

Marcus Bradley (SBN 174156)
BRADLEY/GROMBACHER LLP
31365 Oak Crest Drive, Suite 240
Westlake Village, California 91361
Telephone: +1 805 270 7100
Facsimile: +1 805 270 7589
Email: mbradley@bradleygrombacher.com

Garen Majarian (SBN 334104)
Sahag Majarian, II (SBN 146621)
MAJARIAN LAW GROUP APC
18250 Ventura Boulevard
Tarzana, CA 91356
Telephone: +1 818 263 7343
Facsimile: +1 818 609 0892
Emails: garen@majarianlawgroup.com
sahagii@aol.com

Attorneys for Plaintiff GUADALUPE D LARIOS on
behalf of herself and others similarly situated

[Additional counsel listed on the following page]

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES – CENTRAL DISTRICT
SPRING STREET COURTHOUSE**

GUADALUPE D. LARIOS, on behalf of
herself and all others similarly situated,

Plaintiff,

v.

IHEALTH LABS INC., a California
corporation; SILICON VALLEY
TECHNICAL STAFFING, a California
corporation; and DOES 1 to 10, inclusive,

Defendants.

Case No. 23STCV14481

[Assigned for all purposes to Hon. Laura A.
Seigle, Department 17]

**CLASS AND REPRESENTATIVE PAGA
ACTION SETTLEMENT AGREEMENT**

Complaint Filed:	June 21, 2023
FAC Filed:	November 8, 2023
Trial Date:	None

1 Todd B. Scherwin (SBN 239848)
Shaun J. Voigt (SBN 265721)
2 FISHER & PHILLIPS LLP
444 S Flower St, Suite 1500
3 Los Angeles, California 9071
Telephone: +1 213 330 4500
4 Facsimile: +1 213 330-4501
Email: tscherwin@fisherphillips.com
5 svoigt@fisherphillips.com

6 Attorneys for Defendant
IHEALTH LABS INC.
7

8 Michele Haydel Gehrke (SBN 215647)
REED SMITH LLP
9 101 Second Street, Suite 1800
San Francisco, California 94105
10 Telephone: +1 415 543 8700
Facsimile: +1 415 391-8269
11 Email: mgehrke@reedsmith.com

12 Brittany M. Hernandez (SBN 299044)
REED SMITH LLP
13 355 South Grand Avenue, Suite 2900
Los Angeles, CA 90071-1514
14 Telephone: +1 213 457 8000
Facsimile: +1 213 457 8080
15 Emails: bmhernandez@reedsmith.com

16 Attorneys for Defendant
SILICON VALLEY TECHNICAL STAFFING
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1 This Class Action and Representative PAGA Action Settlement Agreement (“Agreement”) is
2 made by and between Plaintiff Guadalupe D Larios (“Plaintiff”) and Defendant iHealth Labs Inc.
3 (“iHealth”) and Silicon Valley Technical Staffing (“SVS”) (collectively, “Defendants”) (Plaintiff
4 and Defendants collectively, “the Parties”) with regard to the lawsuit filed against Defendants in the
5 case entitled, *Guadalupe D. Larios, on behalf of herself and all others similarly situated v. IHealth*
6 *Labs, Inc. and Silicon Valley Technical Staffing*, in the Superior Court of the State of California in
7 the County of Los Angeles, Case No. 23STCV14881 (the “Civil Action”).

8 **I. THE SETTLEMENT AGREEMENT**

9 1. Subject to the Court’s approval pursuant to Section 382 of the California Code of
10 Civil Procedure and Rule 3.769 of the California Rules of Court, Plaintiff and Defendants have
11 agreed to settle the Civil Action upon the terms and conditions and for the consideration set forth in
12 this Settlement Agreement (the “Agreement”). A summary of the terms of the settlement is as
13 follows:

14 **A. Settlement Amount.** Defendants shall pay a settlement amount of Two Hundred and
15 Fifteen Thousand Dollars and No Cents (\$215,000.00), referred to herein as the Gross
16 Settlement Amount, which shall be inclusive of all Individual Settlement Payments
17 and PAGA Payment Shares, all attorneys’ fees and expenses (including court costs)
18 to be paid to Class/PAGA Counsel, any Class Representative Enhancement Award,
19 Settlement Administration Costs and expenses, and any and all penalty amounts to be
20 paid regardless of the recipient. In no event shall Defendants be required to pay more
21 than the Gross Settlement Amount under this Agreement, except as to Defendants’
22 share of Withholdings and Taxes arising from Individual Settlement Payments. In no
23 event shall any portion of the Gross Settlement Amount revert to Defendants.
24 Defendants will be separately responsible for any employer payroll taxes required by
25 law, including the employer FICA, FUTA, and SDI contributions, which shall not be
26 paid from the Gross Settlement Amount.

27 1. Each Participating Class Member’s Individual Settlement Payment shall be
28 allocated as follows: (a) Twenty-Five Percent (25%) of the amount of each

Participating Class Member's Individual Settlement Payment will be allocated to his/her respective unpaid wage claims and shall be paid net of all applicable employment taxes, including any federal, state, and/or local tax withholding requirements, and the employee share of FICA taxes; and (b) 75% of the amount of each Participating Class Member's Individual Settlement Payment will be allocated to alleged penalties and shall not be subject to withholding. 100% of the payments to the PAGA Employees shall be allocated entirely as penalties and will be included on an IRS Form 1099.

B. Class Definition. The Class includes all current and former non-exempt employees of SVS who were placed on assignment to perform work at iHealth in California during the Class Period.

C. Settlement Administration. The Settlement Administrator shall be Phoenix. From the Gross Settlement Amount, settlement administration fees in a reasonable amount shall be paid to the Settlement Administrator. Settlement Administration Costs are estimated to be approximately Seven Thousand Nine Hundred and Fifty Dollars and No Cents (\$7,950.00). If the actual cost of settlement administration is less or more than the amount approved by the Court, those funds shall be added to or subtracted from the Net Class Settlement Amount.

D. Enhancement Award. Class/PAGA Counsel, on behalf of Plaintiff, shall apply to the Court for a Class Representative Enhancement Award for Plaintiff in an amount not to exceed Ten Thousand Dollars and No Cents (\$10,000.00), which shall be taken from the Gross Settlement Amount to compensate Plaintiff for the risks, time, and expense of her involvement in the Civil Action and securing the benefits of this Agreement for Class Members. Plaintiff shall execute a full general release with a Civil Code Section 1542 waiver in exchange for the Class Representative Enhancement Award.

E. PAGA Penalties. From the Gross Settlement Amount, Twenty Thousand Dollars and No Cents (\$20,000.00) shall be allocated to penalties under the California Labor

Code Private Attorneys General Act of 2004, California Labor Code Sections 2698, *et seq.* (“PAGA”), 75% of which (*i.e.*, Fifteen Thousand Seven Hundred and Fifty Dollars and No Cents (\$15,000.00)) shall be paid by the Settlement Administrator directly to the California Labor and Workforce Development Agency (“LWDA”). The remaining Five Thousand Dollars and No Cents (\$5,000.00) shall be the Net PAGA Settlement Amount and shall be distributed to the PAGA Employees as their PAGA Payment Shares.

F. Attorneys’ Fees and Costs. Class/PAGA Counsel may seek attorneys’ fees of up to Seventy Five Thousand Two-Hundred and Fifty Dollars and No Cents (\$75,250.00), which is thirty-five percent of the Gross Settlement Amount and costs of up to Twenty Thousand Dollars and No Cents (\$20,000.00), to be paid out of the Gross Settlement Amount, which Defendants shall not oppose.

II. DEFINITIONS

Unless otherwise defined herein, capitalized terms used in this Agreement shall have the meanings set forth below:

2. **“Civil Action”** means the lawsuit filed against Defendants in the case styled *Guadalupe D. Larios, on behalf of herself and all others similarly situated v. IHealth Labs, Inc. and Silicon Valley Technical Staffing*, Case No. 23STCV14881, pending in the Superior Court of the State of California in the County of Los Angeles.

3. **“Class”, “Class Member”, or “Class Members”** means all current and former non-exempt employees of SVS who were placed on assignment to perform work at iHealth in California during the Class Period (*i.e.*, August 17, 2022 through August 17, 2023).

4. **“Class/PAGA Counsel”** means Marcus Bradley of Bradley/Grombacher, LLP, and Garen Majarian and Sahag Majarian, II of Majarian Law Group APC.

5. **“Class Period”** means August 17, 2022 through August 17, 2023.

6. **“Class Released Claims”** are defined in paragraphs 93-94 below.

7. **“Class Representative Enhancement Award”** means any payment to the named Plaintiff for her service to the Class and the individual release as set forth in paragraph 86, which is

1 in addition to whatever payments she may otherwise be entitled to as a Class Member and/or PAGA
2 Employee.

3 8. **“Complaint”** means, collectively, the complaint filed on June 21, 2023 by Plaintiff
4 Guadalupe D Larios against Defendants entitled *Guadalupe D. Larios, on behalf of herself and all*
5 *others similarly situated v. IHealth Labs, Inc. and Silicon Valley Technical Staffing*, Case No.
6 23STCV14881, the First Amended Complaint filed by Plaintiff against Defendants on November 8,
7 2023, and the Second Amended Complaint filed by Plaintiff in the Civil Action on September 4,
8 2024, currently pending in the Superior Court of the State of California in the County of Los
9 Angeles.

10 9. **“Counsel for iHealth”** means Todd B. Scherwin and Shaun J. Voigt of Fisher &
11 Phillips LLP.

12 10. **“Counsel for SVS”** means Michele Haydel Gehrke and Brittany M. Hernandez of
13 Reed Smith LLP.

14 11. **“Court”** means the Superior Court of the State of California in the County of Los
15 Angeles.

16 12. **“Defendants”** means SVS and iHealth.

17 13. **“Defendants’ Counsel”** means Counsel for iHealth and Counsel for SVS.

18 14. **“Effective Date”** means the first date upon which all of the following events have
19 occurred:

- 20 (i) this Agreement has been executed by all Parties and by Class/PAGA Counsel
21 and Defendants’ Counsel;
- 22 (ii) the Court has preliminarily approved the Settlement;
- 23 (iii) notice has been properly given to Class Members and PAGA Employees,
24 providing them notice of the Settlement and providing Class Members an
25 opportunity to Opt Out of the Settlement;
- 26 (iv) the Court has held a Final Fairness and Approval Hearing and entered a Final
27 Order and Judgment approving the Settlement; and
- 28 (v) in the event no appeal is filed, then sixty (60) days have passed after the notice

of entry of the Final Order and Judgment, or, if an appeal, review or writ is sought, the date on which the highest reviewing court renders its decision denying any appeal or petition (where the immediately lower court affirmed the final judgment) or affirming the final judgment or the date of final dismissal with prejudice of the last pending appeal from the Final Approval Order and Judgment. In this regard, it is the intention of the Parties that the Settlement shall not become effective until the Court's order approving the Settlement has become final, and there is no timely recourse by an appellant or objector who seeks to contest the Settlement.

15. **"Final Fairness and Approval Hearing"** means the hearing to be requested by Plaintiff and conducted by the Court after the filing by Plaintiff of an appropriate motion and following appropriate notice to Class Members and PAGA Employees giving Class Members an opportunity to Opt Out from the Class and Settlement or to object to the Settlement, at which time Plaintiff shall request that the Court finally approve the fairness, reasonableness and adequacy of the terms and conditions of the Settlement, enter the Final Order and Judgment, and take other appropriate action.

16. **"Final Order and Judgment"** means the order and judgment to be entered by the Court upon granting final approval of this Settlement and this Agreement as binding upon the Parties, the Participating Class Members, and the PAGA Employees.

17. **"Gross Settlement Amount"** means the maximum amount of Two Hundred and Fifteen Thousand Dollars and No Cents (\$215,000.00) that Defendants shall be required to pay under this Agreement, exclusive of Withholdings and Taxes.

18. **"iHealth"** means Defendant iHealth Labs, Inc.

19. **"Individual Settlement Payments"** means the individual proceeds paid to each Participating Class Member, as described below in paragraph 76.

