

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between plaintiffs Stacey Sasyniuk, Darlene Brown, Andrew Villegas, and Jerry Turner (collectively, “Plaintiffs”) and defendant Medical Solutions, L.L.C. (“Defendant”). The Agreement refers to Plaintiffs and Defendant collectively as “Parties,” or individually as a “Party.”

1. DEFINITIONS.

- 1.1. “Action” collectively means the Plaintiffs’ PAGA lawsuits alleging wage and hour violations against Defendant captioned: (1) *Sasyniuk et al. v. Medical Solutions L.L.C.*, (2023CUOE009215) initiated on May 22, 2023 and pending in Superior Court of the State of California, County of Ventura (“*Sasyniuk Action*”); (2) *Turner v. Medical Solutions L.L.C.* (CIVSB2310312) initiated on May 11, 2023 and pending in Superior Court of the State of California, County of San Bernardino (“*Turner Action*”); and (3) *Villegas v. Medical Solutions LLC*. (CIVSB2307691) initiated on April 3, 2023 and pending in Superior Court of the State of California, County of San Bernardino (“*Villegas Action*”).
- 1.2. “Administrator” means ILYM Group, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross PAGA Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with approval of this Settlement.
- 1.4. “Aggrieved Employees” means all non-exempt traveling healthcare workers employed by Defendant who worked for Defendant in California at any time during the PAGA Period.
- 1.5. “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendant’s possession including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.
- 1.6. “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.
- 1.7. “Approval Order” means the proposed Court Order Granting Approval of PAGA Settlement.

- 1.8. “Court” means the Superior Court of California, County of San Bernardino.
- 1.9. “Defendant” means named Defendant Medical Solutions, L.L.C.
- 1.10. “Defense Counsel” means Sarah Kroll-Rosenbaum and Anthony D. Sbardellati, of the law firm of Akerman LLP.
- 1.11. “Effective Date” means the date by which the last of the following has occurred:
1) the Court has entered the Approval Order, dismissed Plaintiffs' PAGA claims with prejudice, and entered Judgment; and 2) if the State of California, acting through the LWDA or any other administrative agency or official, or any third party timely objects to this settlement or intervenes in the Actions: (i) if there is an appeal of the Court’s Judgment, the date on which the judgment is affirmed on appeal or the date of final dismissal of such appeal, (ii) if no appeal is filed, the expiration date of the time for filing or noticing any appeal of the Judgment, which is 65 days after entry of Judgment.
- 1.12. “Gross PAGA Settlement Amount” means the total sum of Four Million Five Hundred Thousand Dollars (\$4,500,000.00) which is the maximum amount Defendant agrees to pay under the Settlement, except as provided in paragraph 8 below. The Gross PAGA Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, the Service Awards and the Administration Expenses Payment.
- 1.13. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Payment calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.
- 1.14. “Judgment” means the judgment entered by the Court following the Approval Order.
- 1.15. “LWDA” means the California Labor and Workforce Development Agency.
- 1.16. “LWDA PAGA Payment” means the 75% of the PAGA Payment paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.17. "Operative Complaint" means the First Amended Representative Action Complaint [“FAC”] that adds all Parties, claims, and theories of liability from all three separate PAGA lawsuits (i.e., the Action) and PAGA Notices into a single Representative Action Complaint.
- 1.18. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. *et seq.*).
- 1.19. “PAGA Counsel” means Norman B. Blumenthal, Kyle R. Nordrehaug, Aparajit

Bhowmik, Nicholas J. De Blouw, and Jeffrey S. Herman of the law firm of Blumenthal Nordrehaug Bhowmik De Blouw LLP (“BNBD”); Ashkan Shakouri and Sharon Lin of Shakouri Law Firm (“SLF”) and Haig B. Kazandjian and Melissa Robinson of Haig B Kazandjian Lawyers, APC (“HBKL”), the attorneys representing the Plaintiffs in the Action.

