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15 Attorneys for Defendant
16 GROSSMONT HOSPITAL CORPORATION

17
18 SUPERIOR COURT OF CALIFORNIA
19 COUNTY OF SAN DIEGO

20
21 CECELIA MADDEN, an individual, on
behalf of the State of California, as a private
attorney general, and on behalf of all others
22 similarly situated,

23 Plaintiff,

24 v.

25 GROSSMONT HOSPITAL
CORPORATION, a California Corporation,
26 doing business as SHARP HEALTHCARE
and DOES 1 to 50, inclusive,

27 Defendants.
28

Case No. 37-2021-00019533-CU-OE-CTL

**ASSIGNED FOR ALL PURPOSES TO
JUDGE GREGORY W. POLLACK, DEPT.
C-71**

**JOINT STIPULATION OF CLASS
ACTION/PAGA SETTLEMENT
AGREEMENT AND RELEASE**

IMAGED FILE

Trial Date: None Set
Complaint Filed: May 3, 2021

1 Subject to the approval of the Court, this Joint Stipulation of Class Action and PAGA
2 Settlement and Release (“Settlement”) is made and entered into by and between Plaintiffs Cecelia
3 Madden and Cory E. Gautereaux (“Plaintiffs”), individually and as representatives of the Participating
4 Class Members, as defined below, on the one hand, and Defendant Grossmont Hospital Corporation
5 (“Defendant”), on the other hand. The Class (as defined below) and Defendant are jointly referred to
6 herein as the “Settling Parties” and individually referred to herein as “Settling Party.”

7 DEFINITIONS

8 In addition to the other terms defined elsewhere in this Settlement, the terms below have the
9 following meanings in this Settlement:

10 I. DEFINITIONS

11 A. “Action” means the civil action entitled *Cecilia Madden v. Grossmont Hospital*
12 *Corporation*, San Diego Superior Court Case Number 37-2021-00019533-CU-OE-CTL, which was
13 commenced on May 3, 2021.

14 B. “Class Counsel” means Craig J. Ackermann of Ackermann & Tilajef, P.C., and Amir
15 H. Seyedfarshi of Employment Rights Law Group, APC.

16 C. “Class Counsel Fees and Expenses” means the total amount of attorneys’ fees,
17 litigation costs, and expenses awarded to Class Counsel by the Court to compensate Class Counsel for
18 their representation of the Class in the Action, including pre-filing investigation, filing of the Action,
19 all related litigation activities including discovery, mediation, the motion for class certification, this
20 Settlement, and all post-Settlement compliance procedures.

21 D. “Class” or “Class Member(s)” means: All current and former non-exempt Respiratory
22 Therapist employees of Defendant from May 3, 2017 through April 30, 2022 who did not individually
23 settle the claims made in the Action.

24 E. “Class Period” means the period of time from May 3, 2017 through May 28, 2022.

25 F. “Class Representatives Service Award” means the amount awarded by the Court to
26 the Class Representatives pursuant to Section III (D).

27 G. “Class Representatives” or “Plaintiffs” mean Cecilia Madden and Cory Gautereaux.

28 H. “Court” means the Superior Court of California for the County of San Diego.

1 **I.** “Defendant’s Counsel” means Jody A. Landry and Krystal Weaver of Littler
2 Mendelson, PC.

3 **J.** “Effective Date” means the date by which all of the following have occurred: the
4 Court has finally approved the Settlement and entered Judgment thereon pursuant to California Rules
5 of Court 3.769(h); and the Judgment has become Final, as defined herein below.

6 **K.** “Final” means that the Settlement has been finally approved by the Court without
7 material modification and either: (i) if there are no objections on the date the order for final approval
8 is issued; (ii) if an objection(s) is made and overruled, 60 days from the date the order for final approval
9 is issued; or (iii) if objections are made, and an appeal is filed, the day after the Judgment is affirmed
10 or the appeal, review or writ is dismissed or denied, and the Judgment is no longer subject to further
11 judicial review.

12 **L.** “Final Approval Hearing” means the hearing to be conducted by the Court to
13 determine whether to finally approve and implement the terms of this Settlement.

14 **M.** “Judgment” means the judgment entered by the Court after it grants final approval of
15 this Settlement.

16 **N.** “Maximum Settlement Amount” is the total maximum potential monetary value of
17 the settlement payable by Defendant as provided herein, which is Nine-Hundred Thousand Dollars
18 (\$900,000.00). The Maximum Settlement Amount is inclusive of all payments to Participating Class
19 Members under the terms of this Settlement, Class Counsel Fees and Expenses (up to and not to exceed
20 \$300,000 for attorneys’ fees and up to and not exceeding \$13,000 for reimbursement of litigation costs
21 and expenses) awarded by the Court, the Class Representatives’ Service Awards approved by the
22 Court (not to exceed \$15,000 for Madden or \$6,000 for Gautereaux), Settlement Administration Costs,
23 the LWDA Payment defined below, and employee-side taxes. Only employer-side payroll taxes are
24 excluded. Employer-side payroll taxes shall be paid in addition to the Maximum Settlement Amount.

25 **O.** “Net Settlement Amount” means the Maximum Settlement Amount less: Class
26 Counsel Fees and Expenses approved by the Court; any Class Representatives Service Awards
27 approved by the Court; Settlement Administration Costs approved by the Court; and the PAGA
28 Payment.

1 **P.** “Participating Class Member(s)” means Class Members who do not submit a timely
2 and valid request to opt-out of the Settlement.

3 **Q.** “PAGA Employees” means all current and former non-exempt Respiratory Therapist
4 employees of Defendant from February 16, 2020 through April 30, 2022.

5 **R.** “PAGA Payment” or “PAGA Employee Fund” is the \$45,000 of the Maximum
6 Settlement Amount deemed payment for penalties under PAGA.

7 **S.** “PAGA Period” is the time period from February 16, 2020 through May 28, 2022.

8 **T.** “Pay Periods” means for the Class Period, the total number of pay periods worked by
9 a Class Member for Defendant during the Class Period. For the PAGA Period it means the total
10 number of pay periods worked by the PAGA Employee during the PAGA Period.

11 **U.** “Pay Period Value” is established by dividing the Net Settlement Amount by all Pay
12 Periods for the Settlement Class Members and PAGA Employees as explained in Section III(F).

13 **V.** “Preliminary Approval” means the Court’s order granting preliminary approval of the
14 Settlement.

15 **W.** “Released Parties” means Defendant and its parent, affiliates, and each of their
16 company-sponsored employee benefit plans, and their respective successors and predecessors in
17 interest, all of their respective officers, directors, employees, administrators, fiduciaries, trustees and
18 agents, and each of their past, present and future officers, directors, shareholders, employees, agents,
19 principals, heirs, representatives, accountants, auditors, consultants, and attorneys.

20 **X.** “Settlement Administrator” means the third-party administrator appointed by the Court
21 to administer the settlement of this Action under the terms of this Settlement. CPT shall serve as the
22 Settlement Administrator, subject to the Court’s approval.

23 **Y.** “Settlement Administration Costs” means all fees and costs owed to the Settlement
24 Administrator in connection with administering the settlement in this Action under the terms of this
25 Settlement.

26 **Z.** “Settlement Share” means each Class Member’s pro rata share of the Net Settlement
27 Amount which is determined by converting the Net Settlement Amount into a bi-weekly/pay period
28 value as described below in Section III(F).

II. RECITALS

A. On May 3, 2021, Plaintiff Cecilia Madden filed her initial complaint commencing the Action in the Court. Class Counsel sent a letter to the LWDA prior to that time to exhaust her remedies under the Private Attorney General Act, California Labor Code section 2698, et. seq. ("PAGA"). A First Amended Complaint ("Operative Complaint") will be filed adding Cory Gautereaux as a Plaintiff. Plaintiffs contend, by way of the Action, that Defendant violated California's wage and hour laws with respect to Plaintiffs and Class Members by, *inter alia*, failing to properly provide meal periods or pay a premium in lieu thereof, failing to properly authorize and permit rest breaks or pay a premium in lieu thereof, failure to timely pay wages at termination, failing to provide compliant wage statements, and thereby also violated California Business & Professions Code section 17200, et seq. and seeks penalties under PAGA.

B. On April 18, 2022 the Settling Parties attended mediation with Lisa Klerman, an experienced mediator. After lengthy negotiations during which the Settling Parties, through their counsel, recognized the burdens and risk of continuing with the litigation, the Settling Parties reached an agreement to settle and resolve the Action and Released Claims (as defined in Section III(I)).