20. **"LWDA"** means the California Labor and Workforce Development Agency.

21. **"Net Class Settlement Amount"** means the amount of money remaining after Class/PAGA Counsel's attorneys' fees, costs and expenses, any Class Representative Enhancement

Awards to Plaintiff, Settlement Administration Costs and expenses, and the PAGA Fund are deducted from the Gross Settlement Amount.

22. **“Net PAGA Settlement Amount”** means the Five Thousand Dollars and No Cents (\$5,000.00) that will be disbursed to the PAGA Employees from the PAGA Fund.

23. **“Notice of Class and PAGA Settlement”** means the form attached hereto as **Exhibit 1** or whichever form is approved by the Court that shall be mailed to the Class Members and PAGA Employees to inform them of the terms of this Agreement and their rights and options related thereto. Upon approval by the Court, the Notice of Class and PAGA Settlement shall be translated into Spanish, and both the English and Spanish versions shall be mailed to the Class Members and PAGA Employees.

24. **“Objection”** means a Class Member’s written objection to the Settlement. Any Objection shall be in the form described in paragraphs 71-74 below.

25. **“Opt Out”** means a written request that a Class Member may submit to be excluded from the Class and the Settlement. Any Opt Out shall be in the form described in paragraphs 66-68 below.

26. **“PAGA Employees”** or **“PAGA Employee”** means all current and former non-exempt employees of SVS who were placed on assignment to perform work at iHealth in California during the PAGA Period (*i.e.*, August 17, 2022 through August 17, 2023).

27. **“PAGA Fund”** means the amount that the Parties have agreed to pay to the LWDA and the PAGA Employees in connection with PAGA. The Parties agree that Twenty Thousand Dollars (\$20,000.00) of the Gross Settlement Amount shall be allocated to the resolution of all claims under PAGA. Pursuant to Labor Code Section 2699(i), the PAGA Fund will be distributed as follows: 25%, or Five Thousand Dollars (\$5,000.00), to the PAGA Employees, and 75%, or Fifteen Thousand Dollars (\$15,000.00), to the LWDA.

28. **“PAGA Letters”** means, collectively, the notice of alleged Labor Code violations that Plaintiff caused to be sent to the LWDA pursuant to Labor Code Section 2699.3(l) on or about June 21, 2023, and the amended notice of alleged Labor Code violations that Plaintiff caused to be sent to the LWDA pursuant to Labor Code Section 2699.3(l) on or about June 18, 2024.

1 29. **“PAGA Payment Rate”** means the gross amount that a PAGA Employee shall
2 receive for each Qualifying PAGA Pay Period. The PAGA Payment Rate shall be determined as
3 described in paragraph 77 below.

4 30. **“PAGA Payment Share”** means the gross amount that shall be paid to each PAGA
5 Employee, as described below in paragraph 77.

6 31. **“PAGA Period”** means August 17, 2022 through August 17, 2023.

7 32. **“PAGA Released Claims”** are defined in paragraphs 95-96 below.

8 33. **“Participating Class Members”** means all Class Members who do not submit a
9 timely and valid Opt Out under the process described in paragraph 66.

10 34. **“Parties”** means Plaintiff and Defendants.

11 35. **“Plaintiff”** means Guadalupe D Larios.

12 36. **“Proof of Work”** means document(s) that a Class Member or PAGA Employee may
13 submit to the Settlement Administrator in order to show that he or she is entitled to payment based
14 upon a different number of Qualifying Pay Periods or Qualifying PAGA Pay Periods than the
15 number calculated by the Settlement Administrator based upon Defendants’ data. Adequacy of the
16 Proof of Work submitted will be evaluated by Defendants’ Counsel and the Settlement
17 Administrator. In the event of a disagreement, the Settlement Administrator will make the final
18 decision.

19 37. **“Qualifying PAGA Pay Periods”** means the total number of weekly pay periods that
20 were actually worked by each PAGA Employee for Defendants in California during the PAGA
21 Period.

22 38. **“Qualifying Pay Periods”** means the total number of weekly pay periods that were
23 actually worked by each Class Member for Defendants in California during the Class Period.

24 39. **“Released Parties”** means iHealth Labs, Inc., iHealth Manufacturing, Inc., Silicon
25 Valley Technical Staffing, Silicon Valley Staffing Group, Inc., SVS Group, and each of their
26 respective present and former parents, affiliates, divisions and subsidiaries, acquired companies, and
27 each of their respective present and former directors, officers, shareholders, agents, representatives,
28 employees, partners, attorneys, insurers, predecessors, successors, assigns, affiliated companies,

1 customers, and entities and any individual or entity that could be jointly liable with any of the
2 foregoing.

3 40. **“Response Deadline”** means the forty-five (45) day period following the date the
4 Settlement Administrator mails the Notice of Class and PAGA Settlement to Class Members and
5 PAGA Employees within which: (a) any Class Member may submit a written Opt Out to be
6 excluded from the Class and the release of Class Released Claims; (b) any Class Member may
7 submit an Objection; and/or (c) any Class Member and/or PAGA Employee may submit an optional
8 Proof of Work using the processes described herein.

9 41. **“Settlement”** means the final and complete disposition of the Civil Action and all
10 related claims effectuated by this Agreement.

11 42. **“Settlement Administrator”** means Phoenix.

12 43. **“Settlement Administration Costs”** means the reasonable costs and fees of
13 administration of this Settlement to be paid to the Settlement Administrator from the Gross
14 Settlement Amount, including, but not limited to: (i) translating into Spanish, printing and mailing
15 and re-mailing (if necessary) of Notices of Class Action and PAGA Settlement to Class Members;
16 (ii) preparing and submitting to Settlement Class Members, PAGA Employees, and government
17 entities all appropriate tax filings and forms; (iii) computing the amount of and distributing
18 Individual Settlement Payments, PAGA Payment Shares, Class Representative Service Award, and
19 Class Counsel Attorneys’ Fees, Costs and Expenses; (iv) processing and validating Opt Outs; (v)
20 establishing a Qualified Settlement Fund, as defined by the Internal Revenue Code; and (vi)
21 calculating and remitting to the appropriate government agencies all employer and employee payroll
22 tax obligations arising from the Settlement and preparing and submitting filings required by law in
23 connection with the payments required by the Settlement.

24 44. **“Settlement Payment Rate”** means the gross amount that a Participating Class
25 Member shall receive for each Qualifying Pay Period. The Settlement Payment Rate for each
26 Participating Class Member shall be determined as described in paragraph 76 below.

27 45. **“SVS”** means Defendant Silicon Valley Technical Staffing.

28 46. **“Withholdings and Taxes”** means all withholdings from the Individual Settlement

1 Payments required by law plus all federal, state, and local employment payroll taxes due in regards
2 to the Individual Settlement Payments, whether owed by a Participating Class Member or by
3 Defendants. Defendants shall provide the Settlement Administrator with an amount sufficient to
4 cover its share of Withholdings and Taxes arising from the Individual Settlement Payments, as
5 computed by the Settlement Administrator

6 **III. BACKGROUND**

7 47. On June 21, 2023, counsel for Plaintiff sent a notice of alleged Labor Code violations
8 purportedly caused by Defendants to the LWDA pursuant to Labor Code Section 2699.3(l).

9 48. On June 21, 2023, Plaintiff filed a Complaint in the Superior Court of the State of
10 California for the County of Los Angeles against Defendants, entitled *Guadalupe D. Larios, on*
11 *behalf of herself and all others similarly situated v. IHealth Labs, Inc. and Silicon Valley Technical*
12 *Staffing*, Case No. 23STCV14881. In the Complaint, Plaintiff alleged six (6) causes of action for:
13 (1) failure to pay overtime wages; (2) failure to pay all wages and minimum wages; (3) failure to
14 timely furnish accurate itemized wage statements and failure to maintain accurate records; (4)
15 waiting time penalties; (5) failure to reimburse necessary business expenses; and (6) unfair
16 competition.

17 49. On November 8, 2023, Plaintiff filed a First Amended Complaint, which added a
18 separate cause of action for penalties under California's Private Attorneys General Act (PAGA).

19 50. On May 28, 2024, Plaintiff and Defendants engaged in mediation before Mr. Brandon
20 McKelvey, Esq., an experienced mediator in this area of law. The mediation was successful
21 following a mediator's proposal and a global settlement in principle was reached.

22 51. On June 18, 2024, Plaintiff sent an amended notice of alleged Labor Code violations
23 purportedly caused by Defendants to the LWDA pursuant to Labor Code Section 2699.3(l),
24 amending the PAGA Letter previously filed.

25 52. On August 28, 2024, Plaintiff and Defendants filed a Joint Stipulation for Leave to
26 File a Second Amended Class and PAGA Action Complaint, which purports to add claims discussed
27 at mediation for failure to provide meal periods or to pay premiums in lieu thereof and failure to
28 provide rest periods or to pay rest period premiums in lieu thereof. On August 28, 2024, this Court

1 granted the Parties' Joint Stipulation for Plaintiff to be granted Leave to Amend to file her Second
2 Amended Complaint. On September 4, 2024, Plaintiff filed the Second Amended Complaint. In the
3 operative Second Amended Complaint, Plaintiff alleges causes of action for: (1) failure to pay
4 overtime wages; (2) failure to pay all wages and minimum wages; (3) failure to timely furnish
5 accurate itemized wage statements and failure to maintain accurate records; (4) waiting time
6 penalties; (5) failure to reimburse necessary business expenses; (6) violation of Business &
7 Professions Code Section 17200, *et seq.*; (7) PAGA penalties; (8) failure to provide meal periods;
8 and (9) failure to provide rest periods.

9 53. Defendants deny each of the allegations of the Complaints, and the PAGA Letters,
10 deny that Defendants have any liability for the claims of Plaintiff, the putative class they purport to
11 represent or any allegedly aggrieved employee, and deny that Plaintiff, the putative class she
12 purports to represent or any allegedly aggrieved employee is entitled to any relief.

13 54. Class/PAGA Counsel and Defendants' Counsel have extensive experience in
14 litigating wage and hour class actions in California.

15 55. This Agreement is made in compromise of and embraces all claims against any of the
16 Released Parties as enumerated in paragraphs 93-96 below, including, but not limited to, all claims
17 that were alleged or could have been alleged in the Complaints and the PAGA Letters.

18 56. Because the settled matter is a putative class and PAGA representative action, this
19 Agreement must receive preliminary and final approval by the Court. Accordingly, Plaintiff and
20 Defendants enter into this Agreement on a conditional basis. Should the Court, or any other court
21 taking jurisdiction of this matter, decline to approve all material aspects of the Agreement or make
22 any ruling substantially altering the material terms of the Settlement, the Agreement shall be
23 voidable and unenforceable as to Plaintiff and Defendants, at the option of any party. Subject to the
24 requirements of the immediately preceding sentence, any party may exercise her or its option to void
25 this Agreement by giving notice, in writing, to the other party and to the Court at any time before
26 final approval by the Court of this Agreement. In the event that the Effective Date, as defined
27 herein, does not occur, this Agreement shall be deemed null and void *ab initio* and shall be of no
28 force or effect whatsoever, and shall not be referred to or utilized for any purpose. Defendants deny

1 all of Plaintiff's and all class and representative claims as to liability and damages. Defendants
2 expressly reserve all rights to challenge any and all such claims and allegations upon all procedural
3 and factual grounds, including the assertion of all defenses, if the Effective Date of the Agreement
4 does not occur. Likewise, Plaintiff expressly reserves all rights to pursue, amend, dismiss or
5 otherwise dispose of the claims covered under this Settlement, including but not limited to seeking
6 damages, restitution, fees, expenses, interest and/or any other monetary amount for the claims
7 included in the Civil Action or for any other claims Plaintiff may have against Defendants, in the
8 event the Effective Date of the Agreement does not occur.

9 57. Plaintiff and Class/PAGA Counsel have concluded, after taking into account the
10 sharply disputed factual and legal issues involved in the Civil Action, the risks attending further
11 prosecution, and the substantial benefits to be received pursuant to settlement as set forth in this
12 Agreement, that settlement on the terms set forth herein is in the best interest of Plaintiff and the
13 Class Members and PAGA Employees, and is fair and reasonable.

