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Attorneys for Plaintiff Quincy O'Neal

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN FRANCISCO

QUINCY O'NEAL, individually and on behalf of others similarly situated and on behalf of other aggrieved employees,

Plaintiff,

vs.

INCLUDED HEALTH, INC., FORMERLY KNOWN AS GRAN ROUNDS, INC., a Delaware corporation; and DOES 1 through 25, inclusive,

Defendants.

Case No. CGC-23-608391

Honorable Andrew Y.S. Cheng
Department 613

SUPPLEMENTAL DECLARATION OF JONATHAN M. GENISH IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT

Date:	December 26, 2024
Time:	9:00 a.m.
Dept.:	613
Complaint Filed:	August 15, 2023
FAC Filed:	January 2, 2024
Trial Date:	Not Set

DECLARATION OF JONATHAN M. GENISH

I, Jonathan M. Genish, declare and state as follows:

1. I am an attorney duly licensed to practice law in all Courts of the State of California. I am a shareholder and the founder of Blackstone Law, APC ("Class Counsel"), attorneys of record for Plaintiff Quincy O'Neal ("Plaintiff"). I have personal knowledge of the facts contained herein, and, if called to testify, I could and would competently do so.

2. On October 7, 2024, Plaintiff filed a Motion for Preliminary Approval of Class Action and PAGA Settlement ("Motion for Preliminary Approval") and supporting documents seeking approval of the Joint Stipulation of Class Action and PAGA Settlement ("Settlement" or "Settlement Agreement") entered into between Plaintiff and Defendant Included Health, Inc., formerly known as Grand Rounds, Inc. ("Defendant") (together, with Plaintiff, the "Parties").

3. On November 8, 2024, the Court entered an Order Continuing Preliminary Approval Hearing and Vacating Case Management Conference ("Order Continuing MPA Hearing") which raised points of inquiry with regards to the Motion for Preliminary Approval and Settlement Agreement. The Order Continuing MPA Hearing is attached hereto as **Exhibit 1**.

4. Pursuant to the Court's direction, the Parties prepared a revised Notice of Class Action Settlement ("Class Notice"), which is attached to Amendment No. 1 to Joint Stipulation of Class Action and PAGA Settlement ("Amendment No. 1") as Exhibit A. A true and correct copy of Amendment No. 1, fully executed by the Parties, is attached hereto as **Exhibit 2**. A redline version of the Class Notice showing how it has been revised is attached hereto as **Exhibit 3**.

SUPPLEMENTAL DAMAGES ANALYSIS

5. Class Counsel considered information obtained from Plaintiff and from counsel's investigations of Defendant's practices as they related to Plaintiff's allegations, as well as Class data and information obtained from Defendant. Based on the information gathered, counsel and their expert created violation, damages, and penalties valuations and models in advance of mediation and prior to reaching the Settlement. From that, the potential maximum value of the claims was calculated. However, the potential value of each claim assumed an exposure based on the case first having been certified as to each and every claim, and then upon Plaintiff having successfully proven all elements

of the claims and establishing a basis for monetary recovery of a 100% violation rate for ***every employee,*** on ***every shift worked***, throughout the entire Class Period. This 100% violation rate is the basis for the maximum potential exposure presented in Plaintiff's Motion for Preliminary Approval. The potential exposure does not take into account ***any*** of the risks that also come with obtaining and maintaining certification, demonstrating manageability, and establishing liability for each and every underlying California Labor Code violation in order to tabulate the actual damages. This evaluation also does not take into consideration the significant additional costs that would have to be incurred in order to certify the case and establish liability and damages. The maximum potential exposure also does not take into consideration the risk of the Court finding that individualized issues predominate, and concluding that the action is not suitable for class treatment and representative adjudication. While Class Counsel disagreed with Defendant's arguments and factual contentions, Class Counsel recognized the circumstances and realities of the case, applicable case law and regulations, the costs and expenses of further litigation and certification, and risks to recovery, and applied appropriate discounts for them. Class Counsel calculated the potential and realistic values of the claims as follows:

a. *Meal Periods*:

i. Plaintiff's theory of liability for meal period violations was based on allegations that Defendant's practices failed to allow Class Members to take meal breaks in the manner required under California law. Plaintiff's analysis of the time data revealed that only 28.1% of all shifts showed at least one unique meal period violation. Assuming the litigation was successful at trial on this claim and every employee suffered a violation on every shift worked, the total potential value of this claim was estimated to be $323,223. However, the data also showed that Defendant paid meal period premiums for <u>**91.2%**</u> of those recorded meal break violations (i.e., $294,773 in meal period premiums paid), which <u>significantly and drastically</u> reduced the potential value of the claim to a mere fraction of the maximum potential value. Based thereon, it was determined that the net percentage of unique meal period violations in all shifts after offsetting for the meal period premiums Defendant paid was only 2.5%. In addition, Defendant's timekeeping system was and is set up to automatically pay meal period premiums when an employee's timekeeping punches reveal a violation. Last, Defendant maintained that (1) its policies and practices were lawful at all times during the putative class period and (2) the rate of purported meal period violations reflected in the data would require individualized inquiry, making it extremely difficult to certify a class. We therefore had to factor those risks to the damage calculation and that the Court would find validity in Defendant's individualized proof defense to certification of Plaintiff's meal period claim.

ii. The potential value of this claim was estimated to be $28,450 (the violation damages *less* the meal period premiums Defendant paid). At his juncture, a discount of 60% was applied to the maximum potential value in order to account for the risks associated with obtaining class certification, proving the underlying violations and reducing them by the premiums Defendant was shown to have paid, as well as the cost and delay in recovering the alleged potential damages. This process brought the value of violations rate for this claim closer to $11,380, after which a discount of 50% was applied to account for the risks associated with succeeding on the merits and establishing liability, bringing the value of this claim closer to $5,690.

b. *Rest Periods*

i. Plaintiff's theory of liability for rest period violations was based on allegations that Defendant's practices failed to allow Class Members to take rest breaks in the manner required under California law. Plaintiff's damages analysis on this claim was also based on an alleged 100% violation rate for every employee, on every shift throughout the entire Class Period. Defendant contended that it had a lawful written rest period policy, provided compliant rest breaks, and relieved Class Members of all duties as required under California law. Defendant further argued that the reasons why a Class Member failed to receive a compliant rest period raised individual issues that could not be certified. This claim was also even more uncertain given the difficulties associated with proving the alleged rest period violations, as Defendant was not required to record these breaks. Rest break violations would have to be proven with evidence obtained from the Class Members. Given that necessary process due to the lack of records demonstrating rest period violations, there were legitimate concerns Plaintiff would not be able to certify these claims or prove substantial damages with requisite certainty. These facts made the estimated value of this claim subject to much challenge.

