

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiffs Ilana Pearlman, Sallie Hill, Sonya Jubb, Diana Nemirovsky, Jessica Izquierdo, Lior Bloom, and Alison Roberts (“PAGA Plaintiffs”) and Defendants Sutter East Bay Medical Group, Inc., Sutter Health, Sutter Bay Medical Foundation, and The Surgery Center of Alta Bates Summit Medical Center, LLC (collectively “Defendants”). This PAGA Agreement refers to the PAGA Plaintiffs and Defendants collectively as “Parties,” or individually as a “Party.”

1. DEFINITIONS.

- 1.1. “Action” means Plaintiffs’ PAGA lawsuit alleging wage and hour violations against Defendants captioned *Ilana Pearlman, et al. v. Sutter Health, et al.*, initiated on January 15, 2025 and pending in the Superior Court of California, County of Alameda, Case No. 25CV107067.
- 1.2. “PAGA Plaintiffs” means Ilana Pearlman, Sallie Hill, Sonya Jubb, Diana Nemirovsky, Jessica Izquierdo, Lior Bloom, and Alison Roberts.
- 1.3. “Court” means the Superior Court of California, County of Alameda.
- 1.4. “Defendants” means, collectively, Defendant Sutter East Bay Medical Group (“SEBMG”), and Defendants Sutter Health, Sutter Bay Medical Foundation, and The Surgery Center at Alta Bates (collectively, these latter three entities are the “Sutter Defendants”).
- 1.5. “Defense Counsel” means, collectively, counsel for SEBMG, Carla J. Hartley of Dillingham & Murphy LLP, and counsel for the Sutter Defendants, Thomas E. Geidt, Teresa W. Ghali and Tuyet N. Lu of GBG LLP.
- 1.6. “Effective Date” means the date by when the Court enters its Order Approving the PAGA Settlement and dismissing the Action.
- 1.7. “Gross PAGA Settlement Amount” means \$15,000 which is the total amount SEBMG agrees to pay for the PAGA Settlement and is allocated \$3,750 to all Individual PAGA Payments and \$11,250 to the LWDA.
- 1.8. “Individual PAGA Payment” means each PAGA Plaintiff’s pro rata share of the \$3,750 total Individual PAGA Payments calculated according to the number of Pay Periods worked by the PAGA Plaintiff during the PAGA Period.
- 1.9. “LWDA” means the California Labor & Workforce Development Agency, the agency entitled to 75% of the Gross PAGA Settlement Amount, under prior Labor Code section 2699, subd. (i).
- 1.10. “PAGA Counsel” means Dunn DeSantis Walt & Kendrick LLP, the attorneys representing the Plaintiffs in the Action.

- 1.11. “PAGA Pay Period(s)” means any Pay Period during which a PAGA Plaintiff worked for Defendant Sutter East Bay Medical Group, Inc for at least one day during the PAGA Period.
- 1.12. “PAGA Period” means the period from March 1, 2023 through September 23, 2025.
- 1.13. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.14. “PAGA Notice” means Plaintiffs’ March 1, 2024 letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.15. “Approval Order” means the Court Order Granting Approval of the PAGA Settlement and dismissing the Action.
- 1.16. “Released PAGA Claims” means the claims being released as described in Paragraph 5 below.
- 1.17. “Released Parties” means: Defendants and any and all of their respective past, present, and future agents, employees, independent contractor, partners, officers, principals, directors, shareholders, affiliated and related entities, predecessors successors, subsidiaries, assigns, trustees, attorneys, and insurers.
- 1.18. “Settlement” means the disposition of the PAGA Action effected by this Agreement and the Court’s Order approving the settlement and dismissing the Action.

2. RECITALS.

- 2.1. On January 15, 2025, Plaintiffs Ilana Pearlman, Sallie Hill, Sonya Jubb, Diana Nemirovsky, Lior Bloom, Alison Roberts, and Tiffany Lundeen¹ commenced this Action by filing a Complaint alleging the following causes of action against Defendants 1) failure to pay overtime wages; (2) unpaid meal period wages; (3) unpaid rest period wages; (4) failure to provide sick leave; (5) failure to provide and maintain accurate, itemized wage statements; (6) failure to pay all wages due at time of discharge; (7) illegal deductions; (8) violation of the Unfair Competition Law, Bus. & Prof. Code § 17200; and (9) penalties pursuant to PAGA. On February 28, 2025, the complaint was amended to Jessica Izquierdo as an additional Plaintiff. The First Amended Complaint is the operative complaint in the Action (the “Operative Complaint”). Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in in the Operative Complaint, and deny any and all liability for the causes of action alleged.
- 2.2. On September 23, 2025, the Parties participated in an all-day mediation with experienced wage and hour and PAGA mediator, Hon. Peter H. Kirwan which led to this Agreement to settle the Action.

¹ Plaintiff Tiffany Lundeen is not a PAGA Plaintiff or Party to this Agreement as her PAGA claims are barred by the statute of limitations.

