successors, assigns, officers, directors, partners,
9 owners, employees, former employees, agents, servants, attorneys, assigns, affiliates, independent
10 contractors, volunteers, parent companies and organizations, sister or related entities, insurers, and
11 any and all other persons, firms and corporations in which Defendant may have an interest.

12 **II. RECITALS**

13 29. On January 26, 2023, Plaintiff filed her initial class action complaint in the Eastern
14 District of California, wherein she alleged, on behalf of herself and all other similarly situated
15 employees, causes of action against Defendant for: (1) failure to pay all minimum wages, (2) failure
16 to pay all overtime wages, (3) failure to provide rest periods and pay missed rest period premiums,
17 (4) failure to provide meal periods and pay missed meal period premium, (5) failure to maintain
18 accurate employment records, (6) failure to pay wages timely during employment, (7) failure to
19 pay all wages earned and unpaid at separation, (8) failure to indemnify all necessary business
20 expenditures, (9) failure to furnish accurate itemized wage statements, and (10) violations of
21 California's Unfair Competition Law (Bus. & Prof. Code, §§ 17200-17210).

22 30. On January 26, 2023, Plaintiff filed a letter with the LWDA notifying the LWDA of
23 the Labor Code violations alleged in this Action and of Plaintiff's intent to include representative
24 claims for civil penalties under the Labor Code Private Attorneys' General Act of 2004 ("PAGA")
25 on behalf of alleged aggrieved employees in this Action.

26 31. On April 12, 2023, Plaintiff sought leave to file a First Amended Complaint to add
27 one cause of action for penalties pursuant to PAGA and other provisions of the California Labor
28

1 Code. On April 13, 2023, the Court granted Plaintiff's motion for leave to file an amended
2 complaint.

3 32. On or about August 1, 2023, the Parties agreed to participate in mediation and on
4 October 12, 2023, following exchange and extensive review of relevant documents and class data,
5 the Parties participated in a full-day mediation through Judicate West with Daniel Turner, Esq., a
6 highly respected mediator with extensive experience in California Wage and Hour matters. With
7 the assistance of Mr. Turner the Parties were able to reach a settlement to settle all PAGA claims
8 in this Action.

9 33. On November 6, 2023, Plaintiff dismissed the class claims asserted in the Action
10 without prejudice;

11 34. Defendant has, at all times, denied Plaintiff's claims and continues to maintain this
12 position. Nonetheless, Defendant has concluded that further litigation will be protracted and
13 expensive and would divert management time. Defendant has taken into account the uncertainty
14 and risks inherent in litigation and has, therefore, concluded that it is desirable that the Released
15 Claims be settled in the manner and upon the terms and conditions set forth in this Agreement.

16 35. The Parties expressly acknowledge that nothing in this Agreement, nor the fact of
17 the Agreement itself, shall be construed or deemed an admission of liability, culpability,
18 negligence, or wrongdoing of any kind by Defendant, nor shall it constitute an admission on behalf
19 of Defendant of any fact or allegation against it.

20 36. PAGA Counsel has conducted a thorough investigation into the facts of the Action,
21 including an extensive review of relevant documents and data, and have diligently pursued an
22 investigation of the PAGA Members' claims against Defendants. Based on its and their own
23 independent investigation and evaluation, PAGA Counsel are of the opinion that the Settlement
24 with Defendant is fair, reasonable and adequate and is in the best interest of the PAGA Members
25 in light of all known facts and circumstances, including the risks of significant delay and the
26 defenses asserted by Defendant. Defendant and Defense Counsel also agree that the Settlement is
27 in the best interest of the PAGA Members.
28

1 37. It is the desire of the Parties that Plaintiff, on behalf of herself, and as a private
2 attorney general acting on behalf of the State of California, and all other PAGA Members, to fully
3 and completely release all Released Claims against all Released Parties.

4 38. The Parties agree to cooperate and take all steps necessary and appropriate to
5 consummate this settlement in accordance with the terms of this Agreement.

6 **III. TERMS OF SETTLEMENT**

7 39. In consideration of the mutual covenants, promises and agreements set forth herein,
8 the Parties agree, subject to the Court's approval, to the terms herein.

9 40. It is agreed by and between Plaintiff and Defendant that the Action and any claims,
10 demands, liabilities, penalties, damages or causes of action of any kind whatsoever claimed by
11 Plaintiff on behalf of himself, and/or the PAGA Members arising out of the disputes which are the
12 subject of the Action, be settled and compromised, subject to the terms and conditions set forth in
13 this Settlement and the Court's Approval.