C. The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended, or may be construed, as an admission by Defendant that any of the claims alleged in the Action have merit, or that Defendant bears any liability to the Class Members on those claims, nor as an admission by the Class Members that Defendant's defenses in the Action have merit.

Based on these Recitals, the Settling Parties hereby agree as follows.

III. SETTLEMENT TERMS AND CONDITIONS

A. **Maximum Settlement Amount.** In order to settle the Action and Released Claims, Defendant agrees to pay the Maximum Settlement Amount of \$900,000.00. This Maximum Settlement Amount is inclusive of all payments described in Section I(O). Under no circumstances shall Defendant be required to pay more than the Maximum Settlement Amount, other than the amount of employer-side payroll taxes owed on the wage portion of the Settlement Shares ("Employer Taxes"). Defendant shall pay the Employer Taxes separately and in addition to the Maximum

1 Settlement Amount.

2 **B. Class Counsel Fees And Expenses.** Defendant and its counsel shall not oppose the
3 application to the Court for an award of up to \$300,000 of the Maximum Settlement Amount for
4 attorneys' fees and up to \$13,000 of the Maximum Settlement Amount for reimbursement of Class
5 Counsel's litigation costs and expenses. Class Members and Class Counsel shall not seek payment of
6 attorneys' fees or reimbursement of costs or expenses except as set forth herein. The Settlement
7 Administrator shall issue an IRS Form 1099 to Class Counsel with respect to the attorneys' fees and
8 costs awarded to them. Defendant agrees not to oppose a motion for attorneys' fees or a bill of costs
9 for the aforementioned amounts, provided that this should not be construed as approval or endorsement
10 by Defendant of the amount sought. Whatever amount of Class Counsel Fees and Expenses that the
11 Court approves shall be paid from the Maximum Settlement Amount. Should the Court approve and
12 award less than the amount provided for herein, the difference shall be included in the Net Settlement
13 Amount.

14 **C. LWDA Payment.** Settling Parties agree that the amount of \$45,000 of the Maximum
15 Settlement Amount is deemed payment for penalties under PAGA ("PAGA Penalties"), of which 75%
16 shall be paid to the Labor and Workforce Development Agency ("LWDA Payment") and the
17 remaining 25% shall be distributed to the PAGA Employees pursuant to the formula in Section
18 III(F)(3).

19 **D. Class Representatives Service Award.**

20 1. Plaintiffs shall request, and Defendant shall not oppose, incentive payments not
21 to exceed \$15,000 for Cecilia Madden and \$6,000 for Cory Gautereaux, the Class Representatives.
22 The Class Representatives' Service Award is intended as reasonable compensation for the time and
23 effort expended by them as Class Representative and in connection with the initiation and maintenance
24 of this Action. The Class Representatives' Service Award shall be paid from the Maximum Settlement
25 Amount, and shall be paid in addition to whatever payment Plaintiffs are otherwise entitled to as a
26 Participating Class Member. The Class Representatives' Service Award shall be reported to the taxing
27 authorities by means of an IRS Form 1099. The amount of the Class Representatives' Service Award
28 is left to and within the Court's sole discretion. Whatever Class Representatives' Service Award the

1 Court orders shall be paid from the Maximum Settlement Amount. Should the Court approve and
2 award less than the amount provided for herein, or not at all, the difference shall be included in the
3 Net Settlement Amount. The Settling Parties agree that the approval, and amount, of any Class
4 Representatives' Incentive Award in this Action shall be in the Court's sole discretion and not subject
5 to any appeal by Plaintiffs who are the sole recipients of any approved Class Representatives' Service
6 Award. This Settlement is not contingent on Plaintiffs' receipt of any Service Award out of the
7 Maximum Settlement Amount.

8 2. Plaintiffs acknowledge and agrees that Defendant and its attorneys have made
9 no representations or warranties regarding the tax consequences of payment of the Class
10 Representatives' Service Award, and Plaintiffs have not relied on any such representations or
11 warranties. Plaintiffs further agree to pay and bear sole responsibility for all taxes, liens, levies,
12 encumbrances, interest, and penalties that may be due or payable to any taxing authority as a result of
13 payment of any Class Representatives' Service Award. Furthermore, Plaintiffs agree to defend and
14 indemnify Defendant and Released Parties in connection with any taxes, fines, interest or penalties
15 incurred as a result of any failure by Plaintiffs to pay taxes due, if any, on the Class Representatives'
16 Service Award paid pursuant to this Agreement.

17 **E. Settlement Administration Costs.** Settling Parties selected CPT to act as the
18 Settlement Administrator and it is estimated that the fees, expenses, and costs for administration of
19 the terms of this Settlement shall not exceed \$15,000 ("Settlement Administration Costs"). All of the
20 Settlement Administration Costs shall be paid from the Maximum Settlement Amount upon
21 completion of all duties required to be performed by the Settlement Administrator under the terms of
22 this Settlement, or as otherwise required by the Court, subject to the "not to exceed" quote from the
23 agreed upon Settlement Administrator. Should the Court approve and award less than the amount
24 provided for herein, or not at all, the difference shall be included in the Net Settlement Amount.

25 **F. Settlement Shares to Class Members.**

26 1. Under the Settlement, each Participating Class Member shall be entitled to
27 payment of a pro rata portion of the Net Settlement Amount (i.e., his or her Settlement Share). The
28 amount that each Class Member shall be eligible to receive under the Settlement shall be determined

1 by converting the Net Settlement Amount into a Pay Period Value. Class Member's estimated
2 Settlement Share will be calculated by multiplying his or her individual Pay Periods by the Pay Period
3 Value. The pay periods worked by Class Members during the Class Period will be derived by
4 calculating the number of days during the Class Period worked by each Class Member by using the
5 hire and termination dates and payroll data in Defendant's records, dividing by 14 to yield pay periods.

6 2. Each Settlement Share of the Net Settlement Amount shall be apportioned as
7 follows: 20% as wages (the "Wage Component") and 80% for interest, penalties, and other non-wage
8 damages (the "Non-Wage Component"). Each Settlement Share shall be subject to reduction for all
9 employee's share of taxes and withholdings on the Wage Component and shall be reported on IRS W-
10 2 forms, and the net payment will be referred to as "Individual Settlement Payment(s)." No reductions
11 will be made to Settlement Shares for any taxes or withholding in connection with the Non-Wage
12 Component, and the Non-Wage Component shall be reported on IRS 1099 forms. All Class Members
13 covered by this Settlement agree that they are not relying on any representations regarding the tax
14 allocation or treatment of any amounts paid to them under the terms of this Settlement and agree to
15 hold Defendant and the Released Parties harmless for any and all tax consequences relating to the
16 allocation of the payments made under this Settlement.

17 3. Each PAGA Employees' pro rata share of the PAGA Employee Fund
18 ("Individual PAGA Settlement Share") will be determined by converting the portion of the PAGA
19 Employee Fund payable to the PAGA Employees into a Pay Period Value. The pay periods worked
20 by the PAGA Employees during the PAGA Period will be derived by calculating the number of days
21 during the PAGA Period worked by each PAGA Employees by using the hire and termination dates
22 and payroll data in Defendant's records, dividing by 14 to yield pay periods. The Individual PAGA
23 Settlement Share for each PAGA Employee will be determined by multiplying the pay period value
24 by each PAGA Employee's individual pay periods. All payments are for penalties and will be reported
25 to the PAGA Employees on IRS Form 1099.

26 **G. Distributions.**

27 1. Within five (5) business days of the Effective Date, the Settlement
28 Administrator shall provide Class Counsel and Defendant's Counsel with the account information so

1 that Defendant can wire the Maximum Settlement Amount and the Employer Taxes, and Defendant
2 shall wire said amounts within thirty (30) business days of the Effective Date.

3 2. The Settlement Administrator shall distribute Individual Settlement Payments
4 to Participating Class Members, the payment to the Labor and Workforce Development Agency, the
5 Court-approved Class Representatives' Service Awards to Plaintiffs, and Court-approved Class
6 Counsel Fees and Expenses to Class Counsel, within ten (10) business days of receipt of payment from
7 Defendant pursuant to this Paragraph.

8 3. Individual Settlement Payment checks issued to Participating Class Members
9 shall remain valid for a period of 120 calendar days after they issue, and shall be cancelled thereafter.
10 Uncashed checks shall go to the State of California Unclaimed Property Fund.