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ii. The potential value of this claim was estimated to be $1,077,299. At this juncture, a discount of 60% was applied to account for the risks associated with obtaining class certification, thereafter proving the underlying violations, and the cost and delay in recovering the alleged potential damages, bringing the value of this claim closer to $430,919. Thereafter, a discount of 50% was applied to account for the risks associated with succeeding on the merits and establishing liability, bringing the value of this claim closer to $215,460.

c. *Off-the-Clock Work*

i. Plaintiff's minimum wage and overtime claims were largely based on Defendant's unrecorded, off-the-clock work performed by the Class Members when they worked during their meal and rest periods. For example, during specific times, including when Defendant signed a new client, Plaintiff and the other Class Members were swamped with calls in the queue which caused them to work off-the-clock during their purported meal periods to attend to the calls. However, this claim faced serious challenges. First, the individualized nature of why this work was performed and the individualized nature of damages presented substantial concerns regarding the manageability of this case, as well as a risk that the Court could find these issues presented certification, and the estimated damages for this claim were based on an assumption that all Class Members worked off-the-clock for at least one hour per week. In addition, investigations showed that Plaintiff and the Class Members were paid overtime, which was evidenced by records obtained from Defendant.

ii. The potential maximum value of this claim was estimated to be $362,614. At this juncture, a discount of 60% was applied to account for the risks associated with obtaining class certification, thereafter proving the underlying violations, and the cost and delay in recovering the alleged potential damages, bringing the value of this claim closer to $145,045, after which a second discount of 50% was applied in order to account for the risks associated with succeeding on the merits and establishing liability, bringing the value of this claim closer to $72,523.

d. *Regular Rate*

i. Plaintiff's unpaid wage claim was based on Defendant having failed to factor all forms of non-discretionary compensation into the regular rate of pay for the purpose of paying overtime compensation, meal period premiums, and sick pay. Defendant contended that it correctly factored in all forms of non-discretionary compensation into the regular rate of pay for the purpose of paying overtime compensation. More importantly, Plaintiff determined that Defendant's alleged failure to include all forms of non-discretionary compensation into the regular rate of pay only affected 31 Class Members, which totaled **$414**.

ii. The potential value of this claim was estimated to be $15,200 ($8,679 for unpaid overtime wages at the required regular rate of pay and $6,521 for unpaid meal break premiums and sick pay at the required regular rate of pay). At this juncture, a discount of 60% was applied to account for the risks associated with obtaining class certification, thereafter proving the underlying violations, and the cost and delay in recovering the alleged potential damages, bringing the value of this claim closer to $6,080, and a discount of 50% was applied to account for the risks associated with succeeding on the merits and establishing liability, bringing the value of this claim closer to $3,040.

e. *Split Shift Premiums*

i. Plaintiff's unpaid split shift premiums claims were based on Defendant having failed to pay premiums for the split shifts that the Class Members worked during the putative class period. The estimated damages for this claim were calculated based on 1 hour per split shift at the hourly rate. However, it was determined that split shifts were rare and only occurred in 7.3% of all shifts analyzed.

ii. The potential value of this claim was estimated to be $84,033. At this juncture, a discount of 60% was applied to account for the risks associated with obtaining class certification, thereafter proving the underlying violations, and the cost and delay in recovering the alleged potential damages, bringing the value of this claim closer to $33,613, and a discount of 50% was applied to account for the risks associated with succeeding on the merits and establishing liability, bringing the value of this claim closer to $16,806.

f. *Unreimbursed Business Expenses*

i. Plaintiff alleged that Defendant failed to reimburse necessary business expenses, including for the usage of home internet for work-related purposes and the purchase of home office equipment. Plaintiff used a reasonable estimate of $30 per month to estimate unreimbursed business expenses. However, Defendant asserted that it had policies and practices that in fact did reimburse employees for necessary business expenses. For example, Defendant contended that it provides internet for Class Members who do not live in the same geographic area as Defendant. Defendant further contended that it provides a monthly allowance of $150-$180 to Class Members, depending on their full time or part time status, which can be used for home office, work-related needs.

ii. The potential value of this claim was estimated to be $172,140. At this juncture, a discount of 60% was applied to account for the risks associated with obtaining class certification, thereafter proving the underlying violations, and the cost and delay in recovering the alleged potential damages. This further analysis reduced the value of this claim closer to $68,856, after which a discount of 50% was applied to account for the risks associated with succeeding on the merits and establishing liability, bringing the value of this claim closer to $34,428.

g. *Derivative Claims*

i. As with all derivative claims, success depends on the success of the underlying claims. Here, Plaintiff's claims for inaccurate wage statements and failure to pay all wages due upon termination would only succeed if the underlying claims for failure to pay minimum wages, failure to pay overtime, and failure to pay premiums for all meal and rest periods not lawfully provided were successful. Further, even if Plaintiff prevailed on his underlying claims, he would still be required to demonstrate that Defendant's violations of California Labor Code section 203 were *willful* violations. Wage statement claims have also seen varying treatment at the appellate level because such claims have an element of discretion attached to them rather than a pure calculation of damages after liability is proven. Accordingly, these derivative claims, which comprised a substantial portion of Defendant's estimated liability, were therefore uncertain.

ii. The potential value of these claims was estimated to be $681,946 ($498,396 for waiting time penalties and $183,550 for wage statement penalties). A discount of 60% was applied to account for the risks associated with obtaining class certification, thereafter proving the underlying violations, and the cost and delay in recovering the alleged potential damages, bringing the value of this claim closer to $272,778, and then a discount of 50% was applied to account for the risks associated with succeeding on the merits and establishing liability, bringing the value of this claim closer to $136,389.

h. *PAGA*

i. Existing case law makes PAGA claims subject to the same defenses and risks as Plaintiff's underlying wage claims. We anticipated that even if successful on the merits at trial, the imposition of cumulative civil penalties based on the alleged wage and hour violations could be considered unjust, arbitrary and oppressive, or confiscatory. Class Counsel also anticipated Defendant would argue that it made a good faith attempt to comply with its legal obligations and that the violations per pay period were low, warranting an additional reduction in civil penalties. In addition, Class Counsel anticipated that Defendant would contend that the trial court exercises discretion and may reduce the penalties to be assessed against the employer and that the trial court was unlikely to assess cumulative penalties for the maximum number of possible, separate California Labor Code violations. We also were also mindful of the fact that PAGA is fundamentally not intended to be compensatory in nature but is instead intended to facilitate enforcement of California's labor laws by financing state activities and educating and deterring non-compliance.