14 **A. GROSS SETTLEMENT AMOUNT**

15 41. As consideration for the Released Claims, Defendant agrees to pay the GSA to
16 resolve the claims of the PAGA Members. The GSA will fund: (a) the Aggrieved Employee
17 Settlement Fund; (b) the LWDA Payment; (c) the award of Attorney's Fees to PAGA Counsel; (d)
18 the award of Attorney's Costs to PAGA Counsel; (e) the Representative Enhancement Award to
19 Plaintiff; and (f) the Settlement Administration Costs. In no event shall Defendant be liable for the
20 payment of any amounts exceeding those set forth above in this section.

21 42. The Net Settlement Amount will be distributed to all PAGA Members. There will
22 be no claims process and no reversion.

23 43. Once Defendant has deposited the GSA with the Settlement Administrator, it will
24 be deemed to have satisfied all terms and conditions under this Settlement, shall be entitled to all
25 protections afforded to Defendant under this Settlement, and shall have no further obligations under
26 this Settlement regardless of what occurs with respect to those sums. Additionally, none of the
27 Released Parties shall have any further obligation or liability to the Plaintiff or PAGA Members
28 under this Settlement.

1 **B. RELEASED CLAIMS**

2 44. Release by PAGA Members. Upon the Funding Date, Plaintiff shall, on behalf of
3 herself, the State of California, and all PAGA Members, release the Released Parties from the
4 Released Claims during the PAGA Period. PAGA Members may discover facts in addition to those
5 they now know or believe to be true with respect to the subject matter of the Released Claims, but
6 upon the Effective Date, PAGA Members shall be deemed to have, and by operation of the Order
7 approving the Long Form Settlement Agreement, shall have, fully, finally, and forever settled and
8 released any and all of the Released Claims during the PAGA Period, without regard to the
9 subsequent discovery or existence of such different or additional facts. PAGA Members will not
10 sue or otherwise make a claim against any of the Released Parties that seeks recovery for any of
11 the Released Claims during the PAGA Period. It is the intent of the Parties that the Settlement
12 Approval Order entered by the Court shall have full *res judicata* effect and be final and binding
13 upon PAGA Members regarding the Released Claims during the PAGA Period.

14 45. General Release by Plaintiff. In addition to the Released Claims discussed above, as
15 of the Effective Date, Plaintiff, for and on behalf of herself and her spouses, representatives, agents,
16 attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns ("Releasing
17 Parties") hereby unconditionally waives, releases and forever discharges the Released Parties from
18 any and all claims, actions, causes of action, rights, suits, debts, contracts, obligations, agreements,
19 proceedings, damages, charges, losses, and expenses (including attorneys' fees and costs) of any
20 nature whatsoever, whether based in contract, statute or the common law, relating to any matters
21 of any kind, whether known or unknown, suspected or unsuspected, that they may possess arising
22 from any omissions, acts, and any and all events or facts that have occurred up until and including
23 the date of the signing of this Agreement, including without limitation: (i) any and all claims
24 actually alleged or that could have been alleged in connection with, or arising directly or indirectly
25 out of or in any way connected with Plaintiff's employment with Defendant or any of the Released
26 Parties; (ii) any and all claims relating to or arising from Plaintiff's relationship with the Released
27 Parties and the termination of the relationship; (iii) any and all claims relating to unpaid wages,
28 missed meal and rest periods, and any and all penalties, including but not limited to waiting time

1 penalties and penalties under Labor Code Section 226, and interest relating to such claims; (iv) any
2 and all claims for wrongful discharge of employment; breach of contract, both expressed and implied;
3 breach of covenant of good faith and fair dealing, both expressed and implied; negligent or intentional
4 interference with contract or prospective economic advantage; and defamation; and (v) any and all
5 claims against the Released Parties for any other tort, contract, common law, constitutional or
6 statutory claims, including but not limited to, any alleged violation(s) of the California Labor Code,
7 the federal Fair Labor Standards Act (except as prohibited by applicable law), the National Labor
8 Relations Act, Title VIII of the Civil Rights Act of 1964 and the California Fair Employment and
9 Housing Act, the Age Discrimination in Employment Act, the Americans with Disabilities Act, as
10 amended, the Employee Retirement Income Security Act of 1974, as amended, the federal Worker
11 Adjustment Retraining Notification Act (as well as any counterpart), the Family and Medical Leave
12 Act of 1993 (as well as any state counterpart), the Occupational Safety and Health Act, the
13 Consolidated Omnibus Budget Reconciliation Act of 1985, the Equal Pay Act, the Affordable Care
14 Act, the Uniformed Services Employment and Reemployment Rights Act, the Federal Hazardous
15 Materials Regulations, the Fair Credit Reporting Act, the California Parental Leave Act, the
16 California Paid Sick Leave Act, the Genetic Information Nondiscrimination Act of 1998, California
17 Constitution Article 1 section 8, California's Industrial Welfare Commission Wage Orders, the
18 Healthy Workplaces, Healthy Families Act of 2014, California Health and Safety Code sections
19 11161.8, 1276.5, 1278.5, 13337, et seq., and 105100, et seq., California Business and Professions
20 Code sections 2725, 2750, et seq., and 17200, et. seq., Title 22 of the California Code of
21 Regulations, including but not limited to section 72313, 72315 and 72501 ("Individually Released
22 Claims").

