

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiffs Mark John Santos and Samantha Sanchez (together, “Plaintiffs”) and Defendants MedZed, LLC and Medzed Physician Services, LLC (together, “Defendants”) in the lawsuit entitled *Mark John Santos and Samantha Sanchez v. MedZed, LLC; MedZed Physician Services, Inc.*, Los Angeles Superior Court Case No. 22STCV15585 (the “Litigation”). The Agreement refers to Plaintiffs and Defendants collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Administrator” means ILYM Group, Inc., the neutral entity the Parties have agreed to appoint to administer this settlement pursuant to the terms of this Agreement.
- 1.2. “Administration Costs” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Parties and approved by the Court in connection with Preliminary Approval of the Settlement.
- 1.3. “Aggrieved Employee(s)” means (a) all current and former hourly-paid or non-exempt employees employed by any of the Defendants in the State of California at any time during the PAGA Period, including, but not limited to all current and former hourly-paid or non-exempt employees who earned shift differentials or non-discretionary bonuses or non-discretionary performance pay which was not used to calculate the correct regular rate of pay used to calculate the overtime rate (“PAGA Group A”); and (b) all salaried managers, or persons who held similar job titles and/or performed similar job duties, who are or previously were employed by any of the Defendants in the State of California in such positions during the PAGA Period, allegedly misclassified as exempt (“PAGA Group B”).
- 1.4. “Class” or “Class Member(s)” mean all current and former hourly-paid or non-exempt individuals who are or previously were employed by any of the Defendants in the State of California at any time during the Class Period.
- 1.5. “Class Counsel” means Arby Aiwanian, Joanna Ghosh, and Yasmin Hosseini of Lawyers for Justice, PC and all the lawyers of this firm acting on behalf of Plaintiffs and the Class.
- 1.6. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reasonable attorneys’ fees and reimbursement of expenses, respectively, incurred to prosecute the Litigation.
- 1.7. “Class and PAGA Data” means Class Members’ and/or Aggrieved Employees’ identifying information in Defendants’ possession including the Class Member’s and/or Aggrieved Employee’s full name, last-known mailing address, last known telephone number, Social Security number, and Workweeks and PAGA Pay Periods.
- 1.8. “Class Member and Aggrieved Employee Address Search” means the Administrator’s investigation and search for Class Members’ and Aggrieved Employees’ current mailing

addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database and direct contact by the Administrator with Class Members and Aggrieved Employees.

- 1.9. “Class Notice” means the Court Approved Notice of Class Action Settlement and Hearing Date for Final Court Approval, to be mailed to Class Members in English in the form, without material variation, attached as “**Exhibit A**” and incorporated by reference into this Agreement.
- 1.10. “Class Period” means the period from May 18, 2018 through August 20, 2023.
- 1.11. “Class Settlement” means the settlement and resolution of the Released Class Claims.
- 1.12. “Court” means the Superior Court of California, County of Los Angeles.
- 1.13. “Defendants” means MedZed, LLC and Medzed Physician Services, Inc.
- 1.14. “Defense Counsel” means Christina Tellado and Samuel Stone of Holland and Knight, LLP.
- 1.15. “Effective Date” means the later of the following: (a) if no timely objections are filed or if all objections are withdrawn, the date upon which the Court enters the Final Approval Order; (b) if an objection is filed and not withdrawn, the date for filing an appeal and no such appeal is filed; and (c) if any timely appeals are filed, the date of resolution (or withdrawal) of any such appeal in a way that does not alter the terms of the settlement.
- 1.16. “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.17. “Final Approval Hearing” means the hearing at which the Court will consider and determine whether the Settlement should be granted Final Approval.
- 1.20. “Gross Settlement Amount” means Seven Hundred Fifty Thousand Dollars and Zero Cents (\$750,000) which is the total amount Defendants agree to pay under the Agreement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual Settlement Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Service Payments, and the Administration Costs.
- 1.21. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.
- 1.22. “Individual Settlement Payment” means the net payment of each Participating Class Member’s Individual Settlement Share, after reduction for the employee’s share of taxes

and withholdings with respect to the portion of the Individual Settlement Share allocated as wages, as provided in Paragraph 3.2.5 below.

