

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO

PRECIOUS SALGADO, individually, and on
behalf of other members of the general public
similarly situated, and as an aggrieved employee
pursuant to the Private Attorneys General Act
("PAGA"),

Plaintiff,

vs.

BLOOD BANK OF SAN BERNARDINO
AND RIVERSIDE COUNTIES, a California
corporation; and DOES 1 through 10, inclusive,

Defendants.

Case No. CIVSB2305507

PAGA SETTLEMENT AGREEMENT

PAGA SETTLEMENT AGREEMENT

Subject to Court approval by the Superior Court of the State of California for the County of San Bernardino, Plaintiff Precious Salgado, and all persons acting by, through, or on her behalf (“Plaintiff”), on the one hand, and Defendant Blood Bank of San Bernardino and Riverside Counties (“Defendant”), on the other hand (collectively with Plaintiff, the “Parties”) hereby agree to the following binding settlement (“Settlement” or “Settlement Agreement”) of the action entitled *Salgado v. Blood Bank of San Bernardino and Riverside Counties*, No. CIVSB2305507 (San Bernardino County Superior Court).

DEFINITIONS

The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

1. “Action” means *Salgado v. Blood Bank of San Bernardino and Riverside Counties*, No. CIVSB2305507 (San Bernardino County Superior Court).
2. “Aggrieved Employees” means all persons who were employed by Defendant in California as non-exempt, hourly-paid employees at any time from February 27, 2022 through March 7, 2024.
3. “Court” means the Superior Court for the State of California, County of San Bernardino.
4. “Gross Settlement Amount” means the settlement amount of Four Hundred Fifteen Thousand Dollars and Zero Cents (\$415,000.00) to be paid by Defendant in full satisfaction of all Settled Claims arising from the Action.
5. “LWDA” means the California Labor and Workforce Development Agency.
6. “PAGA Penalties Fund” means the Gross Settlement Amount less the Attorneys’ Fees and Costs, Service Award, and Settlement Administrator Costs.
7. “Plaintiff’s Counsel” means Capstone Law APC.
8. “Released Parties” means Defendant and its parent, subsidiary and related companies, shareholders, directors, officers, executives, employees, agents, and successors, and their parents, subsidiaries, and related companies, shareholders, directors, officers, executives, employees, agents, and successors.
9. “Service Award” means the amount to be paid to Plaintiff as payment for her service on

1 behalf of the LWDA and Aggrieved Employees, and for a general release of all claims arising out of her
2 employment with Defendant.

3 10. "Settled Claims" means any and all claims for PAGA civil penalties under the California
4 Labor Code, Wage Orders, regulations, and/or other provisions of law alleged or could have been
5 alleged to have been violated in the Action with respect to Aggrieved Employees based on the facts
6 alleged in the Action during the Settlement Period.

7 11. "Settlement Period" means February 27, 2022 through March 7, 2024.

8 **TERMS**

9 12. Gross Settlement Amount. In consideration for Plaintiff's promises and representations
10 described in this Settlement Agreement, and subject to all of the conditions of the Settlement being met,
11 Defendant will pay Four Hundred Fifteen Thousand Dollars and Zero Cents (\$415,000.00) ("Gross
12 Settlement Amount") to settle the Action. The Gross Settlement Amount includes Plaintiff's attorneys'
13 fees, litigation costs and expenses, consideration for Plaintiff's service on behalf of the LWDA and
14 Aggrieved Employees, Settlement Administration Costs, and payments to Aggrieved Employees and the
15 LWDA for their share of the PAGA Penalties Fund. No portion of the Gross Settlement Amount will be
16 retained by, or revert to, Defendant.

17 13. PAGA Penalties Fund. The PAGA Penalties Fund will be paid to Aggrieved Employees
18 and the LWDA in full satisfaction of all claims for PAGA civil penalties under the California Labor
19 Code, Wage Orders, regulations, and/or other provisions of law alleged to have been violated in the
20 Action with respect to Aggrieved Employees. Pursuant to PAGA, Seventy-Five Percent (75%) of the
21 PAGA Penalties Fund will be paid to the LWDA, and the remaining Twenty-Five Percent (25%) will be
22 paid to all Aggrieved Employees according to the following formula:

23 13(a) Defendant will calculate: (i) the total number of pay periods worked by each
24 Aggrieved Employee during the Settlement Period, and (ii) the total number
25 of pay periods worked by all Aggrieved Employees during the Settlement
26 Period.