23 Plaintiff also waives any and all rights conferred upon her under Section 1542 of the
24 California Civil Code, which provides as follows:

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

1 This waiver is not a mere recital, but is a knowing waiver of rights and benefits. This is a bargained-
2 for provision and is further consideration for the covenants and conditions contained herein.

3 **C. ATTORNEYS' FEES AND EXPENSES**

4 46. Attorneys' Fees and Attorneys' Costs. PAGA Counsel may petition the Court
5 for Attorneys' Fees and Attorneys' Costs, subject to approval by the Court. Attorneys' Fees paid
6 pursuant to this Settlement shall be inclusive of all fees in this matter. Any reduction by the Court
7 of PAGA Counsel's claimed attorneys' fees and/or attorneys' costs shall not be sufficient grounds
8 to void this Settlement.

9 47. Representative Enhancement Award. Defendant agrees not to object to a
10 Court approved Representative Enhancement Award. The Representative Enhancement Award is
11 meant to be consideration for the release by Plaintiff as to any and all PAGA claims and as a service
12 award for representing others. Any reduction by the Court of the Representative Enhancement
13 Award shall not be sufficient grounds to void this Settlement.

14 **D. EFFECTIVE DATE AND FUNDING OF SETTLEMENT**

15 48. Defendant will cause the GSA to be deposited into the Settlement Fund Account no
16 later than the Funding Date.

17 49. **"Funding Date"** means the date that is thirty (30) business days after the Effective
18 Date.

19 50. **"Effective Date"** means the first date upon which all of the following have occurred:
20 (i) the Court has granted final approval of the Settlement Agreement, (ii) the Court has entered
21 Final Judgment, and (iii) the Court's order granting final approval of the Settlement Agreement and
22 entry of Final Judgment has become final and is no longer appealable. For purposes of this
23 Settlement Agreement, "becomes final and is no longer appealable" shall mean the later of: (a) the
24 day after the last date by which a notice of appeal to the applicable Court of Appeal of the order
25 and judgment approving this Settlement may be timely filed and none is filed (*i.e.*, 61 days from
26 notice of entry of judgment); (b) if an appeal is filed, and the appeal is finally disposed of by ruling,
27 dismissal, denial, or in any other manner that confirms the validity of the order and judgment, the
28 day after the last date for filing a request for further review of the order and judgment approving

1 this Settlement passes, and no further review is requested; or (c) if an appeal is filed and the order
2 approving this Settlement is affirmed and further review of the order is requested, the day after the
3 review is finally resolved and the order and judgment approving this Settlement is affirmed. In the
4 event that: (i) the Court does not approve the Settlement as provided herein; or (ii) the Effective
5 Date does not occur for any other reason, then this Settlement, and any documents generated to
6 bring it into effect, will be null and void, and the Parties will be returned to their respective
7 positions. The Effective Date cannot occur, and Defendant will not be obligated to fund the
8 Settlement, until and unless there is no possibility of an appeal or further appeal that could
9 potentially prevent this Settlement from becoming final and binding.

10 **E. SETTLEMENT ADMINISTRATION PROCEDURES**

11 51. The Parties will work cooperatively to secure a prompt and final resolution of the
12 Action consistent with the terms of this Agreement.

13 52. Settlement Approval Motion. Following full execution of this Settlement, Plaintiff
14 will promptly request a hearing before the Court to seek approval of the Settlement Agreement on
15 a mutually available date. In conjunction with such hearing, PAGA Counsel will present this
16 Settlement Agreement to the Court with a written motion for an order (i) approving and
17 incorporating by reference the terms and conditions of the Settlement Agreement, (ii) retaining
18 jurisdiction over the parties under Code of Civil Procedure Section 664.4 to enforce the Settlement
19 Agreement, and (iii) dismissing the entire Action with prejudice. PAGA Counsel will be primarily
20 responsible for drafting all documents necessary to obtain the above order, and shall provide drafts
21 of such documents for review and approval by Defense counsel prior to the filing of same.
22 Defendant will not oppose Plaintiff's motion for Settlement Approval unless the motion is
23 inconsistent with the terms set forth in this Settlement Agreement.

