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Attorneys for Defendant

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

ROSALBA DIAZ-SANDOVAL, individually, and)
on behalf of other members of the general public)
similarly situated;)

Plaintiff,)

v.)

SOUTHERN MONO HEALTHCARE)
DISTRICT, a California corporation; and DOES)
1 through 100, inclusive;)

Defendants.)

Case No.: 22UCM45

Assigned For All Purposes to:
Honorable Mark Magit
Courtroom 1

**JOINT STIPULATION AND SETTLEMENT
AGREEMENT**

Complaint Filed:	May 6, 2022
FAC Filed:	July 14, 2022
SAC Filed:	February 13, 2024
Trial Date	None Set

1 **JOINT STIPULATION AND SETTLEMENT AGREEMENT**

2 This Joint Stipulation and Settlement Agreement (“Agreement” or “Stipulation of Settlement”
3 or “Settlement”) is made and entered into by and between Plaintiffs, Rosalba Diaz-Sandoval and
4 Steven Conde, individually and on behalf of other members of the general public similarly situated
5 and/or other aggrieved employees (individually “Plaintiff Diaz-Sandoval” and “Plaintiff Conde”, and
6 collectively “Plaintiffs” and “Class Representatives”), on the one hand, and Defendant, Southern
7 Mono Healthcare District (“Defendant”), on the other hand (Plaintiffs and Defendant are collectively,
8 known as the “Parties” or in the singular as “Party”).

9 Subject to approval of the Court, this Stipulation of Settlement shall be binding on Plaintiffs,
10 Class Counsel, the Class, the PAGA Aggrieved Employees, the State of California, and Defendant,
11 along with the other Released Parties, subject to the terms and conditions hereof.

12 **RECITALS**

13 1. On May 6, 2022, Plaintiff Diaz-Sandoval, a former employee of Defendant, filed a
14 wage-and-hour Class Action Complaint for Damages (“Complaint”) in the Superior Court of the State
15 of California, for the County of Mono, alleging violations of: (a) Labor Code sections 510 and 1198
16 (unpaid overtime); (b) Labor Code sections 226.7 and 512(a) (unpaid meal period premiums); (c)
17 Labor Code section 226.7 (unpaid rest period premiums); (d) Labor Code sections 1194 and 1197
18 (unpaid minimum wages); (e) Labor Code sections 201 and 202 (final wages not timely paid); (f)
19 Labor Code section 226(a) (non-compliant wage statements); (g) Labor Code sections 2800 and 2802
20 (unreimbursed business expenses); and (h) Business & Professions Code section 17200, *et seq.*

21 2. On July 14, 2022, Plaintiff Diaz-Sandoval filed a First Amended Class Action
22 Complaint for Damages (“FAC”) that withdrew all causes of action except for violation of Labor
23 Code sections 1194 and 1197 (unpaid minimum wages).

24 3. On June 6, 2023, Plaintiff Conde, another former employee of Defendant, provided
25 written notice to the California Labor & Workforce Development Agency (“LWDA”) and Defendant
26 of the specific provisions of the Labor Code he contends were violated and the theories supporting his
27 contentions under the Labor Code Private Attorneys General Act of 2004 (“PAGA”). Plaintiff Conde
28

believes that on or about August 10, 2023, the sixty-five (65) day notice period expired, and the LWDA did not take any action to investigate or prosecute this matter.

4. After engaging in informal and formal discovery, investigations, and negotiation, on October 26, 2023 the Parties remotely attended private mediation with the mediator Paul Grossman, Esq. ("Mediator"). The mediation resulted in the Parties reaching a settlement in principle via a mediator's proposal.

5. In line with the settlement in principle, on November 30, 2023, Plaintiff Conde provided an amended written notice to the LWDA and Defendant of the specific provisions of the Labor Code he contends were violated and the theories supporting his contentions under PAGA. Plaintiff Conde believes that on or about February 3, 2024, the sixty-five (65) day notice period expired, and the LWDA did not take any action to investigate or prosecute this matter.

6. Pursuant to the stipulation of the Parties and Court approval, Plaintiffs filed a Second Amended Class on February 13, 2024, Representative and Collective Action Complaint for Damages ("SAC") that: (a) adjusted the "class" definition; (b) added Plaintiff Conde as a named plaintiff; and (c) added the following causes of action: (i) Violation of California Labor Code sections 510 and 1198, (ii) Violation of California Labor Code sections 226.7, 512(a) and 512.1, (iii) Violation of California Labor Code section 226.7 and 512.1, (iv) Violation of California Labor Code section 226(a), (v) Violation of California Labor Code sections 2698, *et seq.* (PAGA), and (vi) Violation of the Fair Labor Standards Act, 29 U.S.C. section 201, *et seq.*

7. Defendant denies all material allegations set forth in this Action including the allegations in the Complaint, FAC, SAC (collectively referred to as the "Complaints") and the original and amended PAGA notice letters sent to the LWDA and Defendant (collectively referred to as the "PAGA Notices"), and Defendant has asserted numerous affirmative defenses. Nonetheless, in the interest of avoiding further protracted litigation, Defendant desires to fully and finally settle all actual or potential claims that have been brought by or on behalf of the Plaintiffs, by the Class and/or allegedly PAGA Aggrieved Employees.

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8. Plaintiffs' counsel in the Action, Justice Law Corporation ("Class Counsel"), diligently investigated the proposed Class's claims against Defendant, including all applicable defenses and the applicable law. The investigation included, *inter alia*, the exchange of information pursuant to formal and informal discovery, review of numerous corporate policies and practices, and review of the time and wage data of numerous employees in the putative Class.

9. The settlement discussions during mediation and the negotiation of the settlement documentation after mediation were conducted at arm's-length and this Stipulation of Settlement is the result of an informed and detailed analysis of Defendant's total potential liability exposure for the disputed claims in relation to the costs and risks to all Parties associated with continued litigation.

10. Based on the data produced pursuant to informal and formal discovery as well as Class Counsel's own independent investigation and evaluation, and the Mediator's efforts, Class Counsel believes that the settlement with Defendant for the consideration and on the terms set forth in this Stipulation of Settlement is fair, reasonable, and adequate and is in the best interest of the putative Class and allegedly PAGA Aggrieved Employees considering all known facts and circumstances.

11. This Stipulation of Settlement is made and entered into by and between Plaintiffs individually, and on behalf of all other members of the general public similarly situated and allegedly PAGA Aggrieved Employees, and Defendant and is subject to the terms and conditions hereof and to the Court's approval. The Parties expressly acknowledge that this Stipulation of Settlement is entered solely for the purpose of compromising significantly disputed claims and that nothing herein is an admission of liability or wrongdoing by Defendant. If for any reason this Stipulation of Settlement is not approved, it will be of no force or effect, and the Parties shall be returned to their original respective positions prior to settling the Action.

DEFINITIONS

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

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12. "Action" means the lawsuit in the matter entitled *Diaz-Sandoval, et al. v. Southern Mono Healthcare District, et al.* (Case No. 22UCM45) filed on May 6, 2022, in the Superior Court of the State of California, for the County of Mono, including all original and amended Complaints.

13. "Attorneys' Fees and Costs" means attorneys' fees agreed upon by the Parties by way of this Agreement and approved by the Court for Class Counsel's efforts for the litigation and resolution of this Action, and all litigation costs and expenses incurred and to be incurred by Class Counsel in the Action, including, but not limited to, costs and expenses associated with mediation, documenting the Settlement, securing the Court's approval of the Settlement, obtaining entry of a Judgment terminating this Action, and expenses for any experts. Class Counsel will collectively request attorneys' fees not to exceed Thirty-Five Percent (35%) of the Maximum Settlement Amount, or up to Two Hundred Thirty-Six Thousand Two Hundred Fifty Dollars (\$236,250). Class Counsel will also request reimbursement of Class Counsel's litigation costs and expenses, not to exceed Thirty Thousand Dollars (\$30,000). For any Attorneys' Fees and Costs approved by the Court, the Claims Administrator may purchase an annuity to utilize US treasuries and bonds or other attorneys' fees deferral vehicles for Class Counsel. Defendant has agreed not to oppose Class Counsel's request for fees and reimbursement of costs and expenses as set forth above. Any portion of the Attorneys' Fees and Costs that are not awarded to Class Counsel by the Court will flow through to the Net Settlement Amount, for distribution in conformity with this Agreement.

14. "Claimants" means all Class Members who submit timely and valid Claim Forms to receive a proportional share of the Net Settlement Amount in the form of an Individual Settlement Payment.

15. "Claim Form" means the document, substantially in the form attached as **Exhibit B**, Class Members must complete and postmark or fax by the Response Deadline to receive a proportional share of the Net Settlement Amount in the form of an Individual Settlement Payment.

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1 16. “Claims Administrator” means ILYM Group, Inc., a third-party class action settlement
2 claims administrator agreed to by the Parties and to be approved by the Court for purposes of
3 administering this Settlement. If ILYM Group, Inc. is not approved by the Court for any reason, the
4 Parties agree to meet and confer to mutually select an alternative third-party class-action settlement
5 claims administrator. The Parties each represent that they do not have any financial interest in the
6 Claims Administrator or otherwise have a relationship with the Claims Administrator that could create
7 a conflict of interest.

8 17. “Claims Administration Costs” means the costs payable from the Maximum Settlement
9 Amount to the Claims Administrator for administering this Settlement, including, but not limited to:
10 (a) printing, translating, distributing, and tracking documents for this Settlement; (b) calculating
11 estimated and actual settlement payment amounts; (c) preparing proposed distribution summaries and
12 timelines and providing the same to all counsel for approval before any settlement funds are
13 distributed; (d) tax reporting; (e) distributing the appropriate settlement amounts to the appropriate
14 persons and entities; (f) timely providing necessary reports and declarations; and (g) performing other
15 duties and responsibilities set forth herein to process this Settlement and as requested by the Parties
16 and/or ordered by the Court. The Claims Administration Costs are currently estimated not to exceed
17 Twenty-Thousand Dollars (\$20,000). Any portion of the Claims Administration Costs not awarded to
18 the Claims Administrator will flow through to the Net Settlement Amount, for distribution in
19 conformity with this Agreement.

20 18. “Class Counsel” means Justice Law Corporation, which will seek to be appointed by
21 the Court as counsel for the Class.