14 58. Similarly, Defendants have concluded, after taking into account the sharply disputed
15 factual and legal issues involved in the Civil Action, the risks and expense attending further
16 litigation, and its desire to put the controversy to rest, that settlement on the terms set forth herein is
17 in their best interest and is fair and reasonable.

18 59. This Settlement contemplates: (i) entry of an order preliminarily approving the
19 Settlement; (ii) distribution of the Notice of Class and PAGA Settlement to Class Members and
20 PAGA Employees; and (iii) entry of a Final Order and Judgment of the Settlement. The Court shall
21 retain jurisdiction over the Civil Action and Parties for purposes of enforcing the Settlement and
22 resolving any disputes relating to the Settlement.

23 **IV. SETTLEMENT APPROVAL AND IMPLEMENTATION PROCEDURE**

24 **A. Preliminary Approval of Settlement**

25 60. As soon as practicable, Class/PAGA Counsel shall submit this Agreement to the
26 Court for its preliminary approval. Plaintiff shall also move the Court to enter a preliminary
27 approval order and to conditionally certify the Class for purposes of this Settlement only. The
28 submission shall also include admissible evidence as may be required for the Court to determine that

1 this Settlement is fair, adequate, and reasonable. The submission shall also include the Notice of
2 Class and PAGA Settlement in the form attached hereto as **Exhibit 1** and a proposed order granting
3 preliminary approval of Settlement in the form attached hereto as **Exhibit 2**, which shall, among
4 other things, set a Final Fairness and Approval Hearing date. Class/PAGA Counsel shall provide
5 their motion for preliminary approval and all supporting papers to Defendants' Counsel for review at
6 least ten (10) days prior to filing. Plaintiff and Defendants agree that the conditional certification of
7 the Class for settlement purposes only is in no way an admission by any of the Released Parties that
8 class certification would otherwise be proper. Class/PAGA Counsel shall submit a copy of this
9 Agreement to the LWDA at the same time that it is submitted to the Court, in accordance with
10 California Labor Code section 2699(1)(2).

11 61. The Parties agree to cooperate with each other to accomplish the terms of this
12 Settlement, including, but not limited to, the timely execution of such documents and such other acts
13 as may be reasonably necessary to implement the terms of this Settlement. Neither the Parties nor
14 any of their attorneys or agents shall solicit or encourage any Class Members to exclude themselves
15 from the Settlement or to object to the Settlement. The Parties to the Settlement shall use their best
16 efforts, including all efforts contemplated by this Agreement and any other efforts that may become
17 necessary by Court order, or otherwise, to effectuate this Settlement and the terms set forth herein.

18 **B. Notice of Class and PAGA Settlement by Mail**

19 62. The Settlement Administrator shall, within forty-five (45) days of the date of
20 preliminary approval of this Settlement, mail by First-Class United States mail the Notice of Class
21 and PAGA Settlement to each Class Member and PAGA Employee, all in English and Spanish,
22 using the most recent address available to the Settlement Administrator for mail delivery. The
23 Settlement Administrator shall perform a reasonable search for a new address for any returned mail
24 without a forwarding address.

25 63. Any Notice of Class and PAGA Settlement returned to the Settlement Administrator
26 as non-delivered on or before the Response Deadline shall be re-mailed to the forwarding address
27 affixed thereto. If no forwarding address is provided, the Settlement Administrator shall promptly
28 attempt to determine a correct address by the use of skip-tracing, or other type of automated search,

1 using the name, address and/or Social Security Number of the Class Member and/or PAGA
2 Employee involved, and shall then perform a re-mailing to the Class Member and/or PAGA
3 Employee whose Notice of Class and PAGA Settlement was returned as non-delivered, assuming
4 another mailing address is identified by the Settlement Administrator. If these procedures are
5 followed, notice to Class Members and PAGA Employees shall be deemed to have been fully
6 satisfied, and if the intended recipient of the Notice of Class and PAGA Settlement does not receive
7 the Notice of Class and PAGA Settlement, the intended recipient shall nevertheless remain a
8 Participating Class Member and/or PAGA Employee, as applicable, and shall be bound by all terms
9 of the Settlement and the Final Order and Judgment.

10 64. The Notice of Class and PAGA Settlement to be provided to each Class Member and
11 PAGA Employee shall set forth the number of Qualifying Pay Periods and Qualifying PAGA Pay
12 Periods applicable to the Class Member and/or PAGA Employee, the estimated Settlement Payment
13 Rate, and PAGA Payment Rate, as applicable, to the Class Member and/or PAGA Employee, and
14 the estimated gross settlement payment that the Class Member and/or PAGA Employee shall receive
15 under this Settlement if the Court grants final approval of the Settlement.

16 65. If the Class Member or PAGA Employee wishes to contest the number of Qualifying
17 Pay Periods or Qualifying PAGA Pay Periods assigned to him or her by the Settlement
18 Administrator, that individual must submit Proof of Work signed by the Class Member or PAGA
19 Employee to inform the Settlement Administrator of the basis for contesting any of the assigned pay
20 periods. In the case of a Class Member and/or PAGA Employee's death or incapacity, this may be
21 submitted by the Class Member or PAGA Employee's authorized representative. To be accepted,
22 the Proof of Work must: (1) state the Class Member or PAGA Employee's full name, address, and
23 the last four digits of his or her Social Security Number (for identification purposes only); (2) state,
24 in writing, the reasons why he or she believes an additional amount is owed and include any
25 documentation supporting that claim; (3) be signed by the Class Member or PAGA Employee or
26 his/her legal representative; and (4) be mailed to the Settlement Administrator and postmarked no
27 later than the Response Deadline. As this is not a claims-made Settlement, Class Members shall still
28 be bound by this Agreement unless they submit a completed, signed and timely Opt Out. However,

as described further below, PAGA Employees shall be bound by this Agreement and do not have a right to opt out, regardless of whether they submit a valid Opt Out.

C. Opt Outs

66. Any Class Member seeking to be excluded from the Class and this Settlement shall submit a written Opt Out to the Settlement Administrator. The written Opt Out must: (1) contain the name, address, and the last four digits of the Social Security Number of the person requesting exclusion; (2) state the Class Member's request to exclude himself or herself from the Settlement and to opt out of the Settlement; (3) be signed by the Class Member or his or her lawful representative; and (4) be postmarked by the Response Deadline and returned to the Settlement Administrator at the specified address. Any Class Member, who submits a completed, signed and timely written Opt Out by the Response Deadline shall no longer be a member of the class, shall be barred from participating in this Settlement, shall be barred from objecting to this Settlement, and shall receive no benefit from this Settlement. Any untimely or incomplete Opt Out shall be considered null and void. If a Class Member submits both a completed, signed and timely Proof of Work and a completed, signed and timely Opt Out, the Opt Out shall be deemed invalid, and the Class Member shall be a Participating Class Member and participate in this Settlement. The Settlement Administrator shall notify Class/PAGA Counsel and Defendants' Counsel of the number of timely Opt Outs within seven (7) days after the Response Deadline.

67. If more than five percent (5%) of the Class Members opt out of the Settlement by submitting completed, signed and timely written Opt Outs, Defendants shall have the right in its sole discretion to rescind and void this Settlement by giving written notice to Class/PAGA Counsel within ten (10) business days after the Settlement Administrator informs the Parties that the Opt Out rate exceeded five percent (5%).

68. Because this settlement resolves claims and actions brought pursuant to PAGA by Plaintiff acting as a proxy and as Private Attorneys General of, and for, the State of California and the LWDA, the Parties agree that no PAGA Employee has the right to exclude himself or herself or Opt Out from the release of the PAGA Released Claims. PAGA Employees will be bound by the release of the PAGA Released Claims upon its approval of the Agreement by the Court at the Final

1 Fairness and Approval Hearing, regardless of whether he or she requested exclusion by submitting
2 an Opt Out as a Class Member, and regardless of whether he or she cashes a payment from the
3 PAGA Fund. The Parties also agree that no PAGA Employee has the right to object to the terms of
4 the Settlement in his or her capacity as a PAGA Employee.

5 **D. Declaration of Compliance**

6 69. As soon as practicable, but no later than ten (10) days following the close of the
7 Response Deadline, the Settlement Administrator shall provide Class/PAGA Counsel and
8 Defendants' Counsel with a declaration attesting to completion of the notice process set forth in this
9 Agreement, the number and names of Opt Outs and Objections, and a summary of any disputes
10 raised by any Class Members or PAGA Employees. This declaration shall be filed with the Court by
11 Class/PAGA Counsel along with a motion requesting final approval of the Settlement.

12 **E. Sufficient Notice**

13 70. The Parties agree that compliance with the procedures described in this Agreement
14 constitutes due and sufficient notice to Class Members and PAGA Employees of this Settlement and
15 the Final Fairness and Approval Hearing, and satisfies the requirements of due process, and that
16 nothing else shall be required of Plaintiff, Class/PAGA Counsel, Defendants, Defendants' Counsel,
17 or the Settlement Administrator to provide notice to Class Members and PAGA Employees of the
18 Settlement and the Final Fairness and Approval Hearing.

19 **F. Objections to Settlement**

20 71. Any Class Member may object to the Settlement. To object, the Class Member may
21 appear at the Final Fairness and Approval Hearing in person or telephonically, have an attorney
22 object for the Class Member, or submit a written brief or statement of Objection informing the
23 Court, Class/PAGA Counsel, and Defendants' Counsel in writing of his or her intent to object by
24 following the procedure for written Objections set forth in the Notice of Class and PAGA Settlement
25 no later than the Response Deadline. Any Objection must: (1) state the Class Member's full name,
26 address, and the last four digits of his or her Social Security Number (for identification purposes
27 only); (2) state the grounds for the Objection; (3) be signed by the Class Member or his or her or its
28 lawful representative; and (4) be postmarked on or before the Response Deadline and returned to the

1 Settlement Administrator. The Court may, in its sole discretion, permit any Class Member to lodge
2 Objections to the Settlement at the Final Fairness and Approval Hearing, regardless of whether the
3 Class Member has submitted a written Objection.

4 72. Any Class Member who does not object prior to or at the Final Fairness and Approval
5 Hearing by the means set forth in paragraph 71 shall be foreclosed from objecting to this Settlement
6 (including but not limited to by appeal), unless otherwise ordered by the Court.

7 73. Class/PAGA Counsel and Defendants' Counsel shall file any responses to any written
8 Objections submitted to the Court in accordance with this Agreement at least seven (7) days before
9 the Final Fairness and Approval Hearing or five (5) Court days after filing, whichever is later.

10 74. Moreover, because this Settlement resolves claims and actions brought pursuant to
11 PAGA by Plaintiff acting as a proxy and as Private Attorneys General of, and for, the State of
12 California and the LWDA, the Parties agree that no PAGA Employee has the right to object to the
13 terms of the Settlement in his or her capacity as a PAGA Employee.

14 **G. Final Fairness and Approval Hearing**

15 75. On the date set forth by the Court for the Final Fairness and Approval Hearing in the
16 order granting preliminary approval of the Settlement, a Final Fairness and Approval Hearing shall
17 be held before the Court in order to consider and determine: (i) whether the Court should give this
18 Settlement final approval; (ii) whether the Court should approve Class/PAGA Counsel's application
19 for attorneys' fees, costs and expenses and any Class Representative Enhancement Award to
20 Plaintiff; and (iii) to hear any timely Objections to the Settlement. At the Final Fairness and
21 Approval Hearing, Plaintiff, Class/PAGA Counsel, Defendants, and Defendants' Counsel shall ask
22 the Court to give final approval to this Settlement. Class/PAGA Counsel shall provide the motion
23 for final approval and all supporting papers to Defendants' Counsel at least ten (10) days prior to
24 filing. If the Court grants final approval of the Settlement, the Settlement Administrator shall post
25 notice of final judgment on its website within seven (7) business days of entry of the Final Order and
26 Judgment. Class/PAGA Counsel shall submit a copy of the Final Order and Judgment to the LWDA
27 within ten (10) days after entry of the Final Order and Judgment in accordance with California Labor
28 Code section 2699(l)(3).