24 53. No Right of PAGA Member to Object or Opt-Out. The Parties agree there is no
25 right for any PAGA Member to object, opt out or otherwise exclude himself or herself from the
26 Settlement. Nor is there any right for any PAGA Member to dispute the value of the Individual
27 Settlement Payment provided to them under this Settlement. Except as otherwise stated, Plaintiff
28 will vigorously defend against any attempt by any PAGA Member or by any entity or agency to

1 intervene in this matter or object to, or opt-out of this Settlement. The Parties further agree there
2 is no right or opportunity for any PAGA Member to appeal the approval of the Settlement by the
3 Court. The Parties will jointly defend against any appeal taken by any PAGA Member, entity, or
4 agency of the Court's approval of the Settlement.

5 54. LWDA Notice. Pursuant to California Labor Code § 2699(l)(2), Plaintiff will
6 provide a copy of this Settlement to the LWDA concurrently with the filing of the motion for
7 Settlement Approval. Plaintiff will also file a declaration in support of her motion for Settlement
8 Approval confirming that they have submitted the Settlement to the LWDA in compliance with
9 Labor Code § 2699(l)(2). Pursuant to California Labor Code § 2699(l)(3), a copy of the Court's
10 judgment and any other order issued in connection with this Settlement Agreement shall be
11 submitted by Plaintiff to the LWDA within ten (10) days after entry of the judgment or order.

12 55. Settlement Administrator. Upon approval of the Court, the Parties will retain ILYM
13 Group as the third-party Settlement Administrator to administer this Settlement. The Settlement
14 Administrator will be responsible for: establishing the Settlement Fund Account; calculating
15 Individual Settlement Payments; preparing, printing, and mailing the Individual Settlement Checks
16 and accompanying PAGA Notice to PAGA Members; disbursing payment of Attorney's Fees and
17 Attorney's Costs to PAGA Counsel; disbursing the Representative Enhancement Award to
18 Plaintiff; disbursing payment to the LWDA consisting of seventy-five percent (75%) of the Net
19 Settlement Amount; printing and providing PAGA Members, Plaintiff, and PAGA Counsel with
20 IRS Forms 1099 as required under this Settlement Agreement and applicable law; providing a due
21 diligence declaration for submission to the Court upon completion of the terms of the Settlement;
22 and for such other tasks as the Parties mutually agree or the Court orders. The Settlement
23 Administrator shall keep the Parties timely apprised of the performance of all Settlement
24 Administrator responsibilities, and shall not mail any payments to Plaintiff, the LWDA, PAGA
25 Counsel or any PAGA Member unless and until the Settlement Administrator receives approval by
26 the Parties to do so. Any legally mandated tax reports, tax filings, or other tax documents required
27 by the administration of this Settlement shall be prepared by the Settlement Administrator. Any
28

1 expenses incurred in connection with such preparation shall be part of the Settlement
2 Administration Costs.

3 56. PAGA Member List. Within ten (10) business days of the Court's approval of the
4 Settlement, Defendant will provide the Settlement Administrator with the PAGA Member List,
5 which shall be used solely for the administration of this Settlement and for no other purpose, and
6 which shall not be shared with any persons or entity not employed by the Settlement Administrator
7 and working on the administration of this Settlement. Because PAGA Members' sensitive personal
8 information is included in the PAGA Member List, the Settlement Administrator shall maintain the
9 PAGA Member List securely and in confidence, maintaining the strictest standards of data privacy.
10 Access to the PAGA Member List shall be limited to employees of the Settlement Administrator
11 with a need to use the PAGA Member List for administration of this Settlement. The Settlement
12 Administrator shall permanently delete and destroy all electronic and hard copies of the PAGA
13 Member List in its possession once settlement administration is concluded.

14 57. Change of Address Search. Within fifteen (15) calendar days of receipt of the
15 PAGA Member List, the Settlement Administrator shall conduct a National Change of Address
16 search and/or skip trace of all provided addresses to confirm and/or locate the most recent mailing
17 address for each PAGA Member.