- 2.3. Prior to mediation, Plaintiffs obtained, through informal discovery, written policy documents applicable to the claims, a representative sampling of the time and pay records pertaining to potential “aggrieved employees” as that term is defined under PAGA, and other relevant data points.
- 2.4. Based on the information provided and as a condition of settlement, the PAGA Plaintiffs have agreed not to pursue representative PAGA claims on behalf of other allegedly aggrieved employees due to the lack of factual or legal support for such claims.
- 2.5. Each of the PAGA Plaintiff’s’ settlement of her individual, non-PAGA, claims shall be subject to a separate, individual, confidential settlement agreement.
- 2.6. The Parties, PAGA Counsel, and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1. Gross PAGA Settlement Amount. SEBMG agrees to pay \$15,000 and no more as the Gross PAGA Settlement Amount.
- 3.2.1. To the PAGA Plaintiffs: Out of the Gross PAGA Settlement Amount, and in full and final settlement of all PAGA claims the PAGA Plaintiffs may have against the Released Parties, SEBMG will issue Individual Settlement Payments to PAGA Plaintiffs totaling \$3,750.00.
- 3.2.1.1. Plaintiffs’ Individual PAGA Settlement Payments will be apportioned as follows:
- To Plaintiff Ilana Pearlman \$594.63;
 - To Plaintiff Sallie Hill \$623.40;
 - To Plaintiff Sonya Jubb \$604.22;
 - To Plaintiff Diana Nemirovsky \$594.63;
 - To Plaintiff Jessica Izquierdo \$306.90;
 - To Plaintiff Lior Bloom \$642.58; and
 - To Plaintiff Alison Roberts \$383.63.
- 3.2.1.2. Tax Treatment of Plaintiffs’ Individual PAGA Settlement Payments:
The Individual PAGA Settlement Payments are attributed to alleged penalties and shall be reported on an IRS Form 1099.
- 3.2.2. To the LWDA: SEBMG will issue a payment of \$11,250.00 to the LWDA to be paid from the Gross PAGA Settlement Amount.

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1 Pay Periods in PAGA Period. Based on a review of its records to date, SEBMG

estimates that PAGA Plaintiffs worked a total of approximately 391 PAGA Pay Periods.

4.4.1. The payment of Individual PAGA Payments shall not obligate SEBMG to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

4.4.2. Deadline for Payments: SEBMG will pay the PAGA Settlement Payments to the PAGA Plaintiffs and LWDA within fourteen (14) days of the Effective Date.

5. RELEASES OF CLAIMS. The PAGA Plaintiffs and PAGA Counsel will release claims against all Released Parties as follows:

5.1 PAGA Plaintiffs' Release. PAGA Plaintiffs and their respective former and present spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors and assigns release and discharge Released Parties from all claims, transactions or occurrences, including, but not limited to: all PAGA claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint and the PAGA Notice ("PAGA Plaintiffs' Release"). PAGA Plaintiffs' Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time or based on occurrences outside the PAGA Period. PAGA Plaintiffs acknowledge that they may discover facts or law different from, or in addition to, the facts or law that they now know or believe to be true but agree, nonetheless, that PAGA Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or PAGA Plaintiffs' discovery of them.

5.1.1 PAGA Plaintiffs' Waiver of Rights Under California Civil Code Section 1542. The PAGA Plaintiffs expressly waive and relinquish the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code as to the claims released in this Agreement, which reads:

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

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

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

6.1 PAGA Plaintiffs' Responsibilities. PAGA Plaintiffs will prepare and deliver to

Defense Counsel at least five business days before any filing deadline all documents necessary for obtaining approval of this Settlement under Labor Code section 2699, subdivision (f)(2)) including (i) a draft proposed Order Granting Approval of PAGA Settlement, dismissing the Action with prejudice as to the Plaintiffs and without prejudice as to any other alleged aggrieved employees; (ii) a declaration from PAGA Counsel attesting to timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)) and the Operative Complaint; and (iii) a copy of this PAGA Settlement Agreement. In their Declarations, Plaintiffs and PAGA Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 Responsibilities of PAGA Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the motion for approval of this Settlement no later than 14 days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion.

6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. **CONTINUING JURISDICTION OF THE COURT.** The Parties agree that, after entry of the order granting approval of the PAGA settlement and dismissing the Action, the Court will retain jurisdiction over the Parties, Action and the Settlement solely for purposes of enforcing this Agreement.

7.1 Waiver of Right to Appeal. Provided the court's Order is consistent with the terms and conditions of this Agreement, the Parties and their respective counsel waive all rights to appeal from the Order, including all rights to post-order and appellate proceedings, and extraordinary writs and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Order, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Order becomes final.