27 13(b) To determine each Aggrieved Employee's payment from the PAGA
28 Penalties Fund, Defendant will use the following formula: Settlement

1 Payment = 25% of PAGA Penalties Fund × [Pay Periods Worked by
2 Individual Aggrieved Employee During the Settlement Period ÷ Total Pay
3 Periods Worked by All Aggrieved Employees during the Settlement
4 Period].

5 13(c) Defendant estimates that Aggrieved Employees worked during a combined
6 total of Nineteen Thousand Five Hundred (19,500) Pay Periods during the
7 Settlement Period.

8 14. Attorneys' Fees and Costs. Defendant agrees not to oppose or impede any application or
9 motion by Plaintiff's Counsel for attorneys' fees of not more than One Hundred Thirty Three Thousand
10 Three Hundred Thirty Three Dollars and Zero Cents (\$133,333.00), plus the reimbursement of all out-
11 of-pocket costs and expenses associated with Plaintiff's Counsel's litigation and settlement of the Action
12 (including expert/consultant fees, investigations costs, etc.), not to exceed Fifteen Thousand Dollars and
13 Zero Cents (\$15,000.00), both of which will be paid from the Gross Settlement Amount. Any portion of
14 the Attorneys' Fees and Costs not awarded to Plaintiff's Counsel will be added to the PAGA Penalties
15 Fund.

16 15. Service Award. For a general release of all claims Plaintiff may have against Defendant
17 arising out of her employment, and for her service on behalf of the LWDA and Aggrieved Employees,
18 Defendant agrees not to oppose or impede any application or motion by Plaintiff for a service award of
19 up to Ten Thousand Dollars (\$10,000) ("Service Award"). Upon receipt of the Service Award, Plaintiff
20 will be deemed to have fully released and discharged Defendant from any and all claims, demands,
21 obligations, causes of action, rights, or liabilities of any kind which have been or could have been
22 asserted against Defendant arising out of, or relating to, Plaintiff's employment with Defendant or
23 termination thereof, including but not limited to claims for wages, restitution, penalties, retaliation,
24 defamation, discrimination, harassment or wrongful termination of employment. This release specifically
25 includes any and all claims, demands, obligations and/or causes of action for damages, restitution,
26 penalties, interest, and attorneys' fees and costs (except provided by the Settlement) relating to or in any
27 way connected with the matters referred to herein, whether or not known or suspected to exist, and
28 whether or not specifically or particularly described herein. Specifically, Plaintiff will be deemed to have

1 waived all rights and benefits afforded by California Civil Code Section 1542, which provides:

2 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR**
3 **OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR**
4 **HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF**
5 **KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR**
6 **HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.**

7 16. Plaintiff understands and agrees that this Settlement Agreement shall remain in full force
8 and effect even if the full amount of Service Award sought by Plaintiff is not ultimately awarded by the
9 Court.

10 17. Settlement Administration Costs. The Parties will retain CPT Group, Inc. as the third-
11 party settlement administrator ("Settlement Administrator"). The Settlement Administrator will be
12 responsible for establishing a qualified settlement fund ("QSF") and issuing payments and appropriate
13 tax forms to Aggrieved Employees, the LWDA, Plaintiff, and Plaintiff's Counsel. The Settlement
14 Administration Costs will be paid from the Gross Settlement Amount. Based on the estimate that there
15 are approximately 700 Aggrieved Employees, Settlement Administration Costs will not exceed Seven
16 Thousand Five Hundred Dollars (\$7,500).

17 18. Court Approval of the Settlement and Distribution of Settlement Payments. The Parties
18 will present this Settlement Agreement to the Court and the LWDA. The Parties will request that the
19 Court issue an order and judgment approving and incorporating by reference the terms and conditions of
20 the Settlement Agreement (the "Order and Judgment").

21 19. List of Aggrieved Employees. Within fourteen (14) calendar days after entry of the
22 Order and Judgment, Defendant will provide the Settlement Administrator a complete list of all
23 Aggrieved Employees ("Aggrieved Employee List"). The Aggrieved Employee List will be formatted in
24 Microsoft Office Excel and will include each Aggrieved Employee's full name; most recent mailing
25 address and telephone number; Social Security number; the respective number of pay periods during
26 which each Aggrieved Employee worked during the Settlement Period; and any other relevant
27 information needed to calculate settlement payments.

28 20. Funding of the Settlement. Within fourteen (14) calendar days after entry of the Order

1 and Judgment, Defendant will deposit the Gross Settlement Amount into the QSF to be established by
2 the Settlement Administrator. Within fourteen (14) calendar days of the funding of the Settlement, the
3 Settlement Administrator will issue payments to: (a) Aggrieved Employees; (b) the Labor and
4 Workforce Development Agency; (c) Plaintiff; (d) Plaintiff's Counsel; and (e) itself. The Settlement
5 Administrator, and not Defendant, will issue the appropriate tax forms for all payments issued under this
6 Settlement.