22 19. “Class List” mean a complete list of all Class Members within the Class that Defendant
23 will diligently and in good faith compile from its records and provide only to the Claims
24 Administrator within twenty-one (21) business days of the Court’s Preliminary Approval of this
25 Stipulation of Settlement. Defendant will diligently and in good faith request records from third-party
26 staffing agencies, if needed, to compile the Class List but cannot warrant the timeliness or accuracy of
27 third-party data. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet(s)
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1 and will include each Class Member's: (a) full name; (b) the most recent mailing address and
2 telephone number known to Defendant; (c) Social Security Number; (d) dates of employment as an
3 hourly-paid or non-exempt employee in California within the relevant Class Period; (e) the number of
4 workweeks worked by each respective Class Member during the Class Period, as have been or will be
5 calculated by Defendant's third-party consultant based upon Class Members' payroll records; and (f)
6 the number of PAGA Pay Periods worked by each respective Aggrieved Employee during the PAGA
7 Period, as have been or will be calculated by Defendant's third-party consultant based upon PAGA
8 Aggrieved Employees' payroll records.

9 20. "Class Member(s)" or "Class" collectively refers to: all current and former hourly-paid
10 or non-exempt employees of Defendant within the State of California who worked at any time during
11 the Class Period. It is estimated there are 900 Class Members who worked a total of 81,211
12 Workweeks.

13 21. "Class Period" means the period May 6, 2019 through December 26, 2023.

14 22. "Class Representatives" mean Plaintiff Diaz-Sandoval and Plaintiff Steven Conde, who
15 will seek to be appointed by the Court as the representatives for the Class.

16 23. "Class Representative Enhancement Payments" mean the amount to be paid to the
17 Class Representatives in recognition of their efforts and work in prosecuting the Action on behalf of
18 the Class Members. The Parties agree that the Class Representatives will each be paid up to Ten
19 Thousand Dollars (\$10,000), subject to Court approval, totaling a combined maximum not to exceed
20 Twenty Thousand Dollars (\$20,000), from the Maximum Settlement Amount. The Class
21 Representative Enhancement Payments are for their services rendered on behalf of the Class,
22 including their assistance as the Plaintiffs and Class Representatives, subject to the Court granting
23 Final Approval of this Stipulation of Settlement, and subject to the exhaustion of any and all appeals.
24 Any portion of the Class Representative Enhancement Payments not awarded to the Class
25 Representatives, or either of them, will flow through to the Net Settlement Amount, for distribution in
26 conformity with this Agreement.

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1 24. “Court” means the Superior Court of the State of California, for the County of Mono,
2 or any other court taking jurisdiction of the Action.

3 25. “Defendant” means Southern Mono Healthcare District.

4 26. “Defense Counsel” means counsel for Defendant who are:

5 Chandra A. Beaton
6 Kathleen M. Fellows
7 **LIGHTGABLER LLP**
8 760 Paseo Camarillo, Suite 300
9 Camarillo, California 93010
10 Telephone: (805) 248-7208
11 Facsimile: (805) 248-7209

12 and

13 Steven P. Lee
14 **MYERS, WIDDERS, GIBSON, JONES & FEINGOLD, LLP**
15 39 North California Street
16 Ventura, California 93001
17 Telephone: (805) 644-7188
18 Facsimile: (805) 644-7390

19 27. “Effective Date” means the date on which the settlement embodied in this Stipulation
20 of Settlement shall become effective after all of the following events have occurred: (a) this
21 Stipulation of Settlement has been executed by all Parties and by their counsel; (b) the Court has given
22 preliminary approval to the Settlement; (c) notice has been given to the Class Members, providing
23 them with an opportunity to object to the terms of the Stipulation of Settlement, to opt out of the
24 Stipulation of Settlement by filing a Request for Exclusion, or to submit a completed Claim Form; and
25 (d) (i) in the event the Court has held a formal Fairness/Final Approval Hearing and, having heard no
26 objections to the Settlement, entered a final order and judgment certifying the Class for purposes of
27 settlement and approving this Stipulation of Settlement; or (ii) only in the event that there are written
28 Objections filed prior to the formal Fairness/Final Approval Hearing that are not later withdrawn or
denied, the later of the following events: (1) five (5) business days after the period for filing any
appeal, writ, or other appellate proceeding opposing the Court’s final order approving the Stipulation
of Settlement has elapsed without any appeal, writ, or other appellate proceeding having been filed; or
(2) if any appeal, writ, or other appellate proceeding opposing the Court’s final order approving the

Stipulation of Settlement has been filed, five (5) business days after any appeal, writ, or other appellate proceedings opposing the Stipulation of Settlement has been finally and conclusively dismissed with no right to pursue further remedies or relief.

28. "Final Approval" means the Court order granting Final Approval of this Stipulation of Settlement.

29. "Individual Settlement Payment" means each Claimant's share of the Net Settlement Amount.

30. "Maximum Settlement Amount" means the amount of up to Six Hundred Seventy-Five Thousand Dollars (\$675,000) to be paid by Defendant in full satisfaction of all claims arising from the Action, which includes all Individual Settlement Payments to Claimants, Class Representative Enhancement Payments, Claims Administration Costs to the Claims Administrator, Attorneys' Fees and Costs to Class Counsel, and PAGA Payment. This Maximum Settlement Amount has been agreed to by the Parties based on the aggregation of the agreed-upon settlement value of individual claims. In no event will Defendant be liable for more than the Maximum Settlement Amount, unless the Escalator Clause is triggered, except that employer-side payroll taxes for the Individual Settlement Payments to Claimants shall be paid separate and apart from the Maximum Settlement Amount.

31. "Net Settlement Amount" means the portion of the Maximum Settlement Amount remaining after deduction of the Court-approved Class Representative Enhancement Payments, Claims Administration Costs, the PAGA Payment, and Attorneys' Fees and Costs. The Net Settlement Amount will be distributed to Claimants in accordance with Paragraphs 60 and 62 below. The Parties agree that the amount actually distributed to the Claimants will equal at least Fifty Percent (50%) of the Net Settlement Amount. If the total estimate Individual Settlement Payments to the Claimants would equal less than Fifty Percent (50%) of the Net Settlement Amount, the Claims Administrator will proportionately increase the Individual Settlement Payment for each Claimant to ensure that total Individual Settlement Payments equal Fifty Percent (50%) of the Net Settlement Amount. Except as otherwise provided in Paragraph 79, any amounts above Fifty Percent (50%) of the Net Settlement Amount that are not claimed by way of the submission of a timely and valid Claim Form will be the

exclusive property of Defendant.

32. “Notice of Class Action Settlement” means the Court approved notice to be mailed to Class Members in English and Spanish in the form, without material variation and subject to Court approval, attached as **Exhibit A** and incorporated by reference into this Stipulation of Settlement.

33. “Notice of Objection” or “Objection” means a Class Member’s valid and timely written objection to this Stipulation of Settlement. For the Notice of Objection to be valid, it must include: (a) (b) the objector’s full name, signature, address, telephone number and the last four (4) digits of the objector’s Social Security Number (c) a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) a clear reference to the title of this Action and case number; and (e) copies of any papers, briefs, or other documents upon which the objection is based.

34. “Notice Packet” means the Notice of Class Action Settlement and Claim Form, substantially in the forms attached as **Exhibit A** and **Exhibit B**, respectively.

35. “PAGA Aggrieved Employee” means all current and former hourly-paid or non-exempt employees of Defendant who worked in California during the PAGA Period. Although whether each said employee, or any of them, was or is truly “aggrieved” is disputed between the Parties, the term “PAGA Aggrieved Employees” is used for simplicity in this Agreement. It is estimated there are 591 PAGA Aggrieved Employees who worked a total of 15,478 pay periods.

36. “PAGA Payment” means the amount of Sixty-Seven Thousand Five Hundred Dollars (\$67,500), which the Parties have agreed to allocate for penalties pursuant to PAGA. The Parties have agreed the PAGA Payment will be paid out of the Maximum Settlement Amount. Pursuant to PAGA, Seventy-Five Percent (75%) or Fifty Thousand Six Hundred Twenty-Five Dollars (\$50,625) of the PAGA Payment will be paid to the LWDA, and Twenty-Five Percent (25%) or Sixteen Thousand Eight Hundred Seventy-Five Dollars (\$16,875) of the PAGA Payment will be distributed, pro rata, based on the PAGA Pay Periods to all PAGA Aggrieved Employees.

37. “PAGA Period” means the period from June 6, 2022 through December 26, 2023.

1 38. “PAGA Pay Period” means a pay period during which a PAGA Aggrieved Employee
2 worked for Defendant (whether directly or staffed through a third-party entity) during the PAGA
3 Period. The number of PAGA Pay Periods worked by each respective PAGA Aggrieved Employee
4 has been or will be calculated by Defendant’s third-party consultant based upon analyzing the PAGA
5 Aggrieved Employees’ payroll records.

6 39. “Parties” means Plaintiffs and Defendant.

7 40. “Plaintiffs” means Plaintiff Diaz-Sandoval and Plaintiff Conde, collectively, or
8 “Plaintiff” in the singular.

9 41. “Preliminary Approval” means the Court order granting preliminary approval of this
10 Stipulation of Settlement.

11 42. “Qualified Settlement Fund” or “QSF” means a fund within the meaning of Treasury
12 Regulations section 1.46B-1, 26 C.F.R. section 1.468B-1 *et seq.* that is established by the Claims
13 Administrator for the benefit of Claimants, Plaintiffs, and Class Counsel.

14 43. “Released Claims” as it pertains to Class Members include, but are not limited to, all
15 claims that were alleged, or could have been alleged, based on the facts contained in the PAGA
16 Notices and/or Complaints, or any of them, and that occurred during the Released Claims Period.
17 Without limiting the scope of the foregoing whatsoever, the Released Claims include, but are not
18 limited to, statutory, constitutional, contractual or common law claims for wages, damages, unpaid
19 costs, penalties, liquidated damages, punitive damages, interest, attorneys’ fees, litigation costs,
20 restitution, or equitable relief, arising from or relating in any way to: (a) failing to pay wages and
21 overtime compensation for all hours worked; (b) requiring, permitting, or suffering employees to work
22 off-the-clock; (c) improperly rounding the time records and underpaying wages owed; (d) improperly
23 failing to pay for time spent undergoing COVID-19 screening procedures; (e) requiring, permitting, or
24 suffering employees to work through meal and rest periods; (f) illegally and inaccurately recording
25 time in which employees worked; (g) failing to properly maintain employee records; (h) failing to
26 maintain accurate and itemized wage statements; (h) failing to timely pay wages upon termination; (i)
27 failing to pay all wages and other compensation at the appropriate rate of pay including, but not
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limited to, failing to adjust the rate of pay to account for non-discretionary bonuses and incentives including, but not limited to, shift differentials, on-call payments and other forms of non-discretionary compensation; (j) violation(s) of Labor Code sections 201, 202, 226(a), 226.7, 510, 512(a), 1194, 1197, 1198, 2800, and/or 2802; (k) violation(s) of Business & Professions Code section 17200, *et seq.*; (l) violation(s) of the Fair Labor Standards Act (“FLSA”); and (m) violation(s) of PAGA. Class Members do not release any other claims outside of the scope of the foregoing, including any claims that cannot be released as a matter of law.