18 58. Payment of Attorney's Fees and Attorney's Costs. Within fifteen (15) calendar days
19 following the Funding Date, the Settlement Administrator shall pay from the Settlement Fund
20 Account the Court-approved Attorney's Fees and Attorney's Costs to PAGA Counsel. All PAGA
21 Counsel will provide the Settlement Administrator with their respective executed IRS Form W-9,
22 and any transmittal instructions concerning division of Court-approved Attorney's Fees and
23 Attorney's Costs amongst PAGA Counsel, before payments for Attorney's Fees and Attorney's
24 Costs are issued. The Settlement Administrator shall issue IRS Form(s) 1099 to PAGA Counsel
25 for the payments made pursuant to this Paragraph. Defendant's payment of the Attorney's Fees
26 and Attorney's Costs shall constitute full satisfaction of the obligation to pay any amounts to any
27 person, attorney, or law firm, including but not limited to PAGA Counsel, or attorney's fees,
28 expenses, and/or costs in the Action incurred by any other attorney or law firm for attorney's fees,

1 expenses, and/or costs to which any of them may claim to be entitled on behalf of Plaintiff and/or
2 PAGA Members. The Parties further agree that PAGA Counsel's Attorney's Fees and Attorney's
3 Costs shall be for all attorney's fees, expenses, and/or costs, present and future, incurred in the
4 Action by all attorneys working on behalf of Plaintiff and/or PAGA Members.

5 59. Payment of Representative Enhancement Award. Within fifteen (15) calendar days
6 following the Funding Date, the Settlement Administrator shall pay from the Settlement Fund
7 Account the Court-approved Representative Enhancement Award to Plaintiff.

8 60. Payment to LWDA. Within fifteen (15) calendar days following the Funding Date,
9 the Settlement Administrator shall issue from the Settlement Fund Account a check payable to the
10 LWDA for seventy-five percent (75%) of the Net Settlement Amount.

11 61. Settlement Administration Costs. Within fifteen (15) calendar days following the
12 Funding Date, the Settlement Administrator shall pay from the Settlement Fund Account the Court-
13 approved Settlement Administration Costs.

14 62. Issuance of Individual Settlement Payments. Within fifteen (15) calendar days
15 following the Funding Date, the Settlement Administrator shall mail the Individual Settlement
16 Payments to the PAGA Members' last known mailing address. Any Individual Settlement Payment
17 checks returned as non-deliverable on or before the Void Date will be sent promptly via regular
18 First Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is
19 provided, the Settlement Administrator will promptly attempt to determine the correct address
20 using a skip trace, or other search using the name, address or Social Security number of the PAGA
21 Member involved, and will then perform a single re-mailing. Any Individual Settlement Payment
22 check re-mailings will not extend the 180-day period to cash a check. Any checks issued to PAGA
23 Members shall remain valid and negotiable for 180 days from the date of their issuance and then
24 shall become void on the 181st day after issuance, *i.e.*, the Void Date.

25 63. Calculation of Individual Settlement Payments.

26 a. All PAGA Members will receive an Individual Settlement Payment. The
27 amount of each PAGA Member's Individual Settlement Payment will be calculated based on the
28

1 total number of pay periods each PAGA Member worked as a non-exempt hourly employee in
2 California during the PAGA Period.

3 b. The Pay Period Value will be calculated by the Settlement Administrator
4 once the Net Settlement Amount and Aggrieved Employee Settlement Fund are determined based
5 on the amounts approved by the Court for the Attorney's Fees, Attorney's Costs, the Representative
6 Enhancement Award, and Settlement Administration Costs.

7 c. To establish the Pay Period Value, the Settlement Administrator will first
8 determine the Total Pay Periods for all PAGA Members from the PAGA Member List.

9 d. The Pay Period Value will be the quotient of the Aggrieved Employee
10 Settlement Fund divided by the Total Pay Periods.

11 e. The Individual Settlement Payment to each PAGA Member will be
12 determined by multiplying the Pay Period Value and the PAGA Members' total number of pay
13 periods worked as a non-exempt hourly employee in California during the PAGA Period.

14 64. Tax Treatment of Individual Settlement Payments. One hundred percent (100%) of
15 each Individual Settlement Payment shall be allocated to miscellaneous income for which an IRS
16 Form 1099 will issue, if required by law.

17 65. Administration of Taxes. The Settlement Administrator will be responsible for
18 issuing to Plaintiff, PAGA Members, and PAGA Counsel, IRS Form 1099s or other tax forms as
19 may be required by law for all amounts paid pursuant to this Settlement, and for forwarding all
20 penalties to the appropriate government authorities.