H. Individual Settlement Payment Procedures

Payments under this Agreement shall be made by the Settlement Administrator as follows:

76. Class Payment. Participating Class Members shall be paid exclusively from the Net Class Settlement Amount. Plaintiff and Defendants agree that the formula for allocating Individual Settlement Payments to Participating Class Members provided herein is reasonable and that the Individual Settlement Payments are designed to provide a fair settlement, despite the uncertainties of the amounts alleged to be owed to Participating Class Members and the calculation of them. Distribution amongst Participating Class Members based on their Qualifying Pay Periods is fair and reasonable here. Plaintiff and Defendants have agreed that the distribution to each Participating Class Member shall be determined as set forth below. The Individual Settlement Payment to each Participating Class Member shall be determined based on the number of Qualifying Pay Periods applicable to that Participating Class Member. The Net Class Settlement Amount shall be divided by the total number of Qualifying Pay Periods for all Participating Class Members. The result of this division shall yield a Settlement Payment Rate. The gross amount of each Participating Class Member's Individual Settlement Payment shall be calculated by multiplying the number of Qualifying Pay Periods applicable to that Participating Class Member by the Settlement Payment Rate.

77. PAGA Payment. PAGA Employees shall be paid exclusively from the Net PAGA Settlement Amount. Plaintiff and Defendants agree that the formula for allocating PAGA Payment Shares to PAGA Employees provided herein is reasonable and that the PAGA Payment Shares are designed to provide a fair settlement, despite the uncertainties of the amounts alleged to be owed to PAGA Employees and the calculation of them. Distribution amongst PAGA Employees based on Qualifying PAGA Pay Periods applicable to that PAGA Employee is fair and reasonable here. Plaintiff and Defendants have agreed that the distribution to each PAGA Employee shall be determined as set forth below. The PAGA Payment Share to each PAGA Employee shall be determined based on the number of Qualifying PAGA Pay Periods applicable to each PAGA Employee. The Net PAGA Settlement Amount shall be divided by the total number of Qualifying PAGA Pay Periods for all PAGA Employees. The result of this division shall yield a PAGA

1 Payment Rate. The gross amount of each PAGA Employee's PAGA Payment Share shall be
2 calculated by multiplying the number of Qualifying PAGA Pay Periods applicable to that PAGA
3 Employee by the PAGA Payment Rate. Since this payment is exclusively for statutory and civil
4 penalties, there will be no government required employee tax withholdings and employer payroll
5 taxes deducted from each PAGA Payment Share.

6 78. Within thirty (30) days after the Effective Date, Defendants shall transmit the Gross
7 Settlement Amount to the Settlement Administrator and concurrently shall deliver their share of
8 Withholdings and Taxes separately, as calculated by the Settlement Administrator based on the wage
9 portion of the Net Class Settlement Amount ("Funding Date"). Within fourteen (14) days after the
10 Funding Date, the Settlement Administrator shall transmit to Class/PAGA Counsel the attorneys'
11 fees, costs and expenses approved by the Court, shall transmit to Plaintiff her respective Class
12 Representative Enhancement Award approved by the Court, shall transmit to the LWDA the
13 payment pursuant to PAGA, shall mail an Individual Settlement Payment to each Participating Class
14 Member and shall mail a PAGA Payment Share to each PAGA Employee. Under no circumstances
15 shall the Settlement Administrator distribute checks to Participating Class Members or PAGA
16 Employees until all timely disputes and Proof of Work have been considered, calculated, and
17 accounted for, and the Class/PAGA Counsel's fees and expenses, costs of the Settlement
18 Administrator, and Class Representative Enhancement Awards, if any, have been calculated and
19 accounted for.

20 79. The Individual Settlement Payments are payments for all Class Released Claims for
21 the Participating Class Members. The Settlement Administrator shall be authorized to establish a
22 Qualified Settlement Fund ("QSF") pursuant to Internal Revenue Service ("IRS") rules and
23 regulations in which the Gross Settlement Amount shall be placed and from which payments
24 required by the Settlement shall be made.

25 80. It is expressly understood and agreed that the receipt of an Individual Settlement
26 Payment or PAGA Payment Share shall not entitle any Class Member or PAGA Employee to
27 compensation or benefits under any company bonus, contest, or other compensation or benefit plan
28 or agreement in place during the applicable Class Period or PAGA Period, nor shall it entitle any

1 Class Member or PAGA Employee to any increased retirement, 401(k) or matching benefits, or
2 deferred compensation benefits. The Parties agree that any Individual Settlement Payments or
3 PAGA Payment Shares made to Participating Class Members and PAGA Employees under the terms
4 of this Agreement shall not represent any modification of previously credited length of service or
5 other eligibility criteria under any bonus plan, employee pension benefit plan, or employee welfare
6 plan sponsored by any of the Released Parties, or to which any of the Released Parties are required
7 to make contributions. Further, any Individual Settlement Payments or PAGA Payment Shares
8 made under this Agreement shall not be considered compensation in any year for purposes of
9 determining eligibility for, or benefit accrual within, any employee pension benefit plan or employee
10 welfare benefit plan sponsored by any of the Released Parties or to which any of the Released
11 Parties are required to make contributions. It is the Parties' intent that the Individual Settlement
12 Payments and PAGA Payment Shares provided for in the Settlement are the sole payments to be
13 made by Defendants to the Class Members and PAGA Employees, and that the Class Members and
14 PAGA Employees are not entitled to any new or additional compensation or benefits as a result of
15 having received the Individual Settlement Payments or PAGA Payment Shares, notwithstanding any
16 contrary terms in any agreement, contract, benefit or compensation plan document that might have
17 been in effect during the applicable Class Period or PAGA Period.

18 81. Any Individual Settlement Payment or PAGA Payment Share that remains uncashed
19 after one hundred and eighty (180) days of disbursement shall be void. The Parties agree that this
20 disposition results in no "unpaid cash residue," or "unclaimed or abandoned funds" under California
21 Code of Civil Procedure section 384, as amended effective June 27, 2018, as the entire Net Class
22 Settlement Amount and PAGA Fund will be paid out to the Participating Class Members and PAGA
23 Employees, whether or not they cash their payment checks. The entire amount of each Participating
24 Class Members' or PAGA Employees' uncashed settlement check(s) shall be turned over to the
25 California State Controller's Office in the name of the individual Participating Class Member/PAGA
26 Employee. The Parties acknowledge that California Civil Procedure Code section 384 and the
27 Doctrine of Cy Pres are not applicable to this Settlement because the terms of the Settlement
28 expressly provide for the disposition of the entire Net Class Settlement Amount and PAGA Fund,

whether claimed or unclaimed. None of the settlement funds will revert back to Defendants. Defendants shall not be liable for any additional amount due to this subsequent distribution. In any event, the Class Member and PAGA Employee nonetheless shall be bound by the release of Class Released Claims and PAGA Released Claims and the terms of this Agreement.

I. The Settlement Administrator

82. The Settlement Administrator shall administer the Settlement, including, but not limited to: (i) translating the Notice of Class and PAGA Settlement into Spanish; (ii) printing, mailing, and re-mailing (if necessary), in both English and Spanish, the Notice of Class and PAGA Settlement, and receiving Opt Outs and Objections from Class Members; (iii) preparing and submitting to Participating Class Members and PAGA Employees and government entities all appropriate tax filings and forms; (iv) computing the amount of and distributing Individual Settlement Payments, PAGA Payment Shares, Class Representative Enhancement Award, and Class/PAGA Counsel attorneys' fees and costs; (v) processing and validating Proof of Work forms, Opt Outs and Objections; and (vi) establishing a QSF, as defined by the Internal Revenue Code.

83. Settlement Administration Costs in a reasonable amount shall be paid to the Settlement Administrator from the Gross Settlement Amount. Settlement Administration Costs are estimated to be approximately Seven Thousand Nine Hundred and Fifty Dollars and No Cents (\$7,950.00). If the actual cost of settlement administration is less or more than the amount approved by the Court, those funds shall be added to or subtracted from the Net Class Settlement Amount for allocation to Class Members. All costs associated with settlement administration shall come out of the Gross Settlement Amount.

84. Defendants shall provide the names, last known addresses, and social security numbers, all to the extent available, for Class Members and PAGA Employees and Qualifying Pay Periods for Class Members and Qualifying PAGA Pay Periods for PAGA Employees ("Class Data") to the Settlement Administrator no later than twenty (20) calendar days after the Court grants preliminary approval of the Settlement. Class Data shall only be used by the Settlement Administrator for the purpose of calculating Individual Settlement Payments and PAGA Payment Shares and notifying Class Members and PAGA Employees of the Settlement. Class Data shall not

1 be disclosed to Class/PAGA Counsel, Plaintiff, or any other Class Members or PAGA Employees
2 without the written consent of Defendants or by order of the Court. The Settlement Administrator
3 shall be responsible for following all privacy laws and taking appropriate steps to ensure that Class
4 Members' and PAGA Employees' personal information is safeguarded and protected from improper
5 disclosure or use. The Settlement Administrator shall run the Class Data list through the National
6 Change of Address database, and shall use the most recent address for each Class Member and
7 PAGA Employee – either from Defendants' records or the National Change of Address database –
8 before mailing the Notice of Class and PAGA Settlement. The Settlement Administrator shall also
9 take reasonable steps to locate any Class Member or PAGA Employee whose Notice of Class and
10 PAGA Settlement is thereafter returned as undeliverable. Class Data shall be provided in a secure
11 format to be determined by the Settlement Administrator and Defendants.

12 **J. Resolution of Disputes Over Qualifying Pay Periods, Qualifying PAGA Pay Periods,**
13 **Individual Settlement Payment, and PAGA Payment Share Calculations**

14 85. In calculating Individual Settlement Payments and PAGA Payment Shares for each
15 Class Member and/or PAGA Employee, Defendants' records regarding Qualifying Pay Periods and
16 Qualifying PAGA Pay Periods of Class Members and PAGA Employees shall be presumed to be
17 correct. Any Class Member or PAGA Employee who disagrees with Defendants' determination of
18 his or her Qualifying Pay Periods or Qualifying PAGA Pay Periods as indicated may dispute that
19 calculation to the Settlement Administrator as explained on the Notice of Class and PAGA
20 Settlement. Defendants' determination shall be presumed accurate unless clear and compelling
21 documentary evidence is provided by the Class Member or PAGA Employee to the Settlement
22 Administrator that establishes that a mistake was made by Defendants. The Settlement
23 Administrator shall investigate the dispute, requesting information from Defendants as necessary and
24 make the final determination of whether any additional amount is owed. All such challenges must
25 be received within the Response Deadline. In no case shall a dispute result in a payment by
26 Defendants in excess of the Gross Settlement Amount.

27 **K. Class Representative Enhancement Award**

28 86. Subject to Court approval, Class/PAGA Counsel, on behalf of the Plaintiff, shall

1 apply to the Court for a Class Representative Enhancement Award not to exceed Ten Thousand
2 Dollars and No Cents (\$10,000.00), which Defendants shall not oppose. The Class Representative
3 Enhancement Award is to compensate Plaintiff for the risk, time, and expense of her involvement in
4 the Civil Action and securing the benefits of this Agreement for Class Members. The Class
5 Representative Enhancement Award is in addition to the Individual Settlement Payment and/or
6 PAGA Payment Share that Plaintiff would otherwise be due under the Settlement as a Class Member
7 and/or PAGA Employee.