ii. The potential value of this claim was estimated to be $187,500 (non-stacked, i.e., one penalty per employee, per pay period, during the PAGA statutory period). Again, a 60% discount was applied to account for the risks associated with proving the underlying violations and the cost and delay in recovering the alleged potential penalties, bringing the value of this claim closer to $75,000. A second discount of 50% was applied to account for the risks associated with succeeding on the merits and establishing liability, bringing the value of this claim closer to $37,500.

i. Therefore, Class Counsel estimated that the potential value to be recovered if Plaintiff was successful at trial on all of the claims, prior to applying any adjustments for the risks Plaintiff faced in certifying his claims and then succeeding on those claims post-certification, is $2,609,182. The total value that could reasonably be expected to be awarded at trial, after taking into account the risks faced in prevailing on certification and substantively thereafter is $521,836. Seen in this light, the Gross Settlement Amount of $415,000 represents 15.91% of the potential undiscounted maximum value and 79.53% of the risk-adjusted value of the claims.

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6. Class Counsel submits that the Settlement is in the best interest of the Class Members, the PAGA Employees, and the State of California and is within the accepted range of recoveries for this type of litigation given the inherent risk of litigation, the risk of obtaining and maintaining class certification, and the costs of further litigation.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on November 25, 2024, at Beverly Hills, California

____
Jonathan M. Genish

EXHIBIT 1

SUPERIOR COURT OF CALIFORNIA

COUNTY OF SAN FRANCISCO

DEPARTMENT 613

QUINCY O'NEAL, individually and on behalf of other members of the general public similarly situated, Plaintiff, v. INCLUDED HEALTH, INC., a Delaware corporation; GRAND ROUNDS HEALTH, a California corporation; DOCTOR ON DEMAND PROFESSIONALS OF CALIFORNIA, a California corporation; and DOES 1 through 25, inclusive, Defendants.	Case No. CGC-23-608391 ORDER CONTINUING PRELIMINARY APPROVAL HEARING AND VACATING CASE MANAGEMENT CONFERENCE

This matter was scheduled for hearing on November 8, 2024 for a preliminary approval hearing and case management conference. The Court **VACATES** the case management conference. The Court **CONTINUES** the preliminary approval hearing to **December 26, 2024, at 9:00 a.m**. The parties must file supplemental briefing addressing the issues below. The supplemental briefing is to be filed no later than **November 25, 2024**. The Court's concerns regarding the motion are summarized in more detail below.[1]

[1] This summary is prepared to assist the parties in preparing furthering . It may not identify every concern that will be presented by subsequent briefing.

I. Commonality and Predominance

There appear to be common issues of law and fact, as "Plaintiff alleges that Defendant denied compliant meal and rest periods to employees, required employees to perform work off-the-clock, failed to fully compensate employees for all time actually worked, and failed to reimburse employees for business-related expenses. These policies and practices meant that Defendant allegedly failed to pay minimum and overtime wages, and other related claims. Plaintiff alleges that Defendant's policies and practices were uniform as to all Class Members." (MPA at 16–17.) Named Plaintiff should submit a declaration attesting that common issues predominate. (O'Neal Decl. ¶¶ 1–14.)

II. Typicality and Adequacy

Plaintiff's counsel's adequacy is supported by sufficient evidence. (Genish Decl. ¶¶ 2–7.)

Named Plaintiff must submit a declaration demonstrating his typicality and adequacy. (O'Neal Decl. ¶¶ 1–14.)

III. Reasonableness

Class Counsel calculated Defendant's total potential exposure of the claims to be approximately $2,609,182.00. (Genish Decl. ¶¶ 27–28.) The settlement amount is $415,000.00, which is approximately 16% of the exposure. The Court cannot sufficiently determine the reasonableness of the settlement based on the current explanation. (*Id.*, ¶¶ 27–42.) Counsel must provide a declaration addressing why counsel discounted the claims at the current rate and the reasonableness of these discounts.

IV. Notice

There are the following issues with the Notice:

- Does this Notice need to be in any other language besides English?
- The parties should list in bold that the Court's website is free to use. Include instructions on how a Class Member can look at the documents in person at the courthouse.

V. Release

Plaintiff's general release appears to be overbroad. The parties must explain why all of these Acts are included. (SA ¶ 40.)

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VI. Miscellaneous Issues

Further Settlement Agreement & Notice Documents: For future purposes, if the parties make edits to the Settlement Agreement or Notice documents, the parties should provide both a clean and redlined version in its supplemental filings. This will assist the Court in discerning whether the parties have sufficiently addressed all of the Court's previously outlined concerns.

Further briefing: For future settlement approval motions in this Court, including this one, the parties should be advised that (in addition to briefing) the parties must submit a *separate* document to Department613ComplexLit@sftc.org reproducing the Court's Order, and citing to the exact sections in the parties' briefing (i.e. Settlement, Declarations, etc.) that address each of the Court's points in the previous Order.

IT IS SO ORDERED.

Dated: November 8, 2024

ANDREW Y.S. CHENG
Judge of the Superior Court

CERTIFICATE OF ELECTRONIC SERVICE
(CCP 1010.6(6) & CRC 2.251)

I, Ericka Larnauti, a Deputy Clerk of the Superior Court of the County of San Francisco, certify that I am not a party to the within action.

On November 8, 2024, I electronically served the attached document via File & ServeXpress on the recipients designated on the Transaction Receipt located on the File & ServeXpress website.

Dated: November 8, 2024

Brandon E. Riley, Clerk

By: ______________________
Ericka Larnauti, Deputy Clerk

EXHIBIT 2

AMENDMENT NO. 1 TO

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT

This Amendment No. 1 to Joint Stipulation of Class Action and PAGA Settlement is entered into between Plaintiff Quincy O'Neal ("Plaintiff") and Defendant Included Health, Inc., formerly known as Grand Rounds, Inc. ("Defendant") (together, the "Parties") pursuant to Paragraph 48 of the Joint Stipulation of Class Action and PAGA Settlement ("Settlement Agreement") entered into between the Parties on October 7, 2024.