- 1.20. “PAGA Counsel Fees Payment” and “PAGA Counsel Litigation Expenses Payment” mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees (i.e., (1/3) of the \$4,500,000.00 Gross PAGA Settlement Amount which, currently estimated to total \$1,500,000) and expenses, respectively, incurred to prosecute the Action. The allocation of PAGA Counsel Fees Payment shall be allocated as follows: 40% to HBKL, 30% to BNBD, and 30% to SLF.
- 1.21. “PAGA Notice” means Plaintiffs’ November 10, 2022, February 14, 2023, and March 1, 2023 letters to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.22. “PAGA Payment” means the Gross PAGA Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, Service Awards, and Administration Expenses Payment, which after these deductions is the total amount of PAGA civil penalties to be paid from the Gross PAGA Settlement Amount, allocated 25% to the Aggrieved Employees and the 75% to LWDA in settlement of PAGA claims.
- 1.23. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant in California for at least one day during the PAGA Period.
- 1.24. “PAGA Period” means the period from January 28, 2022 through the earlier of date of the Approval Order or June 4, 2024.
- 1.25. “Plaintiffs” means Stacey Sasyniuk, Darlene Brown, Andrew Villegas, and Jerry Turner, the named plaintiffs in the Action.
- 1.26. “Released PAGA Claims” means the claims being released by the Plaintiffs, the LWDA, and PAGA Counsel and as described in Paragraph 5.2 below.
- 1.27. “Released Parties” means Defendant, all entities affiliated with it, and its owners, agents, attorneys, insurers, past, present, and future divisions, affiliates, DBAs (if any), predecessors, successors, shareholders, officers, directors, managers,

employees, trustees, representatives, administrators, fiduciaries, assigns, subrogees, executors, partners, parents, subsidiaries, healthcare facility clients, any and all facilities where any Aggrieved Employee performed work for Defendant, any and all entities that operate those facilities, any and all alleged joint employers, privies, and/or any and all persons and/or corporate entities acting by, through, under or in concert with any of them.

1.28. “Service Award(s)” means up to \$10,000 to be paid to each Plaintiff, for a total of up to \$40,000, in exchange for a general release of claims against the Released Parties, as defined herein, subject to the Court’s approval.

1.29. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

2. RECITALS

2.1. On April 3, 2022, Plaintiff Villegas commenced this Action by filing a Representative Action Complaint against Defendant in the San Bernardino County Superior Court alleging a single cause of action for recovery of civil penalties for Violation of the PAGA [Labor Code §§ 2698, *et seq.*].

2.2. On April 11, 2022, Plaintiff Turner filed a separate Representative Action Complaint against Defendant in the San Bernardino County Superior Court alleging a single cause of action for recovery of civil penalties for Violation of the PAGA [Labor Code §§ 2698, *et seq.*].

2.3. On April 22, 2022, Plaintiffs Sasyniuk and Brown filed a separate Representative Action Complaint against Defendant in the Ventura County Superior Court alleging a single cause of action for recovery of civil penalties for Violation of the PAGA [Labor Code §§ 2698, *et seq.*].

2.4. As part of this Agreement, the Parties stipulated to the filing of the FAC, i.e., the Operative Complaint, which will be filed in the San Bernardino Superior Court in *Villegas* Action.

2.5. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint and denies any and all liability for the causes of action alleged.

2.6. In the Operative Complaint, Plaintiffs allege civil penalties pursuant to PAGA for the following: (1) failure to provide accurate itemized wage statements; (2) failure to properly record, authorize, and/or provide legally required meal periods; (3) failure to properly record, authorize, and/or provide legally required rest periods; (4) failure to pay all wages owed including minimum, overtime, and double time wages; (5) failure to pay overtime wages and double time wages (including failing to pay

overtime at the correct regular rate of pay); (6) failure to pay timely wage on regular pay days; (7) failure to reimburse employees for all required expenses; (8) failure to pay all wages when due during employment and upon termination or resignation; (9) failure to pay reporting time pay; (10) failure to pay split shift premiums; (11) failure to provide or properly pay sick time; (12) failure to pay all compensation due as a result of unlawful deductions; (13) failure to provide suitable seating; (14) failure to pay vacation time; and (15) failure to provide and/or maintain proper records, including time and payroll records, all in violation of Labor Code sections 200, 201, 202, 203, 204, 210, 221, 223, 226, 226.7, 227.3, 246, 432, 500, 510, 512, 558(a)(1)(2), 1182.12, 1194, 1197, 1197.1, 1198, 1198.5, 2800, 2802, California Code of Regulations, Title 8, Section 11050, Subdivision 5(A), and the applicable Wage Order(s).