8 **L. Payment of Class/PAGA Counsel Attorneys' Fees, Costs and Expenses**

9 87. Class/PAGA Counsel shall apply to the Court at the Final Fairness and Approval
10 Hearing for an award of attorneys' fees not to exceed the amount of Seventy Five Thousand Two-
11 Hundred Fifty Dollars and No Cents (\$75, 250.00), which is Thirty Five Percent (35%) of the Gross
12 Settlement Amount and an award of costs not to exceed the amount of Twenty Thousand Dollars and
13 No Cents (\$20,000.00), both of which shall be paid out of the Gross Settlement Amount.
14 Class/PAGA Counsel and Defendants agree that such awards of attorneys' fees and costs are
15 reasonable under the circumstances. Nothing in this Agreement shall restrict Plaintiff's or
16 Class/PAGA Counsel's ability to appeal any decision by the Court to award less than the requested
17 attorneys' fees and costs or Class Representative Enhancement Awards. Any order relating to the
18 award of attorney's fees, costs, or the Class Representative Enhancement Award, or any appeal from
19 any order relating thereto or reversal or modification thereof, will not operate to terminate or cancel
20 this Agreement. If the amount of the Class Representative Enhancement Award, attorneys' fees,
21 and/or costs awarded by the Court is less than the requested amounts, the difference shall serve to
22 increase the Net Class Settlement Amount to be distributed to Participating Class Members as part of
23 their Individual Settlement Payments. Nothing in this Agreement will require Defendants to pay
24 more than the Gross Settlement Amount under any circumstances.

25 **M. Taxes and Withholding and Indemnification**

26 88. The Settlement Administrator shall be responsible for ensuring that all tax obligations
27 associated with the Settlement are timely paid to the appropriate governmental taxing authorities.
28 The Individual Settlement Payments are payments for all Class Released Claims of Plaintiff and all

1 other Participating Class Members, for settlement of both alleged unpaid wages, and statutory
2 penalties and interest. The PAGA Payment Shares are payments for the PAGA Released Claims for
3 the PAGA Employees.

4 89. All Individual Settlement Payments shall be allocated as follows: (i) twenty-five
5 percent (25%) of the portion of each Individual Settlement Payment will be allocated to alleged
6 unpaid wages and shall be paid net of all applicable payroll taxes, including the employee's share of
7 any federal, state and/or local payroll tax withholdings, and this portion of the payment will be
8 reported on an IRS Form W-2; and (ii) seventy-five percent (75%) will be allocated as non-wages,
9 for which an IRS Form 1099 will be issued. PAGA Payment Shares will be allocated entirely as
10 penalties and will be included on an IRS Form 1099.

11 90. Defendants and the other Released Parties shall not be required to provide any
12 additional form of compensation to any Participating Class Member as a result of this allocation of
13 Individual Settlement Payments or to any PAGA Employee as a result of this allocation of PAGA
14 Payment Shares. Each Participating Class Member, PAGA Employee, and Plaintiff shall be
15 responsible for remitting to state and/or federal taxing authorities any applicable taxes which may be
16 owed on the portion of any Individual Settlement Payment and PAGA Payment Share received
17 pursuant to this Settlement, except as provided by this Settlement. The Parties agree and represent
18 that the allocation between alleged unpaid wages and alleged penalties as specified herein is fair and
19 reasonable given the claims asserted in the lawsuit and the remedies available for those claims.

20 91. Each party to this Agreement acknowledges and agrees that:

- 21 (i) No provision of this Agreement and no written communication or disclosure
22 between or among the Parties or their attorneys and other advisers is or was
23 intended to be, nor shall any such communication or disclosure constitute or
24 be construed or be relied upon as, tax advice within the meaning of United
25 State Treasury Department Circular 230 (31 CFR Part 10, as amended);
- 26 (ii) He or she (a) has relied exclusively upon his or her own, independent legal
27 and tax advisers for advice (including tax advice) in connection with this
28 Agreement, (b) has not entered into this Agreement based upon the

1 recommendation of any other party or any attorney or advisor to any other
2 party, and (c) is not entitled to rely upon any communication or disclosure by
3 any attorney or advisor to any other party to avoid any tax penalty that may be
4 imposed on him or her or it; and

5 (iii) No attorney or advisor to any other party has imposed any limitation that
6 protects the confidentiality of any such attorney's or adviser's tax strategies
7 (regardless of whether such limitation is legally binding) upon disclosure by
8 him or her of the tax treatment or tax structure of any transaction, including
9 any transaction contemplated by this Agreement.

10 92. Each Participating Class Member, PAGA Employee, Class/PAGA Counsel, and
11 Plaintiff shall be responsible for remitting to state and/or federal taxing authorities any applicable
12 taxes which may be owed on the portion of any payment received pursuant to this Agreement. The
13 Settlement Administrator will be responsible for issuing to Plaintiff, Participating Class Members,
14 PAGA Employees, and Class/PAGA Counsel any W-2, 1099, or other tax forms as may be required
15 by law for all amounts paid pursuant to this Settlement. The Settlement Administrator will also be
16 responsible for forwarding all payroll taxes and penalties to the appropriate government authorities.

17 **V. CLASS AND PAGA RELEASED CLAIMS**

18 93. Providing there is final approval of this Settlement, then as of the date that
19 Defendants transmit the Gross Settlement Amount to the Settlement Administrator, the Participating
20 Class Members, individually and on behalf of all their respective successors, assigns, agents,
21 attorneys, executors, heirs, and personal representatives, shall fully and finally release and discharge
22 the Released Parties, and each of them, from the Class Released Claims.

23 94. The Class Released Claims include all claims, rights, demands, liabilities, causes of
24 action, and theories of liability of every nature and description, whether known or unknown, that
25 were or could have been alleged against any of the Released Parties arising out of, in connection
26 with, or based on the facts alleged in the Complaints, and the facts alleged in the PAGA Letters sent
27 by Plaintiff to the LWDA. This includes, but may not be limited to, claims for failure to pay wages,
28 including, but not limited to, overtime and minimum wages, failure to provide meal periods or to pay

1 premiums in lieu thereof, failure to provide rest periods or to pay premiums in lieu thereof, failure to
2 timely pay wages upon separation from employment, failure to timely pay wages during
3 employment, failure to provide timely and accurate itemized wage statements, failure to maintain or
4 provide records, failure to reimburse business expenses, unfair competition, penalties, damages,
5 interest, costs, or attorneys' fees, and violations of any other local, state, or federal law, whether for
6 economic damages, non-economic damages, penalties, liquidated or punitive damages, restitution,
7 tort, contract, equitable relief, injunctive or declaratory relief, to the extent necessary to effect a full
8 and complete release of the Class Released Claims, including, but not limited to, all claims under
9 any common laws, contract, the Fair Labor Standards Act ("FLSA"), California Labor Code
10 Sections 200-203, 204, 210, 218, 218.5, 218.6, 221-223, 226, 226.3, 226.7, 246, 510, 511, 512,
11 558.1, 1174, 1174.5, 1175, 1182, 1182.12, 1194, 1194.2, 1197-1198.5, 2800, 2802, and any related
12 provisions, California Code of Civil Procedure section 1021.5, the California Business &
13 Professions Code Sections 17200, *et seq.*, California Code of Regulations, Title 8, section 11000 *et*
14 *seq.*, and/or the applicable IWC Wage Orders including *inter alia* Wage Orders 4-2001, 5-2001, and
15 9-2001. This release shall extend to all such claims accrued during the Class Period.
16 Notwithstanding the foregoing, the Class Released Claims do not include any individual claim under
17 Section 216(b) of the FLSA, 29 U.S.C. § 216(b), as to a Participating Class Member who does not
18 opt-in to the Settlement by cashing, depositing, or endorsing his or her settlement check, to the
19 extent that opting-in is required to release such FLSA claims.

20 95. Providing there is final approval of this Settlement, then as of the date that
21 Defendants transmit the Gross Settlement Amount to the Settlement Administrator, the PAGA
22 Employees, Plaintiff, on behalf of herself individually, the aggrieved employees, and the LWDA,
23 individually and on behalf of all their respective successors, assigns, agents, attorneys, executors,
24 heirs, and personal representatives, shall fully and finally release and discharge the Released Parties,
25 and each of them, from the PAGA Released Claims.

26 96. The PAGA Released Claims include any and all claims for civil penalties under
27 PAGA based on the Labor Code violations alleged or that could have been alleged against any of
28 the Released Parties in the PAGA Letters sent by Plaintiff to the LWDA based on the facts alleged

1 therein or based on any facts discovered in the course of the litigation of the Civil Action. This
2 includes, but may not be limited to, claims for penalties based upon failure to pay wages, including,
3 but not limited to, overtime and minimum wages, failure to provide meal periods or to pay premiums
4 in lieu thereof, failure to provide rest periods or to pay premiums in lieu thereof, failure to timely pay
5 wages upon separation from employment, failure to timely pay wages during employment, failure to
6 provide timely and accurate itemized wage statements, failure to maintain or provide records, failure
7 to reimburse business expenses, unfair competition, claims for attorneys' fees, costs, and penalties,
8 including but not limited to, claims for penalties based on alleged violations of Labor Code Sections
9 200-203, 204, 210, 218, 218.5, 218.6, 221-223, 225.5 226, 226.3, 226.7, 246, 510, 511, 512, 558,
10 558.1, 1174, 1174.5, 1182, 1182.12, 1194, 1194.2, 1197-1198.5, 2800, 2802, and any related
11 provisions, California Code of Civil Procedure section 1021.5, California Code of Regulations, Title
12 8, section 11000 *et seq.*, and/or the applicable IWC Wage Orders including *inter alia* Wage Orders
13 4-2001, 5-2001, and 9-2001, as well as all facts, theories, or claims for civil penalties that would be
14 considered administratively exhausted under applicable law by the PAGA Letters that Plaintiff sent
15 to the LWDA. This release shall extend to all such claims accrued during the PAGA Period. This
16 release shall be binding on all PAGA Employees regardless of whether they submit a valid Opt Out
17 from the Class.

18 **VI. RELEASE BY PLAINTIFF**

19 97. Upon final approval of the Settlement, Guadalupe D Larios, for herself, her
20 successors, assigns, agents, executors, heirs and personal representatives, spouse and attorneys, and
21 any and all of them, voluntarily and with the advice of counsel, waives and releases any and all
22 claims, obligations, demands, actions, rights, causes of action, and liabilities against any of the
23 Released Parties of whatever kind and nature, character, and description, whether in law or equity,
24 whether sounding in tort, contract, federal, state and/or local law, statute, ordinance, regulation,
25 constitution, common law, or other source of law or contract, whether known or unknown, and
26 whether anticipated or unanticipated, including all claims arising from or relating to any and all acts,
27 events and omissions occurring prior to the date of final approval of this Agreement including, but
28 not limited to, all claims which relate in any way to her alleged employment with any of the

Released Parties and/or the termination of her employment with any of the Released Parties. Guadalupe D Larios further releases all unknown claims against any of the Released Parties, covered by California Civil Code Section 1542, which states: “A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.”

VII. LIMITATIONS ON USE OF THIS SETTLEMENT

A. No Admission

98. Neither the acceptance nor the performance by Defendants of the terms of this Agreement nor any of the related negotiations or proceedings are or shall be claimed to be, construed as, or deemed a precedent or an admission by Defendants of the truth of any allegations in the Complaint or the PAGA Letters.

B. Non-Evidentiary Use

99. Defendants deny that they have failed to comply with the law in any respect, or have any liability to anyone based on the claims asserted in the Civil Action. Plaintiff expressly acknowledges that this Agreement is entered into for the purpose of compromising highly disputed claims and that nothing herein is an admission of liability, wrongdoing, or the propriety of class or representative treatment by Defendants. Neither the Settlement nor any document prepared in connection with the Settlement may be admitted in any proceeding as an admission by Defendants. Notwithstanding this paragraph, any and all provisions of this Agreement may be admitted in evidence and used in any proceeding to enforce the terms of this Agreement, or in defense of any claims released or barred by this Agreement.

C. Nullification

100. If the Court for any reason does not approve this Settlement, this Agreement shall be considered null and void and the Parties to this Agreement shall stand in the same position, without prejudice, as if the Settlement had been neither entered into nor filed with the Court.

101. Invalidation of any material portion of this Agreement shall invalidate this Agreement in its entirety unless the Parties agree in writing that the remaining provisions shall remain in full

1 force and effect.

2 **VIII. MISCELLANEOUS PROVISIONS**

3 **A. No Inducements**

4 102. Plaintiff and Defendants acknowledge that they are entering into this Settlement as a
5 free and voluntary act without duress or undue pressure or influence of any kind or nature
6 whatsoever, and that neither Plaintiff nor Defendants have relied on any promises, representations or
7 warranties regarding the subject matter hereof other than as set forth in this Agreement.