11 **H. Payments To Class Do Not Trigger Additional or Derivative Payments.** It is
12 expressly understood and agreed that the receipt of payments under the Settlement shall not entitle
13 Plaintiffs or any Participating Class Member to additional or derivative compensation or benefits under
14 any of Defendant's compensation or benefit plans or agreement in place during the period covered by
15 the Settlement, nor shall it entitle Plaintiffs or any Class Member to any increased retirement, 401k
16 benefits or matching benefits, or deferred compensation benefits. It is the intent of this Settlement that
17 the payments provided for in this Agreement are the sole payments to be made by Defendant to
18 Plaintiffs and Participating Class Members, and that Plaintiffs and Participating Class Members are
19 not entitled to any additional or derivative compensation or benefits as a result of having received said
20 payments (notwithstanding any contrary language or agreement in any benefit or compensation plan
21 document that might have been in effect during the period covered by this Settlement).

22 **I. Release of Claims.**

23 1. Release of Claims By Participating Class Members. "Released Claims" means
24 all claims for violations of the following Labor Code sections, as well as civil penalties under PAGA,
25 that were actually alleged or that could have been alleged in the Action by Plaintiffs based on the
26 factual or legal allegations contained in Plaintiff Madden's February 16, 2021 PAGA Letter and the
27 Complaint filed on May 3, 2021 and any subsequent amendments to the Complaint, on behalf of the
28 Class Members and the State of California, themselves and the PAGA Employees for the entire Class

1 Period and the entire PAGA Period, including, but not limited to: (a) failure to provide duty-free meal
2 periods; (b) failure to provide duty-free rest breaks; (c) failure to provide accurate wage statements;
3 (d) unfair business practices; (e) waiting time penalties; (f) penalties under PAGA for alleged
4 violations of Labor Code sections 201-203, 226, 226.3, 226.7, 512, 1198, 2699 et. seq., claims for
5 violation of the provisions of Wage Order 5 regarding meal periods and rest periods, as well as
6 allegations regarding the failure to provide meal periods, failure to authorize and permit rest breaks,
7 inaccurate wage statements; (g) claims for the Attorney's Fees and Litigation Costs incurred in the
8 prosecution of this Action on behalf of the Class Members and PAGA Employees; (h) any other
9 claims, remedies, penalties, or interest that could have been plead based on the facts alleged in the
10 operative Complaint; and (i) all claims that Plaintiffs, the Class Members and/or the PAGA Employees
11 may have against the Released Parties relating to: (A) the payment, taxation, and allocation of
12 Attorney's Fees and Litigation Costs to Counsel pursuant to this Settlement Agreement; and (B) the
13 payment, taxation, and allocation of the Service Award to Plaintiffs. The release of the Released
14 Claims shall be effective as to the entire PAGA Period and entire Class Period, both defined above.

15 2. Complete And General Release By Class Representatives. In addition to the
16 Service Award, as additional consideration, Defendant agrees that the written warning issued to
17 Plaintiff Madden shall be expunged from her personnel record as of September 1, 2022, provided that
18 she timely completes the annual compliance and privacy training for all of Defendant's employees
19 and she commits no additional privacy violations involving protected health information (PHI)
20 between now and that date. In response to any inquiry to the Defendant's Human Resources
21 Department from a prospective future employer of Plaintiffs, the Human Resources Department shall
22 provide only Plaintiffs' dates of employment with Defendant and position held. Class Representatives
23 understand that they may hereafter discover facts in addition to or different from those Plaintiffs now
24 knows or believes to be true with respect to the subject matter of the Released Claims, but upon the
25 Effective Date, shall be deemed to have, and by operation of the contemplated final judgment shall
26 have, fully, finally, and forever settled and released any and all of the Released Claims, whether known
27 or unknown, suspected or unsuspected, contingent or non-contingent, which now exist, or heretofore
28 have existed, upon any theory of law or equity now existing, including, but not limited to, alleged

1 retaliation, conduct that is negligent, intentional, with or without malice, or a breach of any duty, law
2 or rule, without regard to the subsequent discovery or existence of such different or additional facts.
3 In exchange for the consideration provided to her/him under the Settlement, Class Representatives
4 shall, waive any and all rights Plaintiffs may have under Civil Code section 1542. Section 1542 reads
5 as follows: “A general release does not extend to claims that the creditor or releasing party does not
6 know or suspect to exist in his or her favor at the time of executing the release and that, if known by
7 him or her, would have materially affected his or her settlement with the debtor or released party.”
8 Plaintiffs understand that they are providing a general release of known and unknown claims to
9 Defendant that is effective when the Court grants final approval of the Settlement and Defendant funds
10 the Settlement.

11 3. Upon the date Defendant fully funds the Maximum Settlement Amount,
12 Plaintiffs, on behalf of themselves, the State of California, all PAGA Employees and all Class Members,
13 release the Released Parties from the Released Claims. Both PAGA Employees and/or Class Members
14 may discover facts in addition to those they now know or believe to be true with respect to the subject
15 matter of the Released Claims, but upon the date Defendant fully funds the Maximum Settlement
16 Amount, PAGA Employees and Class Members shall be deemed to have, and by operation of the
17 Settlement Approval order shall have, fully, finally, and forever settled and released any and all of the
18 Released Claims, without regard to the subsequent discovery or existence of such different or
19 additional facts. PAGA Employees and Class Members shall not sue or otherwise make a claim
20 against any of the Released Parties that seeks recovery for any of the Released Claims. It is the intent
21 of the Parties that the Settlement Approval order entered by the Court shall have full *res judicata* effect
22 and be final and binding upon the PAGA Employees and Class Members regarding the Released
23 Claims

24 **J. Motion For Preliminary Approval.**

25 1. Class Counsel will file an unopposed motion with the Court (the “Preliminary
26 Approval Motion”) seeking an order approving the Settlement; setting a date for the Final Approval
27 Hearing; approving the distribution of the Notice of Class Action Settlement (the “Class Notice”) in
28 substantively the form attached hereto as “**Exhibit A**”; and approving the procedures and deadlines

1 for disputing Pay Periods, opting-out of the Settlement, and objecting to the Settlement. Defendant's
2 counsel will either not respond or will file a notice of non-opposition to the motion.

3 2. At the hearing on the Preliminary Approval Motion, the Settling Parties will
4 jointly appear, and support the granting of the motion, and submit a proposed order granting
5 preliminary approval of the Settlement, approving the Class Notice, and setting a Final Approval
6 Hearing (the "Proposed Order"). The Proposed Order to be submitted to the Court in substantially the
7 form that is attached hereto as "**Exhibit B.**"

8 3. Should the Court, after a reasonable opportunity to cure and remedy any stated
9 deficiencies, ultimately decline to grant preliminary approval of the Settlement as proposed by the
10 Settling Parties, then the Settlement is void for lack of a condition precedent of the Settlement and the
11 Settling Parties will revert to their respective positions.

12 **K. Mailing Of Class Notice To Class Members.**

13 After the Court enters its order granting preliminary approval of the Settlement, all Class
14 Members will be provided with the Class Notice by the Settlement Administrator as follows:

15 1. Within ten (10) business days after the Court grants preliminary approval of the
16 Settlement, Defendant shall provide to the Settlement Administrator the last-known contact
17 information that it has for the Class Members, including their full name, mailing addresses, telephone
18 numbers, Social Security numbers, start and end dates of employment as a respiratory therapist
19 employee of Defendant in California during the Class Period, and such other information that may be
20 necessary to calculate Pay Periods and/or process disputes of Pay Periods ("Class Data List"). A
21 redacted version of the Class Data List, without any personal contact information or Social Security
22 numbers, shall be provided to Class Counsel, and this list shall be used for no purpose other than to
23 monitor the administration of the Settlement. All data and information provided to the Settlement
24 Administrator and Class Counsel by way of the Class Data List shall be treated as confidential and
25 shall not be disclosed to anyone, except as may be required to applicable tax authorities, pursuant to
26 Defendant' express written consent, by order of the Court, or to carry out the reasonable steps
27 described in this Settlement to locate missing Class Members.

28 2. Within ten (10) calendar days after receiving the Class Data List from

1 Defendant, the Settlement Administrator shall mail the Class Notice to all identified Class Members
2 via first-class U.S. Mail, using the last known address information provided by Defendant, unless such
3 address is modified by any updated address information that the Settlement Administrator obtains in
4 the course of administration of the Settlement. Prior to completing this mailing, the Settlement
5 Administrator shall perform a National Change of Address (“NCOA”) search to confirm the validity
6 of and update Class Members’ mailing addresses.