- 1.23. “Individual Settlement Share” means the *pro rata* share of the Net Settlement Amount that a Class Member may be eligible to receive under the Settlement Agreement, to be calculated in accordance with Paragraph 3.2.5.
- 1.24. “Litigation” means Plaintiffs’ lawsuit alleging wage and hour violations against Defendants currently captioned *Mark John Santos, et al., v. MedZed, LLC and Medzed Physician Services, Inc.*, initiated on May 10, 2022, Los Angeles Superior Court Case No. 22STCV15585, and includes all complaints filed in the matter including the initial complaint, the Operative Complaint, the PAGA Notice, the Amended PAGA Notice, and any other pleadings or allegations made in connection therewith.
- 1.25. “LWDA” means the California Labor and Workforce Development Agency.
- 1.26. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subdiv. (i).
- 1.27. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Service Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Costs. The remainder is to be paid to Participating Class Members as Individual Settlement Payments.
- 1.28. “Non-Participating Class Member” means any Class Member who opts out of the Class Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.29. “Operative Complaint” means the First Amended Class Action Complaint for Damages and Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, et seq., encompassing Plaintiff Santos’ Class claims and Plaintiff Sanchez’s PAGA claims filed in conjunction with this Settlement Agreement and attached as “**Exhibit B**” hereto.
- 1.30. “PAGA Pay Periods” means the number of pay periods each Aggrieved Employee worked for Defendants during the PAGA Period, which information will be provided to the Settlement Administrator by Defendants. PAGA Pay Periods are calculated based on Aggrieved Employees’ dates of employment and the number of pay periods during the PAGA Period that each Aggrieved Employee worked.
- 1.31. “PAGA Period” means the period from February 2, 2022 to August 20, 2023.
- 1.32. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.33. “PAGA Notice” means Plaintiff Sanchez’s February 2, 2023 letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

- 1.34. “PAGA Penalties” means the total amount of PAGA civil penalties, in the amount of \$85,000.00, to be paid from the Gross Settlement Amount, allocated as 25% to the Aggrieved Employees (60% to PAGA Group A and 40% to PAGA Group B) and 75% to the LWDA in settlement of PAGA claims.
- 1.35. “PAGA Representative” means Samantha Sanchez.
- 1.36. “PAGA Settlement” means the settlement and resolution of the Released PAGA Claims.
- 1.37. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Class Settlement.
- 1.38. “Plaintiff(s)” means Mark John Santos and Samantha Sanchez.
- 1.39. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Agreement.
- 1.40. “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.41. “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.
- 1.42. “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.43. “Released Parties” means Defendants and their past and present corporate affiliates, subsidiaries, related entities, successors-in-interest, divested business and business units and each of their respective directors, officers, managers, members, employees, shareholders, representatives and agents.
- 1.44. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member, in accordance with the requirements set forth in Paragraph 7.5.1 below.
- 1.45. “Response Deadline” means sixty (60) calendar days after the Administrator first mails the Class Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) email or mail Requests for Exclusion from the Class Settlement, or (b) email or mail his or her Objection to the Class Settlement. The Response Deadline shall be extended by fourteen (14) calendar days for those Class Members to whom Class Notices are resent after having been returned undeliverable to the Administrator.
- 1.46. “Service Payment(s)” means the payments to the Plaintiffs for initiating the Litigation and providing services in support of the Litigation.

- 1.47. “Workweeks” means the number of weeks each Class Member worked for Defendants as an hourly-paid or non-exempt employee within California during the Class Period, which information will be provided to the Settlement Administrator by Defendants. Workweeks are calculated based on Class Members’ dates of employment and the number of 7-day workweeks during the Class Period that each Class Member worked.

2. **RECITALS.**

- 2.1. On May 10, 2022, Plaintiff Santos commenced the class action lawsuit entitled *Mark John Santos v. MedZed, LLC and Medzed Physician Services, Inc.* in the Superior Court of California for the County of Los Angeles, Case No. 22STCV15585 (i.e., Class Action), by filing the Class Action Complaint for Damages, which alleged ten causes of action against Defendants for: (1) failure to pay overtime wages pursuant to California Labor Code sections 510 and 1198 and the IWC Wage Orders; (2) failure to provide meal periods and associated premiums pursuant to California Labor Code sections 226.7 and 512 and the IWC Wage Orders; (3) failure to provide rest periods and associated premiums pursuant to California Labor Code sections 226.7 and the IWC Wage Orders; (4) failure to pay all minimum wages owed pursuant to California Labor Code sections 1194, 1197, and 1197.1 and the IWC Wage Orders; (5) failure to pay all wages owed at termination pursuant to California Labor Code sections 201 and 202 and the IWC Wage Orders; (6) failure to timely pay wages during employment pursuant to California Labor Code section 204 and the IWC Wage Orders; (7) failure to furnish accurate itemized wage statements pursuant to California Labor Code section 226 and the IWC Wage Orders; (8) failure to keep complete or accurate payroll records pursuant to California Labor Code section 1174(d) and the IWC Wage Orders; (9) failure to reimburse all necessary business expenses pursuant to California Labor Code sections 2800 and 2802 and the IWC Wage Orders; and (10) violations of California Business & Professions Code sections 17200, *et seq.*
- 2.2. On February 2, 2023, Plaintiff Sanchez provided written notice to the LWDA and to Defendants of the specific provisions of the California Labor Code that Defendants allegedly violated (i.e., PAGA Notice). Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff Sanchez gave written notice to Defendants and the LWDA by sending the PAGA Notice. On April 10, 2023, Plaintiff Sanchez provided an amended written notice to the LWDA and Defendants (i.e., the Amended PAGA Notice).
- 2.2.1. First Amended Complaint. For the purposes of effectuating this Agreement only, the Parties will stipulate that the Plaintiffs shall file a First Amended Class Action Complaint for Damages and Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, *et seq.* in the Litigation, adding Samantha Sanchez as a named Plaintiff and a cause of action to allege violations of PAGA (i.e., Operative Complaint).
- 2.3. Defendants have denied the allegations in the Litigation, and deny all allegations set forth in the Operative Complaint, and have asserted numerous affirmative defenses. Notwithstanding, in the interest of avoiding further litigation, Defendants desire to fully and finally settle the Litigation including without limitation the Operative Complaint, Released Class Claims, and Released PAGA Claims.

