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 SHIFTMED, LLC

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF CONTRA COSTA

STACY SMITH; KEYONA TURNER, on
 behalf of themselves and all others similarly
 situated,

Plaintiffs,
 vs.

SHIFTMED, LLC; and DOES 1-20, inclusive,
 Defendants.

) Case No. C24-00180
)
) Assigned for All Purposes To:
) Judge: Hon. Edward G. Weil
) Dept: 39
)
) **JOINT STIPULATION OF CLASS AND**
) **PAGA SETTLEMENT**
)
) Action Filed: January 23, 2024
)

**JOINT STIPULATION OF CLASS AND PAGA
 SETTLEMENT**

This Joint Stipulation of Class and PAGA Settlement is made by and between plaintiffs, Stacy Smith and Keyona Turner, on behalf of themselves, the Class and the State of California pursuant to the Private Attorneys General Act, on the one hand, and defendant, ShiftMed, LLC on the other hand.

In consideration of the mutual covenants, promises, and agreements set forth in this Joint Stipulation of Class and PAGA Settlement, the Parties agree, subject to the Court's approval, to the resolution of the Action, the Released Claims, and the Released PAGA Claims, subject to the following terms and conditions.

DEFINITIONS

1. **"Action"** means the civil action titled *Stacy Smith and Keyona Turner, on behalf of themselves and all others similarly situated v. ShiftMed, LLC and Does 1-20, inclusive*, Contra Costa County Superior Court No. C24-00180.

2. **"Administration Expenses"** means the amount to be paid to the Administrator from the Maximum Settlement Amount for its services in administering the settlement.

3. **"Administrator"** means ILYM Group, Inc., or any other third-party class action administrator agreed to by the Parties and approved by the Court for the purposes of administering this Settlement.

4. **"Agreement"** and **"Settlement"** means this Joint Stipulation of Class and PAGA Settlement.

5. **"Class and PAGA Members"** means all Class Members and/or PAGA Members.

6. **"Class Counsel"** means Ashkan Shakouri and Sharon W. Lin of the Shakouri Law Firm.

7. **"Class Counsel's Attorneys' Fees and Costs"** means the Court-approved attorneys' fees, expenses, and costs incurred by Class Counsel for Class Counsel's litigation and resolution of the Action.

8. **"Class Data"** means Class Members' name, last-known mailing address, Social Security Number, number of PAGA Period pay periods and/or Class Period work weeks.

9. “**Class Members**” and “**Class**” means all current and former non-exempt employees of Defendant who were assigned to work at a healthcare facility inside California during the Class Period.

10. “**Class Period**” means from January 23, 2020 through preliminary court approval of the settlement.

11. “**Client Facilities**” means all healthcare facilities inside California where Class Members were assigned to work during the Class Period, including, but not limited to: Ararat Nursing Facility, Astoria Nursing and Rehab Center, Bayshire Carlsbad, Beverly West Healthcare/Miracle Mile Healthcare Center, Buena Park Nursing Center, Cedar Mountain, Centinela Grand, Chatsworth Park Health Care Center, Circlebrook, Concord Post Acute, Country Villa Sheraton Nursing and Rehabilitation Center, Creekside Care Center, Crown Bay Nursing and Rehabilitation Center, Delta View Post Acute, Encompass Health Rehabilitation Hospital of Tustin, Escondido Post Acute, Garden Park Care Center Sub Acute, Gem Transitional Care Center, Glendora Canyon Transitional Care Unit, Glendora Grand, Guardian Rehabilitation Hospital, Intercommunity Healthcare and Rehabilitation Center, Joshua Tree Post Acute, L.A. Downtown Medical Center, La Mesa Healthcare Center, Lone Tree Post Acute, Los Palos Convalescent Hospital, Madison Grove Post Acute, Marin Post Acute, Millcreek Manor Memory Care / University Post Acute, Mission Terrace Convalescent Hospital, Motion Picture & Television Hospital Skilled Nursing Facility, Pacifica Villa, Inc., Pipeline Health – Coast Plaza Hospital, Pipeline Health – Community Hospital of Huntington Park, Pipeline Health – East L.A. Doctors Hospital, Pipeline Health – Memorial Hospital of Gardena, Pipeline Health; Reo Vista Healthcare Center, Rio Hondo Subacute and Nursing Center, Rosecrans Care Center, Royal Oaks, Santa Maria Post Acute, Sea Cliff Healthcare Center, Seacrest Convalescent Hospital, Shields Richmond Nursing Center, The Redwoods – A Community for Seniors, Torrance Care Center West, Totally Kids Rehabilitation Hospital, University Care Center, Victoria Post Acute Care, Villa Del Rio Convalescent Center, West Valley Post Acute, and Windsor Cypress Gardens Care Center.