7 3. If any Class Notice is returned as undeliverable with a forwarding address
8 within thirty (30) calendar days of the mailing of the Class Notice, the Settlement Administrator shall
9 have five (5) calendar days to re-mail the Class Notice to the forwarding address. If any Class Notice
10 is returned as undeliverable without a forwarding address within thirty (30) calendar days of the
11 mailing of the Class Notice, the Settlement Administrator shall have five (5) calendar days from receipt
12 of the returned Class Notice to search for a more current address for the Class Member and to re-mail
13 the Class Notice to the Class Member. This inquiry shall include a skip-trace search. The Settlement
14 Administrator shall be responsible for taking all reasonable steps, consistent with its agreed upon job
15 parameters, Court orders and fee, according to the deadlines set forth in this Settlement, to administer
16 the Settlement, including, *inter alia*, to tracking all undelivered mail, performing an address search for
17 all mail returned without a forwarding address, and promptly re-mailing the Class Notice to Class
18 Members as set forth herein. If the Class Notice is re-mailed, the Settlement Administrator shall note
19 for its own records the date and address of each such re-mailing and so notify Class Counsel and
20 Defendants’ counsel. The obligation to trace and resend returned Class Notices shall cease after two
21 mailings or thirty (30) calendar days after the initial mailing, whichever occurs first. The Response
22 Deadline shall be either the original Response Deadline or fifteen (15) calendar days after the
23 remailing of a Class Notice in accordance with the Agreement, whichever is later.

24 4. The Settlement Administrator shall provide weekly status reports to counsel for
25 the Settling Parties, including: (a) the number of Class Notices that it has mailed; (b) the number of
26 objections, if any are received; (c) the number of disputes of pay periods, if any are received; and (c)
27 the number of requests to opt-out of the Settlement, if any are received.

28 5. No later than ten (10) business days after the Response Deadline, the Settlement

1 Administrator shall provide Class Counsel and Defendant' counsel, a declaration for filing with the
2 Court in support of Plaintiffs' motion for final approval of the Settlement, setting forth its due diligence
3 and compliance with its obligations under this Settlement.

4 **L. Opt-Outs and Objections To Settlement.**

5 Class Members are not required to sign a claim form to participate in the Settlement. Class
6 Members may opt out of the Settlement or submit objections to the Settlement pursuant to the
7 following procedures:

8 1. The Class Notice shall provide that Class Members who do not want to
9 participate in the Settlement may exclude themselves by submitting a written request seeking to opt-
10 out of the Settlement ("Opt-Out Notice") to the Settlement Administrator not later than forty-five (45)
11 calendar days after the date that the Settlement Administrator first mails the Class Notice ("Response
12 Deadline"). An Opt-Out Notice must: (a) contain the full name, address, and last four digits of the
13 Social Security number of the person requesting to opt-out; (b) be signed by the person requesting to
14 op-out; (c) reference the Action by its name; and (d) contain a statement clearly indicating that the
15 person submitting the request seeks to be excluded from the Settlement. If the Opt-Out Notice does
16 not contain the information listed in (a)-(d) or is not returned to the Settlement Administrator
17 postmarked by the Response Deadline, it shall not be deemed timely and valid. The date of the
18 postmark on the return mailing envelope shall be the exclusive means used to determine whether the
19 Opt-Out Notice has been timely submitted. Any Class Member who submits a timely and valid Opt-
20 Out Notice shall not be entitled to any recovery under the Settlement, except for his or her portion of
21 the PAGA Payment, if applicable, and shall not be bound by the terms of the Settlement, and shall not
22 have any right to object, appeal, or comment thereon. Class Members who fail to submit a timely and
23 valid Opt-Out Notice shall be Class Members bound by all terms of the Settlement and the
24 contemplated Judgment if the Settlement is granted final approval by the Court. No later than ten (10)
25 business days after the Response Deadline, the Settlement Administrator shall provide Counsel with
26 a complete list of all Class Members who have submitted timely and valid Opt-Out Notices, including
27 their full names.

28 2. The Class Notice shall provide that Participating Class Members (i.e., Class

Members who are not seeking to opt out of the Settlement) who wish to object to the Settlement must file with the Court and submit to the Settlement Administrator a written statement explaining their objection to the Settlement no later than the Response Deadline. If a Class Member opts out of the Settlement, Plaintiffs cannot object to the Settlement. Class Members need not include legal arguments for their written objections to be considered, but submission of the basis for the objection is strongly encouraged and such will be explained in the class notice. If an objector also wishes to appear at the Final Approval Hearing, in person or through an attorney, he or she need not file a notice of intention to appear at the same time as the objection is filed. Filing the notice of intention to appear is not necessary to preserve the right to appear at the Final Approval Hearing

A Class Member who does not file and submit an objection in the manner and by the Response Deadline specified above, or who does not appear at the hearing to raise an objection shall be deemed to have waived all objections and shall be foreclosed from making any objections to the Settlement, whether by appeal or otherwise.

3. If a Class Member who has timely filed an objection to the Settlement files a Notice of Appeal of the contemplated Judgment within the time period prescribed by law, Defendant shall not be required to fund any portion of the Maximum Settlement Amount, and the Settlement Administrator shall not distribute or pay any monies until the appeal(s) are finally resolved in favor of the Settlement or dismissed with prejudice.

5. There is no statutory right for any Class Member who is covered by the PAGA portion of the settlement to object, opt out or otherwise exclude himself or herself from the PAGA part of the Settlement. Except as otherwise stated, Plaintiffs shall vigorously defend against any attempt by any PAGA Employee or by any entity or agency to intervene in this matter or object to/opt-out of this settlement. Further, there is no right or opportunity for any PAGA Employee to appeal the approval of the Settlement by the Court. The Parties shall jointly defend against any appeal filed with respect to the Final Order as it pertains to the PAGA part of the Settlement.

M. Resolution of Class Member Disputes over Pay Periods.

1. If a Class Member disputes the number of Pay Periods credited to him or her, which will be stated in the Class Notice, the Class Member must submit a written dispute to the

1 Settlement Administrator, postmarked no later than the Response Deadline. The dispute must: (a)
2 contain the full name, address, and last four digits of the Social Security number of the Class Member;
3 (b) be signed by the Class Member; (c) reference the Action by its name and case number; (d) contain
4 a statement clearly indicating that the Class Member disputes the number of Pay Periods that are
5 credited to him or her and the number of Pay Periods that the Class Member claims should be credited
6 to him or her; and (e) attach supporting documentation, if any, that they may have. If such a dispute
7 arises with respect to a Class Member, the Settlement Administrator shall inform Class Counsel and
8 Defendant's Counsel. Defendant shall manually review its payroll and personnel records to verify the
9 correct number of pay Periods for the disputing Class Member. Defendant's records shall have a
10 rebuttable presumption of correctness, and Defendant's Counsel and Class Counsel shall jointly
11 determine how the dispute should be resolved. If they are unable to jointly resolve the dispute, the
12 Settlement Administrator shall present the dispute for resolution by the Court, by way of declaration
13 to be filed in advance of the Final Approval Hearing. The decision on the dispute shall be non-
14 appealable.

15 **N. No Solicitation of Objections or Opt-Outs.** Neither the Settling Parties nor their
16 respective counsel or management shall solicit or otherwise encourage any Class Member, directly or
17 indirectly, to seek to opt-out from the Settlement, object to the Settlement, and/or appeal from the
18 Judgment.

19 **O. Additional Briefing and Final Approval.**

20 1. As soon as practicable following the Response Deadline, Plaintiffs shall move
21 the Court for final approval of the Settlement, including all documents necessary for approval of an
22 award of attorney's fees, costs and the Class Representatives' Service Award. Said shall be filed by
23 the date set by the Court. Defendant agrees it shall not oppose the motion so long as the motion is in
24 all respects consistent with the terms of this Settlement. Not later than five (5) court days before the
25 Final Approval Hearing, the Settling Parties may file, jointly or separately, a reply in support of the
26 motion or such other papers as may be necessary or helpful to the Court regarding the subject matter
27 of the motion.
28

2. Upon final approval of the Settlement by the Court at or after the Final Approval Hearing, the Settling Parties shall present a Judgment for the Court's approval and entry, which shall provide that the Court shall have continuing jurisdiction over the Action and the Settlement solely for purposes of: (i) enforcing this Settlement, (ii) addressing any settlement administration matters that may arise; and (iii) addressing such post-Judgment matters as may be appropriate under court rules or applicable law.

P. Options to Terminate Settlement.

1. Any reduction in the Class Counsel Fees and Expenses, and/or any reduction to the requested Class Representatives' Service Awards, does not constitute grounds to terminate or void the Settlement.