21 66. Certification of Completion. Upon completion of administration of the Settlement,
22 the Settlement Administrator will provide a written declaration under oath to certify such
23 completion to the Court and counsel for all Parties. PAGA Counsel shall file this declaration with
24 the Court within seven (7) calendar days of receipt.

25 67. Handling of Unclaimed Individual Settlement Payments. No portion of the GSA
26 shall revert to Defendant. If an individual settlement payment check remains uncashed 180 days
27 after its issuance, that check shall be voided and the Settlement Administrator shall, within fourteen
28 (14) calendar days after the Void Date, pay the amount represented by the voided check either (1)

1 to the State of California Unclaimed Property Fund in the name of the PAGA Member who did not
2 cash the check; or (2) in a manner consistent with Code of Civil Procedure § 384 and agreed upon
3 by the parties. In such event, the PAGA Member shall nevertheless remain bound by the settlement.

4 **II. MISCELLENIOUS PROVISION**

5 68. No Admission of Liability. This Settlement is entered into without any admission
6 of liability and Defendant expressly denies any wrongdoing or liability to Plaintiff or the PAGA
7 Members.

8 69. Cooperation. The Parties will work cooperatively to secure a prompt and final
9 resolution of the Action consistent with the terms of this Settlement, including but not limited to,
10 obtaining Court approval of the Settlement, and executing all documents to the extent reasonably
11 necessary to effectuate the terms of this Settlement.

12 70. Publicity. Plaintiff will not communicate the fact of, or the terms of, this Agreement
13 to members of the press, including to Verdicts and Settlements. Plaintiff and PAGA Counsel will
14 not publish the fact of, or terms of, this Settlement or any related information on any website or
15 social media platform for publicity or advertising purposes and/or in publication materials generally
16 available to the public.

17 71. Judgment and Continued Jurisdiction. The Parties expressly request that, after entry
18 of final judgment, the Court retain continuing and exclusive jurisdiction under Code of Civil
19 Procedure Section 664.6 for purposes of addressing: (a) the interpretation and enforcement of the
20 terms of this MOU; (b) matters relating to the administration of the Settlement; and (c) such post-
21 Judgment matters as may be appropriate under Court rules or as set forth in this Settlement
22 Agreement.

23 72. Tax Liability. The Parties make no representation as to the tax treatment or legal
24 effect of the payments called for hereunder, and the Parties are not relying on any statement,
25 representation, or calculation by any of the Parties or by the Settlement Administrator in this regard.

26 73. Circular 230 Disclaimer. Each Party to this Agreement (for purposes of this section,
27 the “Acknowledging Party” and each party to this agreement other than the acknowledging party,
28 an “Other Party”) acknowledges and agrees that (1) no provision of this Agreement, and no written

1 communication or disclosure between or among the Parties or their attorneys and other advisers, is
2 or was intended to be, nor will any such communication or disclosure constitute or be construed or
3 be relied upon as, tax advice within the meaning of United States Treasury Department Circular
4 230 (31 CFR Part 10, as amended); (2) the Acknowledging Party (a) has relied exclusively upon
5 his, her or its own, independent legal and tax counsel for advice (including tax advice) in connection
6 with this agreement, (b) has not entered into this agreement based upon the recommendation of any
7 other party or any attorney or advisor to any other party, and (c) is not entitled to rely upon any
8 communication or disclosure by any attorney or adviser to any other Party to avoid any tax penalty
9 that may be imposed on the Acknowledging Party; and (3) no attorney or adviser to any other Party
10 has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax
11 strategies (regardless of whether such limitation is legally binding) upon disclosure by the
12 Acknowledging Party of the tax treatment or tax structure of any transaction, including any
13 transaction contemplated by this agreement. Defendant, Defense Counsel, Plaintiff and PAGA
14 Counsel make no representation as to the tax treatment or legal effect of the payments called for
15 hereunder, and Plaintiff and PAGA Members are not relying on any statement, representation, or
16 calculation by Defendant, Defense Counsel, or by the Settlement Administrator in this regard.
17 Plaintiff understands and agrees that he will be solely responsible for the payment of any taxes and
18 penalties assessed on the payments described herein.

19 74. Taxes or Penalties Assessed. Named Plaintiffs will be solely responsible for the
20 payment of any taxes and penalties assessed on the payments described herein and will hold
21 Defendant, Defense Counsel, the Released Parties, and the Settlement Administrator free and
22 harmless from and against any claims resulting from treatment of such payments as non-taxable
23 damages.