8 **B. No Prior Assignment**

9 100. The Parties represent, covenant, and warrant that they have not directly or indirectly,
10 assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or
11 entity any portion of any liability, claim, demand, action, cause of action or rights herein released
12 and discharged except as set forth herein.

13 **C. Construction**

14 101. The Parties agree that the terms and conditions of this Agreement are the result of
15 lengthy, intensive arm's-length negotiations between the Parties and their counsel, and this
16 Agreement shall not be construed in favor of or against any Party by reason of the extent to which
17 any Party or her or its counsel participated in the drafting of this Agreement.

18 **D. California Law**

19 102. All terms of this Agreement and its exhibits shall be governed and interpreted by and
20 according to the laws of the State of California, without giving effect to any conflict of law
21 principles or choice of law principles.

22 **E. Captions and Interpretations**

23 103. Paragraph titles or captions contained herein are inserted as a matter of convenience
24 and for reference, and in no way define, limit, extend, or describe the scope of this Agreement or any
25 provision hereof.

26 **F. Incorporation of Exhibits**

27 104. All exhibits to this Agreement are incorporated by reference and are a material part of
28 this Agreement. Any notice, order, judgment, or other exhibit that requires approval of the Court

1 must be approved without material alteration from its current form in order for this Agreement to be
2 enforceable.

3 **G. Modification**

4 105. This Agreement may not be changed, altered, or modified, except in a writing signed
5 by the Parties, and approved by the Court. This Agreement may not be discharged except by
6 performance in accordance with its terms or by a writing signed by the Parties.

7 **H. Reasonableness of Settlement**

8 106. Plaintiff represents that this is a fair, reasonable, and adequate settlement and have
9 arrived at this settlement through arms-length negotiations, taking into account all relevant factors,
10 present and potential.

11 **I. Integration Clause**

12 107. This Agreement contains the entire agreement between the Parties relating to the
13 Settlement and transaction contemplated hereby, and all prior or contemporaneous agreements,
14 understandings, representations, and statements, whether oral or written and whether by a party or
15 such party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

16 **J. Binding On Assigns**

17 108. This Agreement shall be binding upon and inure to the benefit of the Parties and their
18 respective heirs, trustees, executors, administrators, successors and assigns.

19 **K. No Prevailing Party**

20 109. No Party shall be considered a prevailing party for any purpose. Except as otherwise
21 provided for in this Agreement, each Party shall bear its or their own attorney fees and costs.

22 **L. Class/PAGA Counsel Signatories**

23 110. It is agreed that because the members of the Class are numerous, it is impossible or
24 impractical to have each member of the Class execute this Agreement. The Notice of Class and
25 PAGA Settlement shall advise all Class Members of the binding nature of the settlement, and the
26 Agreement shall have the same force and effect as if this Agreement were executed by each
27 Participating Class Member.
28

M. Counterparts

111. This Agreement, and any amendments hereto, may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Fax and pdf signatures shall be as valid as original signatures.

N. Waiver of Right to Object

112. By signing this Agreement, Plaintiff, on behalf of the Class, allegedly aggrieved employees, and herself, agrees to be bound by its terms. Plaintiff further agrees not to request to be excluded from the Class or Settlement and agrees not to object to any of the terms of the Agreement. Any request for exclusion from the Settlement by Plaintiff or any Objection by Plaintiff shall be void and of no force and effect. Likewise, Defendants agree to be bound by the terms of this Agreement and agree not to object to any of the terms of the Agreement.

O. Administration Costs if Settlement Fails

113. If the Settlement is not finally approved by the Court, voided or rescinded, any costs incurred by the Settlement Administrator shall be paid equally by the Parties (half by Plaintiff and/or Class/PAGA Counsel and half by Defendants).

P. Final Order and Judgment

114. Upon final approval of the Settlement, a Final Order and Judgment shall be entered by the Court which shall, among other things:

- (i) Grant final approval to the Settlement as fair, reasonable, adequate, in good faith and in the best interests of the Class and PAGA Employees as a whole, and order the Parties to carry out the provisions of this Agreement.
- (ii) Adjudge that the Participating Class Members of the Settlement are conclusively deemed to have released the Released Parties from the Class Released Claims, and PAGA Employees and the LWDA are conclusively deemed to have released the PAGA Released Claims, as more specifically set forth above.
- (iii) Prohibit and permanently enjoin each Participating Class Member and PAGA

Employees and the LWDA from pursuing in any fashion against any of the Released Parties any and all of the Class Released Claims and/or PAGA Released Claims, as applicable.

(iv) Reserve continuing jurisdiction as provided herein.

Q. Limitations on Disclosure

115. The Parties and their counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry, or have any communication with the press about the fact, amount, or terms of the Settlement. Unless they first obtain Defendants' express written consent, Class/PAGA Counsel and Plaintiff shall not discuss, reveal, disclose, publicize, or promote the terms of this Settlement, or the negotiations leading to the Settlement, to any third party (including but not limited to the media, the legal community, or the public at large, including on Class/PAGA Counsel's respective websites or otherwise). Nothing in this Agreement is intended to prevent Plaintiff or Class/PAGA Counsel from disclosing or discussing the terms of this Settlement (i) with the Court, (ii) with any Class Member; (iii) with the Settlement Administrator, or (iv) as otherwise required by law.

116. This Agreement, the Settlement, and any proceedings or actions or negotiations in connection therewith shall be deemed settlement communications covered by California Evidence Code Sections 1115-1128, 1152-1154, Federal Rule of Evidence 408, and any other similar provisions or law, and shall not be construed as an admission of truth of any allegation or the validity of any cause of action or claim asserted or of any liability therein.

IN WITNESS WHEREOF, this Agreement is executed by the Parties and their duly authorized attorneys, as of the day and year herein set forth.

DATED: 9/25/2024 _____

DATED: _____

DocuSigned by:

 432B19C4D5614BD...
 GUADALUPE D LARIOS

 IHEALTH LABS, INC.

By: _____

Employees and the LWDA from pursuing in any fashion against any of the Released Parties any and all of the Class Released Claims and/or PAGA Released Claims, as applicable.

(iv) Reserve continuing jurisdiction as provided herein.

Q. Limitations on Disclosure

115. The Parties and their counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry, or have any communication with the press about the fact, amount, or terms of the Settlement. Unless they first obtain Defendants' express written consent, Class/PAGA Counsel and Plaintiff shall not discuss, reveal, disclose, publicize, or promote the terms of this Settlement, or the negotiations leading to the Settlement, to any third party (including but not limited to the media, the legal community, or the public at large, including on Class/PAGA Counsel's respective websites or otherwise). Nothing in this Agreement is intended to prevent Plaintiff or Class/PAGA Counsel from disclosing or discussing the terms of this Settlement (i) with the Court, (ii) with any Class Member; (iii) with the Settlement Administrator, or (iv) as otherwise required by law.

116. This Agreement, the Settlement, and any proceedings or actions or negotiations in connection therewith shall be deemed settlement communications covered by California Evidence Code Sections 1115-1128, 1152-1154, Federal Rule of Evidence 408, and any other similar provisions or law, and shall not be construed as an admission of truth of any allegation or the validity of any cause of action or claim asserted or of any liability therein.

IN WITNESS WHEREOF, this Agreement is executed by the Parties and their duly authorized attorneys, as of the day and year herein set forth.

DATED: _____

GUADALUPE D LARIOS

10/03/2024
DATED: _____

Mingwei Guan

IHEALTH LABS, INC.

By: Mingwei Guan

Legal Counsel

1 DATED: 9/26/2024 | 12:29:09 AM PDT

DocuSigned by:
Eugene Lupario

BE58A08AD9914F4

SILICON VALLEY TECHNICAL STAFFING

By: _____

4
5 **APPROVED AS TO FORM AND CONTENT:**

6 Dated: September 20, 2024

BRADLEY/GROMBACHER LLP
MAJARIAN LAW GROUP APC

8 By: _____
9 Marcus Bradley
10 Sahag Majarian, II
11 Garen Majarian
12 Attorneys for Plaintiff

13 Dated: September 20, 2024

FISHER & PHILLIPS LLP

14 By: _____
15 Todd B. Scherwin
16 Shaun J. Voigt
17 Attorneys for Defendant
18 IHEALTH LABS INC.

19 Dated: September 20, 2024

REED SMITH LLP

20 By: _____
21 Michele Haydel Gehrke
22 Brittany M. Hernandez
23 Attorneys for Defendant
24 SILICON VALLEY TECHNICAL
25 STAFFING

REED SMITH LLP
A limited liability partnership formed in the State of Delaware

REED SMITH LLP
A limited liability partnership formed in the State of Delaware

1 DATED: _____

SILICON VALLEY TECHNICAL STAFFING

2 By: _____

3
4
5 **APPROVED AS TO FORM AND CONTENT:**

6 Dated: September 20, 2024

BRADLEY/GROMBACHER LLP
MAJARIAN LAW GROUP APC

7
8 By: _____

Marcus Bradley
Sahag Majarian, II
Garen Majarian
Attorneys for Plaintiff

9
10
11
12 Dated: September 20, 2024

FISHER & PHILLIPS LLP

13 By: _____

Todd B. Scherwin
Shaun J. Voigt
Attorneys for Defendant
IHEALTH LABS INC.

14
15
16
17 Dated: September 20, 2024

REED SMITH LLP

18 By: _____

Michele Haydel Gehrke
Brittany M. Hernandez
Attorneys for Defendant
SILICON VALLEY TECHNICAL
STAFFING

1 DATED: _____

SILICON VALLEY TECHNICAL STAFFING

2 By: _____

3
4 **APPROVED AS TO FORM AND CONTENT:**

5
6 Dated: September 20, 2024

BRADLEY/GROMBACHER LLP
MAJARIAN LAW GROUP APC

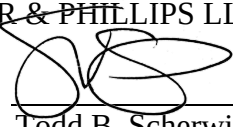
8 By: _____

9 Marcus Bradley
10 Sahag Majarian, II
11 Garen Majarian
Attorneys for Plaintiff

12 Dated: September 20, 2024

FISHER & PHILLIPS LLP

13 By: _____

14 
Todd B. Scherwin
15 Shaun J. Voigt
Attorneys for Defendant
16 IHEALTH LABS INC.

17 Dated: September 20, 2024

REED SMITH LLP

18 By: _____

19 
20 Michele Haydel Gehrke
21 Brittany M. Hernandez
Attorneys for Defendant
22 SILICON VALLEY TECHNICAL
23 STAFFING
24
25
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EXHIBIT 1

NOTICE OF CLASS AND PAGA SETTLEMENT

Guadalupe D. Larios, on behalf of herself and all others similarly situated v. IHealth Labs, Inc. and Silicon Valley Technical Staffing, Case No. 23STCV14881

IF YOU ARE OR WERE A NON-EXEMPT EMPLOYEE OF SILICON VALLEY TECHNICAL STAFFING AND PLACED ON ASSIGNMENT TO PERFORM WORK AT IHEALTH LABS, INC. IN CALIFORNIA AT ANY TIME BETWEEN AUGUST 17, 2022 THROUGH AUGUST 17, 2023, THIS CLASS ACTION AND PAGA SETTLEMENT MAY AFFECT YOUR RIGHTS.

A court authorized this Notice. This is not a solicitation by a lawyer. You are not being sued.

Why should you read this Notice?

A proposed settlement (the “Settlement”) has been reached in a class and representative action lawsuit entitled *Guadalupe D. Larios, on behalf of herself and all others similarly situated v. IHealth Labs, Inc. and Silicon Valley Technical Staffing*, Case No. 23STCV14881 (the “Civil Action”). The purpose of this Notice of Class and PAGA Settlement (“Notice”) is to briefly describe the Civil Action, and to inform you of your rights and options in connection with it and the proposed Settlement. The proposed Settlement will resolve all claims in the Civil Action.

A hearing concerning the Settlement will be held before the Honorable Laura A. Seigle in Department 17 of the Los Angeles Superior Court for the State of California, located at 312 N. Spring St, Los Angeles, CA 90012, to determine whether the Settlement is fair, adequate, and reasonable. The proposed Settlement will resolve all claims that were alleged or could have been alleged in the Civil Action. It is important that you read this Notice carefully as your rights may be affected by the Settlement.