- 2.4. On May 17, 2023, the Parties participated in an all-day mediation presided over by Jeffrey Krivis, Esq. Although the parties did not reach a resolution during the mediation, the Mediator presented a “Mediator’s Proposal,” which both parties accepted, and which led to this Agreement to settle the Litigation.
- 2.5. Prior to mediation, Plaintiffs obtained, through informal discovery, a random sampling of Class Members’ time and pay records, as well as information and documents concerning the claims set forth in the Litigation, including but not limited to, Defendants’ employee handbook and relevant wage and hour policies, datapoints, including and not limited to, information regarding the number of Class Members and Aggrieved Employees, the number of workweeks worked by the Class Members, the number of pay periods worked by the Aggrieved Employees, and the average rate of pay of the Class Members. Plaintiffs’ investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).
- 2.6. The Court has not yet granted class certification, as the Parties agreed to mediate prior to the filing of any motion to determine whether a class should be certified.
- 2.7. The Parties, Class 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 this Agreement, other than *Martha Alvarado v. MedZed, LLC; Medzed Physician Services, Inc.*, Case No. 22STCV38149.

3. **MONETARY TERMS.**

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendants promise to pay \$750,000 and no more as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Settlement Shares. Defendants have no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.
- 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:
- 3.2.1. To Plaintiffs: Service Payments to the Plaintiffs of not more than Five Thousand Dollars and Zero Cents (\$5,000.00) each, i.e. Ten Thousand Dollars and Zero Cents (\$10,000.00) in total (in addition to any Individual Settlement Payment and any Individual PAGA Payment the Class and PAGA Representatives are entitled to receive as a Participating Class Member and/or Aggrieved Employee). Defendants will not oppose Plaintiffs’ request for Service Payments that do not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment,

Plaintiffs will seek Court approval for any Service Payment no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount to be distributed to Participating Class Members. The Administrator will pay the Service Payments using IRS Form 1099. Plaintiffs assume full responsibility and liability for taxes owed on the Service Payments.

3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than one-third (33.33%), which is currently estimated to be Two Hundred Fifty Thousand Dollars and Zero Cents (\$250,000.00) and a Class Counsel Litigation Expenses Payment of not more than Twenty Thousand Dollars and Zero Cents (\$20,000.00). Defendants will not oppose requests for these payments. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than sixteen (16) court days prior to the Final Approval Hearing. These amounts will cover any and all work performed and any and all costs incurred by Class Counsel in connection with the Litigation, including without limitation all work performed to date, and all work to be performed and all costs to be incurred in connection with obtaining the Court's approval of the Agreement and administration thereof, as well as any objections raised, and any appeals necessitated by those objections. Class Counsel shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts received. With respect to the Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment, the Settlement Administrator may purchase annuities to utilize United States Treasuries and bonds or other attorney fee deferral vehicles, for Class Counsel. Any additional expenses for the use of attorney fee deferral vehicles shall be paid separately by Class Counsel and shall not be included in the Administration Costs or paid by Defendants. Any portion of the Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment not awarded to Class Counsel shall be part of the Net Settlement Amount to be distributed to Participating Class Members.

3.2.3. To the Administrator: The Settlement Administrator will be paid for the reasonable costs of administration of the Agreement and distribution of payments under the Agreement, which is currently estimated not to exceed Eleven Thousand Dollars and Zero Cents (\$11,000.00). To the extent actual Administration Costs are greater than the estimated amount stated herein, such excess amount will be disclosed to the Court and deducted from the Gross Settlement Amount, subject to approval by the Court. Any portion of the estimated, designated, and/or awarded Administration Costs which are not in fact required to fulfill payment to the Administrator to undertake the required settlement administration duties will become part of the Net Settlement Amount to be distributed to Participating Class Members.

3.2.4. PAGA Penalties: Subject to approval by the Court, the Parties agree that the amount of Eighty Five Thousand Dollars and Zero Cents (\$85,000.00) from the Gross Settlement Amount will be allocated toward penalties under PAGA ("PAGA Penalties"), of which seventy-five percent (75%), or \$63,750, will be paid to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%) or, \$21,250, will be distributed to Aggrieved Employees on a *pro rata* basis, based on PAGA Pay Periods

during the PAGA Period (60% to PAGA Group A, equal to \$12,750, and 40% to PAGA Group B, equal to \$8,500) (i.e., Individual PAGA Payment).