A. **The Notice of Class Action Settlement attached to the Settlement Agreement as "Exhibit A" is hereby replaced with the revised Notice of Class Action Settlement attached hereto as "Exhibit A."**

BLACKSTONE LAW, APC

Dated: November 25, 2024

____
Jonathan M. Genish
Attorneys for Plaintiff Quincy O'Neal

FORD & HARRISON LLP

Dated: November 25, 2024

____
David L. Cheng
Min K. Kim
Attorneys for Defendant Included Health, Inc., formerly known as Grand Rounds, Inc.

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

Quincy O'Neal v. Included Health, Inc., formerly known as Grand Rounds, Inc.
Superior Court of California for the County of San Francisco, Case No. CGC-23-608391

PLEASE READ THIS CLASS NOTICE CAREFULLY.
You have received this Class Notice because Defendant's records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced case.
You do not need to take any action to receive a settlement payment.
This Class Notice is designed to advise you of your rights and options with respect to the settlement, and how you can request to be excluded from the Class Settlement, object to the Class Settlement, and/or dispute the number of Workweeks and/or PAGA Workweeks that you are credited with, if you so choose.

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiff Quincy O'Neal ("Plaintiff") and Defendant Included Health, Inc., formerly known as Grand Rounds, Inc. ("Defendant") (Plaintiff and Defendant are collectively referred to as the "Parties") in the case entitled *Quincy O'Neal v. Included Health, Inc., formerly known as Grand Rounds, Inc.*, San Francisco County Superior Court, Case No. CGC-23-608391 ("Action"), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement.

I. IMPORTANT DEFINITIONS

"**Class**" or "**Class Member**" means all current and former non-exempt employees who worked for Defendant in the State of California at any time during the Class Period.

"**Class Period**" means the period from August 15, 2019 through June 30, 2024.

"**Class Settlement**" means the settlement and resolution of all Released Class Claims.

"**PAGA Employees**" means all current and former non-exempt employees who worked for Defendant in the State of California at any time during the PAGA Period.

"**PAGA Period**" the period from August 14, 2022 through June 30, 2024.

"**PAGA Settlement**" means the settlement and resolution of all Released PAGA Claims.

II. BACKGROUND OF THE ACTION

On August 14, 2023, Plaintiff provided written notice to the California Labor and Workforce Development Agency ("LWDA") and Defendant of the specific provisions of the California Labor Code that Plaintiff contends were violated ("PAGA Letter"). On August 15, 2023, Plaintiff commenced a putative class action lawsuit by filing a Class Action Complaint for Damages in the Action. On January 2, 2024, Plaintiff filed a First Amended Class Action Complaint for Damages and Enforcement Action Under the Private Attorneys General Act, California Labor Code §§ 2698 Et Seq. ("Operative Complaint") in the Action.

Plaintiff contends that Defendant failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages during employment and upon termination and associated waiting-time penalties, provide accurate wage statements, and reimburse business expenses, and thereby engaged in unfair business practices in violation of the California Business and Professions Code section 17200, *et seq*., and conduct that gives rise to penalties under the Private Attorneys General Act of 2004 pursuant to California Labor Code Section 2698, *et seq*. ("PAGA"). Plaintiff seeks, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys' fees and costs.

Defendant denies all of the allegations in the Action or that it violated any law.

The Parties participated in mediation with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into a Joint Stipulation of Class Action and PAGA Settlement ("Settlement" or "Settlement Agreement").

On [Date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed CAC Services Group, LLC as the administrator of the Settlement ("Settlement Administrator"), Plaintiff Quincy O'Neal as representative of the Class ("Class Representative"), and the following Plaintiff's attorneys as counsel for the Class ("Class Counsel"):

Jonathan M. Genish
Miriam L. Schimmel
Joana Fang
Alexandra Rose
Jared C. Osborne
Blackstone Law, APC
8383 Wilshire Boulevard, Suite 745
Beverly Hills, California 90211
Tel: (310) 622-4278 / Fax: (855) 786-6356

If you are a Class Member, you need not take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual Settlement Payment), object to the Class Settlement, and/or dispute the Workweeks and/or PAGA Workweeks credited to you, if you so choose, as explained more fully in Sections III and IV below. If you are a PAGA Employee, you do not need to take any action to receive an Individual PAGA Payment; you will not have the opportunity to object or seek exclusion from the PAGA Settlement and all PAGA Employees will be bound to the PAGA Settlement if the Court grants final approval of the Settlement.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendant that the claims in the Action have merit or that Defendant has any liability to Plaintiff, Class Members, or PAGA Employees. Plaintiff and Defendant, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of the Class Members, the State of California, and PAGA Employees.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is Four Hundred Fifteen Thousand Dollars and Zero Cents ($415,000.00) (the "Gross Settlement Amount"). The portion of the Gross Settlement Amount that is available for payment to Class Members is referred to as the "Net Settlement Amount." The Net Settlement Amount will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) attorneys' fees, in an amount not to exceed one-third (1/3) of the Gross Settlement Amount (i.e., $138,333.33 if the Gross Settlement Amount is $415,000.00), and reimbursement of litigation costs and expenses, in an amount not to exceed Eighteen Thousand Dollars and Zero Cents ($18,000.00) to Class Counsel; (2) Enhancement Payment in an amount not to exceed Ten Thousand Dollars and Zero Cents ($10,000.00) to Plaintiff for his services in the Action; (3) the amount of Fifty Thousand Dollars and Zero Cents ($50,000.00) allocated toward civil penalties under the Private Attorneys General Act ("PAGA Amount"), of which the LWDA will be paid 75% ($37,500.00) ("LWDA Payment") and the remaining 25% ($12,500.00) will be distributed to PAGA Employees ("PAGA Employee Amount"); and (4) Settlement Administration Costs in an amount not to exceed Seven Thousand Dollars and Zero Cents ($7,000.00) to the Settlement Administrator.

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount ("Individual Settlement Share") based on the number of weeks each Class Member worked for Defendant as a non-exempt employee in California during the Class Period ("Workweeks"). The Settlement Administrator has divided the Net Settlement Amount by the Workweeks of all Class Members to yield the "Estimated Workweek Value," and multiplied each Class Member's individual Workweeks by the Estimated Workweek Value to yield an estimated Individual Settlement Share that each Class Member may be entitled to receive under the Class Settlement (which is listed in Section III.C below).

Class Members who do not submit a timely and valid Request for Exclusion ("Settlement Class Members") will be issued their final Individual Settlement Payment.