AS A CLASS MEMBER, YOU ARE ELIGIBLE TO RECEIVE A SETTLEMENT PAYMENT UNDER THE SETTLEMENT AND WILL BE BOUND BY THE RELEASE OF CLASS RELEASED CLAIMS DESCRIBED IN THIS NOTICE AND THE SETTLEMENT AGREEMENT FILED WITH THE COURT, UNLESS YOU TIMELY REQUEST TO BE EXCLUDED FROM THE SETTLEMENT. IN ADDITION, THIS PROPOSED SETTLEMENT RELEASES CLAIMS UNDER THE PRIVATE ATTORNEYS GENERAL ACT (“PAGA”). IF YOU WERE A NON-EXEMPT EMPLOYEE OF SILICON VALLEY TECHNICAL STAFFING AND PLACED ON ASSIGNMENT TO WORK AT IHEALTH LABS, INC. IN CALIFORNIA AT ANY TIME BETWEEN AUGUST 17, 2022 THROUGH AUGUST 17, 2023 (I.E. THE PAGA PERIOD), YOU WILL RECEIVE A PAGA PAYMENT SHARE UNDER THE SETTLEMENT AND WILL BE BOUND BY THE RELEASE OF PAGA RELEASED CLAIMS DESCRIBED IN THIS NOTICE AND THE SETTLEMENT AGREEMENT FILED WITH THE COURT. YOU CANNOT REQUEST TO BE EXCLUDED FROM THE RELEASE OF PAGA RELEASED CLAIMS, REGARDLESS OF WHETHER YOU TIMELY REQUEST TO BE EXCLUDED FROM THE SETTLEMENT OF THE CLASS RELEASED CLAIMS.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
DO NOTHING	If you do nothing, as explained more fully below, you will be considered a Participating Class Member and will receive settlement benefits. You will also give up the right to pursue a separate legal action against Defendant for the same or similar claims in this lawsuit as detailed further below in the section describing the released claims.
EXCLUDE YOURSELF FROM THE CLASS SETTLEMENT (OPT OUT)	You have the option to pursue separate legal action against Defendant with respect to the claims in this lawsuit except for the PAGA Released Claims (defined below). If you would like to retain the option to do so, you must submit a written request to be excluded from the Class and the Settlement of Class Released Claims (“Opt Out”). If you elect to be excluded as such, you will not receive any benefits under the Settlement apart from the benefits that are allotted to you as a PAGA Employee, if any.

	As discussed below, please also be aware that the release of the PAGA Released Claims are binding on the PAGA Employees regardless of whether an individual has submitted a valid request to be excluded from the Settlement and the release of the Class Released Claims. If you are a PAGA Employee who has requested to be excluded from the Settlement and the release of the Class Released Claims, you will still receive your PAGA Payment Share and will still release the PAGA Released Claims.
OBJECT	To object to the Settlement, you must set forth why you oppose the Settlement by submitting a written Objection. This option is available only if you do not exclude yourself from the Settlement. You must remain a member of the lawsuit to object to the Settlement.

Who is affected by this proposed Settlement?

The Court has certified the following Class (the “Class,” “Class Member,” or “Class Members”) for settlement purposes only: All current and former non-exempt employees of Silicon Valley Technical Staffing who were placed on assignment to perform work at iHealth Labs, Inc. in California during the Class Period [*i.e.*, August 17, 2022 through August 17, 2023] (the “Class Period”).

were placed on assignment to perform work at

The Court has also approved the following “PAGA Employees” definition for settlement purposes only: All All current and former non-exempt employees of Silicon Valley Technical Staffing who were placed on assignment to perform work at iHealth Labs, Inc. in California at any time between August 17, 2022 through August 17, 2023 (the “PAGA Period”).

According to Silicon Valley Technical Staffing’s records, you are a member of the Class and a PAGA Employee.

What is this case about?

Plaintiff Guadalupe D Larios (“Plaintiff” or “Class Representative”) alleged claims against Defendants iHealth Labs, Inc. and Silicon Valley Technical Staffing (“Defendants”) for failure to pay wages, including, but not limited to, overtime and minimum wages, failure to provide meal periods or to pay premiums in lieu thereof, failure to provide rest periods or to pay premiums in lieu thereof, failure to timely pay wages upon separation from employment, failure to provide timely and accurate itemized wage statements, failure to reimburse business expenses, unfair competition, as well as a representative claim for penalties pursuant to the California Labor Code Private Attorney General Act of 2004, Labor Code Sections 2698, *et seq.* (“PAGA”) based on the violations alleged above. Plaintiff asserted these claims on behalf of the Class Members and PAGA Employees. Plaintiff sought damages, restitution, civil penalties, statutory penalties, pre-and post-judgment interest, costs, and attorneys’ fees.

Defendants deny all liability in the Civil Action and are confident that they have strong legal and factual defenses to these claims, but they recognize the risks, distractions, and costs associated with litigation. Defendants contend that their respective conduct is and has been lawful at all times relevant and that Plaintiff’s claims do not have merit and do not meet the requirements for class certification or to maintain a representative action.

This Settlement is a compromise reached after good faith, arm’s length negotiations between Plaintiff and Defendants (collectively, the “Parties”), through their attorneys, and is not an admission of liability on the part of Defendants. Both sides agree that in light of the risks and expenses associated with continued litigation, this Settlement is fair, adequate and reasonable. Plaintiff also believes this Settlement is in the best interests of all Class Members and PAGA Employees.

The Court has not ruled on the merits of Plaintiff’s claims or Defendants’ defenses.

Who are the attorneys representing the Parties?

The attorneys representing the Parties in the Civil Action are:

Class Counsel

Marcus Bradley (SBN 174156)
BRADLEY/GROMBACHER LLP
31365 Oak Crest Drive, Suite 240
Westlake Village, California 91361
Telephone: +1 805 270 7100
Facsimile: +1 805 270 7589
Email: mbradley@bradleygrombacher.com

Garen Majarian (SBN 334104)
Sahag Majarian, II (SBN 146621)
MAJARIAN LAW GROUP APC
18250 Ventura Boulevard
Tarzana, CA 91356
Telephone: +1 818 263 7343
Facsimile: +1 818 609 0892
Emails: garen@majarianlawgroup.com
sahagii@aol.com

Defense CounselTodd B. Scherwin (SBN 239848)

Shaun J. Voigt (SBN 265721)
FISHER & PHILLIPS LLP
444 S Flower St, Suite 1500
Los Angeles, California 9071
Telephone: +1 213 330 4500
Facsimile: +1 213 330-4501
Email: tscherwin@fisherphillips.com
svoigt@fisherphillips.com

Attorneys for Defendant
IHEALTH LABS INC.

Michele Haydel Gehrke (SBN 215647)
REED SMITH LLP
101 Second Street, Suite 1800
San Francisco, California 94105
Telephone: +1 415 543 8700
Facsimile: +1 415 391-8269
Email: mgehrke@reedsmith.com

Brittany M. Hernandez (SBN 299044)
REED SMITH LLP
355 South Grand Avenue, Suite 2900
Los Angeles, CA 90071-1514
Telephone: +1 213 457 8000
Facsimile: +1 213 457 8080
Emails: bmhernandez@reedsmith.com

Attorneys for Defendant
SILICON VALLEY TECHNICAL STAFFING

What are the Settlement terms?

Subject to the Court's final approval, the key terms of the settlement are as follows:

Gross Settlement Amount.

Subject to final Court approval, Defendants will pay \$215,000.00 (the "Gross Settlement Amount"), which shall be inclusive of all payments to individual Class Members ("Individual Settlement Payments"), all attorneys' fees and expenses (including court costs) to be paid to Class/PAGA Counsel, any Class Representative Enhancement Award, Settlement Administration Costs and expenses, and all payments to PAGA Employees and the State of California Labor and Workforce Development Agency ("LWDA") for PAGA penalties. In no event will Defendants be required to pay more than the Gross Settlement Amount for the claims under the terms of the Settlement.

Net Settlement Amounts.

The "Net Class Settlement Amount" means the portion of the Gross Settlement Amount available for distribution to Class Members after the deduction of: (1) subject to Court approval, the Class Representative Enhancement Award to Plaintiff in an amount up to \$10,000.00 for her services to the class and in exchange for a general release; (2) the Settlement administration costs to the Settlement Administrator, Phoenix, estimated at approximately \$7,950.00; (3) \$20,000.00 for PAGA payments to the LWDA and the PAGA Employees ("PAGA Fund") (75% of this or \$15,000.00 shall be paid to the LWDA and \$5,000.00 shall be distributed to the PAGA Employees as discussed herein); and (4) Class/PAGA Counsel's attorneys' fees payment in an amount up to \$75,250.00 and Class/PAGA Counsel's litigation costs payment in an amount up to \$20,000.00. All of these payments are subject to Court approval.

The “Net PAGA Settlement Amount” means the Five Thousand Dollars and No Cents (\$5,000.00) that will be disbursed to the PAGA Employees from the PAGA Fund. The remaining Fifteen Thousand Dollars and No Cents (\$15,000.00) of the PAGA Fund will be paid to the LWDA.

Settlement Formula.

(a) Class Payment Share (Individual Settlement Payment)

If you are a Class Member and do not submit a valid and timely Opt Out, you will receive an Individual Settlement Payment determined based on the number of other Class Members that do not submit a valid and timely Opt Out (the “Participating Class Members”) and your Qualifying Pay Periods.

According to Defendant Silicon Valley Technical Staffing’s records, you are a Class Member and you were employed during [REDACTED] Qualifying Pay Periods between August 17, 2022 through August 17, 2023. “Qualifying Pay Periods” means the total number weeks that a Class Member worked for Defendants . in California during the Class Period.

The Net Class Settlement Amount shall be divided by the total number of Qualifying Pay Periods for all Participating Class Members during the Class Period. The result of this division shall yield a Settlement Payment Rate (the “Settlement Payment Rate”). The gross amount of each Participating Class Member’s Individual Settlement Payment shall be calculated by multiplying the number of Qualifying Pay Periods applicable to that Participating Class Member by the Settlement Payment Rate.

Pursuant to these calculations, your projected Individual Settlement Payment under the Settlement based on your membership in the Class would be approximately \$ [REDACTED]. 25% of your Individual Settlement Payment is allocated as unpaid wages and is paid net of all applicable payroll taxes, including your share of any federal, state, and/or local payroll tax withholdings, and shall be reported on an IRS Form W-2. 75% of your projected Individual Settlement Payment is allocated to alleged penalties and interest and shall not be subject to any withholdings. Nothing in this Notice or the Settlement is intended to be tax advice. You should consult your own tax advisor for such advice in connection with any Individual Settlement Payment. In addition, if additional Class Members are identified, your Individual Settlement Payment may be reduced based on the above formula.

(b) PAGA Payment Share

As noted above, the PAGA Fund in this case is Twenty Thousand Dollars (\$20,000.00). Fifteen Thousand Dollars of the PAGA Fund, if approved, shall be issued to the LWDA. The Net PAGA Settlement Amount of \$5,000.00 shall be divided among the PAGA Employees proportionally (“PAGA Payment Share”).

The PAGA Payment Share due to each PAGA Employee is calculated by multiplying the number of weeks in which a PAGA Employee actually worked for Defendants in California during the PAGA Period (“Qualifying PAGA Pay Periods”) by the PAGA Payment Rate. The PAGA Payment Rate is in turn calculated by dividing the Net PAGA Settlement Amount by the total number of Qualifying PAGA Pay Periods for the PAGA Employees. As explained below, a PAGA Employee cannot Opt Out of the release of the PAGA Released Claims.

According to Defendant Silicon Valley Technical Staffing’s records, you are a PAGA Employee and you were employed during [REDACTED] Qualifying PAGA Pay Periods between August 17, 2022 through August 17, 2023.

Pursuant to these calculations, your projected PAGA Payment Share based on your being a PAGA Employee would be approximately \$ [REDACTED]. Taxes will not be deducted from each PAGA Payment Share. Nothing in this Notice or the Settlement is intended to be tax advice. You should consult your own tax advisor for such advice in connection with the PAGA Payment Share. In addition, if additional PAGA Employees are identified, your PAGA Payment Share may be reduced based on the above formula.