- 3.2.5. Individual Settlement Share Calculations: Individual Settlement Shares will be calculated and apportioned from the Net Settlement Amount based on the Class Members' Workweeks, as follows:
- a. After Preliminary Approval of the Agreement, the Administrator will divide the Net Settlement Amount by the total number of Workweeks worked by all Class Members to yield the "Estimated Workweek Value," and multiply each Class Member's individual Workweeks by the Estimated Workweek Value to yield his or her estimated Individual Settlement Share that he or she may be eligible to receive under the Class Settlement.
 - b. After Final Approval of the Agreement, the Administrator will divide the final Net Settlement Amount by the Workweeks of all Participating Class Members to yield the "Final Workweek Value," and multiply each Participating Class Member's individual Workweeks by the Final Workweek Value to yield his or her Individual Settlement Share.
- 3.2.6. Individual PAGA Payment Calculations: Individual PAGA Payments will be calculated and apportioned by the Administrator from the 25% share of the PAGA Penalties based on the Aggrieved Employees' PAGA Pay Periods, with 60% allocated to PAGA Group A and 40% allocated to PAGA Group B, as follows: The Administrator will divide the 60% portion of the PAGA Penalties attributed to Aggrieved Employees in PAGA Group A by the PAGA Pay Periods worked by PAGA Group A employees and then multiplying the resulting value by the number of each PAGA Pay Period worked by each individual PAGA Group A member; *and* The Administrator will divide the 40% portion of the PAGA Penalties attributed to Aggrieved Employees in PAGA Group B by the PAGA Pay Periods worked by PAGA Group B employees and then multiplying the resulting value by the number of each PAGA Pay Period worked by each individual PAGA Group B member.
- 3.2.7. Tax Allocation of Individual Settlement Payments and Individual PAGA Payments. Twenty percent (20%) of each Participating Class Member's Individual Settlement Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. Eighty percent (80%) of each Participating Class Member's Individual Settlement Payment will be allocated to settlement of claims for penalties, interest, and non-wage damages (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Settlement Payment. Any payment for an Individual PAGA Payment will be allocated as one hundred percent (100%) penalties, will not be subject to taxes or withholdings, and will be reported on an IRS Form-1099, if necessary. The Administrator will have the option to pay the Individual Settlement Payment and Individual PAGA Payment by way of a single check.
- 3.2.8. Effect of Non-Participating Class Members on Calculation of Individual Settlement

Payments. Non-Participating Class Members will not receive any Individual Settlement Payments. The Administrator will retain amounts equal to their Individual Settlement Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Workweeks. Based on a review of its records, during the period from May 10, 2018 to May 17, 2023, Defendants estimate there were 425 Class Members who collectively worked a total of 21,119 Workweeks.

4.2. Class and PAGA Data. Not later than fourteen (14) calendar days after the Court grants Preliminary Approval of the Agreement, Defendants will deliver the Class and PAGA Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' and Aggrieved Employees' privacy rights, the Administrator must maintain the Class and PAGA Data in confidence, use the Class and PAGA Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class and PAGA Data to Administrator employees who need access to the Class and PAGA Data to effect and perform under this Agreement. Notwithstanding this provision, Class Counsel shall also receive redacted Class and PAGA Data that shall only disclose an identification number attributed to each Class Member and their associated Workweeks during the Class Period and each Aggrieved Employee and their associated PAGA Pay Periods during the PAGA Period. Defendants have a continuing duty to immediately notify Class Counsel if it discovers that the Class and PAGA Data omitted Class Member and/or Aggrieved Employee identifying information and to provide corrected or updated Class and PAGA Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the Class and PAGA Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class and PAGA Data.

4.3. Funding of Gross Settlement Amount. Defendants shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendants' share of payroll taxes by transmitting the funds to the Administrator no later than thirty (30) calendar days after the Effective Date.

4.4. Payments from the Gross Settlement Amount. Within fifteen (15) calendar days after Administrator receives the Gross Settlement Amount, the Administrator will mail checks for all Individual Settlement Payments, all Individual PAGA Payments, the LWDA Payment, the Administration Costs, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Service Payments. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Service Payments shall not precede disbursement of Individual Settlement Payments and Individual PAGA Payments.

4.4.1. The Administrator will issue checks for the Individual Settlement Payments and/or Individual PAGA Payments and send them to the Class Members and/or Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall

prominently state the date (not less than one hundred eighty (180) calendar days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Settlement Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

- 4.4.2. The Administrator must conduct a Class Member and Aggrieved Employee Address Search for all other Class Members and/or Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within seven (7) calendar days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member and Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Class Members and/or Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member and/or Aggrieved Employee whose original check was lost or misplaced, requested by the Class Member/Aggrieved Employee prior to the void date.
- 4.4.3. For any Class Member or Aggrieved Employee whose Individual Settlement Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to Los Angeles Bar Association's Domestic Violence Project, a nonprofit organization or foundation consistent with Code of Civil Procedure Section 384, subd. (b) (the "Cy Pres Recipient"). The Parties, Class Counsel, and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the intended Cy Pres Recipient.
- 4.4.4. The payment of Individual Settlement Payments and Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to Class Members or Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Upon the Effective Date and full funding of the Gross Settlement Amount (including all employer payroll taxes owed on the Wage Portion of the Individual Settlement Payments), Plaintiffs, all Participating Class Members (i.e., Class Members who do not submit a valid and timely Request for Exclusion), and Aggrieved Employees will release claims against all Released Parties as follows:

- 5.1. General Release of Claims by Plaintiffs. Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of and from all claims, rights, demands, liabilities, causes of action, and theories of liability that were or could have been alleged in the Litigation, Operative Complaint in the Litigation,

and/or the PAGA Notice or Amended PAGA Notice, arising from or relating to their employment with Defendants, separation of employment from Defendants, whether known or unknown, arising under any federal or local law, or statute, including, *inter alia*, those arising under the California Labor Code, Fair Labor Standards Act, Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, Employee Retirement Income Security Act, National Labor Relations Act, California Corporations Code, California Business and Professions Code, California Fair Employment and Housing Act, California Constitution (all as amended), and law of contract and tort, as well as for termination, lost wages, benefits, other employment compensation, emotional distress, medical expenses, other economic and non-economic damages, attorney fees, and costs, arising on or before the date on which the Agreement is executed. With respect to those claims released by Plaintiffs in an individual capacity, Plaintiffs acknowledge and waive any and all rights and benefits available under California Civil Code Section 1542, which provides:

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.

Plaintiffs understand and agree that claims or facts in addition to or different from those which are not known or believed by them to exist may hereafter be discovered. It is Plaintiffs' intention to settle fully and release all claims they now or may have against the Released Parties, whether known or unknown, suspected or unsuspected. Notwithstanding the above, the general release by Plaintiffs shall not extend to claims for workers' compensation benefits, claims for unemployment benefits, or other claims that may not be released by law.

- 5.2. Released Class Claims by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims, rights, demands, liabilities, causes of action, and theories of liability that were alleged, or reasonably could have been alleged, against Defendants or the Released Parties based on the factual allegations in the Operative Complaint and ascertained in the course of the Litigation, under any state law, federal law, common law, equity or other theory arising in any way from the facts alleged in the Operative Complaint relating to wages of any type, premium pay of any type, meal and rest periods, and/or wage statements provided to the Participating Class Members (or the content or lack of content of any wage statements received) including, without limitation, any and all claims, actions, and causes of action, arising during the Class Period, for: (1) failure to pay overtime wages pursuant to California Labor Code sections 510, 1194, and 1198 and the IWC Wage Orders; (2) failure to provide meal periods or meal period premium payments pursuant to California Labor Code sections 226.7 and 512 and the IWC Wage Orders; (3) failure to provide rest periods or rest period premium payments pursuant to California Labor Code sections 226.7 and 512 and the IWC Wage Orders; (4) failure to pay all minimum wages owed pursuant to California Labor Code sections 1194, 1194.2, 1197, and 1197.1 and the IWC Wage

Orders; (5) failure to pay all wages owed at termination pursuant to California Labor Code sections 201-203 and the IWC Wage Orders; (6) failure to pay all wages in a timely manner during employment pursuant to California Labor Code section 204 and the IWC Wage Orders; (7) failure to furnish accurate itemized wage statements pursuant to California Labor Code section 226(a) and the IWC Wage Orders; (8) failure to maintain adequate payroll records pursuant to California Labor Code section 1174(d) and 1174.5 and the IWC Wage Orders; (9) failure to reimburse all necessary business expenses pursuant to California Labor Code sections 2800 and 2802 and the IWC Wage Orders; and (10) violations of California Business & Professions Code sections 17200, *et seq.* and/or for penalties, damages, interest, costs or attorneys' fees, and violations of applicable local, state or federal law, whether for economic damages, non-economic damages, liquidated, or punitive damages, restitution, tort, contract, equitable relief, injunctive or declaratory relief, that occurred during the Class Period. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, claims based on facts occurring outside the Class Period, and claims not based on the facts alleged in the Operative Complaint.

- 5.3. Released PAGA Claims by Aggrieved Employees: The State of California and all Aggrieved Employees, including Non-Participating Class Members who are Aggrieved Employees, are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims rights, demands, liabilities, causes of action, and theories of liability for PAGA penalties that were alleged, or reasonably could have been alleged, in the Litigation and Operative Complaint, the PAGA Notice, the Amended PAGA Notice, and ascertained in the course of the Litigation for violations of, California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802 and IWC Wage Orders 4-2001 and 5-2001.