44. “Released Claims Period” means the period from May 6, 2019 through December 26, 2023.

45. “Released Parties” means Defendant and its former and present parents, subsidiaries, divisions, affiliates, as well as any entities with whom Defendant could share a Joint Employer relationship under any legal theory, and each of their respective current and former officers, directors, owners, board members, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, predecessors, successors, assigns, and joint venturers.

46. “Request for Exclusion” means a timely letter submitted by a Class Member indicating a request to be excluded from the Settlement. The Request for Exclusion must: (a) be signed by the Class Member; (b) contain the name, address, telephone number, and the last four (4) digits of the Social Security Number of the Class Member requesting exclusion; (c) clearly state the name of this Action, the case number, and that the Class Member does not wish to be included in the Settlement; (d) be returned by mail or fax to the Claims Administrator at the specified address and/or facsimile number; and (e) be postmarked or faxed on or before the Response Deadline. The date of the postmark or fax on the return mailing envelope will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. A Class Member who does not timely request exclusion from the Settlement (“Settlement Class Members”) will be bound by all terms of the Settlement if the Settlement is granted Final Approval by the Court.

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47. “Response Deadline” means the deadline by which Class Members must postmark or fax to the Claims Administrator valid Claim Forms, Requests for Exclusion, Notices of Objection, or written disputes regarding the Settlement. The Response Deadline will be forty-five (45) calendar days from the initial mailing of the Notice Packet by the Claims Administrator, unless the forty-fifth (45th) day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline for Claim Forms, Requests for Exclusion, Notices of Objection, or written disputes regarding the Settlement will be extended for any Class Member who is re-mailed a Notice Packet by the Claims Administrator, as described in Paragraph 67 below. The Response Deadline may also be extended by express agreement between Class Counsel and Defense Counsel. Under no circumstances, however, will the Claims Administrator have the independent authority to extend the deadline for Class Members to submit a Claim Form, Request for Exclusion, Notice of Objection, or written disputes regarding the Settlement.

48. "Workweeks" means the number of weeks that a Class Member worked for Defendant (whether directly or staffed through a third-party entity) as an hourly-paid or non-exempt employee in California at any time during the Class Period. Defendant will provide the Claims Administrator with the number of Workweeks worked by each respective Class Member, which have been or will be calculated by Defendant's third-party consultant based upon Class Members' payroll records. Each Claimant shall be entitled to payment for at least one (1) Workweek.

CLASS CERTIFICATION

49. Solely for purposes of settling the Action, and not for purposes of class certification should the matter not be settled or for any reason, the Parties stipulate and agree that the requisites for establishing class certification with respect to the Class have been met and are met. More specifically, the Parties stipulate and agree that:

- a. The Class is ascertainable and so numerous as to make it impracticable to join all Class Members;
- b. There are common questions of law and fact including, but not limited to the following:

- i. Whether Defendant properly compensated Class Members;
- ii. Whether Defendant's failure to pay wages, without abatement or reduction, in accordance with the Labor Code, was willful;
- iii. Whether Defendant failed to provide legally compliant meal and/or rest breaks;
- iv. Whether Defendant failed to pay premiums for late, short and/or missed meal and/or rest breaks;
- v. Whether Defendant required Class Representatives and other Class Members to work over forty (40) hours per week and failed to pay the legally required overtime compensation;
- vi. Whether Defendant properly calculated the regular rate of pay for the Class Representatives and other Class Members who worked overtime, were paid meal and/or rest break premium pay, were paid sick pay, and earned incentive pay and/or other non-discretionary compensation;
- vii. Whether Defendant failed to pay minimum wages to the Class Representatives and other Class Members for all hours worked;
- viii. Whether Defendant failed to provide Class Members legally compliant wage statements;
- ix. Whether Defendant failed to timely pay the Class Representatives and other Class Members their final wages;
- x. Whether Defendant's conduct was willful or reckless;
- xi. The appropriate amount of damages, restitution, and/or monetary penalties resulting from the alleged violations of law by Defendant;
- xii. Whether Defendant engaged in unfair business practices affecting the Class; and

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1 xiii. Whether the Class Representatives and the Class they purport to represent
2 are entitled to injunctive, declaratory relief, and/or compensatory damages
3 pursuant to the Labor Code and/or the federal Fair Labor Standards Act.

4 50. Should this Settlement not be approved or be terminated, these stipulations shall be null
5 and void and shall not be admissible for any purpose whatsoever.

6 51. The Class Representatives' claims are typical of the claims of the Class Members.
7 Should this Settlement not be approved or be terminated, this stipulation shall be null and void and
8 shall not be admissible for any purpose whatsoever.

9 52. The Class Representatives and Class Counsel will fairly and adequately protect the
10 interests of the Class. Should this Settlement not be approved or be terminated, this stipulation shall be
11 null and void and shall not be admissible for any purpose whatsoever.

12 53. The prosecution of separate actions by individual members of the Class would create
13 the risk of inconsistent or varying adjudications, which would establish incompatible standards of
14 conduct. Should this Settlement not be approved or be terminated, this stipulation shall be null and
15 void and shall not be admissible for any purpose whatsoever.

16 54. With respect to the Class, the Class Representatives believe that questions of law and
17 fact common to the Class Members predominate over any questions affecting any individual Class
18 Member, and a class action is superior to other available means for the fair and efficient adjudication
19 of the controversy.

20 **TERMS OF AGREEMENT**

21 NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements set
22 forth herein, the Parties agree, subject to the Court's approval, as follows:

23 55. Funding of the Settlement Amount. Within five (5) business days after the Final
24 Approval of the Settlement, the Claims Administrator will calculate all of the payments due under this
25 Settlement and the Final Approval Order and will provide Class Counsel and Defense Counsel with an
26 accounting of the total amount to be approved by counsel for the Parties and funded by Defendant, not
27 to exceed the Maximum Settlement Amount except as otherwise provided in this Agreement as to
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1 employer-side payroll taxes. The Claims Administrator will establish a QSF account within fifteen
2 (15) business days of the Effective Date and will provide Defense Counsel with funding instructions.
3 Within twenty-five (25) business days of the Effective Date, Defendant will deposit all Court-
4 approved funds into the QSF account.

5 56. Payment Schedule for All Settlement Payments. Prior to disbursing any portion of the
6 Settlement funds, the Claims Administrator will provide a disbursement breakdown to Class Counsel
7 and Defense Counsel and will not disburse any funds until the breakdown is approved by both
8 counsels. Any disputes regarding disbursement will be resolved by the Court. Within ten (10) business
9 days of Defendant funding the settlement amount described in Paragraph 55, above, and subject to the
10 Parties having approved the accounting and distribution summary, the Claims Administrator will
11 distribute all payments due under the Settlement. Individual Settlement Payments shall be mailed by
12 regular First-Class U.S. Mail to the respective Claimant's last known mailing address.

13 57. Attorneys' Fees and Costs. Defendant agrees not to oppose or impede any application
14 or motion by Class Counsel for Attorneys' Fees and Costs of not more than Thirty-Five Percent (35%)
15 of the Maximum Settlement amount or Two Hundred Thirty-Six Thousand Two Hundred Fifty
16 Dollars (\$236,250) for fees plus the reimbursement of costs and expenses associated with Class
17 Counsel's litigation and settlement of the Action not to exceed Thirty Thousand Dollar (\$30,000),
18 both of which will be paid from the Maximum Settlement Amount. Any Attorneys' Fees and Costs
19 awarded by the Court shall not constitute payment to any Class Member(s). To the extent that the
20 Court approves less than the amount of attorneys' fees and/or costs that Class Counsel requests, the
21 difference between the requested and awarded amounts will be reallocated to the Net Settlement
22 Amount. Except for the Attorneys' Fees and Costs set forth in this Agreement, the Parties agree to
23 bear their own attorneys' fees and costs related to this Action. In consideration of their awarded
24 Attorneys' Fees and Costs, Class Counsel waives all claims to any further attorneys' fees, costs, and
25 expenses in connection with the Settlement and the Action.

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1 58. Class Representative Enhancement Payments. In recognition of the Class
2 Representatives' effort and work in prosecuting the Action on behalf of Class Members, and in
3 exchange for a full release of all known and unknown claims, Defendant agrees not to oppose or
4 impede any application or motion for Class Representative Enhancement Payments of up to Ten
5 Thousand Dollars (\$10,000) to each Plaintiff (totalling a combined maximum of up to Twenty
6 Thousand Dollars (\$20,000)). The Class Representative Enhancement Payments will be paid from the
7 Maximum Settlement Amount and shall not constitute payment to any Claimant(s) (other than
8 Plaintiffs). To the extent that the Court approves less than the amount of the Class Representative
9 Enhancement Payments that Class Counsel requests, the difference between the requested and
10 awarded amounts will be reallocated to the Net Settlement Amount. Because it is the intent of the
11 Parties that the Class Representative Enhancement Payments represent payments to the Class
12 Representatives for the services to the Putative Class Members, and not wages, the Settlement
13 Administrator will not withhold any taxes from the Class Representative Enhancement Payments. The
14 Claims Administrator will issue an IRS Form 1099 for the Class Representative Enhancement
15 Payments to each respective Class Representative, and each respective Class Representative shall be
16 solely and legally responsible for correctly characterizing this compensation for tax purposes and for
17 paying any taxes on the amounts received.

18 58(a) General Release by Class Representatives. As a condition of the Settlement and
19 the Class Representative Enhancement Payments, Plaintiffs, as the Class
20 Representatives, separately release the Released Parties on behalf of themselves
21 and each of their respective former and present spouses, representatives, agents,
22 attorneys (including Class Counsel), heirs, administrators, successors, and
23 assigns from the following: any and all claims, obligations, demands, actions,
24 rights, causes of action, and liabilities against the Released Parties, of whatever
25 kind and nature, character, and description, whether in law or equity, whether
26 sounding in tort, contract, federal, state and/or local law, statute, ordinance,
27 regulation, common law, or other source of law or contract, whether known or
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1 unknown, and whether anticipated or unanticipated to the broadest extent
2 possible, by the Class Representatives, arising at any time up to and including
3 the date on which the Court enters the order of final approval, for any type of
4 relief, including, without limitation, claims for wages, premium and other forms
5 of pay, unpaid/unreimbursed costs, penalties (including waiting time penalties
6 and wage statement penalties), general damages, compensatory damages,
7 liquidated damages, punitive damages, interest, attorneys' fees, litigation and
8 other costs, expenses, restitution, and equitable and declaratory relief. The Class
9 Representatives' Released Claims include, but are not limited to, the Released
10 Claims as well as any other claims under any provision of the FLSA, California
11 Labor Code, any applicable California Industrial Welfare Commission Wage
12 Orders, any city or county Living Wage Ordinances, and claims under state or
13 federal discrimination statutes, including, without limitation, the California
14 Government Code, the Unruh Civil Rights Act, the California Civil Code, the
15 California Constitution, the California Business and Professions Code,
16 including, but not limited to, section 17200 *et seq.*, the United States
17 Constitution, the Age Discrimination in Employment Act ("ADEA") and Older
18 Workers Benefit Protection Act, the Uniformed Services Employment and
19 Reemployment Rights Act, Title VII of the Civil Rights Act of 1964, 42 U.S.C.
20 section 2000 *et seq.*, the Family and Medical Leave Act, to the extent not
21 prohibited by law, the Americans with Disabilities Act, 42 U.S.C.
22 sections 12101 *et seq.*, and the Employee Retirement Income Security Act of
23 1974, 29 U.S.C. section 1001 *et seq.*, and all their implementing regulations and
24 interpretive guidelines. As a condition of Settlement, the Class Representatives
25 will provide or have provided a full and general release of all known and
26 unknown claims, including, but not limited to, all claims alleged or that could
27 have been alleged in the Action.