- 2.7. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiffs gave timely written notice to Defendant and the LWDA by sending each PAGA Notice.
- 2.8. On February 29, 2023, the Parties participated in an all-day mediation with Steve Serratore, Esq. which led to this Agreement to settle the Action.
- 2.9. Prior to mediation, Plaintiffs obtained, through informal discovery, documents relating to Defendant's policies, practices, and procedures regarding paying non-exempt employees for all hours worked, overtime, meal and rest period policies, expenses, payroll and operations policies, and more.
- 2.10. The Parties, PAGA Counsel and Defense Counsel are aware of two other letters to Defendant and the LWDA asserting PAGA claims that will be extinguished or affected by the Settlement, including: (1) Derek Hickenbottom's January 8, 2024 letter, and (2) Cornelius Sublette's March 5, 2024 letter.

3. MONETARY TERMS.

- 3.1. Gross PAGA Settlement Amount. Except as provided in paragraph 8 below, Defendant promises to pay Four Million Five Hundred Thousand Dollars (\$4,500,000.00) and no more as the Gross PAGA Settlement Amount. The Gross PAGA Settlement Amount includes the Individual PAGA Payments to the Aggrieved Employees, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, Service Awards, and the Administration Expenses Payment. Defendant has no obligation to pay the Gross PAGA Settlement Amount prior to the deadline stated in Paragraph 6.1 of this Agreement. The Administrator will disburse the entire Gross PAGA Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. The Gross PAGA Settlement Amount shall be all-in and none of the Gross PAGA Settlement Amount will revert to Defendant.
- 3.2. Payments from the Gross PAGA Settlement Amount. The Administrator will make and deduct the following payments from the Gross PAGA Settlement Amount, in

the amounts specified by the Court in the Approval Order:

- 3.3. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than one-third (1/3) of the Gross PAGA Settlement Amount which is currently estimated to be \$1,500,000 and PAGA Counsel Litigation Expenses Payment of not more than \$60,000. The allocation of PAGA Counsel Fees Payment shall be allocated as follows: 40% to HBKL, 30% to BNBD, and 30% to SLF. Defendant will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the PAGA Payment. Except as provided in this Agreement, PAGA Counsel and any other Plaintiffs' attorneys shall hold the Released Parties harmless regarding any claims relating to recovery of any portion any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.
- 3.2.1 To the Administrator: An Administration Expenses Payment not to exceed \$20,000 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$20,000 the Administrator will allocate the remainder to the PAGA Payment.
- 3.2.2 To the LWDA and Aggrieved Employees: PAGA Payment in the amount of not less than \$2,880,000 to be paid from the Gross PAGA Settlement Amount, with 75% (no less than \$2,160,000) allocated to the LWDA PAGA Payment and 25% (no less than \$720,000) allocated to the Individual PAGA Payments. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of the PAGA Payment by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. If the Court approves the PAGA Payment different from the amount requested, the Administrator will use the difference to adjust the PAGA Payment. No tax shall be withheld from the PAGA Payment, and the Administrator will report the Individual PAGA Payments on IRS 1099 Forms.
- 3.2.3 Plaintiffs' Service Awards: Plaintiffs shall request from the Court Service Awards in the amount of \$10,000.00 each in exchange for a general release of claims against the Released Parties as set forth in §5.1 below. This amount shall be paid exclusively from the Gross PAGA Settlement Amount. Defendant shall

not oppose Plaintiffs' request for Service Awards in this amount. In the event the Service Awards are approved for less than \$10,000.00 each to Plaintiffs, the unawarded difference will be added to the PAGA Payment and not to Plaintiffs, PAGA Counsel, or Defendant. These payments will be reported on IRS Form 1099 issued to Plaintiffs by the Settlement Administrator. Notwithstanding any other term of this Settlement Agreement, any reduction by the Court of the Service Awards shall not be sufficient grounds to void the Settlement Agreement.