24 75. No Prior Assignments. The Parties and their counsel represent, covenant, and
25 warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to
26 assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand,
27 action, cause of action or right herein released and discharged.
28

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

5 77. Entire Agreement. This Agreement and any attached Exhibits constitute the entirety
6 of the Parties' settlement terms, and no oral or written representations, warranties or inducements
7 have been made to any Party concerning this Settlement Agreement or its Exhibits other than the
8 representations, warranties and covenants contained and memorialized in the Settlement
9 Agreement and its Exhibits.

10 78. Res Judicata. Plaintiff agrees that the Released Parties can assert this Settlement
11 Agreement and the Approval as a defense to any future claims for penalties brought by the LWDA
12 or any claims brought under PAGA on behalf of the LWDA for any Released Claims alleged to
13 have occurred during the Exempt PAGA Period and the Non-Exempt PAGA Period. The Parties
14 intend this PAGA settlement and the resulting judgment to have claim preclusive effect, issue
15 preclusive effect, estoppel effect and to otherwise bar a representative action to the fullest extent
16 permissible under applicable law if the LWDA or any allegedly aggrieved employee were to bring
17 a subsequent claim on behalf of the LWDA for any act or omission based on the same factual
18 predicates as the Action and alleged to have occurred during the PAGA Period

19 79. Amendment or Modification. This Agreement may be amended or modified only
20 by a formal written instrument signed by counsel for all Parties or their successors-in-interest.

21 80. Authorization to Enter Into Settlement Agreement. The Parties warrant and
22 represent they are expressly authorized by the Parties whom they represent to negotiate this
23 Settlement Agreement and to take all appropriate action required or permitted to be taken by such
24 Parties pursuant to this Settlement Agreement to effectuate its terms. The person or persons signing
25 this Settlement Agreement on behalf of Defendant represent and warrant that he/she/they are
26 authorized to sign this Settlement Agreement on behalf of Defendant. Plaintiff represents and
27 warrants that she is authorized to sign this Settlement Agreement and that she has not assigned any
28 claim covered by this Settlement Agreement to a third party.

1 81. Binding Agreement. The Parties warrant that they understand and have full authority
2 to enter into this Settlement Agreement, and further intend that this Settlement Agreement will be
3 fully enforceable and binding on all Parties, and agree that it will be admissible and subject to
4 disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality
5 provisions that otherwise might apply under federal or state law.

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

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

11 84. Execution and Counterparts. This Settlement Agreement may be executed in one
12 or more counterparts. All executed counterparts and each of them, including facsimile, electronic
13 and scanned copies of the signature page, will be deemed to be one and the same instrument.

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

21 86. Severability. The Parties to this Settlement Agreement agree, covenant, and
22 represent that each and every provision of this Settlement Agreement shall be deemed to be
23 contractual, and that they shall not be treated as mere recitals at any time or for any purpose.
24 Therefore, the Parties further agree, covenant, and represent that each and every provision of this
25 Settlement Agreement shall be considered severable, except for the release provisions of
26 Paragraphs 44 and 45 of this Agreement. If a court of competent jurisdiction finds the release
27 provisions of Paragraphs 44 and 45 of this Settlement Agreement to be unenforceable or invalid as
28 against a PAGA Member or the LWDA, then this Settlement Agreement shall become voidable by

Defendant, at Defendant's election but still subject to Defendant's obligation in Paragraph 69 to cooperate in good faith to make such changes and to seek approval of an amended Settlement Agreement. If a court of competent jurisdiction finds any provision, other than the release provisions of Paragraphs 44 and 45, or part thereof to be invalid or unenforceable for any reason, that provision, or part thereof, shall be severed from the Settlement Agreement, and all of the remaining provisions of this Settlement Agreement shall remain in full force and effect.

87. Waiver of Certain Appeals. In the event the Court grants Approval of this Settlement, the Parties agree to waive appeals concerning this Settlement except as to the right to appeal Attorneys' Fees and Attorneys' Costs in the event it is not approved as described above.

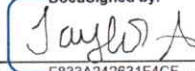
88. Captions. The captions and paragraph numbers in this Agreement are inserted for the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the provisions of this Agreement.

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

It is hereby agreed.