8. **ADDITIONAL PROVISIONS.**

8.1 No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or

construed as an admission by the PAGA Plaintiffs that Defendants' defenses in the Action have merit. If for any reason the Court does not approve this Settlement, Defendants reserve all available defenses to the claims in the Action, and the PAGA Plaintiffs reserve the right to contest Defendants' defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

- 8.2 Integrated Agreement. Upon execution by all Parties and their counsel, this PAGA Settlement Agreement shall constitute the entire agreement between the Parties relating to the PAGA Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 8.3 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by PAGA Plaintiffs and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 8.4 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 8.5 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 8.6 No Tax Advice. Neither the PAGA Plaintiffs, PAGA Counsel, Defendants, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 8.7 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives.
- 8.8 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 8.9 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the State of California,

without regard to conflict of law principles.

- 8.10 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 8.11 Confidentiality. The Parties and their Counsel will treat the terms of this Settlement Agreement as strictly confidential prior to the filing of their motion for approval of the Settlement. Both before and after the filing of the motion, the Parties and their counsel will not issue any press releases or initiate any contact with the media or any other individuals currently or formerly employed by Defendants about this case and/or the fact, amount, or terms of the Settlement. If, after the filing of the motion, counsel for either Party receives an inquiry about the Settlement from the media, counsel may respond but must limit such response to “no comment” or words to that effect. To the extent permitted by law, all agreements made, and orders entered during the Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 8.12 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Evidence Code section 1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by SEBMG in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute or California Rules of Court rule. Not later than 90 days after SEBMG pays the Settlement funds, Plaintiffs shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendants unless Defendants make a written request to PAGA Counsel for the return, rather than the destruction, of Aggrieved Employee Data.
- 8.13 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 8.14 Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 8.15 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To PAGA Plaintiffs:

Bradley A. Lebow
blebow@ddwklaw.com
Dunn DeSantis Walt & Kendrick LLP
750 B. Street, Suite 2620
San Diego, CA 92101

To Defendant Sutter East Bay Medical Group, Inc.:

Carla J. Hartley
Dillingham & Murphy, LLP
155 Sansome Street, Suite 700
San Francisco, CA 94104

To Defendants Sutter Health, Sutter Bay Medical Foundation, and The Surgery Center at Alta Bates:

Teresa W. Ghali
teresaghali@gbgllp.com
GBG LLP
601 Montgomery Street, Suite 840
San Francisco, CA 94111

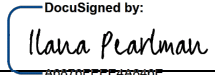
8.16 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

8.17 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this settlement process.

The Parties hereby execute this Settlement.

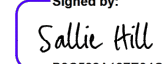
Dated: 2/5/2026

ILANA PEARLMAN

By: 
(Signature)

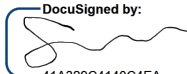
Dated: 2/5/2026

SALLIE HILL

By: 
(Signature)

Dated: 2/3/2026

SONYA JUBB

By: 
41A220C4140C4EA...
(Signature)

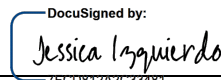
Dated: 2/4/2026

DIANA NEMIROVSKY

By: 
4674B2FCF8044F8...
(Signature)

Dated: 2/6/2026

JESSICA IZQUIERDO

By: 
7FCD812A2C33481...
(Signature)

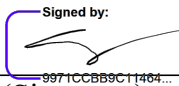
Dated: 2/5/2026

LIOR BLOOM

By: 
EBAF01B8ECC34C2...
(Signature)

Dated: 2/3/2026

ALISON ROBERTS

By: 
9971CCB59C11464...
(Signature)

Dated: 2/17/2026

SUTTER EAST BAY MEDICAL GROUP

By: 
Arzou Ahsan, M.D.
President & CEO

Dated: 03/04/2026

SUTTER BAY MEDICAL FOUNDATION
SUTTER HEALTH
~~THE SURGERY CENTER OF ALTA BATES~~
~~SUMMIT MEDICAL CENTER~~



Jonathan Ma
Chief Financial Officer, Sutter Health

Dated: 03/04/2026

THE SURGERY CENTER OF ALTA BATES
SUMMIT MEDICAL CENTER, LLC



Nate Garner
Authorized Board Member

Approved as to form:

Dated: 2/6/26

DUNN DESANTIS WALT & KENDRICK, LLP

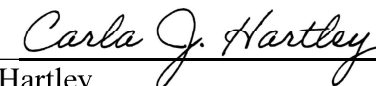
By: 

Bradley A. Lebow

Attorneys for PAGA Plaintiffs Ilana Pearlman, Sallie Hill, Sonya Jubb, Diana Nemirovsky, Jessica Izquierdo, Lior Bloom, and Alison Roberts

Dated: 2/18/2026

DILLINGHAM & MURPHY, LLP

By: 

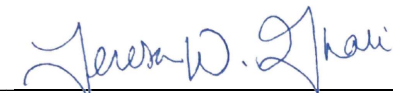
Carla J. Hartley

Attorneys for Defendant

SUTTER EAST BAY MEDICAL GROUP, INC.

Dated: 2/19/26

GBG LLP

By: 

Teresa W. Ghali

Attorneys for Defendants

SUTTER BAY MEDICAL FOUNDATION,
SUTTER HEALTH, AND THE SURGERY
CENTER OF ALTA BATES SUMMIT
MEDICAL CENTER