6. MOTION FOR PRELIMINARY APPROVAL. The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals.

- 6.1. Defendants' Declaration in Support of Preliminary Approval. Within fourteen (14) calendar days of the full execution of this Agreement, Defendants will prepare and deliver to Class Counsel a signed Declaration from Defendants and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator and *Cy Pres* Recipient. In their Declarations, Defense Counsel and Defendants 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 Agreement other than *Martha Alvarado v. MedZed, LLC; Medzed Physician Services, Inc.*, Case No. 22STCV38149.
- 6.2. Plaintiffs' Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Agreement under *Dunk/Kullar* and a request for approval of the PAGA

Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its “not to exceed” bid for administering the Agreement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members and/or the proposed *Cy Pres*; and the nature and extent of any financial relationship with Plaintiffs, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiffs confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, the Administrator, and/or the proposed *Cy Pres*; (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (1)(1)), this Agreement (Labor Code section 2699, subd. (1)(2)); (vii) a redlined version of the parties’ Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (viii) all facts relevant to any actual or potential conflict of interest with Class Members, the Administrator and/or the *Cy Pres* Recipient. In their Declarations, Plaintiffs and Class 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 Agreement, other than *Martha Alvarado v. MedZed, LLC; MedZed Physician Services, Inc.*, Case No. 22STCV38149.

6.3. Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than sixty (60) calendar days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court’s Preliminary Approval to the Administrator.

6.4. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class 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 Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class 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. SETTLEMENT ADMINISTRATION.

7.1. Selection of Administrator. The Parties have jointly selected and will ask the Court to appoint ILYM Group, Inc. (i.e., Administrator) to serve as the Administrator and to perform all duties specified in this Agreement in exchange for payment of Administration Costs. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

- 7.2. Employer Identification Number. The Administrator shall take steps to establish a case-specific Employer Identification Number, if necessary, for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.
- 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section 468B-1.
- 7.4. Notice to Class Members.
- 7.4.1. No later than three (3) business days after receipt of the Class and PAGA Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks, and Pay Periods in the Class and PAGA Data.
- 7.4.2. Using best efforts to perform as soon as possible, and in no event later than fourteen (14) calendar days after receiving the Class and PAGA Data, the Administrator will send to all Class Members identified in the Class and PAGA Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice, substantially in the form attached to this Agreement as “**Exhibit A**”. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Settlement Payment and/or Individual PAGA Payment payable to the Class Member and/or Aggrieved Employee, and the number of Workweeks and/or PAGA Pay Periods used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
- 7.4.3. Not later than three (3) business days after the Administrator’s receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
- 7.4.4. The deadlines for Class Members’ written objections to the Class Settlement, disputes regarding Workweeks and/or Pay Periods, and Requests for Exclusion from the Class Settlement will be extended an additional fourteen (14) calendar days beyond the sixty (60) calendar days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- 7.4.5. If the Administrator, Defendants, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class and PAGA Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether

to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than fourteen (14) calendar days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

7.5. Requests for Exclusion from the Class Settlement (Opt-Outs).

7.5.1. Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by email or mail, a signed written Request for Exclusion not later than the Response Deadline. A Request for Exclusion is a letter from a Class Member or his/her representative that communicates the Class Member's election to be excluded from the Class Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely emailed or postmarked by the Response Deadline. Aggrieved Employees shall be bound to the PAGA Settlement irrespective of whether they exercise their option to opt out of the Class Settlement.

7.5.2. The Administrator may not reject a Request for Exclusion from the Class Settlement as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

7.5.3. Class Members who do not submit a timely and valid Request for Exclusion from the Class Settlement are deemed to be Participating Class Members under this Agreement, entitled to all benefits and bound by all terms and conditions of the Agreement, including the Participating Class Members' release of Released Class Claims under Paragraph 5.2 of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Class Settlement.

7.5.4. Class Members who submit a valid and timely Request for Exclusion from the Class Settlement are Non-Participating Class Members and shall not receive Individual Settlement Payments or have the right to object to the Class Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are also Aggrieved Employees are deemed to release the Released PAGA Claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.6. Challenges to Calculation of Workweeks and/or PAGA Pay Periods. Each Class Member and Aggrieved Employee shall have until the Response Deadline to challenge the number of Class Workweeks and/or PAGA Pay Periods (if any) allocated to the Class Member

and/or Aggrieved Employee in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via email or mail. The Administrator must encourage the challenging Class Member and/or Aggrieved Employee to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks and/or PAGA Pay Periods contained in the Class Notice are correct so long as they are consistent with the Class and PAGA Data. The Administrator's determination of each Class Member's and Aggrieved Employee's allocation of Workweeks and/or PAGA Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or PAGA Pay Periods and the Administrator's determination to the same challenges to Defense Counsel and Class Counsel; however, Class Counsel shall receive redacted copies of such challenges so as to protect the identity and contact information of the challenging individual.

7.7. Objections to Class Settlement.

7.7.1. Only Participating Class Members may object to the Class Settlement and/or this Agreement, including contesting the fairness of the Class Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Service Payments.

7.7.2. Participating Class Members may send written objections to the Administrator, by email or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than the Response Deadline.

7.7.3. Non-Participating Class Members have no right to object to the Class Settlement.

7.7.4. Plaintiffs shall not object to, nor opt out of, the Class Settlement or the PAGA Settlement.

7.8. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

7.8.1. Website, Email Address and Toll-Free Number. The Administrator will post information of interest to Class Members including the date, time, and location for the Final Approval Hearing and copies of the Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Service Payments, the Final Approval and the Judgment on a portion of its website. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls and emails.