Each Individual Settlement Share will be allocated as ten percent (10%) as wages, which will be reported on an IRS Form W-2, and ninety percent (90%) as penalties, interest, and non-wage damages, which will be reported on an IRS Form 1099 (if applicable). Each Individual Settlement Share will be subject to reduction for the employee's share of payroll taxes and withholdings with respect to the wages portion of the Individual Settlement Shares resulting in a net payment to the Settlement Class Member ("Individual Settlement Payment"). The employer's share of taxes and contributions in connection with the wages portion of Individual Settlement Shares ("Employer Taxes") will be paid by Defendant separately and in addition to the Gross Settlement Amount.

PAGA Employees are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the PAGA Employee Amount ("Individual PAGA Payment") based on the number of weeks each PAGA Employee worked for Defendant as a non-exempt employee in California during the PAGA Period ("PAGA Workweeks"). The Settlement Administrator had divided the PAGA Employee Amount, i.e., 25% of the PAGA Amount, by the PAGA Workweeks of all PAGA Employees to yield the "PAGA Workweek Value," and multiplied each PAGA Employee's individual PAGA Workweeks by the PAGA Workweek Value to yield each PAGA Employee's Individual PAGA Payment.

Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties, will not be subject to taxes or withholdings, and will be reported on IRS Form 1099 (if applicable).

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Settlement Class Members and Individual PAGA Payments will be mailed to PAGA Employees at the address that is on file with the Settlement Administrator. **If the address to which this Class Notice was mailed is not correct, or if you move after you receive this Class Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

B. Your Workweeks and PAGA Workweeks (if applicable) Based on Defendant's Records

According to Defendant's records:

- **From August 15, 2019 through June 30, 2024 (i.e., the Class Period), you are credited as having worked [_____] Workweeks.**
- **From August 14, 2022 through June 30, 2024 (i.e., the PAGA Period), you are credited as having worked [_____] PAGA Workweeks.**

If you wish to dispute the Workweeks and/or PAGA Workweeks credited to you, you must submit your dispute in writing to the Settlement Administrator ("Workweeks Dispute"). The Workweeks Dispute must: (a) contain the case name and number of the Action (*O'Neal v. Included Health, Inc., formerly known as Grand Rounds, Inc.*, Case No. CGC-23-608391); (b) contain your full name, signature, address, and telephone number; (c) clearly state that you dispute the number of Workweeks and/or PAGA Workweeks credited to you and what you contend is the correct number; and (d) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B below, postmarked **on or before** [Response Deadline].

C. Your Estimated Individual Settlement Share and Individual PAGA Payment (if applicable)

As explained above, your estimated Individual Settlement Share and Individual PAGA Payment (if applicable) is based on the number of Workweeks and PAGA Workweeks (if applicable) credited to you.

Under the terms of the Settlement, your Individual Settlement Share is estimated to be $___________. The Individual Settlement Share is subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

Under the terms of the Settlement, your Individual PAGA Payment is estimated to be $___________ and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

The settlement approval process may take multiple months. Your Individual Settlement Share and Individual PAGA Payment (if applicable) reflected in this Class Notice is only an estimate. Your actual Individual Settlement Payment and Individual PAGA Payment (if applicable) may be higher or lower.

D. <u>Release of Claims</u>

Upon the full funding of the Gross Settlement Amount, Plaintiff and all Settlement Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims.

Upon the full funding of the Gross Settlement Amount, Plaintiff, the State of California with respect to all PAGA Employees, and all PAGA Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims.

"Released Class Claims" means any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, or causes of action which were alleged or which could have been alleged based on the factual allegations in the Operative Complaint, arising during the Class Period, under any federal, state, or local law, and shall specifically include claims for Defendant's alleged failure to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide accurate wage statements, and reimburse necessary business-related expenses in violation of California Labor Code Sections 201, 202, 203, 204, 210, 226(a), 226.7, 510, 512(a), 1194, 1194.2, 1197, 1197.1, 1198, 2800, and 2802, and the applicable Industrial Welfare Commission Wage Order, claims for recovery of unpaid wages in violation of California Business and Professions Code sections 17200, *et seq.* based on the aforementioned California Labor Code violations, including for off-the-clock work and time rounding, and for failure to include all non-discretionary compensation in the regular rate of pay for all wages required to be calculated at the regular rate of pay, and all claims for attorneys' fees and costs and statutory interest in connection therewith, and any other claims, including claims for statutory penalties, pertaining to the Class Members.

"Released PAGA Claims" means any and all claims which were alleged or which could have been alleged based on the factual allegations in the Operative Complaint and/or PAGA Letter, arising during the PAGA Period, for civil penalties under the Private Attorneys General Act of 2004, California Labor Code Sections 2698 *et seq*., including all claims for attorneys' fees and costs related thereto, for Defendant's alleged failure to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide complaint wage statements, maintain complete and accurate payroll records, and reimburse necessary business-related expenses in violation of the California Labor Code, including, without limitation, Sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and the applicable Industrial Welfare Commission Wage Order. This includes, without limitation, the non-payment of wages arising from allegations of off-the-clock work, time rounding, unpaid meal break premiums, unpaid rest break premiums, and for failure to include all non-discretionary compensation in the regular rate of pay for all wages required to be calculated at the regular rate of pay.

"Released Parties" means Defendant and all of its related entities, owners, current and former officers, directors, employees who are not Class Members, members, insurers, shareholders, parents, subsidiaries, affiliates, agents, predecessors, successors, and assigns.

E. <u>Attorneys' Fees and Costs to Class Counsel</u>

Class Counsel will seek attorneys' fees in an amount not to exceed one-third (1/3) of the Gross Settlement Amount (i.e., $138,333.33 if the Gross Settlement Amount is $415,000.00) and reimbursement of litigation costs and expenses in an amount not to exceed Eighteen Thousand Dollars and Zero Cents ($18,000.00) (collectively, "Attorneys' Fees and Costs"), subject to approval by the Court. The Attorneys' Fees and Costs granted by the Court will be paid from the Gross Settlement Amount. Class Counsel has been prosecuting the Action on behalf of Plaintiff, Class Members, and PAGA Employees on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Enhancement Payment to Plaintiff

Plaintiff will seek the amount of Ten Thousand Dollars and Zero Cents ($10,000.00) ("Enhancement Payment), in recognition of his services in connection with the Action. The Enhancement Payment will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, it will be paid to Plaintiff in addition to his Individual Settlement Payment and Individual PAGA Payment that he is entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Seven Thousand Dollars and Zero Cents ($7,000.00) ("Settlement Administration Costs") for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, Notices of Objection, and Workweeks Disputes, calculating Individual Settlement Shares, Individual Settlement Payments, and Individual PAGA Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Class Settlement and receive money from the Class Settlement, you do not have to do anything. You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement and if the Court grants final approval of the Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released Class Claims against the Released Parties as described in Section III.D above.