3.2.4 Net Settlement Payment. The Net Settlement Payment shall be the amount payable to the Aggrieved Employees after deduction from the Gross PAGA Settlement Amount of PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, Administrator Expenses Payment, LWDA Payment, and Service Awards. The Net Settlement Payment will be the remainder after all of the above deductions.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Aggrieved Employee Pay Periods. Based on a review of its records, Defendant estimates there are approximately 4,943 Aggrieved Employees who worked a total of 140,000 PAGA Pay Periods from January 28, 2022 through February 29, 2024.

4.2. Aggrieved Employee Data. Within twenty-one (21) days of the Approval Order, Defendant will simultaneously deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. The Aggrieved Employee Data shall not be shared with either Plaintiffs or PAGA Counsel unless expressly approved by Defendant and Defense Counsel, or if an Aggrieved Employee requests that their personal data be shared with PAGA Counsel. To protect Aggrieved Employee' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.3. Funding of Gross PAGA Settlement Amount. Defendant shall fully fund the Gross PAGA Settlement Amount by transmitting the funds to the Administrator no later than twenty-one (21) days after the Effective Date.

4.4. Payments from the Gross PAGA Settlement Amount. Within thirty (30) days after

Defendant funds the Gross PAGA Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Expenses Payment, and the Service Awards. Disbursement of the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.

- 4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the void date, which is 180 days after the date of mailing, when the check will be voided. The memo line of each check shall state the following: "settlement check from the Medical Solutions PAGA litigation." The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
- 4.4.2. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within seven (7) days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.
- 4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the State of California Unclaimed Property Fund in the name of the absent Aggrieved Employee, subject to Court approval.
- 4.4.4. The payment of Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when Defendant fully funds the entire Gross PAGA Settlement Amount, Plaintiff, the State of California, the LWDA, all Aggrieved Employees and PAGA Counsel will release claims against all Released Parties as follows:

- 5.1. Plaintiffs' Release. In exchange for the Service Awards and upon full funding of the Gross PAGA Settlement Amount, Plaintiffs and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, generally, release and discharge Released Parties from all claims, transactions, or

occurrences that occurred during the PAGA Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint and the PAGA Notices, including all alleged Labor Code and Wage Order violations specified therein (“Plaintiffs’ Release”). Plaintiffs’ Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers’ compensation benefits that arose at any time, claims that cannot be released as a matter of law, or based on occurrences outside the PAGA Period. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless, that Plaintiffs’ Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs’ discovery of them.

5.1.1 Plaintiffs’ Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiffs’ Release, Plaintiffs expressly waive and relinquish the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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.

5.2 Release by Aggrieved Employees and the LWDA:

All Aggrieved Employees, the State of California, and the LWDA are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all “Released PAGA Claims” during the PAGA Period. “Released PAGA Claims” means all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts alleged in the Operative Complaint, the *Sasyniuk* Action, *Villegas* Action, and *Turner* Action, and the PAGA notice letters each Plaintiff submitted to the LWDA, including all alleged Labor Code and Wage Order violations specified therein. The settlement shall be effective to adjudicate and release the claims and/or rights of the LWDA to recover civil penalties against Defendant for the released Labor Code and/or Wage Order violations suffered by any of the Aggrieved Employees (i.e., entry of Judgment shall have res judicata effect as to those claims of the LWDA, whether pursued directly by the LWDA or by a representative pursuant to PAGA). In no event shall the release of the Released PAGA Claims in this Settlement Agreement release any non-PAGA claims of any individuals.

5.3 Release by PAGA Counsel:

PAGA Counsel release on behalf of their present and former attorneys, employees, agents, successors and assigns the Released Parties from all claims for PAGA Counsel Fees and PAGA Counsel Litigation Expenses incurred in connection with the Operative Complaint and the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

6. **MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT.** The Parties agree to jointly prepare and file an application or motion for approval of this Settlement.

- 6.1 Plaintiffs' Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2)) including (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiffs, PAGA Counsel or Defense Counsel; (iii) a signed declaration from PAGA Counsel's firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (iv) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator.
- 6.2 Responsibilities of Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement no later than sixty (60) days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Approval Order to the Administrator.
- 6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

7.1. Selection of Administrator. The Parties have jointly selected ILYM Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, ILYM Group, Inc. agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for any and all necessary purposes and providing reports to state and federal tax authorities.