7 21. Settlement Payments to Aggrieved Employees. The Settlement Administrator will issue
8 each Aggrieved Employee one check for his or her share of the PAGA Penalties Fund along with an
9 explanatory letter, attached as Exhibit A. Prior to mailing, the Settlement Administrator will perform a
10 search based on the National Change of Address Database for information to update and correct for any
11 known or identifiable address changes. Any checks returned as non-deliverable on or before the check
12 cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address
13 affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt
14 to determine the correct address using a skip-trace, or other search using the name, address or Social
15 Security number of the Aggrieved Employee involved, and will then perform a single re-mailing.
16 Checks will remain negotiable for 180 days. Those funds represented by un-cashed checks which remain
17 outstanding 180 days after the mailing of the Settlement checks by the Settlement Administrator will be
18 tendered to Ronald McDonald House of Loma Linda. All settlement payments to Aggrieved Employees
19 will be treated as miscellaneous income for which a 1099 will be issued.

20 22. Settled Claims. Upon entry of the Order and Judgment, Plaintiff and all Aggrieved
21 Employees will be forever barred from pursuing against Defendant and the Released Parties any and all
22 Settled Claims during the Settlement Period. Aggrieved Employees, other than Plaintiff, will not be
23 deemed to have released any individual wage and hour claims by virtue of this Settlement.

24 23. No Right to Exclusion or Objections by Representative Action Members. Because this
25 settlement resolves claims and actions brought pursuant to PAGA by Plaintiff acting as a proxy and as a
26 Private Attorney General of, and for, the State of California and the LWDA, the Parties agree that no
27 Aggrieved Employee has the right to exclude himself or herself from the Settlement. Aggrieved
28 Employees will be bound by the terms of the Settlement Agreement, upon its approval by the Court,

1 regardless of whether he or she cashes any payment received as a result of this Settlement. The Parties
2 also agree that no Aggrieved Employee has the right to object to the terms of the Settlement Agreement.

3 24. No Credit Toward Benefit Plans. Payments to Aggrieved Employees as referenced
4 herein will not be utilized to calculate any additional benefits under any benefit plans to which any
5 Aggrieved Employee may be eligible, including, but not limited to profit-sharing plans, bonus plans,
6 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit
7 plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights,
8 contributions, or amounts to which any Aggrieved Employee may be entitled under any benefit plans.

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

13 26. Nullification of Settlement Agreement. In the event that: (i) the Court does not approve
14 the Settlement as provided herein; or (ii) the Settlement does not become final for any other reason, then
15 this Settlement Agreement, and any documents generated to bring it into effect, will be null and void,
16 and the Parties will be returned to their original respective positions.

17 27. Judgment and Continued Jurisdiction. After entry of the Order and Judgment, the Court
18 will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement
19 of the terms of the Settlement, (ii) settlement administration matters, and (iii) such post-Judgment matters
20 as may be appropriate under court rules or as set forth in this Settlement.

21 28. Entire Agreement. This Settlement Agreement constitutes the entirety of the Parties'
22 settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding
23 on the Parties.

24 29. Amendment or Modification. This Settlement Agreement may be amended or modified
25 only by a written instrument, signed by either the Parties or their successors-in-interest or counsel for all
26 Parties, and approved by the Court.

27 30. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and
28 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement

1 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
2 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
3 effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each
4 other and use their best efforts to affect the implementation of the Settlement. If the Parties are unable to
5 reach agreement on the form or content of any document needed to implement the Settlement, or on any
6 supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties
7 may seek the assistance of the Court to resolve such disagreement.

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

10 32. California Law Governs. All terms of this Settlement Agreement will be governed by
11 and interpreted according to the laws of the State of California.

12 33. Execution and Counterparts. This Settlement Agreement is subject only to the execution
13 of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All
14 executed counterparts and each of them, including electronic signatures (e.g., DocuSign), facsimiles, and
15 scanned copies of the signature pages, will be deemed to be one and the same instrument.

16 34. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
17 Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this
18 Settlement after arm's-length negotiations by experienced counsel. The Parties further acknowledge that
19 they are each represented by competent counsel and that they have had an opportunity to consult with
20 their counsel regarding the fairness and reasonableness of this Settlement.

21 35. Waiver of Certain Appeals. The Parties agree to waive appeals; except, however, that
22 Plaintiff may appeal any reduction to the Attorneys' Fees and Costs below the amount they request from
23 the Court, and either party may appeal any court order that materially alters the Settlement's terms.