7.8.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity.

Not later than five (5) calendar days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion from the Class Settlement (“Exclusion List”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion from the Class Settlement; (c) copies of all Requests for Exclusion from the Class Settlement submitted (whether valid or invalid).

- 7.8.3. Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion from the Class Settlement (whether valid or invalid) received, objections to the Class Settlement received, challenges to Workweeks and/or PAGA Pay Periods received and/or resolved, and checks mailed for Individual Settlement Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.
- 7.8.4. Workweek and/or PAGA Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or PAGA Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.
- 7.8.5. Administrator’s Declaration. Not later than fourteen (14) calendar days before the date by which Class Counsel is required to file the Motion for Final Approval of the Agreement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members and Aggrieved Employees, the total number of Requests for Exclusion from the Class Settlement it received (both valid or invalid), the number of written objections to the Class Settlement and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator’s declaration(s) in Court.
- 7.8.6. Final Report by Settlement Administrator. Within ten (10) calendar days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least fifteen (15) calendar days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. **CLASS SIZE ESTIMATES and ESCALATOR CLAUSE.** Based on its records, Defendants estimate that: (1) during the period from May 10, 2018 to May 17, 2023, there were 425 Class Members and 21,119 total Workweeks. Should the Settlement Administrator determine, based on the Class and PAGA Data, that the total number of Workweeks during the period from May 10, 2018 to August 20, 2023 actually exceeds 21,119 by more than ten percent (10%), then the Gross Settlement Amount will be increased on a proportional basis by the same number of percentage points above ten percent (10%) of 21,119 Workweeks (e.g., if the number of Workweeks during the period from May 10, 2018 to August 20, 2023 actually exceeds 21,119 by 11% to 23,442 Workweeks, the Gross Settlement Amount will increase by 1% to \$757,500). Alternatively, Defendants may elect to shorten the Class Period to end on the date that an aggregate of 23,230 Workweeks in the Class Period has been reached.
9. **DEFENDANTS' RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion from the Class Settlement identified in the Exclusion List exceeds ten percent (10%) of the total of all Class Members, Defendants may, but is not obligated, elect to withdraw from the Agreement. The Parties agree that, if Defendants withdraws, the Agreement shall be void *ab initio*, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendants will remain responsible for paying one-half of Administration Costs incurred to that point. Defendants must provide written notice to Class Counsel within seven (7) business days of the Response Deadline; late elections will have no effect.
10. **MOTION FOR FINAL APPROVAL.** Not later than sixteen (16) court days before the calendared Final Approval Hearing, Class Counsel will file in Court, a motion for final approval of the Agreement that includes a request for approval of the Agreement, a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Class Counsel shall provide drafts of these documents to Defense Counsel not later than five (5) calendar days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.
- 10.1. **Response to Objections to the Class Settlement.** Each Party retains the right to respond to any objection to the Class Settlement raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
- 10.2. **Duty to Cooperate.** If the Court does not grant Final Approval or conditions Final Approval on any material change to the Agreement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Service Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administration Costs shall not constitute a material modification to the Agreement within the meaning of this paragraph.
- 10.3. **Continuing Jurisdiction of the Court.** The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Litigation, and the Agreement solely for

purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

10.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment as set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Class Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

10.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Costs reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Service Payments or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

11. **AMENDED JUDGMENT.** If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

12. **ADDITIONAL PROVISIONS.**

12.1. No Admission of Liability, Class Certification, 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 Litigation, Operative Complaint, PAGA Notice, and/or Amended PAGA Notice have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Defendants' defenses in the Litigation have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval, or enter Judgment, Defendants reserve the right to contest certification of any class for any reasons, and Defendants reserve all available defenses to the claims in the Litigation, and Plaintiffs reserve the right to move for class certification on any grounds available and to contest Defendants' defenses. The Agreement, this Agreement and Parties' willingness to settle the Litigation will have no

bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate this Agreement, including the releases herein). If the Court does not grant Preliminary Approval, Final Approval, or enter Judgment, or if this Agreement is voided subject to its terms, the Amended Complaint referenced in Section 2.2.1 of this Agreement shall be withdrawn, struck from the docket, and of no force or effect.

- 12.2. Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, Defendants, and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed with the Court, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter, including counsel for plaintiff Martha Alvarado in *Martha Alvarado v. MedZed, LLC; MedZed Physician Services, Inc.*, Los Angeles Superior Court Case No. 22STCV38149; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiffs, Class Counsel, Defendants, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations or fiduciary duties owed to Class Members.
- 12.3. No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Class Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 12.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Agreement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 12.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by 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.
- 12.6. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Agreement by, among other things, modifying the Agreement 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 Agreement, or on any modification of the Agreement that may become necessary to implement the Agreement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