2. Defendant has the right to cancel the Settlement if more than ten percent (10%) of the Class Members submit timely and valid requests Opt-Out Notices from the Settlement. This option to cancel the Settlement must be exercised by Defendant by providing written notice to Class Counsel within ten (10) business days of Defendant's Counsel receiving notification from the Settlement Administrator that more than ten percent (10%) of the Class Members have submitted timely and valid Opt-Out Notices from the Settlement. If Defendant exercises the option to terminate the Settlement, then Defendant shall be responsible for paying all Settlement Administration Costs.

3. Either Settling Party may terminate this Settlement by giving written notice to the other Settling Party (through its counsel) no later than twenty (20) calendar days after receiving notice that one of the following has occurred: (i) the Court declines to enter the Preliminary Approval Order or the Final Approval Order in substantially the form submitted by the Parties; (ii) the Settlement does not become final because of any appellate court action; or (iii) the Court's final approval of the Settlement is reversed or materially modified on appellate review.

4. In the event of termination of this Settlement as provided above, this Settlement shall become and be considered null and void, and it shall have the following effects: (i) the Settling Parties shall have no further obligations under the Settlement; (ii) Defendant shall have no obligation to make any payments to any person, party, Class Member or attorney that otherwise would have been owed under this Settlement, except that in case of termination under Section III (P)(2), Defendant shall

1 pay the Settlement Administrator's reasonable fees and expenses incurred as of the date that the
2 Settlement is terminated; (iii) in case of termination under Section III (P)(3), whichever party
3 terminates the Settlement shall pay the Settlement Administrator's reasonable fees and expenses
4 incurred as of the date that the Settlement is terminated; (iv) the Settlement and all negotiations,
5 statements and proceedings relating thereto shall be without prejudice to the rights of any of the
6 Settling Parties, all of whom shall be restored to their respective positions in the Action prior to the
7 Settlement; and (v) neither this Settlement nor any ancillary documents, actions, statements or filings
8 in furtherance of settlement (including all matters associated with the mediation) shall be admissible
9 or offered into evidence in the Action or any other case or proceeding for any purpose whatsoever.

10 5. Notice of the termination of the Settlement by a Settling Party must be provided
11 to counsel for the other Settling Party in writing.

12 **Q. Dispute Resolution.** Any disputes not resolved by the Settlement Administrator or the
13 Settling Parties shall be resolved by the Court. Before any such resort to the Court, counsel for the
14 Settling Parties shall confer in good faith in an attempt to resolve the dispute.

15 **R. Waiver of Right To Appeal.** Plaintiffs and Class Counsel waive all appeals from the
16 Court's Final Approval of this Settlement.

17 **S. Publicity.** Neither Plaintiffs nor Class Counsel shall publicize this Settlement by
18 Defendant's name or location (i.e., an institution in San Diego), through a press release, posting on the
19 website of Class Counsel, in social media or by any other public means, other than in necessary Court
20 filings and proceedings associated with the Settlement. Nothing in this provision is intended to prohibit
21 (i) Plaintiffs from discussing this Settlement with their respective spouse or partner, attorneys or tax
22 advisor; or (ii) Class Counsel from communicating with putative class members in this case or with
23 the Court in which the Action is pending.

24 **T. Representation A To No Other Known Claims:** Class Counsel represent that as of
25 this time they do not represent any current or former employee of Defendant, and have no current
26 plans to file any new litigation against Defendant.

27 **U. Fair, Adequate, And Reasonable Settlement.** This Settlement was reached after
28 extensive negotiations. The Settling Parties believe and agree that this Settlement is a fair, adequate,

1 and reasonable resolution of the Action and have arrived at this Settlement in arms-length negotiations,
2 considering all relevant factors, present and potential, and shall so represent it to the Court.

3 **V. No Admission Of Liability.** Defendant and the Released Parties deny any and all
4 alleged wrongdoing or the violation of any rights of the Plaintiffs and/or Class Members. By entering
5 into this Settlement, Defendant does not admit, and in fact specifically disclaims, the violation of any
6 law or regulation. This Settlement is entered into solely for the purpose of compromising highly
7 disputed claims. Nothing in this Settlement is intended or shall be construed as an admission of any
8 liability or wrongdoing by Defendant, or as an admission by the Class Members that any of their claims
9 were non-meritorious or that any defense asserted by Defendant was meritorious. This Settlement and
10 the fact that the Settling Parties are willing to settle the Action and have entered into this Settlement
11 shall have no bearing on, and shall not be admissible in connection with, any litigation, other than as
12 is necessary to enforce the terms of this Settlement.

13 **W. Miscellaneous Terms.**

14 1. Integrated Agreement. After it is signed and delivered by all Settling Parties
15 and their counsel, this Settlement and its exhibits shall constitute the entire agreement between the
16 Settling Parties relating to the terms of Settlement, and shall supersede any prior or contemporaneous
17 oral representations, warranties, covenants, or inducements made to any Settling Party concerning this
18 Settlement or its exhibits, including the Settlement Terms.

19 2. Execution in Counterparts. This Settlement may be executed in one or more
20 counterparts and by facsimile or PDF version. All executed counterparts, and each of them, shall be
21 deemed to be one and the same instrument, provided that counsel for the Settling Parties shall
22 exchange between themselves original signed counterparts. Any executed counterpart shall be
23 admissible in evidence to prove the existence and contents of this Settlement.

24 3. Modification of Settlement. This Settlement, and any and all parts of it, may
25 be amended, modified, changed, or waived only by an express written instrument signed by all Settling
26 Parties or their successors-in-interest, subject to approval by the Court.

27 4. Settlement Binding on Successors. This Settlement shall be binding upon, and
28 inure to the benefit of, the successors of each of the Settling Parties and Participating Class Members.

1 5. Applicable Law. All terms and conditions of this Settlement and its exhibits
2 shall be governed by and interpreted according to the laws of the State of California, without giving
3 effect to any conflict of law or choice of law principles.

4 6. Interim Stay of Proceedings. The Parties shall stay all proceedings in the
5 Action, subject to necessary compliance with the Court's orders, except such proceedings necessary
6 to implement and complete the Settlement, pending the Final Approval Hearing to be conducted by
7 the Court.

8 7. Authorization to Enter Into Settlement Agreement. Counsel for all Settling
9 Parties warrant and represent they are expressly authorized by the Settling Parties whom they represent
10 to negotiate this Agreement and to take all appropriate actions required or permitted to be taken by
11 such Settling Parties pursuant to this Agreement to effectuate its terms, and to execute any other
12 documents required to effectuate the terms of this Agreement. The Settling Parties and their counsel
13 shall cooperate with each other and use their best effort to effectuate the implementation of the
14 Settlement. In the event the Settling Parties are unable to reach agreement on the form or content of
15 any document needed to implement the Settlement, or on any supplemental provisions that may
16 become necessary to effectuate the terms of this Settlement, the Settling Parties may seek the
17 assistance of the Court to resolve such disagreement. The persons signing this Agreement on behalf
18 of Defendant represents and warrants that they are authorized to sign this Agreement on behalf of
19 Defendant. The Class Representatives represent and warrant that they are authorized to sign this
20 Agreement and that they have not assigned any claim, or part of a claim, covered by this Settlement
21 to a third-party.

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

To Class Counsel:

CRAIG J. ACKERMANN, Bar No. 229832
cja@ackermanntilajef.com
ACKERMANN & TILAJEF, P.C.
1180 South Beverly Drive, Suite 610
Los Angeles, California 90035

AMIR H. SEYEDFARSHI, Bar No. 301656
amir@employmentrightslawgroup.com
EMPLOYMENT RIGHTS LAW GROUP, APC.
1180 South Beverly Drive, Suite 610
Los Angeles, California 90035

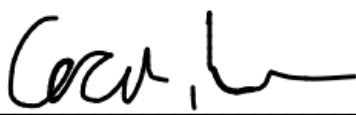
To Defendant:

Jody A. Landry, Esq.
jlandry@littler.com
Krystal Weaver, Esq.
kweaver@littler.com
LITTLER MENDELSON, P.C.
501 West Broadway, Suite 900
San Diego, California 92101

9. Cooperation in Drafting. The Settling Parties have cooperated in the drafting and preparation of this Settlement. This Settlement shall not be construed against any Settling Party on the basis that the Settling Party was the drafter or participated in the drafting.

IT IS SO AGREED.