7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

7.4. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

8. **AGGRIEVED EMPLOYEE SIZE ESTIMATES and ESCALATOR CLAUSE.** Based on its records, Defendant estimates that there are 4,943 Aggrieved Employees who worked 140,000 Pay Periods between January 28, 2022 and February 29, 2024. If the number of Pay Periods is 10% more than this estimate (after accounting for a pro rata increase from February 29, 2024 through the end of the PAGA Period), the Gross PAGA Settlement Amount shall increase proportionally. For example, if, after accounting for a pro rata increase of the approximately 140,000 worked between January 28, 2022 and February 29, 2024 through the end of the PAGA Period, the number of pay periods exceeds this estimate by 11%, the Gross PAGA Settlement Amount shall increase by 1%, etc.

9. **CONTINUING JURISDICTION OF THE COURT.** The Parties agree that after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement pursuant to C.C.P. Section 664.6 solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

9.1 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties and their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement

will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the PAGA Payment.

10. ADDITIONAL PROVISIONS.

- 10.1 No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. Defendant expressly denies all liability for any wrongdoing alleged by Plaintiffs. If, for any reason the Court does not approve this Settlement, Defendant reserves the right to contest manageability for any reason, and reserves all available defenses to the claims in the Action, and Plaintiffs reserve the right to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).
- 10.2 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 10.3 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 10.4 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as may be requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of the mediator, Steve Serratore, Esq., for resolution.
- 10.5 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this

Settlement.

- 10.6 No Tax Advice. Neither Plaintiffs, PAGA Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 10.7 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 10.8 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 10.9 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 10.10 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.
- 10.11 Confidentiality. Other than information necessary to secure Court approval of this settlement (including the filing of this Settlement), Plaintiffs and PAGA Counsel agree to keep confidential, prior to approval of the Settlement, all matters relative to this Settlement, including the terms of the Settlement and the facts and circumstances leading up to it. If asked about the disputes between the Parties, Plaintiffs and PAGA Counsel shall provide no other statement than “the matter has been resolved” or “the matter has settled.” Except as set forth above, neither Plaintiff nor PAGA Counsel shall, prior to approval of the Settlement, issue a press release, hold a press conference, publish information about the settlement on any website or social media, respond to any press inquiries, or otherwise publicize the settlement or communicate its terms in public or in private.
- 10.12 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiffs shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendant unless, prior to the Administrator’s payment of all Settlement Funds, Defendant makes a written request to PAGA Counsel for the return, rather than the destructions, of Aggrieved Employee Data.

10.13 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

10.14 Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

10.15 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Norman Blumenthal
norm@bamlawca.com
Kyle R. Nordrehaug
kyle@bamlawca.com
Aparajit Bhowmik
aj@bamlawca.com
Nicholas J. De Blouw
deblouw@bamlawca.com
Blumenthal Nordrehaug Bhowmik De Blouw LLP
2255 Calle Clara
La Jolla, California 92037
Phone: (858) 551-1223
Facsimile: (858) 551-1232

Ashkan Shakouri
ash@shakourilawfirm.com
Sharon Lin
sharon@shakourilawfirm.com
Shakouri Law Firm
11601 Wilshire Blvd., Fifth Floor
Los Angeles, California 90025
Phone: (310) 575-1827

Haig B. Kazandjian
haid@hbklawyers.com
Haig B. Kazandjian Lawyers, APC
801 North Brand Boulevard, Suite 970
Glendale, California 91203
Phone: 1-818-696-3406

To Defendant: Sarah Kroll-Rosenbaum

sarah.kroll-rosenbaum@akerman.com
Anthony D. Sbardellati
anthony.sbardellati@akerman.com
AKERMAN LLP
633 West Fifth Street, Suite 6400
Los Angeles, California 90071
Phone: (213) 688-9500
Facsimile: (213) 627-6342

10.16 Execution in Counterparts. This Settlement Agreement is subject only to the execution of all Parties. However, this Agreement may be executed in one or more counterparts by facsimile, electronic signature, or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

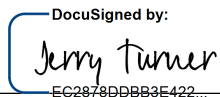
10.17 Court Filings. The Parties agree not to object to any Court filings consistent with this Agreement.