1 58(b) Plaintiffs' Waiver of Rights Under Civil Code Section 1542. For purposes of
2 the general release in the paragraph immediately above, Plaintiffs expressly
3 waive and relinquish the provisions, rights, and benefits, if any, of section 1542
4 of the covered by Civil Code which reads:

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

8 Plaintiffs expressly intend to waive all known and unknown claims.

9 59. Claims Administration Costs. The Claims Administrator will be paid for the reasonable
10 costs of administration of the Settlement and distribution of payments, which costs are estimated not
11 to exceed Twenty Thousand Dollars (\$20,000). These costs, which will be paid from the Maximum
12 Settlement Amount, will include, *inter alia*: (a) printing, translating, distributing, and tracking
13 documents for this Settlement including but not limited to the Notice Packet as well as re-sending
14 Notice Packets where applicable; (b) calculating settlement payments and providing distribution
15 summaries to all Parties through Class Counsel and Defense Counsel for approval before any
16 settlement funds are distributed; (b) all tax reporting for all distributed payments and issuance of
17 respective W-2 and 1099 IRS forms; (c) distributing the appropriate settlement amounts to the
18 appropriates persons and entities pursuant to this Settlement and the Court's Final Approval Order; (d)
19 providing necessary reports and declarations as required by this Settlement and as ordered by the
20 Court; and (e) performing other duties and responsibilities set forth herein to process this Settlement
21 and as requested by the Parties. Any portion of the Claims Administration Costs that are not awarded
22 to the Claims Administrator will be reallocated to the Net Settlement Amount.

23 59(a) Acknowledgement of Potential Administration Cost Increase or Decrease. The
24 Parties acknowledge that Claims Administration Costs may increase above the
25 current estimate of \$20,000 and that any such additional Claims Administration
26 Costs will be taken out of the Maximum Settlement Amount. Any portion of the
27 estimated or designated Claims Administration Costs which are not in fact
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required to fulfill the total Claims Administration Costs will flow though to the Net Settlement Amount.

60. PAGA Payment. Subject to Court approval, the Parties agree that the amount of Sixty-Seven Thousand Five Hundred Dollars (\$67,500) from the Maximum Settlement Amount will be designated for satisfaction of the PAGA Aggrieved Employees' PAGA claims. Pursuant to PAGA, Seventy-Five Percent (75%) of the PAGA Payment or Fifty Thousand Six Hundred Twenty-Five Dollars (\$50,625) will be paid to the LWDA, and Twenty-Five Percent (25%) of the PAGA Payment or Sixteen Thousand Eight Hundred Seventy-Five Dollars (\$16,875) will be distributed, pro rata, based on the PAGA Pay Periods worked to all PAGA Aggrieved Employees.

60(a) Defense Counsel will provide the Claims Administrator with the PAGA Pay Periods worked by each respective PAGA Aggrieved Employee.

60(b) The Claims Administrator will calculate the total number of pay periods worked by all PAGA Aggrieved Employees ("Total PAGA Pay Periods") combined during the PAGA Period.

60(c) To determine each PAGA Aggrieved Employee's estimated portion of the PAGA Payment, the Claims Administrator will use the following formula:
estimated individual PAGA Payment = $(\$16,875 \div \text{Total PAGA Pay Periods}) \times$
individual PAGA Pay Periods for each individual PAGA Aggrieved Employee.
The portion of the PAGA Payment paid to PAGA Aggrieved Employees shall be designated as one hundred percent (100%) penalties, for which an IRS Form 1099 will be issued to each respective PAGA Aggrieved Employee.

61. Net Settlement Amount. The Net Settlement Amount will be used to satisfy Individual Settlement Payments to Claimants in accordance with the terms of this Agreement. If the total claimed Individual Settlement Payments would equal less than Fifty Percent (50%) of the Net Settlement Amount, the Claims Administrator will proportionately increase the Individual Settlement Payment for each Claimant to ensure that the amount actually distributed to Claimants will equal at least Fifty Percent (50%) of the Net Settlement Amount. Any unclaimed amounts above Fifty Percent (50%) of

the Net Settlement Amount will be the exclusive property of Defendant.

62. Individual Settlement Payment Calculations. Individual Settlement Payments will be calculated and apportioned from the Net Settlement Amount based on the number of Workweeks a Class Member worked during the Class Period. Specific calculations of Individual Settlement Payments will be made as follows:

62(a) Defense Counsel will provide the Claims Administrator with the respective number of Workweeks worked by each individual Class Member ("Individual Workweeks").

62(b) The Claims Administrator will calculate the total number of Workweeks worked by all Class Members ("Class Workweeks") combined during the Class Period.

62(c) To determine each Class Member's estimated Individual Settlement Payment, the Claims Administrator will use the following formula: estimated Individual Settlement Payment = (Net Settlement Amount ÷ Class Workweeks) x Individual Workweeks for each individual Class Member.

62(d) If the total Individual Settlement Payments actually claimed by the Claimants would equal less than Fifty Percent (50%) of the Net Settlement Amount, the Individual Settlement Payments will proportionately increase for each Claimant who submitted a Claim Form such that the total Individual Settlement Payments equal Fifty Percent (50%) of the Net Settlement Amount.

62(e) The Individual Settlement Payment will be reduced by any required deductions for each Claimant as set forth herein, including employee-side tax and withholdings to the wage portion of each Individual Settlement Payment.

63. Individual Settlement Payments Do Not Trigger Additional Benefits. All Individual Settlement Payments to Class Members shall be deemed to be paid to such Class Members solely in the year in which such payments are actually received by the Class Members. It is expressly understood and agreed that the receipt of such Individual Settlement Payments will not entitle any Class Member to additional compensation or benefits under any company bonus, contest or other

1 compensation or benefit plan or agreement in place during the period covered by the Settlement, nor
2 will it entitle any Class Member to any increased retirement, 401k benefits or matching benefits, or
3 deferred compensation benefits. It is the intent of this Settlement that the Individual Settlement
4 Payments provided for in this Settlement are the sole payments to be made by Defendant to the Class
5 Members, and that the Class Members are not entitled to any new or additional compensation or
6 benefits as a result of having received the Individual Settlement Payments (notwithstanding any
7 contrary language or agreement in any benefit or compensation plan document that might have been in
8 effect during the period covered by this Settlement).

9 64. Claims Administration Process. The Parties agree to cooperate in the administration of
10 the Settlement and to make all reasonable efforts to control and minimize the costs and expenses
11 incurred in administration of the Settlement.

12 65. Delivery of the Class List(s). Within twenty-one (21) business days of Preliminary
13 Approval, Defendant will provide the Class List(s) to the Claims Administrator.

14 66. Notice by First-Class U.S. Mail. Within fifteen (15) business days of receipt of the
15 Class List(s), the Claims Administrator will perform a search based on the National Change of
16 Address Database ("NCOA"), or any other similar services available, and mail a Notice Packet to all
17 Class Members via regular First-Class U.S. Mail, using the most current, known mailing addresses
18 available.

19 67. Confirmation of Contact Information on the Class List(s). Prior to mailing, the Claims
20 Administrator will perform a NCOA check, such as provided by Experian or any other similar services
21 available, for information to update and correct for any known or identifiable address changes. Any
22 Notice Packets returned to the Claims Administrator as non-deliverable on or before the Response
23 Deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed
24 thereto, and the Claims Administrator will indicate the date of such re-mailing on the Notice Packet.
25 If no forwarding address is provided, the Claims Administrator will promptly attempt to determine the
26 correct address using a skip-trace and will then perform a single re-mailing within five (5) calendar
27 days after return of the Notice Packet. Those Class Members who receive a re-mailed Notice Packet,
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whether by skip-trace or by request, will have the later of either (a) an additional fourteen (14) calendar days or (b) the Response Deadline to postmark or fax a Claim Form, Request for Exclusion, or to file and serve an objection to the Settlement.

68. Notice Packets. All Class Members will be mailed a Notice Packet. Each Notice Packet will provide: (a) information regarding the nature of the Action; (b) a summary of the Settlement's principal terms; (c) the Class definition; (d) the total number of Workweeks each respective Class Member worked for Defendant during the Class Period; (e) each Class Member's estimated Individual Settlement Payment and the formula for calculating Individual Settlement Payments; (f) the dates which comprise the Class Period; (g) instructions on how to submit valid Claim Forms, Requests for Exclusion, Notices of Objection, or written disputes regarding Workweeks; (h) the requirements relating to, and deadlines by which the Class Member must submit Claim Forms, Requests for Exclusions, Notices of Objection, and written disputes regarding Workweeks; (i) the claims to be released, as set forth herein; and (j) the date and time of the Fairness/Final Approval Hearing.

69. Disputed Information on Notice Packets. Class Members may dispute the information provided in their Notice Packets, but must do so in writing, via first class mail, and it must be postmarked by the Response Deadline. To the extent Class Members dispute the number of Workweeks to which they have been credited or the amount of their Individual Settlement Payment, Class Members must produce evidence to the Claims Administrator showing that such information is inaccurate. Absent evidence rebutting Defendant's records, Defendant's records will be presumed determinative. However, if a Class Member produces evidence to the contrary, the Parties will evaluate the evidence submitted by the Class Member and will make the final decision as to the number of eligible Workweeks that should be applied and/or the Individual Settlement Payment to which the Class Member may be entitled. If the Parties are unable to resolve the dispute, the Claims Administrator will be the final arbiter of the Workweeks for each Class Member during the Class Period, based on the information provided to it.