Dated: 06 / 06 / 2022 _____


Cecelia Madden
Plaintiff

Dated: 06 / 08 / 2022 _____


Cory Gautereaux
Plaintiff

For GROSSMONT HOSPITAL CORPORATION
A California nonprofit public benefit corporation:

Dated: _____

4896-0192-7971.1 / 051375-1086

To Class Counsel:

CRAIG J. ACKERMANN, Bar No. 229832
 cja@ackermanntilajef.com
 ACKERMANN & TILAJEF, P.C.
 1180 South Beverly Drive, Suite 610
 Los Angeles, California 90035

AMIR H. SEYEDFARSHI, Bar No. 301656
amir@employmentrightslawgroup.com
 EMPLOYMENT RIGHTS LAW GROUP, APC.
 1180 South Beverly Drive, Suite 610
 Los Angeles, California 90035

To Defendant:

Jody A. Landry, Esq.
 jlandry@littler.com
 Krystal Weaver, Esq.
 kweaver@littler.com
 LITTLER MENDELSON, P.C.
 501 West Broadway, Suite 900
 San Diego, California 92101

9. Cooperation in Drafting. The Settling Parties have cooperated in the drafting and preparation of this Settlement. This Settlement shall not be construed against any Settling Party on the basis that the Settling Party was the drafter or participated in the drafting.

IT IS SO AGREED.

Dated: _____

 Cecelia Madden
 Plaintiff

Dated: _____

 Cory Gautereaux
 Plaintiff

For GROSSMONT HOSPITAL CORPORATION
A California nonprofit public benefit corporation:

Dated: 6/8/2022

DocuSigned by:

Scott Evans

 DA79493A120F493...
 Scott Evans, CEO
 Sharp Grossmont Hospital

4896-0192-7971.1 / 051375-1086

EXHIBIT A

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8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 COUNTY OF SAN DIEGO

10 CECELIA MADDEN, an individual, on
11 behalf of the State of California, as a
12 private attorney general, and on behalf of
13 all others similarly situated,

14 Plaintiff,

15 v.

16 GROSSMONT HOSPITAL
17 CORPORATION, a California
18 Corporation, doing business as SHARP
19 HOSPITAL CORPORATION and DOES 1
20 to 50, inclusive,

21 Defendants.

Case No. 37-2021-00019533-CU-OE-CTL

**ASSIGNED FOR ALL PURPOSES TO
JUDGE GREGORY W. POLLACK, DEPT.
C-71**

**NOTICE OF PROPOSED CLASS
ACTION/PAGA SETTLEMENT AND
FAIRNESS HEARING**

Date:
Time:
Dept: C-71

Trial Date: None
Complaint Filed: May 3, 2021

22 TO: All current and former non-exempt Respiratory Therapist employees of Grossmont Hospital
23 Corporation from May 3, 2017 through April 30, 2022.

24 **THIS NOTICE MAY AFFECT YOUR RIGHTS.**

25 **PLEASE READ THIS NOTICE CAREFULLY.**

26 YOU ARE HEREBY NOTIFIED THAT A HEARING HAS BEEN SCHEDULED FOR
27 _____, 2022 AT _____ BEFORE THE HONORABLE GREGORY W. POLLACK,
28 SUPERIOR COURT JUDGE OF THE STATE OF CALIFORNIA, COUNTY OF SAN DIEGO, TO
CONSIDER A PROPOSED SETTLEMENT OF THE CLAIMS THAT HAVE BEEN BROUGHT
ON YOUR BEHALF.

This notice summarizes the proposed settlement. For the precise terms and conditions of the
settlement, please see the settlement agreement available at _____, by
contacting Class Counsel (contact information set out in section VII below), by accessing the Court
docket in this case through the _____, or by visiting the office of the Clerk of the
Court located at 330 W. Broadway, San Diego, California, 92101, Monday through Friday, excluding

1 Court holidays. PLEASE DO NOT WRITE TO OR TELEPHONE THE COURT OR THE COURT
2 CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT. The Amount you will be paid
under this Settlement is on the last page of this document.

3 I. INTRODUCTION

4 On May 3, 2021, Plaintiff Cecelia Madden filed a lawsuit against defendant Grossmont
5 Hospital Corporation ("Grossmont") for damages, interest, penalties and other monetary relief for
6 failure to provide meal period, failure to authorize rest breaks, inaccurate wage statements and other
related claims including penalties under the Private Attorney General Act ("PAGA"). On May __,
2022 a First Amended Complaint was filed adding Cory Gautereaux as a Plaintiff. Cecelia Madden
and Cory Gautereaux are jointly referred to herein as "Plaintiffs".

7
8 Class Counsel in this matter are Craig J. Ackermann of Ackermann & Tilajef, P.C., and Amir
H. Seyedfarshi of Employment Rights Law Group, APC.

9 A tentative settlement of the case has been reached with Grossmont. The settlement applies to
10 the following settlement class: All current and former non-exempt Respiratory Therapist employees
of Grossmont from May 3, 2017 through April 30, 2022 for the time period of May 3, 2017 through
11 May 28, 2022 ("Class Period").

12 II. THE REASON YOU HAVE RECEIVED THIS NOTICE

13 You are a Class Member for purposes of the settlement of this case. Your rights will be
14 affected because the current Class Representatives, Cecelia Madden and Cory Gautereaux and
Grossmont ("the Parties"), have tentatively settled the lawsuit. Pursuant to that tentative settlement,
15 the Court is considering the entry and final approval of the settlement. On [insert date of preliminary
approval], 2022, the Court preliminarily determined that this lawsuit could be settled against
Grossmont.

16 You are hereby notified that:

- 17 1. A settlement of the claims of on behalf of Class Members has been proposed by Class
18 Representatives Cecelia Madden and Cory Gautereaux, on the one hand, and Grossmont, on
the other.
- 19 2. The proposed settlement has been submitted to the Court and has received preliminary
20 approval.
- 21 3. You and any Class Members have the right to object to the proposed settlement by following
22 the procedures in Part V of this notice or to opt out of the proposed settlement by following
the procedures set forth in Part VI of this notice.
- 23 4. A hearing to finally approve the settlement is scheduled for _____, 2022 at _____
24 in Dept. 71, at the San Diego Superior Court, located at 330 W. Broadway, San Diego,
California, 92101, before the Honorable Gregory W. Pollock.

25 At the hearing, any Class Member who did not opt-out may appear and object to the proposed
26 settlement. However, following the procedures set forth in Part V of this Notice are strongly
encouraged. You should read that part carefully.

27 This notice is not to be understood as an expression of any opinion by the Court as to the merits
28 of any claims or defenses asserted by any party in these lawsuits. This notice is sent for the sole
purpose of informing you of the pendency of this lawsuit and the terms of the proposed settlement so
that you may make appropriate decisions. You may obtain a copy of the Settlement Agreement by

1 contacting Class Counsel, who are identified in Part VII below.

2 **III. NATURE OF THE LAWSUIT**

3 In this case, Plaintiff sued Grossmont for that alleged violations of California's wage and hour
4 laws with respect to Plaintiff and Class Members by, *inter alia*, failing to provide legally compliant
5 meal periods, rest breaks or pay a premium in lieu thereof, failure to timely pay wages at termination,
6 failing to provide compliant wage statements, and thereby also violated California Business &
7 Professions Code section 17200, et seq. and seeks penalties under PAGA, as well as fees and costs.
8 Grossmont denied and continues to deny all of the allegations made by Plaintiffs.

9 Plaintiffs and Grossmont have tentatively settled this lawsuit. The settlement has received
10 preliminary approval of the Court, subject to notice being provided to Class Members and final
11 approval by the Court after a public hearing. This proposed settlement is described in the next section.

12 As a Class Member, you will receive money from the proposed settlement if the Court grants
13 final approval. If the proposed settlement is not approved, then the offer of settlement will be deemed
14 withdrawn, and the case will proceed in Court as if no settlement had ever been made.

15 **IV. SUMMARY OF THE RELIEF GRANTED BY THE PROPOSED SETTLEMENT** 16 **AGREEMENT**

17 For purposes of settlement, and without admitting any liability, Grossmont has agreed to
18 provide certain relief to Class Members. The following is only a summary of the relief contained in
19 the proposed settlement. In the event there are any conflicts between this Notice and the Settlement
20 Agreement, the terms of the Settlement Agreement shall govern. The relief granted by the proposed
21 Settlement Agreement is summarized as follows:

- 22 1. Grossmont will pay the total sum ("Sum") Nine Hundred Thousand Dollars (\$900,000.00),
23 less attorneys' fees and costs awarded to Class Counsel, any enhancement awarded to the Class
24 Representatives, the costs of the appointed Settlement Administrator, \$45,000.00 deemed
25 payment for PAGA penalties (the "PAGA Payment") (75% goes to the LWDA and 25% to
26 Class Members who worked from February 16, 2020 through April 30, 2022 (the "PAGA
27 Employee")), and employee-side payroll taxes on the portion of the settlement treated as
28 wages. Employer-side payroll taxes shall be paid in addition to the Sum.
- 29 2. Out of the Sum, Grossmont will pay reasonable attorneys' fees as determined by the Court not
30 to exceed \$300,000 and actual costs incurred by Class Counsel (not to exceed \$13,000). All
31 payments for attorneys' fees and costs will be paid from the Sum, which will reduce any
32 payments made to the Class Members. Class Counsel will apply to the court for approval of
33 their attorneys' fees and costs at the hearing scheduled for [insert final approval date], 2022 at
34 _____.
- 35 3. Plaintiff Cecelia Madden will apply for an enhancement payment in the amount of \$15,000
36 and Plaintiff Cory Gautreaux will apply for an enhancement payment in the amount of \$6,000.
37 The enhancement payment is in recognition of the time and efforts Plaintiffs expended in this
38 case on behalf of the Class Members.
- 39 4. The settlement provides monetary compensation to Class Members for unpaid compensation,
40 unpaid premiums, interest thereon, PAGA penalties and other penalties.
- 41 5. Any Participating Class Member has the right to object to the proposed settlement by following
42 the procedures set forth in Part V below or to opt out as set forth in Part V below.