Dated: 11/6/2023

PLAINTIFF TAYLOR AMBROSE

By 
TAYLOR AMBROSE

Dated: 11/28/23

DEFENDANT US MED-EQUIP, LLC

By 
Name: Cynthia JOHNSON
Title: VP of Human Capital

///

///

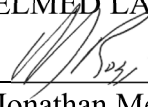
///

///

1 APPROVED AS TO FORM:

2 Dated: November 6, 2023

MELMED LAW GROUP, PC

3 By 
4 Jonathan Melmed
5 Megan E. Ross
6 Hannah Becker
7 Attorneys for Plaintiff and the aggrieved
8 employees

9 APPROVED AS TO FORM

10 Dated: November 29, 2023

LITTLER MENDELSON, P.C.

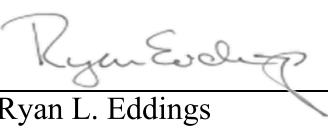
11 By 
12 Ryan L. Eddings
13 Annureet K. Bezwada
14 Attorneys for Defendant
15 US MED-EQUIP, LLC
16
17
18
19
20
21
22
23
24
25
26
27
28

EXHIBIT A
NOTICE OF SETTLEMENT PAYMENT

Taylor Ambrose v. US Med-Equip, LLC
United States District Court, Eastern District of California, Case No. 1:23-CV-00114

[Address Line 1]
[Address Line 2]
[Address Line 3]

[Dear Mr./Ms. -□]:

You are receiving this letter and a check made payable to you pursuant to a court-approved settlement in the matter of Taylor Ambrose v. US Med-Equip, LLC. The check is in the amount of \$ ____ and is for your share of "Civil Penalties" arising out of the settlement of this lawsuit. Please read this letter carefully. It explains the matter and how the settlement affects you.

A. Why am I Receiving This Notice and These Checks?

On April 13, 2023, Taylor Ambrose ("Plaintiff") filed an action against her former employers, Defendant US Med-Equip, LLC ("Defendant"), pursuant to the California Labor Code Private Attorney General Act ("PAGA") seeking civil penalties on behalf of herself, the State of California, and all other allegedly "aggrieved employees." Plaintiff and Defendants have reached a settlement, and you are eligible to receive a payment from this settlement.

In the lawsuit, Plaintiff alleges that Defendants violated the California Labor Code by failing to pay all overtime and minimum wages owed to non-exempt employees, failing to provide accurate itemized wage statements, failing to reimburse for business-related expenses, failing to provide legally-compliant meal and rest periods, failing to pay all wages due upon termination of employment, and failing to maintain proper records. Plaintiff seeks to recover certain penalties on behalf of herself and all other employees allegedly impacted by these violations. By statute, the penalty amounts recovered in a PAGA action must be paid 75% to the State of California and 25% to the impacted employees.

The individuals impacted by this settlement includes all persons employed by Defendant as a non-exempt employee in California from August 1, 2022 through the date of the Court's order approving the settlement. According to Defendant's records, you fall within this definition, and you are therefore receiving this notice and the enclosed check.

Defendant denies Plaintiff's allegations. Specifically, Defendant maintains that they have complied with all applicable laws in connection with properly paying employees and dispute that any penalties are owed. **The settlement and the amount you are receiving represent a compromise of disputed claims.**

B. How Has The Court Ruled?

The Court has not ruled on the merits of the claims, Defendant's defenses, or any of the contentions of the parties. No inferences regarding the merits of the lawsuit should be drawn from the fact there is a settlement.

The parties did not go to trial. Instead, the parties agreed to a settlement, which entails a compromise by both sides. That way, each side avoids the costs, risks and uncertainty of a trial.

1 **C. What Rights Am I Giving Up?**

2 The settlement of this lawsuit provides for a release of any claim for civil penalties based
3 upon Plaintiff's allegations as described in Paragraph A above against Defendant. These releases
4 will impact you regardless of whether you cash/negotiate the checks you receive.

5 ***Release of Civil Penalties.*** The settlement provides that all "Aggrieved Employees" (which
6 includes you), will release, for the time period of August 1, 2022 through December 16, 2023 the
7 right to pursue a claim for civil penalties under PAGA based on off-the-clock violations, failure to
8 pay wages, failure to provide meal periods, failure to provide rest periods, failure to timely pay
9 wages upon separation of employment, failure to provide accurate itemized wage statements,
10 failure to pay vacation wages, violations of Labor Code §§ 201-204, 226, 226.7, 227.3, 510, 512, 558,
11 1194, 1197, 1198, and for other claims under the PAGA based on the facts and theories alleged in
12 this lawsuit that accrued during the time period of August 1, 2022, through December 16, 2023
13 regardless of whether you deposit the check for Civil Penalties. This does not apply to claims that
14 may be pursued independent of a PAGA action.

15 4887-5187-9560.1 / 119551-1001