If you are a PAGA Employee and the Court grants final approval of the Settlement, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Payment. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released PAGA Claims against the Released Parties as described in Section III.D above.

As a Class Member and PAGA Employee (if applicable), you will not be separately responsible for the payment of attorney's fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney's fees and expenses.

B. Request Exclusion from the Class Settlement

Class Members may request to be excluded from the Class Settlement by submitting a letter ("Request for Exclusion") to the Settlement Administrator, at the following address:

[Settlement Administrator]
[Mailing Address]

A Request for Exclusion must: (a) contain the case name and number of the Action (*O'Neal v. Included Health, Inc., formerly known as Grand Rounds, Inc.*, Case No. CGC-23-608391); (b) contain your full name, signature, address, and telephone number; (c) clearly state that you do not wish to be included in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified address above, postmarked **on or before [Response Deadline]**.

If the Court grants final approval of the Settlement, any Class Member who submits a timely and valid Request for Exclusion will not be issued an Individual Settlement Payment, will not be bound by the Class Settlement (and the release of Released Class Claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit a timely and valid Request for Exclusion will be deemed Settlement Class Members and will be bound by all terms of the Class Settlement, including those pertaining to the release of claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon. PAGA Employees will be bound to the PAGA Settlement (and the release of Released PAGA Claims described in Section III.D above) and will still be issued an Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion.

C. Object to the Class Settlement

You can object to the Class Settlement as long as you have not submitted a Request for Exclusion by submitting a written objection ("Notice of Objection") to the Settlement Administrator.

The Notice of Objection must: (a) contain the case name and number of the Action (*O'Neal v. Included Health, Inc., formerly known as Grand Rounds, Inc.*, Case No. CGC-23-608391); (b) contain your full name, signature, address, and telephone number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B above, postmarked **on or before [Response Deadline]**.

You may also appear at the Final Approval Hearing and present your objection orally, regardless of whether you have submitted a Notice of Objection and without any prior notice.

If you submit both a Request for Exclusion and Notice of Objection, the Settlement Administrator will honor the submission that is received first and disregard the other.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 613 of the San Francisco County Superior Court, located at Civil Center Courthouse, 400 McAllister St., San Francisco, California 94102, on [**date**], at [**time**], to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and grant the Attorneys' Fees and Costs to Class Counsel, Enhancement Payment to Plaintiff, and Settlement Administration Costs to the Settlement Administrator.

The Final Approval Hearing may be continued without further notice to the Class Members and PAGA Employees. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to.

You can find more information regarding appearing remotely through CourtCall online at: https://courtcall.com/schedule/.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers, which are on file with the Court.

You may view the Settlement Agreement and other documents filed in the Action for free by visiting The Civic Center Clerk's Office located at Civil Center Courthouse, Civil Records Division, 400 McAllister St., Room 103, San Francisco, California 94012, during business hours, or online by visiting the following website: https://sf.courts.ca.gov/online-services/case-information, clicking "Access Now" under Civil Case Query and typing in the Court Case Number "CGC-23-608391." **The Court's website is free to use.**

You may also visit the Settlement Administrator's website at ____________ for key documents in the Action.

PLEASE DO NOT TELEPHONE THE COURT, THE JUDGE, OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.

EXHIBIT 3

NOTICE OF CLASS ACTION SETTLEMENT

Quincy O'Neal v. Included Health, Inc., formerly known as Grand Rounds, Inc.
Superior Court of California for the County of San Francisco, Case No. CGC-23-608391

PLEASE READ THIS CLASS NOTICE CAREFULLY.

You have received this Class Notice because Defendant's records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced case.

You do not need to take any action to receive a settlement payment.

This Class Notice is designed to advise you of your rights and options with respect to the settlement, and how you can request to be excluded from the Class Settlement, object to the Class Settlement, and/or dispute the number of Workweeks and/or PAGA Workweeks that you are credited with, if you so choose.

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiff Quincy O'Neal ("Plaintiff") and Defendant Included Health, Inc., formerly known as Grand Rounds, Inc. ("Defendant") (Plaintiff and Defendant are collectively referred to as the "Parties") in the case entitled *Quincy O'Neal v. Included Health, Inc., formerly known as Grand Rounds, Inc.*, San Francisco County Superior Court, Case No. CGC-23-608391 ("Action"), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement.

I. IMPORTANT DEFINITIONS

"**Class**" or "**Class Member**" means all current and former non-exempt employees who worked for Defendant in the State of California at any time during the Class Period.

"**Class Period**" means the period from August 15, 2019 through June 30, 2024.

"**Class Settlement**" means the settlement and resolution of all Released Class Claims.

"**PAGA Employees**" means all current and former non-exempt employees who worked for Defendant in the State of California at any time during the PAGA Period.

"**PAGA Period**" the period from August 14, 2022 through June 30, 2024.

"**PAGA Settlement**" means the settlement and resolution of all Released PAGA Claims.

II. BACKGROUND OF THE ACTION

On August 14, 2023, Plaintiff provided written notice to the California Labor and Workforce Development Agency ("LWDA") and Defendant of the specific provisions of the California Labor Code that Plaintiff contends were violated ("PAGA Letter"). On August 15, 2023, Plaintiff commenced a putative class action lawsuit by filing a Class Action Complaint for Damages in the Action. On January 2, 2024, Plaintiff filed a First Amended Class Action Complaint for Damages and Enforcement Action Under the Private Attorneys General Act, California Labor Code §§ 2698 Et Seq. ("Operative Complaint") in the Action.

Plaintiff contends that Defendant failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages during employment and upon termination and associated waiting-time penalties, provide accurate wage statements, and reimburse business expenses, and thereby engaged in unfair business practices in violation of the California Business and Professions Code section 17200, *et seq*., and conduct that gives rise to penalties under the Private Attorneys General Act of 2004 pursuant to California Labor Code Section 2698, *et seq*. ("PAGA"). Plaintiff seeks, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys' fees and costs.

Defendant denies all of the allegations in the Action or that it violated any law.

The Parties participated in mediation with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into a Joint Stipulation of Class Action and PAGA Settlement ("Settlement" or "Settlement Agreement").