- 1
2 6. In exchange for the payments set for above, the Class Member will provide Grossmont with
the releases set forth in Section VIII below.

3 Based upon the equitable formula that has been devised, not all Participating Class Members
4 will receive the same amount from the settlement. Monies paid pursuant to the settlement are taxable;
5 all lawful payroll deductions will be taken from 20% of each Class Member's payment, while the
remaining 80% will be paid without payroll deductions. PAGA Employees portion of the PAGA
Payment will be paid without payroll deductions.

6 **V. HEARING AND PROCEDURE FOR OBJECTING TO THE SETTLEMENT**
7 **AGREEMENT**

8 Unless you object to the proposed Settlement Agreement, you do not need to appear at the
9 hearing at which the Court will consider final approval of the Settlement Agreement. If you object you
10 can appear at the hearing or submit a written objection. All written objections and supporting papers
11 must (a) clearly identify the case name and number (*Madden v. Grossmont Hospital Corporation.*,
Case No. 37-2021-00019533-CU-OE-CTL, (b) be submitted to the Court either by mailing them to
Class Action Clerk, San Diego Superior Court, 330 W. Broadway, San Diego, California, 92101 and
to the Claims Administrator at _____, and (c) be filed or postmarked on or before
_____ 2022.

12 **VI. OPT-OUT PROCEDURE**

13 You may opt-out of the settlement by submitting an opt-out notice to the Settlement
14 Administrator at [list address] not later than forty-five (45) calendar days after the date that the
Settlement Administrator first mails the Class Notice – that means that it must be post-marked by
15 _____, 2022. To be valid, the opt-out notice: (1) must contain your full name, address and last four
16 digits of your social security number; and (2) must be signed by you. The opt-out notice should also
17 state in substance: “*I wish to opt-out of the class action settlement in the Madden case and that I*
18 *understand that by requesting to opt-out of the settlement, I will receive no money from the settlement.*”
If the opt-out notice does not contain the information listed in (1)-(2) or is not postmarked by the date
19 stated above and returned to the Settlement Administrator at the specified address, it will not be
20 deemed a timely and valid request to opt-out of the settlement. The date of the postmark on the return
21 mailing envelope shall be the exclusive means used to determine whether the opt-out form has been
22 timely submitted. Any Class Members who submit a timely and valid opt-out notice from the
settlement will not be entitled to any recovery under the settlement (except for his or her portion of
the PAGA Payment, if applicable) and will not be bound by the terms of the settlement or have any
right to object, appeal, or comment thereon. Class Members who fail to submit a timely and valid opt-
out request on or before the Response Deadline shall be Class Members bound by all terms of the
settlement and the Final Approval Order entered in this Action if the settlement is approved by the
Court. If you opt-out you have no right to object to the settlement.

23 **VII. CLASS COUNSEL**

24 If you have any questions concerning the proposed Settlement Agreement, or this Notice, you
25 may contact either of the following Class Counsel:

26 CRAIG J. ACKERMANN, Bar No. 229832
27 cja@ackermanntilajef.com
ACKERMANN & TILAJEF, P.C.
28 1180 South Beverly Drive, Suite 610
Los Angeles, California 90035

AMIR H. SEYEDFARSHI, Bar No. 301656
amir@employmentrightslawgroup.com
EMPLOYMENT RIGHTS LAW GROUP, APC.
1180 South Beverly Drive, Suite 610
Los Angeles, California 90035

VIII. Releases

If you participate in the settlement you will agree to provide the following release of claims against Grossmont:

1. Released Claims” means all claims for violations of the following Labor Code sections, as well as civil penalties under PAGA, that were actually alleged or that could have been alleged in the Action by Plaintiffs based on the factual or legal allegations contained in Plaintiff’s February 16, 2021 PAGA Letter and the Complaint filed on May 3, 2021 and any subsequent amendments to the Complaint, on behalf of the Class Members and the State of California, themselves and the PAGA Employees for the entire Class Period and the entire PAGA Period, including, but not limited to: (a) failure to provide duty-free meal periods; (b) failure to provide duty-free rest breaks; (c) failure to provide accurate wage statements; (d) unfair business practices; (e) waiting time penalties; (f) penalties under PAGA for alleged violations of Labor Code sections 201-203, 226, 226.3, 226.7, 512, 1198, 2699 et. seq., claims for violation of the provisions of Wage Order 5 regarding meal periods and rest periods, as well as allegations regarding the failure to provide meal periods, failure to authorize and permit rest breaks, inaccurate wage statements; (g) claims for the Attorney’s Fees and Litigation Costs incurred in the prosecution of this Action on behalf of the Class Members and PAGA Employees; (h) any other claims, remedies, penalties, or interest that could have been plead based on the facts alleged in the operative Complaint; and (i) all claims that Plaintiffs, the Class Members and/or the PAGA Employees may have against the Released Parties relating to: (i) the payment, taxation, and allocation of Attorney’s Fees and Litigation Costs to Counsel pursuant to this Settlement Agreement; and (ii) the payment, taxation, and allocation of the Service Award to Plaintiffs. The Released Claims are released for the entire Class Period (defined above) and the PAGA Period which is defined as the time period from February 16, 2020 through May 28, 2022.

2. As of the Effective Date, Plaintiffs and the Participating Class Members (those who do not opt-out) release the Released Parties from the Released Claims in exchange for the consideration provided by the Settlement Agreement. The “Released Parties” are Grossmont and its parent, affiliates, and each of their company-sponsored employee benefit plans, and their respective successors and predecessors in interest, all of their respective officers, directors, employees, administrators, fiduciaries, trustees and agents, and each of their past, present and future officers, directors shareholders, employees, agents, principals, heirs, representatives, attorneys, accountants, auditors, consultants, and attorneys.

**PLEASE DO NOT TELEPHONE OR CONTACT THE COURT OR
THE OFFICE OF THE CLERK FOR INFORMATION REGARDING
THIS SETTLEMENT OR THE CLAIM PROCESS.**

1

2 **EXHIBIT A**

3 **[name/ID#]**

4 Grossmont's records indicate that during the applicable time period, from May 3, 2017 through May
5 28, 2022, you worked ____ Pay Periods as a Respiratory Therapist for Grossmont. If you disagree with
6 the Pay Periods figure as set forth above, you must notify the Settlement Administrator in writing by
7 the deadline of [REDACTED], 2022 and attach documentation supporting your dispute.
8 Failure to provide this information and satisfactory supporting documentation of the Pay Periods you
9 believe you worked for Grossmont during the applicable time period will result in any claim you
10 submit being based solely on Grossmont's records.

11 **ESTIMATED CLAIM AMOUNT**

12 **Based on the above your estimated payment is \$ [REDACTED] ("Individual Settlement
13 Amount").** This estimated amount is only an estimate. The actual amount of your Individual
14 Settlement Amount may increase or decrease based on several factors, including the final amounts
15 approved by the Court and disputes raised by other Class Members. As a result, you may receive a
16 smaller, or larger, payment.

17 4892-5930-6275.1 / 051375-1086

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EXHIBIT B

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8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 COUNTY OF SAN DIEGO

10 CECELIA MADDEN, an individual, on
11 behalf of the State of California, as a
12 private attorney general, and on behalf of
all others similarly situated,

13 Plaintiff,

14 v.