10.18 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the filing of the Operative Complaint and the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process. In the event the settlement is not finally approved, or is terminated, cancelled or fails to become effective for any reason, the Parties shall revert back to their respective positions as of before entering into the settlement. The Parties shall cooperate in good faith to secure a court order staying the Action and all deadlines, pending implementation of the settlement. If the Court denies approval of the settlement, the Parties will resume litigation.

11. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel hereby execute this Agreement.

Dated: 3/27/2024

DocuSigned by:

EC2878DDBB3E422...

Plaintiff Jerry Turner

Dated: 04 / 03 / 2024



Plaintiff Andrew Villegas

Dated: Apr 2, 2024


stacey Lynn Sasyniuk (Apr 2, 2024 02:07 PDT)

Plaintiff Stacey Sasyniuk

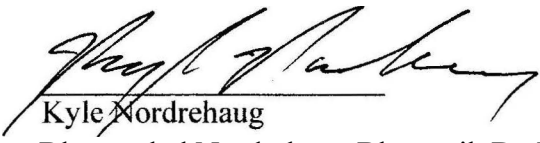
Dated: _____

Plaintiff Darlene Brown

Dated: _____

Stephen Pedersen, Chief Legal Officer
For Defendant Medical Solutions L.L.C.

Dated: April 3, 2024


Kyle Nordrehaug
Blumenthal Nordrehaug Bhowmik De Blouw LLP
Attorney for Plaintiffs

Dated: _____

Ashkan Shakouri
Shakouri Law Firm
Attorney for Plaintiffs

Dated: _____

Haig B. Kazandjian
Haig B. Kazandjian Lawyers, APC
Attorney for Plaintiffs

Dated: _____

Sarah Kroll-Rosenbaum
Akerman LLP
Attorney for Defendant

Dated: _____
Plaintiff Stacey Sasyniuk

Dated: Apr 2, 2024

DARLENE BROWN (Apr 2, 2024 20:35 PDT)
Plaintiff Darlene Brown

Dated: _____
Stephen Pedersen, Chief Legal Officer
For Defendant Medical Solutions L.L.C.

Dated: _____
Kyle Nordrehaug
Blumenthal Nordrehaug Bhowmik De Blouw LLP
Attorney for Plaintiffs

Dated: _____
Ashkan Shakouri
Shakouri Law Firm
Attorney for Plaintiffs

Dated: _____
Haig B. Kazandjian
Haig B. Kazandjian Lawyers, APC
Attorney for Plaintiffs

Dated: _____
Sarah Kroll-Rosenbaum
Akerman LLP
Attorney for Defendant

Dated: _____
Plaintiff Stacey Sasyniuk

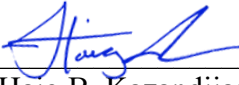
Dated: _____
Plaintiff Darlene Brown

Dated: _____
Stephen Pedersen, Chief Legal Officer
For Defendant Medical Solutions L.L.C.

Dated: _____
Kyle Nordrehaug
Blumenthal Nordrehaug Bhowmik De Blouw LLP
Attorney for Plaintiffs

Dated: 3/27/24

Ashkan Shakouri
Shakouri Law Firm
Attorney for Plaintiffs

Dated: 03/27/2024

Haig B. Kazandjian
Haig B. Kazandjian Lawyers, APC
Attorney for Plaintiffs

Dated: _____
Sarah Kroll-Rosenbaum
Akerman LLP
Attorney for Defendant

Dated: _____
Plaintiff Stacey Sasyniuk

Dated: _____
Plaintiff Darlene Brown

Dated: 4-1-24 _____
Stephen Pedersen
Stephen Pedersen, Chief Legal Officer
For Defendant Medical Solutions L.L.C.

Dated: _____
Kyle Nordrehaug
Blumenthal Nordrehaug Bhowmik De Blouw LLP
Attorney for Plaintiffs

Dated: _____
Ashkan Shakouri
Shakouri Law Firm
Attorney for Plaintiffs

Dated: _____
Haig B. Kazandjian
Haig B. Kazandjian Lawyers, APC
Attorney for Plaintiffs

Dated: 4-1-2024 _____

Sarah Kroll-Rosenbaum
Akerman LLP
Attorney for Defendant