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1 70. Claim Form Procedures. To receive Individual Settlement Payments, all Class Members
2 will be required to submit a timely and valid Claim Form by the Response Deadline. All Claim Forms
3 must be signed and returned to the Claims Administrator via first class mail or fax and postmarked or
4 faxed by the Response Deadline. The date of the postmark or fax on the return mailing envelope will
5 be the exclusive means to determine whether a Claim Form has been timely submitted. It is not the
6 intention of the Parties to exclude Class Members from obtaining payment in the Settlement for
7 technical reasons that do not interfere with the orderly administration of the Settlement. The Claims
8 Administrator will compile a list of Claim Forms rejected for: (a) failure to cure an unsigned Claim
9 Form; or (b) late submission of the Claim Form. As to the Class Members on that rejected claim list,
10 any Class Member who requests, in a signed letter, to receive payment in the Settlement will be
11 treated like a Claimant so long as that written request is received by the Effective Date.

12 71. Defective Submissions. If a Class Member's Claim Form or Request for Exclusion is
13 defective as to the requirements listed herein, that Class Member will be given an opportunity to cure
14 the defect(s). The Claims Administrator will mail the Class Member a cure letter within three (3)
15 business days of receiving the defective submission to advise the Class Member that their submission
16 is defective and that the defect must be cured to render the Claim Form or Request for Exclusion
17 valid. The Class Member will have ten (10) calendar days from the date of the cure letter to postmark
18 a revised Claim Form or Request for Exclusion. If a Class Member responds to a Cure Letter by filing
19 a defective claim, then the Claims Administrator will have no further obligation to give notice of a
20 need to cure. If the revised Claim Form is not postmarked or received within that period, it will be
21 deemed untimely.

22 72. Request for Exclusion Procedures. Any Class Member wishing to opt out from this
23 Stipulation of Settlement must sign and postmark or fax a written Request for Exclusion to the Claims
24 Administrator within the Response Deadline. The date of the postmark or fax on the return mailing
25 envelope will be the exclusive means to determine whether a Request for Exclusion has been timely
26 submitted. All Requests for Exclusion will be submitted to the Claims Administrator, who will certify
27 jointly to Class Counsel and Defense Counsel the Requests for Exclusion that were timely submitted.

PAGA Aggrieved Employees cannot exclude themselves from the PAGA portion of the settlement.

73. Settlement Terms Bind All Settlement Class Members. Any Class Member who does not affirmatively opt-out of this Stipulation of Settlement by submitting a timely and valid Request for Exclusion will be bound by all its terms, including those pertaining to the Released Claims, as well as any Judgment that may be entered by the Court if it grants Final Approval of the Settlement.

74. Objection Procedures. To object to this Stipulation of Settlement, a Class Member must file a valid Notice of Objection with the Court and serve copies of the Notice of Objection to the Parties before the Response Deadline. The Notice of Objection must be signed by the Class Member and contain all information required by this Stipulation of Settlement. The postmark date of the filing and service will be deemed the exclusive means for determining that the Notice of Objection is timely. Class Members who fail to object in the specific and technical manner specified above will be deemed to have waived all objections to the Settlement and will be foreclosed from making any objections and seeking any adjudication or review, whether by appeal or otherwise, to this Stipulation of Settlement. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written objections to this Stipulation of Settlement or appeal from the Final Approval Order and judgment. However, Class Counsel, Defense Counsel, and Defendant may respond to inquiries from Class Members with truthful information. Class Counsel will not represent any Class Members with respect to any such objections to this Settlement.

75. Reminders. Not earlier than twenty (20) calendar days or later than thirty (30) calendar days after the initial mailing, the Claims Administrator will send a Reminder Postcard to all Class Members who have not returned a Claim Form or a Request for Exclusion. All Reminder Postcards will include the Response Deadline, and the contact information for the Claims Administrator.

76. Certification Reports Regarding Individual Settlement Payment Calculations. The Claims Administrator will provide Class Counsel and Defendant's Counsel a weekly report which certifies: (a) the number of Class Members who have submitted Claim Forms; (b) the number of Claimants; (c) the number of Class Members who have submitted valid Requests for Exclusion; (d) the then current amount and percentage of the Net Settlement Amount claimed by Claimants; and (e)

whether any Class Member has submitted a challenge to any information contained in their Claim Form or Notice Packet. The Claims Administrator will provide to the Parties' counsel any updated reports regarding the administration of this Stipulation of Settlement as needed or as requested.

77. Unclaimed Funds from the Net Settlement Amount. After all Individual Settlement Payments have been made, any remaining or unclaimed funds from the Net Settlement Amount above fifty percent (50%) shall remain the property of the Defendant.

78. Payroll Taxes. Any and all applicable employer-side payroll taxes relating to the portion of the Individual Settlement Payments paid as wages shall be paid separate and apart from the Maximum Settlement Amount.

79. Uncashed Settlement Checks. Any checks issued by the Claims Administrator to Claimants will be negotiable for at least One Hundred Twenty (120) calendar days. Those funds represented by settlement checks returned as undeliverable and those settlement checks remaining uncashed for more than One Hundred Twenty (120) calendar days after issuance will be transmitted to California Controller's Unclaimed Property Fund in the name of the Claimant.

80. Certification of Completion. Within Five (5) business days after the Response Deadline, the Claims Administrator will provide a written declaration under oath to certify such completion to the Court and counsel for all Parties. The declaration will include any attempts to obtain valid mailing addresses for and re-sending of any returned Notice Packets, as well as the number of valid and timely exclusions and objections that the Claims Administrator received.

81. Administration Costs if Settlement Fails or is Delayed. If the Settlement is voided or rescinded, for any reason other than set forth in Paragraph 90, any costs incurred by the Claims Administrator will be paid equally by the Parties (half by Defendant and half by Class Counsel), unless otherwise specified in this Agreement.

82. Treatment of Individual Settlement Payments. For purposes of this Stipulation of Settlement, all Individual Settlement Payments will be allocated as follows: Forty Percent (40%) will be allocated as wages, Forty Percent (40%) will be allocated as interest and Twenty Percent (20%) will be allocated as penalties. The amounts paid as wages shall be subject to all tax withholdings

1 customarily made from an employee's wages and all other authorized and required withholdings and
2 shall be reported by IRS Form W-2. The amounts paid as interest and penalties shall be subject to all
3 authorized and required withholdings other than the tax withholdings customarily made from
4 employees' wages and shall be reported by IRS Form 1099.

5 83. Administration of Taxes by the Claims Administrator. The Claims Administrator will
6 be responsible for issuing to Class Representatives, Claimants, PAGA Aggrieved Employees, the
7 LWDA and Class Counsel any applicable IRS Forms W-2, 1099, or other tax forms as may be
8 required by law for all amounts paid pursuant to this Agreement. The Claims Administrator will also
9 be responsible for forwarding all payroll taxes and penalties to the appropriate government authorities.

10 84. Tax Liability. Defendant makes no representation as to the tax treatment or legal effect
11 of the payments called for hereunder, and Plaintiffs and Claimants are not relying on any statement,
12 representation, or calculation by Defendant or by the Claims Administrator in this regard. Plaintiffs
13 and Claimants understand and agree that except for Defendant's payment of the employer's portion of
14 any payroll taxes, they will be solely responsible for the payment of any taxes and penalties assessed
15 on the payments described herein and will defend, indemnify, and hold Defendant free and harmless
16 from and against any claims resulting from treatment of such payments as non-taxable damages.

17 85. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES
18 OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS
19 AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, ANY "OTHER PARTY")
20 ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO
21 WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR
22 THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL
23 ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE
24 RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY
25 DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE
26 ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, THEIR OR
27 ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX
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ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

86. No Assignments. The Parties and their counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released and discharged. Further, none of the rights, commitments, or obligations recognized under this Agreement may be assigned by any Party, Class Member, Class Counsel, or Defense Counsel without the express written consent of each other Party and their respective counsel. The representations, warranties, covenants, and agreements contained in this Agreement are for the sole benefit of the Parties under this Agreement and shall not be construed to confer any right or to avail any remedy to any other person.

87. Release of Claims by Settlement Class Members. Upon the Effective Date and Defendant funding the settlement amount as described above, Plaintiffs and all Settlement Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged with respect to all the Released Parties any and all Released Claims for any period during the Released Claims Period.

1 88. Waiver of Civil Code Section 1542. Furthermore, pursuant to the terms of the
2 Settlement, upon the Effective Date, Plaintiffs will be deemed to have fully, finally, and forever
3 released, settled, compromised, relinquished, and discharged all claims, including all known and
4 unknown claims, and expressly waived and relinquished any rights or benefits available to them under
5 the provisions of section 1542 of the Civil Code, as discussed in this Agreement.

6 89. Preliminary Approval Hearing. Plaintiffs will obtain a hearing before the Court to
7 request the Preliminary Approval of this Stipulation of Settlement, and the entry of a Preliminary
8 Approval Order for: (a) conditional certification of the Class for settlement purposes only; (b)
9 Preliminary Approval of the proposed Stipulation of Settlement; and (c) setting a date for a Final
10 Approval/Fairness Hearing. The Preliminary Approval Order will provide for the Notice Packet to be
11 sent to all Class Members as specified herein. In conjunction with the Preliminary Approval Hearing,
12 Plaintiffs will submit this Stipulation of Settlement, which sets forth the terms of this Settlement, and
13 will include the proposed Notice Packet; *i.e.*, the proposed Notice of Class Action Settlement
14 documents and the proposed Claim Form, attached as **Exhibit A** and **Exhibit B**, respectively. Class
15 Counsel will be responsible for drafting all documents necessary to obtain preliminary approval and
16 will provide drafts of the moving papers to Defense Counsel at least give (5) business days before
17 filing for review and comment. Defendant agrees not to oppose the Motion for Preliminary Approval.

18 90. Defendant's Option to Terminate the Settlement. If five percent (5%) or more of the
19 Class Members opt out of the Settlement by submitting Requests for Exclusion, Defendant may, at its
20 election, rescind the Settlement and all actions taken in furtherance of it will thereby be null and void.
21 Defendant must exercise this right of rescission, in writing, to Class Counsel within ten (10) business
22 days after the Claims Administrator notifies the Parties of the total number of opt-outs received by the
23 Response Deadline.

24 91. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the
25 deadlines to postmark or fax Claim Forms, Requests for Exclusion, Notices of Objections, or written
26 disputes regarding this Stipulation of Settlement, and with the Court's permission, a Final
27 Approval/Fairness Hearing will be conducted to determine the Final Approval of this Stipulation of
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Settlement along with the amounts properly payable for: (a) Individual Settlement Payments; (b) the Attorneys' Fees and Costs; (c) Class Representative Enhancement Payments; and (d) all Claims Administration Costs as well as confirming the total amount to be allocated towards the PAGA Payment. Class Counsel will be responsible for drafting all documents necessary to obtain Final Approval and will provide drafts of the moving papers to Defense Counsel at least give (5) business days before filing for review and comment. Class Counsel will also be responsible for drafting the Attorneys' Fees and Costs application to be heard at the Fairness/Final Approval Hearing and shall submit to the Court a Proposed Final Approval Order. Defendant agrees not to oppose the Motion for Final Approval and for Attorneys' Fees and Costs.