On [Date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed CAC Services Group, LLC as the administrator of the Settlement ("Settlement Administrator"), Plaintiff Quincy O'Neal as representative of the Class ("Class Representative"), and the following Plaintiff's attorneys as counsel for the Class ("Class Counsel"):

Jonathan M. Genish
Miriam L. Schimmel
Joana Fang
Alexandra Rose
Jared C. Osborne
Blackstone Law, APC
8383 Wilshire Boulevard, Suite 745
Beverly Hills, California 90211
Tel: (310) 622-4278 / Fax: (855) 786-6356

If you are a Class Member, you need not take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual Settlement Payment), object to the Class Settlement, and/or dispute the Workweeks and/or PAGA Workweeks credited to you, if you so choose, as explained more fully in Sections III and IV below. If you are a PAGA Employee, you do not need to take any action to receive an Individual PAGA Payment; you will not have the opportunity to object or seek exclusion from the PAGA Settlement and all PAGA Employees will be bound to the PAGA Settlement if the Court grants final approval of the Settlement.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendant that the claims in the Action have merit or that Defendant has any liability to Plaintiff, Class Members, or PAGA Employees. Plaintiff and Defendant, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of the Class Members, the State of California, and PAGA Employees.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is Four Hundred Fifteen Thousand Dollars and Zero Cents ($415,000.00) (the "Gross Settlement Amount"). The portion of the Gross Settlement Amount that is available for payment to Class Members is referred to as the "Net Settlement Amount." The Net Settlement Amount will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) attorneys' fees, in an amount not to exceed one-third (1/3) of the Gross Settlement Amount (i.e., $138,333.33 if the Gross Settlement Amount is $415,000.00), and reimbursement of litigation costs and expenses, in an amount not to exceed Eighteen Thousand Dollars and Zero Cents ($18,000.00) to Class Counsel; (2) Enhancement Payment in an amount not to exceed Ten Thousand Dollars and Zero Cents ($10,000.00) to Plaintiff for his services in the Action; (3) the amount of Fifty Thousand Dollars and Zero Cents ($50,000.00) allocated toward civil penalties under the Private Attorneys General Act ("PAGA Amount"), of which the LWDA will be paid 75% ($37,500.00) ("LWDA Payment") and the remaining 25% ($12,500.00) will be distributed to PAGA Employees ("PAGA Employee Amount"); and (4) Settlement Administration Costs in an amount not to exceed Seven Thousand Dollars and Zero Cents ($7,000.00) to the Settlement Administrator.

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount ("Individual Settlement Share") based on the number of weeks each Class Member worked for Defendant as a non-exempt employee in California during the Class Period ("Workweeks"). The Settlement Administrator has divided the Net Settlement Amount by the Workweeks of all Class Members to yield the "Estimated Workweek Value," and multiplied each Class Member's individual Workweeks by the Estimated Workweek Value to yield an estimated Individual Settlement Share that each Class Member may be entitled to receive under the Class Settlement (which is listed in Section III.C below).

Class Members who do not submit a timely and valid Request for Exclusion ("Settlement Class Members") will be issued their final Individual Settlement Payment.

Each Individual Settlement Share will be allocated as ten percent (10%) as wages, which will be reported on an IRS Form W-2, and ninety percent (90%) as penalties, interest, and non-wage damages, which will be reported on an IRS Form 1099 (if applicable). Each Individual Settlement Share will be subject to reduction for the employee's share of payroll taxes and withholdings with respect to the wages portion of the Individual Settlement Shares resulting in a net payment to the Settlement Class Member ("Individual Settlement Payment"). The employer's share of taxes and contributions in connection with the wages portion of Individual Settlement Shares ("Employer Taxes") will be paid by Defendant separately and in addition to the Gross Settlement Amount.

PAGA Employees are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the PAGA Employee Amount ("Individual PAGA Payment") based on the number of weeks each PAGA Employee worked for Defendant as a non-exempt employee in California during the PAGA Period ("PAGA Workweeks"). The Settlement Administrator had divided the PAGA Employee Amount, i.e., 25% of the PAGA Amount, by the PAGA Workweeks of all PAGA Employees to yield the "PAGA Workweek Value," and multiplied each PAGA Employee's individual PAGA Workweeks by the PAGA Workweek Value to yield each PAGA Employee's Individual PAGA Payment.

Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties, will not be subject to taxes or withholdings, and will be reported on IRS Form 1099 (if applicable).

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Settlement Class Members and Individual PAGA Payments will be mailed to PAGA Employees at the address that is on file with the Settlement Administrator. **If the address to which this Class Notice was mailed is not correct, or if you move after you receive this Class Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

B. Your Workweeks and PAGA Workweeks (if applicable) Based on Defendant's Records

According to Defendant's records:

- **From August 15, 2019 through June 30, 2024 (i.e., the Class Period), you are credited as having worked [_____] Workweeks.**
- **From August 14, 2022 through June 30, 2024 (i.e., the PAGA Period), you are credited as having worked [_____] PAGA Workweeks.**

If you wish to dispute the Workweeks and/or PAGA Workweeks credited to you, you must submit your dispute in writing to the Settlement Administrator ("Workweeks Dispute"). The Workweeks Dispute must: (a) contain the case name and number of the Action (*O'Neal v. Included Health, Inc., formerly known as Grand Rounds, Inc.*, Case No. CGC-23-608391); (b) contain your full name, signature, address, and telephone number; (c) clearly state that you dispute the number of Workweeks and/or PAGA Workweeks credited to you and what you contend is the correct number; and (d) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B below, postmarked **on or before** [Response Deadline].

C. Your Estimated Individual Settlement Share and Individual PAGA Payment (if applicable)

As explained above, your estimated Individual Settlement Share and Individual PAGA Payment (if applicable) is based on the number of Workweeks and PAGA Workweeks (if applicable) credited to you.

Under the terms of the Settlement, your Individual Settlement Share is estimated to be $___________. The Individual Settlement Share is subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

Under the terms of the Settlement, your Individual PAGA Payment is estimated to be $___________ and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

The settlement approval process may take multiple months. Your Individual Settlement Share and Individual PAGA Payment (if applicable) reflected in this Class Notice is only an estimate. Your actual Individual Settlement Payment and Individual PAGA Payment (if applicable) may be higher or lower.

D. Release of Claims

Upon the full funding of the Gross Settlement Amount, Plaintiff and all Settlement Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims.

Upon the full funding of the Gross Settlement Amount, Plaintiff, the State of California with respect to all PAGA Employees, and all PAGA Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims.