24 36. Invalidity of Any Provision. Before declaring any provision of this Settlement
25 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
26 possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement
27 valid and enforceable.

28 37. Captions. The captions and section numbers in this Settlement Agreement are inserted

1 for the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the
2 provisions of this Settlement Agreement.

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

6 39. Enforcement Action. In the event that one or more of the Parties institutes any legal
7 action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement
8 or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be
9 entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including
10 expert witness fees incurred in connection with any enforcement actions.

11 40. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
12 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed
13 more strictly against one party merely by virtue of the fact that it may have been prepared by counsel for
14 one of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties,
15 all Parties have contributed to the preparation of this Settlement Agreement.

16 41. Representation By Counsel. The Parties acknowledge that they have been represented
17 by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and
18 that this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed
19 in full.

20 42. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good
21 faith and execute all documents to the extent reasonably necessary to effectuate the terms of this
22 Settlement Agreement.

23 43. Binding Agreement. The Parties warrant that they understand and have full authority to
24 enter into this Settlement, and further intend that this Settlement Agreement will be fully enforceable and
25 binding on all parties, and agree that it will be admissible and subject to disclosure in any proceeding to
26 enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply
27 under federal or state law.

28 44. Denial of Liability. The Parties expressly recognize that the making of this agreement

does not in any way constitute an admission or concession of wrongdoing on the part of Defendant. Nothing in this Settlement, nor any action taken in implementation thereof, nor any statements, discussions or communications, nor any materials prepared, exchanged, issued or used during the pendency of the Action, is intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding, as evidence of any violation of any federal, state, or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this agreement may be used in any proceeding in the Court that has as its purpose the interpretation, implementation, or enforcement of the Settlement or any orders or judgments of the Court entered into in connection therewith.

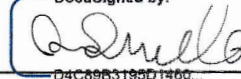
READ CAREFULLY BEFORE SIGNING

PLAINTIFF

Dated: 6/20/2024

Precious Salgado

DocuSigned by:



D4C8B3195D1460...

DEFENDANT

Dated: 6-25-24

Scott Miller, VP/CFO
Blood Bank of San Bernardino and Riverside
Counties

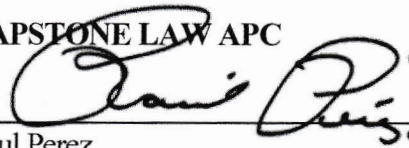


APPROVED AS TO FORM

CAPSTONE LAW APC

Dated: 6/20/2024

Raul Perez
Attorneys for Plaintiff Precious Salgado



MITCHELL SILBERBERG & KNUPP LLP

Dated: 6/27/2024

Jeremy M. Mittman
Attorneys for Defendant Blood Bank of San
Bernardino and Riverside Counties



Exhibit A

<<DATE>>

<<FIRST_NAME>> <<LAST_NAME>>

<<ADDRESS 1>>

<<ADDRESS 2>>

**Re: Payment From *Salgado v. Blood Bank of San Bernardino and Riverside Counties*,
No. CIVSB2305507 (San Bernardino County Superior Court)**

Dear <<FIRST_NAME>> <<LAST_NAME>>:

Enclosed you will find a check made payable to you. This is your payment from the settlement of the lawsuit entitled *Salgado v. Blood Bank of San Bernardino and Riverside Counties*, No. CIVSB2305507 (San Bernardino County Superior Court) (the “Action”).

The Action was filed against Defendant Blood Bank of San Bernardino and Riverside Counties (“Defendant”) pursuant to the California Private Attorneys General Act of 2004, Cal. Lab. Code § 2698 *et seq.* (called “PAGA”). The Action was brought by a former employee of Defendant on behalf of the State of California and all allegedly “aggrieved employees” of Defendant. You have been identified as one of the employees on whose behalf the case was brought.

The Plaintiff in the Action claimed that Defendant owed civil penalties recoverable under PAGA for alleged violations of the California Labor Code and California Wage Orders. Defendant denies that it violated the Labor Code or California Wage Orders. Moreover, in agreeing to this settlement, Defendant does not admit that it is liable in any way for any penalties.

The Court has not ruled on the merits of the Action but it has approved the settlement of PAGA civil penalties, of which 75% will be paid to the California Labor and Workforce Development Agency, and the remaining 25% will be paid to aggrieved employees. Pursuant to the settlement, enclosed is a check for your share of a portion of the civil penalties.

You are not a party to this lawsuit, but you and the government will be bound by the settlement in this matter as to civil penalties. If you have any questions, you can contact the settlement administrator (whose contact information is at the top of this letter).

Very Truly Yours,

[Administrator]