92. Either Party's Option to Terminate the Settlement. Subject to the obligation(s) of mutual full cooperation, either Party may terminate this Settlement if the Court declines to enter the Preliminary Approval Order, the Final Approval Order, or final judgment in substantially the form submitted by the Parties or this Stipulation of Settlement as agreed does not become final because of appellate court action. The terminating Party shall give to the other Party (through its counsel) written notice of its decision to terminate no later than ten (10) business days after receiving notice that one of the enumerated events has occurred. Termination shall have the following effects:

- a. The Stipulation of Settlement shall be terminated and shall have no force or effect, and no Party shall be bound by any of its terms;
- b. In the event the Settlement is terminated, Defendant shall have no obligation to make any payments to any Party, Class Member, or attorney, except that the Terminating Party shall pay the Claims Administrator for services rendered up to the date the Claims Administrator is notified that the Settlement has been terminated;
- c. The Preliminary Approval Order, Final Approval Order, and Judgment, including any order of class certification, shall be vacated;

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1 d. The Stipulation of Settlement and all negotiations, privileged statements and
2 proceedings relating thereto shall be without prejudice to the rights of any of the
3 Parties, all of whom shall be restored to their respective positions in the Action
4 prior to this Stipulation of Settlement; and

5 e. Neither this Stipulation of Settlement, nor any ancillary documents, actions,
6 statements, or filings in furtherance of this Stipulation of Settlement (including all
7 matters associated with the mediation) shall be admissible or offered into
8 evidence in the Action or any other action for any purpose whatsoever.

9 93. Nullification of Stipulation of Settlement. If: (a) the Court does not finally approve the
10 Settlement as provided herein; or (b) the Settlement does not become final for any other reason, then
11 this Stipulation of Settlement, and any documents generated to bring it into effect, will be null and
12 void. Any order or judgment entered by the Court in furtherance of this Stipulation of Settlement will
13 be treated as void from the beginning.

14 94. Exhibits Incorporated by Reference. The terms of this Agreement include the terms set
15 forth in any attached Exhibits, which are incorporated by this reference as though fully set forth
16 herein. Any Exhibits to this Agreement are an integral part of this Stipulation of Settlement.

17 95. Confidentiality. The Parties and their counsel agree that they will not issue any press
18 releases, initiate any contact with the press, respond to any press inquiry, or have any communication
19 with the press about the fact, amount, or terms of the Settlement prior to the Settlement being
20 preliminarily approved by the Court. In addition, the Parties and their counsel agree that they will not
21 engage in any advertising or distribute any marketing materials relating to the Settlement of this
22 Action prior to the Settlement being preliminarily approved by the Court, including, but not limited to,
23 any postings on any websites maintained by Class Counsel. Any communication about the Settlement
24 to Class Members prior to the Settlement being preliminarily approved by the Court will be limited to
25 a statement that a settlement has been reached and the details will be communicated in a forthcoming
26 Court-approved notice. Nothing set forth herein shall prohibit: (a) Defendant from providing truthful
27 disclosure about the Settlement, including its amount, in its publicly available financial audit reports
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1 required for California healthcare districts; or (b) the Parties from providing this Agreement to the
2 Court and LWDA in connection with the Parties' efforts to seek the Court's approval of this
3 Settlement. Neither Plaintiffs nor Class Counsel shall hold a press conference or otherwise seek to
4 affirmatively contact the media about the Settlement. If contacted by the media regarding the
5 Settlement, Class Counsel will direct any media inquiries to the public records of the Action on file
6 with the Court. Neither Plaintiffs nor Class Counsel will disparage the Settlement.

7 96. Entire Agreement. This Stipulation of Settlement and any attached Exhibits constitute
8 the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral
9 agreements may be deemed binding on the Parties. The Parties expressly recognize California Civil
10 Code section 1625 and California Code of Civil Procedure section 1856(a), which provide that a
11 written agreement is to be construed according to its terms and may not be varied or contradicted by
12 extrinsic evidence, and the Parties agree that no such extrinsic oral or written representations or terms
13 will modify, vary, or contradict the terms of this Agreement.

14 97. Amendment or Modification. This Stipulation of Settlement may be amended or
15 modified only by a written instrument signed by the Parties and their counsel or their successors-in-
16 interest.

17 98. Authorization to Enter Into Stipulation of Settlement. The Parties' counsel warrant and
18 represent they are expressly authorized by the Parties whom they represent to negotiate this
19 Stipulation of Settlement and to take all appropriate action required or permitted to be taken by such
20 Parties pursuant to this Stipulation of Settlement to effectuate its terms and to execute any other
21 documents required to effectuate the terms of this Stipulation of Settlement. The Parties and their
22 counsel will cooperate with each other and use their best efforts to effect the implementation of the
23 Settlement. If the Parties are unable to reach an agreement on the form or content of any document
24 needed to implement the Settlement, or on any supplemental provisions that may become necessary to
25 effectuate the terms of this Settlement, the Parties may seek the assistance of the Mediator and/or the
26 Court to resolve such disagreement.

27 ///

1 99. Signatories. It is agreed that because the members of the Class are so numerous, it is
2 impossible or impractical to have each member of the Class execute this Stipulation of Settlement.
3 The Notice of Class Action Settlement, attached hereto as **Exhibit A**, will advise all Class Members
4 of the binding nature of the release, and the release shall have the same force and effect as if this
5 Stipulation of Settlement were executed by each Settlement Class Member.

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

8 101. California Law Governs. All terms of this Stipulation of Settlement and Exhibits
9 hereto will be governed by, construed, and interpreted according to the laws of the State of California,
10 irrespective of the State of California's choice of law principles.

11 102. Execution and Counterparts. This Stipulation of Settlement is subject only to the
12 execution of all Parties. However, the Agreement may be executed in one or more counterparts. All
13 executed counterparts and each of them, including facsimile and scanned copies of the signature page,
14 will be deemed to be one and the same instrument.

15 103. Acknowledgement that the Settlement is Fair, Reasonable, and Adequate. The Parties
16 believe this Stipulation of Settlement is a fair, adequate, and reasonable settlement of the Action and
17 have arrived at this Settlement after arm's-length negotiations and in the context of adversarial
18 litigation, taking into account all relevant factors, present and potential. The Parties further
19 acknowledge that they are each represented by competent counsel and that they have had an
20 opportunity to consult with their counsel regarding the fairness and reasonableness of this Agreement.
21 In addition, the Mediator may execute a declaration supporting the Settlement and the reasonableness
22 of the Settlement and the Court may, in its discretion, contact the Mediator to discuss the Settlement
23 and whether or not the Settlement is objectively fair and reasonable.

24 104. Invalidity of Any Provision. Before declaring any provision of this Stipulation of
25 Settlement 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 Stipulation of
27 Settlement valid and enforceable.

1 105. Plaintiffs' Waiver of Right to Be Excluded and Object. Plaintiffs agree to sign this
2 Stipulation of Settlement and, by signing this Stipulation of Settlement, are hereby bound by the terms
3 herein. For good and valuable consideration, Plaintiffs further agree that they will not request to be
4 excluded from or object to this Stipulation of Settlement. Any such Request for Exclusion or Notice of
5 Objection by Plaintiffs will be void and of no force or effect.

6 106. Non-Admission of Liability. The Parties enter into this Agreement to resolve the
7 dispute that has arisen between them and to avoid the burden, expense, and risk of continued
8 litigation. By entering into this Agreement, Defendant does not admit, and specifically denies, it has
9 violated any federal, state, or local law, violated any regulations or guidelines promulgated pursuant to
10 any statute or any other applicable laws, regulations, or legal requirements, breached any contract,
11 violated or breached any duty, engaged in any misrepresentation or deception, or engaged in any other
12 unlawful conduct with respect to its employees, including but not limited to, the Class Members.
13 Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations connected with
14 it, shall be construed as an admission or concession by Defendant of any such violations or failures to
15 comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this
16 Agreement, this Agreement and its terms and provisions shall not be offered or received as evidence
17 in any action or proceeding to establish any liability or admission on the part of Defendant or to
18 establish the existence of any condition constituting a violation of, or a non-compliance with, federal,
19 state, local or other applicable law.

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

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

26 ///

27 ///

1 109. Meet and Confer Regarding Disputes. Should any dispute arise among the Parties or
2 their respective counsel regarding the implementation or interpretation of this Agreement, a
3 representative of Class Counsel and a representative of Defense Counsel shall meet and confer to
4 resolve such disputes and should further consider whether the Mediator can help to resolve such
5 disputes prior to submitting such disputes to the Court.

6 110. Enforcement Actions. If one or more of the Parties institutes any legal action or other
7 proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare
8 rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to
9 recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert
10 witness fees incurred in connection with any enforcement actions. To the extent consistent with class
11 action procedure, this Agreement shall be enforceable by the Court pursuant to California Code of
12 Civil Procedure section 664.6 and California Rule of Court 3.769(h). The disposition entered by the
13 Court will not adjudicate the merits of the Action or the liability of the Parties resulting from the
14 allegations of the Action. Its sole purpose is to adopt the terms of the Settlement and to retain
15 jurisdiction over its enforcement. To that end, the Court shall retain continuing jurisdiction over this
16 Action and over all Parties and Class Members to the fullest extent to enforce and effectuate the terms
17 and intent of this Agreement.

18 111. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
19 conditions of this Agreement. Accordingly, this Agreement will not be construed more strictly against
20 one Party than another merely by virtue of the fact that it may have been prepared by counsel for one
21 of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties,
22 all Parties have contributed to the preparation of this Agreement.

23 112. Representation By Counsel. The Parties acknowledge that they have been represented
24 by counsel throughout all negotiations that preceded the execution of this Agreement, and that this
25 Agreement has been executed with the consent and advice of counsel and reviewed in full. Further,
26 Plaintiffs and Class Counsel warrant and represent that there are no liens on this Stipulation of
27 Settlement.

113. All Terms Subject to Final Court Approval. All amounts and procedures described in this Stipulation of Settlement herein will be subject to final Court approval.

114. Notices. Unless otherwise specifically provided herein, all notices, demands or other communications given hereunder shall be in writing and shall be deemed to have been duly given as of the third business day after mailing by United States registered or certified mail, return receipt requested, addressed as follows:

To Plaintiffs and the Class:

Douglas Han, Esq.
Shunt Tatavos-Garajeh, Esq.
Lizette Rodriguez, Esq.
JUSTICE LAW CORPORATION
751 North Fair Oaks Avenue, Suite 101
Pasadena, California 91103

To Defendant:

Chandra A. Beaton
Kathleen M. Fellows
LIGHTGABLER LLP
760 Paseo Camarillo, Suite 300
Camarillo, California 93010
Telephone: (805) 248-7208
Facsimile: (805) 248-7209

and

Steven P. Lee
MYERS, WIDDERS, GIBSON, JONES & FEINGOLD, LLP
39 North California Street
Ventura, California 93001
Telephone: (805) 644-7188
Facsimile: (805) 644-7390

115. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Stipulation of Settlement.