"Released Class Claims" means any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, or causes of action which were alleged or which could have been alleged based on the factual allegations in the Operative Complaint, arising during the Class Period, under any federal, state, or local law, and shall specifically include claims for Defendant's alleged failure to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide accurate wage statements, and reimburse necessary business-related expenses in violation of California Labor Code Sections 201, 202, 203, 204, 210, 226(a), 226.7, 510, 512(a), 1194, 1194.2, 1197, 1197.1, 1198, 2800, and 2802, and the applicable Industrial Welfare Commission Wage Order, claims for recovery of unpaid wages in violation of California Business and Professions Code sections 17200, *et seq.* based on the aforementioned California Labor Code violations, including for off-the-clock work and time rounding, and for failure to include all non-discretionary compensation in the regular rate of pay for all wages required to be calculated at the regular rate of pay, and all claims for attorneys' fees and costs and statutory interest in connection therewith, and any other claims, including claims for statutory penalties, pertaining to the Class Members.

"Released PAGA Claims" means any and all claims which were alleged or which could have been alleged based on the factual allegations in the Operative Complaint and/or PAGA Letter, arising during the PAGA Period, for civil penalties under the Private Attorneys General Act of 2004, California Labor Code Sections 2698 *et seq*., including all claims for attorneys' fees and costs related thereto, for Defendant's alleged failure to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide complaint wage statements, maintain complete and accurate payroll records, and reimburse necessary business-related expenses in violation of the California Labor Code, including, without limitation, Sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and the applicable Industrial Welfare Commission Wage Order. This includes, without limitation, the non-payment of wages arising from allegations of off-the-clock work, time rounding, unpaid meal break premiums, unpaid rest break premiums, and for failure to include all non-discretionary compensation in the regular rate of pay for all wages required to be calculated at the regular rate of pay.

"Released Parties" means Defendant and all of its related entities, owners, current and former officers, directors, employees who are not Class Members, members, insurers, shareholders, parents, subsidiaries, affiliates, agents, predecessors, successors, and assigns.

E. Attorneys' Fees and Costs to Class Counsel

Class Counsel will seek attorneys' fees in an amount not to exceed one-third (1/3) of the Gross Settlement Amount (i.e., $138,333.33 if the Gross Settlement Amount is $415,000.00) and reimbursement of litigation costs and expenses in an amount not to exceed Eighteen Thousand Dollars and Zero Cents ($18,000.00) (collectively, "Attorneys' Fees and Costs"), subject to approval by the Court. The Attorneys' Fees and Costs granted by the Court will be paid from the Gross Settlement Amount. Class Counsel has been prosecuting the Action on behalf of Plaintiff, Class Members, and PAGA Employees on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Enhancement Payment to Plaintiff

Plaintiff will seek the amount of Ten Thousand Dollars and Zero Cents ($10,000.00) ("Enhancement Payment), in recognition of his services in connection with the Action. The Enhancement Payment will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, it will be paid to Plaintiff in addition to his Individual Settlement Payment and Individual PAGA Payment that he is entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Seven Thousand Dollars and Zero Cents ($7,000.00) ("Settlement Administration Costs") for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, Notices of Objection, and Workweeks Disputes, calculating Individual Settlement Shares, Individual Settlement Payments, and Individual PAGA Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Class Settlement and receive money from the Class Settlement, you do not have to do anything. You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement and if the Court grants final approval of the Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released Class Claims against the Released Parties as described in Section III.D above.

If you are a PAGA Employee and the Court grants final approval of the Settlement, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Payment. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released PAGA Claims against the Released Parties as described in Section III.D above.

As a Class Member and PAGA Employee (if applicable), you will not be separately responsible for the payment of attorney's fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney's fees and expenses.

B. Request Exclusion from the Class Settlement

Class Members may request to be excluded from the Class Settlement by submitting a letter ("Request for Exclusion") to the Settlement Administrator, at the following address:

[Settlement Administrator]
[Mailing Address]

A Request for Exclusion must: (a) contain the case name and number of the Action (*O'Neal v. Included Health, Inc., formerly known as Grand Rounds, Inc.*, Case No. CGC-23-608391); (b) contain your full name, signature, address, and telephone number; (c) clearly state that you do not wish to be included in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified address above, postmarked **on or before [Response Deadline]**.

If the Court grants final approval of the Settlement, any Class Member who submits a timely and valid Request for Exclusion will not be issued an Individual Settlement Payment, will not be bound by the Class Settlement (and the release of Released Class Claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit a timely and valid Request for Exclusion will be deemed Settlement Class Members and will be bound by all terms of the Class Settlement, including those pertaining to the release of claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon. PAGA Employees will be bound to the PAGA Settlement (and the release of Released PAGA Claims described in Section III.D above) and will still be issued an Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion.

C. Object to the Class Settlement

You can object to the Class Settlement as long as you have not submitted a Request for Exclusion by submitting a written objection ("Notice of Objection") to the Settlement Administrator.

The Notice of Objection must: (a) contain the case name and number of the Action (*O'Neal v. Included Health, Inc.*, *formerly known as Grand Rounds, Inc.*, Case No. CGC-23-608391); (b) contain your full name, signature, address, and telephone number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B above, postmarked **on or before [Response Deadline]**.

You may also appear at the Final Approval Hearing and present your objection orally, regardless of whether you have submitted a Notice of Objection and without any prior notice.

If you submit both a Request for Exclusion and Notice of Objection, the Settlement Administrator will honor the submission that is received first and disregard the other.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 613 of the San Francisco County Superior Court, located at Civil Center Courthouse, 400 McAllister St., San Francisco, California 94102, on [**date**], at [**time**], to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and grant the Attorneys' Fees and Costs to Class Counsel, Enhancement Payment to Plaintiff, and Settlement Administration Costs to the Settlement Administrator.

The Final Approval Hearing may be continued without further notice to the Class Members and PAGA Employees. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to.

You can find more information regarding appearing remotely through CourtCall online at: https://courtcall.com/schedule/.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers, which are on file with the Court.

You may view the Settlement Agreement and other documents filed in the Action for free by visiting T~~t~~he C~~c~~ivic~~l~~ Center C~~c~~lerk's O~~o~~ffice located at Civil Center Courthouse, Civil Records Division, 400 McAllister St., Room 103, San Francisco, California 94012, during business hours, or online by visiting the following website: https://sf.courts.ca.gov/online-services/case-information, clicking "Access Now" under Civil Case Query and typing in the Court Case Number "CGC-23-608391." **The Court's website is free to use.**

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You may also visit the Settlement Administrator's website at ____________ for key documents in the Action.

PLEASE DO NOT TELEPHONE THE COURT, THE JUDGE, OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.