- 12.7. 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.
- 12.8 No Tax Advice. Neither Plaintiffs, Class 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.
- 12.9. 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, and approved by the Court. Notwithstanding the foregoing, the Parties agree that any dates contained or contemplated in this Agreement may be modified by agreement of counsel for the Parties in writing without approval by the Court if the Parties agree and cause exists for such modification.
- 12.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 12.11. 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.
- 12.12. 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.
- 12.13. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during the Litigation and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement. Any materials produced to or shared with Plaintiffs in connection with mediation, alternative dispute resolution, or the administration of this Agreement shall be destroyed following applicable legal retention periods and in no circumstance shall such materials be used for any other purpose aside from effectuating this Agreement. Class Counsel shall not publish the amount or facts and circumstances of this Settlement on Class Counsel's website, in jury verdict reporting services, social media, in other locations, or otherwise advertise this Settlement. Until final approval is granted, the Parties shall be restricted from discussing this Agreement other than as set forth in Section 12.2 and statements substantially similar to "the parties have reached a proposed settlement that is subject to final court approval that would resolve all claims asserted in the Litigation." This paragraph does not restrict Class Counsel's

communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

- 12.14. Neutral Employment Reference. Defendants agree that it will adopt a neutral reporting policy regarding any future employment references related to Plaintiffs. In the event that any potential or future employers of Plaintiffs request a reference regarding Defendants' employment of Plaintiffs, Defendants shall only provide the requested Plaintiffs' dates of employment and job titles during employment. Defendants shall not refer to the Litigation or this Settlement.
- 12.15. 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.
- 12.16. 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.
- 12.17. 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 Plaintiffs and Class Counsel:

Arby Aiwarzian, Esq.
Joanna Ghosh, Esq.
Yasmin Hosseini, Esq.
LAWYERS for JUSTICE, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203

To Defendants:

Christina T. Tellado
Samuel J. Stone
HOLLAND & KNIGHT LLP
400 South Hope Street, Eighth Floor
Los Angeles, California 90071

- 12.18. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (e.g., 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.
- 12.19. 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 CCP section 583.330 the date to bring a case to trial under CCP section 583.310 shall be extended for the entire period of this settlement process.

IT IS SO AGREED.

Dated: 12/20/2023

Electronically Signed **PLAINTIFF MARK JOHN SANTOS**

Nintex AssureSign® 3260781-252b-460f-9631-60d00164172

Mark John Santos, Plaintiff

PLAINTIFF SAMANTHA SANCHEZ

Dated: _____

Samantha Sanchez, Plaintiff

DEFENDANT MEDZED, LLC

Dated: _____

Full Name: _____

Title: _____

On behalf of MedZed, LLC

**DEFENDANT MEDZED PHYSICIAN
SERVICES, INC.**

Dated: _____

Full Name: _____

Title: _____

On behalf of MedZed Physician Services, Inc.

IT IS SO AGREED.

PLAINTIFF MARK JOHN SANTOS

Dated: _____

Mark John Santos, Plaintiff

12/21/2023
Dated: _____

PLAINTIFF SAMANTHA SANCHEZ

Electronically Signed by Samantha Sanchez on 12/21/2023 at 16:29:54 UTC - 104.28.85.125
Nintex AssureSign® 1727554a-e9ec-4818-afbd-b0d00169801

Samantha Sanchez, Plaintiff

DEFENDANT MEDZED, LLC

Dated: _____

Full Name: _____

Title: _____

On behalf of MedZed, LLC

**DEFENDANT MEDZED PHYSICIAN
SERVICES, INC.**

Dated: _____

Full Name: _____

Title: _____

On behalf of MedZed Physician Services, Inc.

IT IS SO AGREED.

PLAINTIFF MARK JOHN SANTOS

Dated: _____

Mark John Santos, Plaintiff

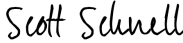
PLAINTIFF SAMANTHA SANCHEZ

Dated: _____

Samantha Sanchez, Plaintiff

DEFENDANT MEDZED, LLC

Dated: _____

DocuSigned by:

B7C572A784AA435...

Full Name: _____

Title: _____

On behalf of MedZed, LLC

**DEFENDANT MEDZED PHYSICIAN
SERVICES, INC.**

Dated: _____

DocuSigned by:

B7C572A784AA435...

Full Name: _____

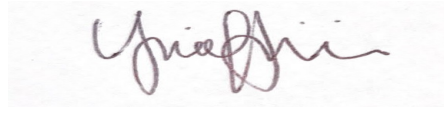
Title: _____

On behalf of MedZed Physician Services, Inc.

APPROVED AS TO FORM ONLY:

Dated: December 21, 2023

By: _____



Arby Aiwazian, Esq.
Joanna Ghosh, Esq.
Yasmin Hosseini, Esq.
LAWYERS *for* JUSTICE, PC

Attorneys for Plaintiffs Mark John Santos and Samantha Sanchez and Proposed Class Counsel

Dated: _____

By: _____

Christina T. Tellado
Samuel J. Stone
HOLLAND & KNIGHT LLP

Attorneys for Defendants

APPROVED AS TO FORM ONLY:

Dated: _____


By: _____

Arby Aiwazian, Esq.
Joanna Ghosh, Esq.
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