///

///

1 116. Integration Clause. This Stipulation of Settlement contains the entire agreement
2 between the Parties relating to the Settlement and transaction contemplated hereby, and all prior or
3 contemporaneous agreements, understandings, representations, and statements, whether oral or written
4 and whether by a party or such party's legal counsel, are merged herein. No rights hereunder may be
5 waived except in writing.

6 117. Binding Agreement. The Parties warrant that they understand and have full authority to
7 enter into this Agreement, and further intend that this Agreement will be fully enforceable and binding
8 on all Parties and agree that it will be admissible and subject to disclosure in any proceeding to
9 enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply
10 under federal or state law.

11 118. Escalator Clause. Defendant estimated that the Class included approximately 74,130
12 Workweeks between May 6, 2019 and October 4, 2023. If it is determined the number of Workweeks
13 between May 6, 2019 and October 4, 2023 exceeds ten percent (10%) or more of 74,130 (*i.e.*, more
14 than 81,543 Workweeks), then the Maximum Settlement Amount shall increase proportionally over
15 the ten percent (10%) increase (*i.e.*, if the number of Workweeks increases by 11%, the Maximum
16 Settlement Amount will increase by 1%).
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1 IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint
2 Stipulation of Settlement and Release Between Plaintiffs and Defendant as of the date(s) set forth below:
3

4 Dated: 04/15/2024

Rosalba Diaz-Sandoval

5 
6 _____

7 Dated: 04/08/2024

Steven Conde

8 
9 _____

10 Dated: 4/17/24

Justice Law Corporation [Approving as to Form Only]

11 By: 
12 _____

Douglas Han, Esq.

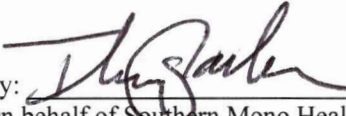
13 Shunt Tatavos-Gharajeh, Esq.

14 Lizette Rodriguez, Esq.

15 *Attorneys for Plaintiffs*
16
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1 Dated: April 4, 2024

Southern Mono Healthcare District

2 By: 

3 On behalf of Southern Mono Healthcare District

4 Dated: April 5, 2024

5 LightGabler LLP [Approving as to Form Only]

6 By: 

7 Chandra A. Beaton, Esq.

8 Kathleen M. Fellows, Esq.

9 Attorneys for Defendant

10 Dated: _____

11 Myers, Widders, Gibson, Jones & Feingold, LLP [Approving as to Form
12 Only]

13 By: _____

14 Steven P. Lee, Esq.

15 Attorney for Defendant

1 Dated: _____ **Southern Mono Healthcare District**

2 By: _____
3 On behalf of Southern Mono Healthcare District

4
5 Dated: _____ **LightGabler LLP [Approving as to Form Only]**

6 By: _____
7 Chandra A. Beaton, Esq.
8 Kathleen M. Fellows, Esq.
9 *Attorneys for Defendant*

10 Dated: 4/4/24 **Myers, Widders, Gibson, Jones & Feingold, LLP [Approving as to Form**
11 **Only]**

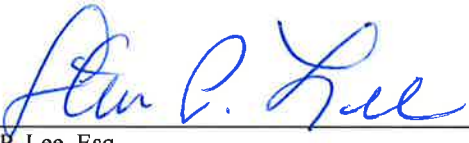
12
13 By: 
14 Steven P. Lee, Esq.
15 *Attorney for Defendant*

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

Diaz-Sandoval, et al. v. Southern Mono Healthcare District, et al.
Superior Court of the State of California, for the County of Mono (Case No. 22UCM45)
(Complaint Filed May 6, 2022)

You are not being sued. This notice affects your rights. Please read it carefully.

To: All current and former hourly-paid or non-exempt employees of Defendant, Southern Mono Healthcare District (“Defendant”), within the State of California who worked at any time from May 6, 2019 through December 26, 2023 (“Class,” “Class Members,” and “Class Period”).

You are receiving this Notice of Class Action Settlement (“Notice”) because you have been identified as a person who worked or currently works as an hourly-paid or non-exempt employee of Defendant within the Class Period.

On [REDACTED], the Honorable Mark Magit of the Superior Court of the State of California, for the County of Mono, granted preliminary approval of this Class Action Settlement (“Settlement”) and ordered the Plaintiffs Rosalba Diaz-Sandoval (“Plaintiff Diaz-Sandoval”) and Steven Conde (“Plaintiff Conde”) (collectively, the “Plaintiffs”) and Defendant (Plaintiffs and Defendant are collectively referred to as the “Parties”) to notify all Class Members of the Settlement. You have received this Notice because Defendant’s records indicate that you are a Class Member and are entitled to a payment from the Settlement.

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

The amount of your estimated payment is listed on the enclosed Claim Form.

To receive a payment from the Settlement, you must mail or fax a completed Claim Form to the Claims Administrator by no later than [REDACTED]. If you fail to postmark or fax a completed Claim Form by this date, you will not receive a payment from the Settlement, but you will be bound by its terms. The Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held on [REDACTED] in Courtroom 1 of the Superior Court of the State of California, County of Mono, located at 100 Thompson Way, Mammoth Lakes, California 93546. You are not required to attend the Final Approval Hearing, but you are welcome to do so.

Summary of the Litigation

On May 6, 2022, Plaintiff Diaz Sandoval, a former employee of Defendant, filed a wage-and-hour class action lawsuit against Defendant in the Superior Court of the State of California, County of Mono, bearing Case Number. 22UCM45 (“Action”). alleging violations of: (1) Labor Code sections 510 and 1198 (unpaid overtime); (2) Labor Code sections 226.7 and 512(a) (unpaid meal period premiums); (3) Labor Code section 226.7 (unpaid rest period premiums); (4) Labor Code sections 1194 and 1197 (unpaid minimum wages); (5) Labor Code sections 201 and 202 (final wages not timely paid); (6) Labor Code section 226(a) (non-compliant wage statements); (7) Labor Code sections 2800 and 2802 (unreimbursed business expenses); and (8) Business & Professions Code section 17200, *et seq.*

On July 14, 2022, Plaintiff Diaz-Sandoval filed a First Amended Complaint that removed all causes of action except for violation of Labor Code sections 1194 and 1197 (unpaid minimum wages).

On June 6, 2023, Plaintiff Steven Conde (“Plaintiff Conde”), another former employee of Defendant, provided written notice to the California Labor & Workforce Development Agency (“LWDA”) and Defendant of specific provisions of the Labor Code that he contends were violated and the theories supporting his contentions under the Labor Code California Private Attorneys General Act (“PAGA”).

After engaging in informal and formal discovery, investigations, and negotiation, the Parties attended mediation which resulted in the Parties reaching a settlement in principle as to all claims raised by Plaintiff Diaz-Sandoval and Plaintiff Conde.

In line with the Settlement, on November 30, 2023, Plaintiff Conde provided an amended written notice to the LWDA and Defendant of the specific provisions of the Labor Code he contends were violated and the theories supporting his contentions under PAGA.

Plaintiff Diaz-Sandoval then filed the operative Second Amended Complaint that defined the Class and Class Period as described above and added Plaintiff Conde as a named plaintiff. The operative Complaint includes causes of action for: (1) Violation of Labor Code sections 1194 and 1197 (unpaid minimum wage), (2) Violation of California Labor Code sections 510 and 1198 (unpaid overtime), (3) Violation of California Labor Code sections 226.7, 512(a) and 512.1 (meal break violations and unpaid meal period premiums), (4) Violation of California Labor Code section 226.7 and 512.1 (rest break violations and unpaid rest period premiums), (5) Violation of California Labor Code section 226(a) (non-compliant wage statements), (6) Violation of California Labor Code sections 2698, *et seq.* (PAGA), and (7) Violation of the Fair Labor Standards Act, 29 U.S.C. section 201, *et seq.* You can view or obtain copies of the operative Complaint and all prior versions of the Complaint through the above-referenced Court if you wish.

Counsel for Plaintiffs and the attorneys appointed by the Court to represent the Class, Justice Law Corporation (“Class Counsel”), have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. While Class Counsel believe that the claims alleged in this lawsuit have merit, Class Counsel also recognize that the risks and expenses of continued litigation justify settlement. Based on the foregoing, Class Counsel believe the proposed Settlement is fair, adequate, reasonable, and in the best interests of the Class Members.

Defendant has denied and continues to deny the factual and legal allegations in Plaintiffs’ case and believes that the claims have no merit. By agreeing to settle, Defendant is not admitting liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class action. Instead, Defendant has agreed to settle the case solely for economic efficiency to avoid the costs and expenses of protracted litigation.

Summary of Settlement Terms

The Parties have agreed to settle the underlying class and PAGA claims in exchange for the Maximum Settlement Amount of up to \$675,000. This amount is inclusive of: (1) Individual Settlement Payments to all Class Members who submit timely and valid Claim Forms (“Claimants”); (2) Class Representative Enhancement Payments of up to \$10,000 to each Plaintiff (totaling \$20,000); (3) Claims Administration Costs of up to \$20,000; (4) attorneys’ fees of up to \$236,250 and attorneys’ costs of up to \$30,000 to Class Counsel (“Attorneys’ Fees and Costs”); (5) a PAGA Payment (civil penalties) of up to \$67,500, seventy-five percent (75%) of which (\$50,625) will be paid to the LWDA and twenty-five percent (25%) of which (\$16,875) will be paid to PAGA Aggrieved Employees (as defined and discussed further below).

The Net Settlement Amount is the portion of the Maximum Settlement Amount remaining after deduction of the Court-approved Class Representative Enhancement Payments, Claims Administration Costs, PAGA Payment, and Attorneys’ Fees and Costs.

The Claims Administrator will make settlement payments to each Claimant. All Claim Forms must be signed and timely completed in their entirety to be considered valid. The amount of the Individual Settlement Payment that each Claimant receives will be based on the number of Workweeks each Class Member worked during the relevant Class Period. “Workweeks” means the number of weeks that a Class Member worked for Defendant as an hourly-paid or non-exempt employee in California at any time during the Class Period.

Questions? Contact the Settlement Claims Administrator toll free at

If the total Individual Settlement Payments to the Claimants would equal less than fifty percent (50%) of the Net Settlement Amount, the Claims Administrator will proportionately increase the Individual Settlement Payment for each Claimant to ensure that total Individual Settlement Payments equal fifty percent (50%) of the Net Settlement Amount.