15 GROSSMONT HOSPITAL
16 CORPORATION, a California
17 Corporation, doing business as SHARP
HEALTHCARE and DOES 1 to 50,
inclusive,

18 Defendants.

Case No. 37-2021-00019533-CU-OE-CTL

**ASSIGNED FOR ALL PURPOSES TO
JUDGE GREGORY W. POLLACK, DEPT.
C-71**

**[PROPOSED] ORDER GRANTING
MOTION FOR PRELIMINARY
APPROVAL OF CLASS/PAGA
SETTLEMENT**

Date:
Time:
Dept: C-71

Trial Date: None
Complaint Filed: May 3, 2021

19 WHEREAS this Action is pending before this Court as a putative class action lawsuit and
20 Private Attorney General Action brought by the Plaintiffs Cecelia Madden and Cory Gautereaux
21 (“Plaintiffs”) against Defendant Grossmont Hospital Corporation (“Defendant”); and

22 WHEREAS, Class Counsel applied to this Court for an order preliminarily approving the
23 settlement of the Action in accordance with the Joint Stipulation of Class Settlement and Release (the
24 “Stipulation” or “Settlement” or “Agreement”), which, together with the exhibits annexed thereto, sets
25 forth the terms and conditions for a proposed Settlement and final resolution of the Action upon the
26 terms and conditions set forth therein; and the Court having read and considered the Stipulation and
27 the exhibits annexed thereto;

1 NOW, THEREFORE, IT IS HEREBY ORDERED:

2 1. This Order incorporates by reference the definitions in the Stipulation, and all terms
3 defined therein shall have the same meaning in this Order as set forth in the Stipulation. Per the
4 Parties' Stipulation, the Court hereby conditionally certifies the following Settlement Class: All
5 current and former non-exempt Respiratory Therapist employees of Defendant from May 3, 2017
6 through April 30, 2022.

7 2. Upon the Final Order, Participating Class Members who do not opt out of the
8 Settlement will release all claims that were alleged or that could have been alleged based on the facts
9 of Plaintiffs' operative complaint as defined in the Stipulation as "Released Claims" from May 3, 2017
10 through May 28, 2022. The "Released Parties" are Defendant and its affiliates, parent, and each of
11 their company-sponsored employee benefit plans, and their respective successors and predecessors in
12 interest, all of their respective officers, directors, employees, administrators, fiduciaries, trustees and
13 agents, and each of their past, present and future officers, directors shareholders, employees, agents,
14 principals, heirs, representatives, attorneys, accountants, auditors, consultants, and attorneys.

15 3. Should, for whatever reason, the Settlement not become final, the fact that the Parties
16 were willing to stipulate to class certification as part of the Settlement shall have no bearing on, nor
17 be admissible in connection with, the issue of whether a class should be certified in a non-settlement
18 context.

19 4. Plaintiffs are hereby appointed and designated, for all purposes, as the Class
20 Representatives of the Class, and the following attorneys are hereby appointed and designated as
21 counsel for the Class Representatives and the Class: Craig J. Ackermann of Ackermann & Tilajef,
22 P.C., and Amir H. Seyedfarshi of Employment Rights Law Group, APC ("Class Counsel"). Class
23 Counsel are authorized to act on behalf of Class Members with respect to all acts or consents required
24 by, or which may be given pursuant to, the Settlement, and such other acts reasonably necessary to
25 consummate the Settlement. Any Class Member may enter an appearance through counsel of such
26 Class Member's own choosing and at such Class Member's own expense. Any Class Member who
27 does not enter an appearance or appear on his or her own will be represented by Class Counsel.
28

1 5. The Court finds on a preliminary basis that the Settlement appears to be fair, reasonable
2 and adequate, and one that would merit, ultimately, final approval by this Court. The Court has
3 reviewed the Settlement and recognizes the value thereof to the Class Members. The Court finds, on
4 a preliminary basis, that the Settlement is fair, adequate and reasonable as to all Class Members when
5 balanced against the potential outcomes of further litigation relating to liability and damages issues.
6 The Court further finds that the Settlement has been reached as the result of serious and non-collusive,
7 arms-length negotiations by Defendants and Plaintiff (the "Settling Parties").

8 6. A final approval hearing (the "Settlement Hearing") shall be held before this Court,
9 located at 330 W. Broadway, San Diego, California, 92101, on _____, 2022 at _____.m.,
10 in Department C-71, to determine all necessary matters concerning the Settlement, including: whether
11 the proposed settlement of the Action should be finally approved by the Court; whether a Judgment,
12 as provided in the Stipulation, should be entered herein; whether the plan of allocation contained in
13 the Stipulation should be approved as fair, adequate and reasonable to the Class Members; and to
14 finally approve Class Counsel's Fees Award and Cost Award, the Class Representatives' service
15 awards, payment to the Labor and Workforce Development Agency and the Settlement Administration
16 Costs.

17 7. The Court hereby approves, as to form and content, the Notice, attached as Exhibit A
18 to the Stipulation. The Court finds that distribution of the Notice, substantially in the manner and form
19 set forth in the Stipulation and this Order, meets the requirements of due process, is the best notice
20 practicable under the circumstances, and will constitute due and sufficient notice to all persons entitled
21 thereto.

22 8. The Court hereby appoints CPT as Settlement Administrator and hereby directs the
23 Settlement Administrator to simultaneously mail or cause to be mailed to Class Members the Notice
24 (Exhibit A) by first class mail at their last known address within ten (10) calendar days of receiving a
25 Class List from Defendant.

26 9. Any Class Member (as defined by the Stipulation) may choose to opt-out of the
27 Settlement or object to the Settlement as provided in the Notice by following the instructions for
28 requesting exclusion from the Settlement Class or objecting to the settlement. Class Members will

1 have forty-five (45) days from the date of mailing of the Notice in which to postmark objections or a
2 notice of opting out. Prior to the initial mailing, the Settlement Administrator will check all Class
3 Member addresses against the National Change of Address database and shall update any addresses
4 before mailing. The Settlement Administrator will skip trace and re-mail all returned, undelivered
5 mail within five (5) days of receiving notice that a Notice was undeliverable. The obligation to trace
6 and resend returned Class Notices shall cease after two mailings or thirty (30) calendar days after the
7 initial mailing, whichever occurs first. The time period to respond may not be extended on account of
8 a returned or undeliverable mailing. Any written request to opt-out must be signed by each such
9 person opting out. All Class Members who do not timely and properly notify the Settlement
10 Administrator of their desire to opt-out of the Settlement, shall become bound by all determinations
11 of the Court, the Stipulation and Judgment.

12 10. Any Class Member who did not opt-out may appear at the Settlement Hearing and may
13 object to the Settlement, and may present evidence and file briefs or other papers that may be proper
14 and relevant to the issues to be heard and determined by the Court as provided in the Notice. In order
15 to object the Class Member may file with the Court and submit to the Settlement Administrator a
16 written statement explaining their Objection to the Settlement no later than the _____, 2022. Counsel
17 for the Parties shall file any response to the objections submitted by objecting Class Members at least
18 ten (10) court days before the date of the Final Fairness and Approval Hearing.

19 11. The Settlement is not a concession or admission, and shall not be used against
20 Defendant or any of the Released Parties as an admission or indication with respect to any claim of
21 any fault or omission by Defendant or any of the Released Parties. Whether or not the Settlement is
22 finally approved, neither the Settlement, nor any document, statement, proceeding or conduct related
23 to the Settlement, nor any reports or accounts thereof, shall in any event be:

24 a. Construed as, offered or admitted in evidence as, received as or deemed to be
25 evidence for any purpose adverse to the Settling or Released Parties, including, but not limited to,
26 evidence of a presumption, concession, indication or admission by any of the Settling or Released
27 Parties of any liability, fault, wrongdoing, omission, concession or damage; or

28 b. Disclosed, referred to, or offered or received in evidence against any of the

1 Settling or Released Parties in any further proceeding in the Action, or in any other civil, criminal or
2 administrative action or proceeding, except for purposes of settling the Action pursuant to the
3 Stipulation.

4 12. As of the date this Order is signed, all dates and deadlines associated with the Action
5 shall be stayed, other than those pertaining to the administration of the Settlement of the Action.

6 13. In the event the Settlement does not become effective in accordance with the terms of
7 the Stipulation, or the Settlement is not finally approved, or is terminated, canceled or fails to become
8 effective for any reason, this Order shall be rendered null and void and shall be vacated and the Parties
9 shall revert to their respective positions as of before entering into the Stipulation.

10 The Court reserves the right to adjourn or continue the date of the Settlement Hearing and all
11 dates provided for in the Stipulation without further notice to Class Members, and retains jurisdiction
12 to consider all further applications arising out of or connected with the proposed Settlement.

13
14 Dated: _____

JUDGE OF THE SUPERIOR COURT

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16 4857-4362-7555.1 / 051375-1086