Settlement Distribution

If you disagree with the number of Qualifying Pay Periods or Qualifying PAGA Pay Periods written on this Notice of Class and PAGA Settlement, you must submit a written explanation of why you believe the Qualifying Pay Period and/or Qualifying PAGA Pay Periods count is inaccurate. The written explanation must be submitted to the Settlement Administrator, Phoenix and must: (1) contain your name, address, and the last four digits of your Social Security Number; (2) state, in writing, the reasons you believe an additional amount is owed and include any documentation in support of your challenge to the number of Qualifying Pay Periods and/or Qualifying PAGA Pay Periods allocated to you; (3) be signed by you or your lawful representative; and (4) be postmarked by **[Response Deadline]** and returned to the Settlement Administrator at the address specified below.

If you wish to dispute the number of Qualifying Pay Periods and/or Qualifying PAGA Pay Periods allocated to you, the Settlement Administrator to whom your optional written explanation disputing the number of Qualifying Pay Periods and/or Qualifying PAGA Pay Periods allocated to you must be mailed is:

Phoenix **[Address]**

Do not use a postage meter because that may not result in a postmark appearing on the envelope containing your optional written explanation. The Settlement Administrator will review your written explanation and any supporting documentation that you provide, as well as Defendants' records, to resolve any disputes regarding the accurate number of Qualifying Pay Periods and/or Qualifying PAGA Pay Periods. Defendants' calculation of your Qualifying Pay Periods and/or Qualifying PAGA Pay Periods will be presumed accurate unless you submit clear and compelling documentary evidence that establishes that a mistake was made by Defendants. The Settlement Administrator shall investigate the dispute, requesting information from Defendants as necessary and make the final determination of whether any additional amount is owed. All such challenges must be postmarked within the Response Deadline.

If any Individual Settlement Payment or PAGA Payment Share check remains uncashed after 180 days from issuance, the Settlement Administrator will cancel those checks and shall pay the funds represented by such unredeemed checks to the California State Controller's Office, as unclaimed property, in the name of the individual Participating Class Member and/or PAGA Employee. In that event, the Participating Class Member and/or PAGA Employee nonetheless shall be bound by the terms of the Settlement.

What claims are being released by the proposed Settlement?

Providing there is final Court approval of this Settlement, then as of the date that Defendants transmit the Gross Settlement Amount to the Settlement Administrator, the Participating Class Members, individually and on behalf of all their respective successors, assigns, agents, attorneys, executors, heirs, and personal representatives, shall be deemed to have fully, finally, and forever released and discharged the Released Parties, and each of them, from all Class Released Claims.

"Class Released Claims," include all claims, rights, demands, liabilities, causes of action, and theories of liability of every nature and description, whether known or unknown, that were or could have been alleged against any of the Released Parties arising out of, in connection with, or based on the facts alleged in the Complaints, and the facts alleged in the PAGA Letters sent by Plaintiff to the LWDA. This includes, but may not be limited to, claims for failure to pay wages, including, but not limited to, overtime and minimum wages, failure to provide meal periods or to pay premiums in lieu thereof, failure to provide rest periods or to pay premiums in lieu thereof, failure to timely pay wages upon separation from employment, failure to timely pay wages during employment, failure to provide timely and accurate itemized wage statements, failure to maintain or provide records, failure to reimburse business expenses, unfair competition, penalties, damages, interest, costs, or attorneys' fees, and violations of any other local, state, or federal law, whether for economic damages, non-economic damages, penalties, liquidated or punitive damages, restitution, tort, contract, equitable relief, injunctive or declaratory relief, to the extent necessary to effect a full and complete release of the Class Released Claims, including, but not limited to, all claims under any common laws, contract, the Fair Labor Standards Act ("FLSA"), California Labor Code Sections 200-203, 204, 210, 218, 218.5, 218.6, 221-223, 226, 226.3, 226.7, 246, 510, 511, 512, 558.1, 1174, 1174.5, 1175, 1182, 1182.12, 1194, 1194.2, 1197-1198.5, 2800, 2802, and any related provisions, California Code of Civil Procedure section 1021.5, the California Business & Professions Code Sections 17200, et seq., California Code of Regulations, Title

8, section 11000 et seq., and/or the applicable IWC Wage Orders including inter alia Wage Orders 4-2001, 5-2001, and 9-2001. This release shall extend to all such claims accrued during the Class Period. Notwithstanding the foregoing, the Class Released Claims do not include any individual claim under Section 216(b) of the FLSA, 29 U.S.C. § 216(b), as to a Participating Class Member who does not opt-in to the Settlement by cashing, depositing, or endorsing his or her settlement check, to the extent that opting-in is required to release such FLSA claims. This release shall extend to all such claims accrued during the Class Period.

Providing there is final Court approval of this settlement, then as of the date that Defendants transmit the Gross Settlement Amount to the Settlement Administrator, the PAGA Employees, Plaintiff, on behalf of themselves individually, the aggrieved employees, and the LWDA, and the LWDA, individually and on behalf of all their respective successors, assigns, agents, attorneys, executors, heirs, and personal representatives shall be deemed to have fully, finally, and forever released and discharged the Released Parties, and each of them, from all PAGA Released Claims.

“PAGA Released Claims” include any and all claims for civil penalties under PAGA based on the Labor Code violations alleged or that could have been alleged against any of the Released Parties in the PAGA Letters sent by Plaintiff to the LWDA based on the facts alleged therein or based on any facts discovered in the course of the litigation of the Civil Action. This includes, but may not be limited to, claims for penalties based upon failure to pay wages, including, but not limited to, overtime and minimum wages, failure to provide meal periods or to pay premiums in lieu thereof, failure to provide rest periods or to pay premiums in lieu thereof, failure to timely pay wages upon separation from employment, failure to timely pay wages during employment, failure to provide timely and accurate itemized wage statements, failure to maintain or provide records, failure to reimburse business expenses, unfair competition, claims for attorneys’ fees, costs, and penalties, including but not limited to, claims for penalties based on alleged violations of Labor Code Sections 200-203, 204, 210, 218, 218.5, 218.6, 221-223, 225.5 226, 226.3, 226.7, 246, 510, 511, 512, 558, 558.1, 1174, 1174.5, 1182, 1182.12, 1194, 1194.2, 1197-1198.5, 2800, 2802, and any related provisions, California Code of Civil Procedure section 1021.5, California Code of Regulations, Title 8, section 11000 et seq., and/or the applicable IWC Wage Orders including inter alia Wage Orders 4-2001, 5-2001, and 9-2001, as well as all facts, theories, or claims for civil penalties that would be considered administratively exhausted under applicable law by the PAGA Letters that Plaintiff sent to the LWDA. This release shall extend to all such claims accrued during the PAGA Period. This release shall be binding on all PAGA Employees regardless of whether they submit a valid Opt Out from the Class. This release shall extend to all such claims accrued during the PAGA Period.

The “Released Parties” are defined as follows: iHealth Labs, Inc., iHealth Manufacturing, Inc., Silicon Valley Technical Staffing, Silicon Valley Staffing Group, Inc., SVS Group, and each of their respective present and former parents, affiliates, divisions and subsidiaries, acquired companies, and each of their respective present and former directors, officers, shareholders, agents, representatives, employees, partners, attorneys, insurers, predecessors, successors, assigns, affiliated companies, customers, and entities and any individual or entity that could be jointly liable with any of the foregoing.

HOW TO RECEIVE YOUR SETTLEMENT PAYMENT?

You do not need to do anything to receive your Individual Settlement Payment and/or PAGA Payment Share. However, no settlement payments will be made unless and until the Court grants final approval of the Settlement.

TO REQUEST EXCLUSION FROM THE SETTLEMENT AND THE CLASS

If you do not want to be part of the settlement and do not want to be bound by the release of the Class Released Claims, you must submit a written request to be excluded from both (the “Opt Out”) to the Settlement Administrator, Phoenix at the following address below, postmarked on or before **[Response Deadline]**:

Phoenix
[Phoenix to add address]
[Address]

In order to be valid, your written Opt Out must: (1) contain your name, address, and the last four digits of your Social Security Number; (2) state your request to exclude yourself from the settlement and to opt out of the Class

Released Claims; (3) be signed by you or your lawful representative; and (4) be postmarked by **[Response Deadline]** and returned to the Settlement Administrator at the specified address. If you do not submit a timely and valid written Opt Out, you will be bound by the release of Class Released Claims as described above and all other terms of the Settlement. If you timely submit a valid, signed written Opt Out, you will have no further role in the Civil Action as to the Class Released Claims, and you will not be entitled to any benefit as a result of Settlement as a Class Member. Any untimely or incomplete Opt Out shall be considered null and void. **You cannot object to the Settlement if you submit a valid Opt Out.**

This Settlement also resolves claims and actions brought pursuant to PAGA by Plaintiff acting as a proxy and as Private Attorneys of, and for, the State of California and the LWDA. A PAGA Employee will be bound by the release of the PAGA Released Claims upon approval of the Settlement by the Court at the Final Fairness and Approval Hearing, regardless of whether he or she submitted an Opt Out as a Class Member, and regardless of whether he or she cashes a payment from the PAGA Fund.

TO OBJECT TO THE SETTLEMENT

If you believe the proposed Settlement is not fair, reasonable or adequate in any way, you may object to it. To object, you may appear at the Final Fairness and Approval Hearing in person or telephonically, have an attorney object for you, or submit a written brief or statement of objection (“Objection”) to the Settlement Administrator at the following address:

[Phoenix
[Phoenix to add address]
[Address]]

If you submit a written objection, the Objection must: (1) state your full name, address, and the last four digits of your Social Security Number (for identification purposes only); (2) state the grounds for the objection; (3) be signed by you or your lawful representative; and (4) be postmarked on or before **[Response Deadline]** and returned to the Settlement Administrator, Phoenix at the address listed above. You can also hire an attorney at your own expense to represent you in your objection. **Even if you submit an objection, you will be bound by the terms of the Settlement, including the release of Class Released Claims and PAGA Released Claims as set forth above, unless the Settlement is not finally approved by the Court.**

WHAT IF I DO NOTHING?

If you do nothing, you will receive an Individual Settlement Payment and PAGA Payment Share, as applicable, if the Court grants final approval of the Settlement. If you do nothing, you will be bound by the terms of the Settlement, including the release of Class Released Claims and PAGA Released Claims, and barred from suing Defendant or any of the other Released Parties on the Class Released Claims and PAGA Released Claims.

What is the next step in the approval of the Settlement?

The Final Fairness and Approval Hearing on the fairness and adequacy of the proposed Settlement, including the plan of distribution, the payment of attorneys’ fees and costs, the claims process, the Class Representative Enhancement Awards to the Class Representatives, if any, the PAGA payment, or any other aspect of the Settlement will be held on _____, 2025 at _____ a.m./p.m., before the Honorable Laura A. Seigle in Department 17 of the Los Angeles Superior Court for the State of California, located at 312 N. Spring St, Los Angeles, CA 90012. The Final Fairness and Approval Hearing may be moved or continued without further notice. You are not required to attend the Final Approval Hearing to receive an Individual Settlement Payment or PAGA Payment Share. If you choose to attend the Final Approval Hearing, you may appear in person or remotely depending upon the Court’s decision whether such a hearing will be held remotely or in person.

If the Court grants Final Approval of the Settlement, the Order granting Final Approval and entering a Judgment will be posted on a website created by the Settlement Administrator, Phoenix for this case for a period of at least 90 days following the entry of that Order in the Court record. That website is: **[]**

How can I get additional information?

This Notice summarizes the Civil Action and the basic terms of the Settlement. More details are in the Class Action and PAGA Settlement Agreement. You may also request a copy of the Class Action and PAGA Settlement Agreement from Class/PAGA Counsel, at the address listed above. If you have questions regarding the Settlement, you may contact the Settlement Administrator, Phoenix, at [add phone number].

PLEASE DO NOT CONTACT THE COURT REGARDING THIS NOTICE OR THE SETTLEMENT.