The Claims Administrator will issue IRS Forms W-2 and 1099 to each respective Claimant and will be responsible for forwarding all payroll taxes and penalties to the appropriate government authorities. Claimants should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement. For purposes of this Settlement, all Individual Settlement Payments will be allocated as follows: forty percent (40%) will be allocated as wages, forty percent (40%) will be allocated as interest and twenty percent (20%) will be allocated as penalties.

PAGA Aggrieved Employees and PAGA Payment

Under the terms of the Settlement, \$67,500 has been set aside as a PAGA Payment. This portion is the total amount of civil penalties collected on behalf of the State of California under the PAGA claim. As required by law, Seventy-Five Percent (75%) of the PAGA Payment (\$50,625) will be paid to the LWDA. The PAGA Aggrieved Employees will share the remaining Twenty-Five Percent (25%) of the PAGA Payment (\$16,875) based on the number of PAGA Pay Periods they worked for Defendant from June 6, 2022 through December 26, 2023 (“PAGA Period”).

You are a “PAGA Aggrieved Employee” eligible to share the employees’ portion of the PAGA Payment under the Settlement if you are a current or former hourly-paid or non-exempt employee of Defendant who worked in California at any time during the PAGA Period.

The Claims Administrator will calculate the total number of pay periods worked by each individual PAGA Aggrieved Employee to determine the total number of pay periods worked by all PAGA Aggrieved Employees (“Total PAGA Pay Periods”) combined during the PAGA Period. To determine each PAGA Aggrieved Employee’s estimated portion of the PAGA Payment, the Claims Administrator will use the following formula: estimated Individual PAGA Payment = $(\$16,875 \div \text{Total PAGA Pay Periods}) \times \text{individual PAGA Pay Periods}$ for each individual PAGA Aggrieved Employee. The portion of the PAGA Payment paid to PAGA Aggrieved Employees shall be designated as one hundred percent (100%) penalties, for which an IRS Form 1099 will be issued.

Based on your total number of PAGA Pay Periods worked within the PAGA Period, your portion of the PAGA Payment is \$ [REDACTED]. You are responsible for paying any federal, state, or local taxes owed because of this PAGA Payment.

Because these penalties can only be sought by the State of California, you cannot exclude yourself from the PAGA portion of the Settlement if the Court grants Final Approval of the Settlement. Even if you exclude yourself from the class action portion of the Settlement, you will still be paid your portion of the PAGA Payment described above.

Your Options Under the Class Action Portion of the Settlement

Important Note: Defendant will not retaliate against you in any way for either participating or not participating in this Settlement.

Option 1 – Submit a Claim Form to Be Eligible for Payment

Questions? Contact the Settlement Claims Administrator toll free at [REDACTED]

If you want to receive money from the Settlement, you **must** complete and sign the enclosed Claim Form (a prepaid return envelope has been included for your convenience). You need to complete the Claim Form and promptly mail or fax it to the Claims Administrator postmarked or faxed no later than [REDACTED].

Option 2 – Opt-Out of the Settlement

If you do not wish to participate in the Settlement, you may exclude yourself from participating by submitting a written request to the Claims Administrator expressly and clearly indicating that you have received this Notice of Class Action Settlement, decided not to participate in the Settlement, and desire to be excluded from the Settlement. The written Request for Exclusion must: (1) be signed by you; (2) set forth your name, address, telephone number, and the last four digits of your Social Security Number; (3) clearly state the name of this case, the case number, and that you do not wish to be included in the Settlement; (4) be returned by mail or fax to the Claims Administrator at the specified address and/or facsimile number; and (5) be postmarked on or before the Response Deadline. Sign, date, and mail the Request for Exclusion by First Class U.S. Mail, or equivalent, to the address below.

[CONTACT INFORMATION]

The written request to be excluded must be postmarked or faxed no later than [REDACTED]. If you submit a Request for Exclusion which is not postmarked or faxed by this date, your Request for Exclusion will be rejected, and you will remain a part of the Class.

Option 3 – File an Objection with the Court

If you wish to object to the Settlement because you find it unfair or unreasonable, you may file with the Court an objection stating why you object to the Settlement and serve copies to the Parties, through their counsel listed below. For the Notice of Objection to be valid, it must include: (1) your full name, signature, address, telephone number and the last four digits of your Social Security Number; (2) written statement of all grounds for the objection accompanied by any legal support for such objection; (3) clear reference to the title of this case and case number; and (4) copies of any papers, briefs, or other documents upon which the objection is based. Further, if you intend to appear at the Final Approval Hearing, either in person or through counsel, you must include notice of that fact and state the purpose for your appearance in your objection. The objection must be filed with the Court and served on the attorneys listed below:

Douglas Han, Esq.
Shunt Tatavos-Gharajeh, Esq.
Lizette Rodriguez, Esq.
JUSTICE LAW CORPORATION
751 North Fair Oaks Avenue, Suite 101
Pasadena, California 91103
Telephone: (818) 230-7502
Class Counsel

Chandra A. Beaton, Esq.
Kathleen M. Fellows, Esq.
LIGHTGABLER LLP
760 Paseo Camarillo, Suite 300
Camarillo, California 93010
Telephone: (805) 248-7208
Facsimile: (805) 248-7209

Steven P. Lee, Esq.
**MYERS, WIDDERS, GIBSON, JONES &
FEINGOLD, LLP**
39 North California Street
Ventura, California 93001
Telephone: (805) 644-7188
Facsimile: (805) 644-7390
Counsel for Defendant

Questions? Contact the Settlement Claims Administrator toll free at [REDACTED]

All objections must be filed with the Court no later than [REDACTED]. Late objections will not be considered. By filing an objection, you are not excluding yourself from the Settlement. To exclude yourself, you must follow the directions described in Option 2, above. Please note that you cannot both object to the Settlement and exclude yourself.

You may also, if you wish, appear at the Final Approval Hearing set for [REDACTED] at [REDACTED] a.m./p.m. in the Superior Court of the State of California, for the County of Mono, and discuss your objection with the Court and counsel for the Parties at your own expense. You may also retain an attorney to represent you at the Final Approval Hearing.

Option 4 – Do Nothing

You may also do nothing in response to this notice. If you choose to do nothing, and if the Court grants Final Approval of the Settlement, you will be deemed to have released the Released Claims even though you will not receive money from the Settlement. If you do not want to be deemed to have released the Released Claims, you must exclude yourself from the Settlement by following Option 2.

If you choose **Option 1**, and if the Court grants Final Approval of the Settlement, you will be mailed a check for your share of the Settlement funds. If you choose **Option 4**, you will receive nothing. In addition, under both **Options 1 and 4** (or **3** if the Court approves the Settlement), you will be deemed to have released or waived the following claims:

The claims released by the Class Members (“Released Claims”) are full described in the Settlement Agreement and include, but are not limited to, all claims that were alleged, or reasonably could have been alleged, based on the facts contained in all original and amended Complaints filed in the Action, and that occurred during the Released Claims Period. The Released Claims include those claims under the Fair Labor Standards Act and all state and federal law equivalents arising from or related to the facts and claims alleged in the Action and/or LWDA letters, or that could have been alleged in the Action and/or LWDA letters. Class Members do not release any other claims outside of the scope of the foregoing, including any claims that cannot be released as a matter of law. The Released Claims Period is May 6, 2019, through December 26, 2023.

If you choose **Option 2**, you will no longer be a Class Member and will: (1) be barred from participating in the Settlement, but you will not be deemed to have released the Released Claims; (2) be barred from filing an objection to the Settlement; and (3) not receive a payment from the Settlement.

If you choose **Option 3**, you will still be entitled to your share of the Settlement funds, but only if you complete your Claim Form and postmark or fax it by [REDACTED]. Otherwise, if the Court overrules your objection, you will be deemed to have released the Released Claims.

Additional Information

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact the Claims Administrator at the telephone number listed below, toll free. Please refer to the Southern Mono Healthcare District Class Action Settlement.

This Notice is only a summary of the Action and the Settlement. For a more detailed statement of the matters involved in the case and the Settlement, you may refer to the pleadings, the Settlement Agreement, and other papers filed in the Action. Copies of these documents may be obtained at the Superior Court of the State of California, for the County of Mono, located at 100 Thompson Way, Mammoth Lakes, California 93546.

DO NOT CONTACT THE CLERK OF THE COURT; THE JUDGE; OR DEFENDANT’S ATTORNEYS WITH INQUIRIES.

Questions? Contact the Settlement Claims Administrator toll free at [REDACTED]

EXHIBIT B

CLAIM FORM
Return This Form To Receive Your Individual Settlement Payment

Diaz-Sandoval, et al. v. Southern Mono Healthcare District, et al.
Mono County Superior Court Case Number 22UCM45

MAIL OR FAX TO:
Claims Administrator
[CONTACT INFORMATION]

Your Claim Form must be completed and received by fax or postmarked on or before [REDACTED], or it will be rejected.

You are responsible for maintaining a copy of the fully completed Claim Form and proof of fax or mailing. If you move, please inform the Claims Administrator of your new address. It is your responsibility to keep a current address on file with the Claims Administrator.

[REDACTED] Claim #

First Name, Last Name

c/o

Address1 Address2

City, State, Zip, Country

Name/Address Changes (if any):

()

Area Code

Home Telephone Number

()

Area Code

Alternate Telephone Number

Calculation of Individual Settlement Payments: Each Claimant's share of the settlement is based on the number of Workweeks they worked for Defendant, Southern Mono Healthcare District ("Defendant"), during the time period May 6, 2019 through December 26, 2023 ("Class Period").

According to Defendant's records, you worked for Defendant as an hourly-paid or non-exempt employee within the State of California during the Class Period. In particular, the available records indicate that you worked for a total of [REDACTED] Workweeks during the Class Period. Based on the preceding information, your estimated Individual Settlement Payment is \$ [REDACTED]. Your final actual share of the Settlement may vary depending on the number of Workweeks represented by the Claimants who are participating in this settlement.

If you disagree with the numbers stated above, please explain why you believe the records described above are mistaken and attach all supporting documentation:

CLAIM FORM
Return This Form To Receive Your Individual Settlement Payment

If you dispute the numbers stated above, the records described above will control unless you are able to provide documentation with this Claim Form that establishes otherwise. If there is a dispute about whether Defendant's information or yours is accurate, and the dispute cannot be resolved informally, the dispute will be resolved by the Parties. Such a determination by the Parties will be final and binding with no opportunity for further appeal.

By signing on this page, you acknowledge that, if you submit erroneous information in connection with this Claim Form, your Claim Form and any information submitted therewith may be denied in whole or in part.

I declare under penalty of perjury under the laws of the State of California that the information supplied herein by the undersigned is true and correct and that this Claim Form was executed on:

_____ in _____, _____
Date City State

Sign your name here

Print your name here

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On April 30, 2024, I served the foregoing document described as

Bitty Minnis Lemley
Bitty Minnis-Lemley