12. “**Court**” refers to the court having jurisdiction over the Action, which is presently the Contra Costa County Superior Court.

1 13. **“Defendant”** means ShiftMed, LLC.

2 14. **“Defense Counsel”** means Corey J. Cabral and Sander van der Heide of CDF Labor
3 Law LLP.

4 15. **“Dispute Deadline”** means forty-five (45) calendar days after the Administrator
5 mails the Class Notice to Class Members.

6 16. **“Effective Date”** means the date of filing of the Notice of Entry of Order on the
7 Court’s order granting Final Approval of the Settlement and Judgment in the absence of any
8 objection or intervention to the Settlement. If an objection or intervention to the Settlement is filed
9 and not later withdrawn, the Effective Date is the later of the following events: (i) when the 60-day
10 period for filing any appeal, writ or other appellate proceeding opposing the Settlement has elapsed
11 without any appeal, writ or other appellate proceeding having been filed; or (ii) any appeal, writ or
12 other appellate proceeding opposing the Settlement has been dismissed finally and conclusively
13 with no right to pursue further remedies or relief; or any appeal, writ or other appellate proceeding
14 has upheld the Court’s final order with no right to pursue further remedies or relief. In this regard,
15 in the event an objection or intervention is filed and not later withdrawn, the Parties hereby state
16 their intention that the Settlement will not become effective until the Court’s order granting final
17 approval of the Settlement is completely final, and there is no further appellate recourse by any
18 appellant or objector who seeks to contest the finality of the Settlement.

19 17. **“Final Approval Motion”** means Plaintiffs’ motion for final approval of the
20 Settlement and judgment.

21 18. **“Final Approval Order and Judgment”** means the Court’s Order Granting Final
22 Approval of the Settlement and Judgment.

23 19. **“Individual Class Payment(s)”** means the Participating Class Members’ pro rata
24 shares of the Net Settlement Amount calculated based on the number of workweeks worked during
25 the Class Period.

26 20. **“Individual PAGA Payment(s)”** means PAGA Members’ pro rata shares of
27 twenty-five percent (25%) of the PAGA Allocation, which is Twelve Thousand, Five Hundred Dollars
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(\$12,500.00) to PAGA Members on a pro-rata basis based on the number of pay periods each PAGA Member worked during the PAGA period.

21. **“LWDA”** means the California Labor and Workforce Development Agency.

22. **“LWDA Payment”** means the seventy-five percent (75%) of the PAGA Allocation to be paid to the LWDA under the Agreement which, subject to Court approval, is Thirty-Seven Thousand, Five Hundred Dollars (\$37,500.00).

23. **“Maximum Settlement Amount”** means Six Hundred Seventy-Six Thousand Three Hundred Dollars (\$676,300.00) (“Maximum Settlement Amount”), which is inclusive of all amounts Defendant is required to pay under the Settlement, except as otherwise provided below, including all Individual Class Payments to Participating Class Members, all Individual PAGA Payments to PAGA Members, the LWDA Payment, Plaintiffs’ Enhancement Payment, Class Counsel’s Attorneys’ Fees and Costs, and Administration Expenses. Defendant shall separately pay any and all employer payroll taxes owed under the Settlement.

24. **“Net Settlement Amount”** means the amount from the Maximum Settlement Amount that is available for distribution as Individual Class Payments for Participating Class Members after deducting (1) the PAGA Allocation (which includes the LWDA Payment and the Individual PAGA Payments), (2) Plaintiffs’ Enhancement Payment, (3) Class Counsel’s Attorneys’ Fees and Costs, and (4) Administration Expenses.

25. **“PAGA”** means California’s Labor Code Private Attorneys General Act, Cal. Lab. Code § 2699, et seq.

26. **“PAGA Allocation”** means, subject to Court approval, the allocation of Fifty Thousand Dollars (\$50,000.00) of the Maximum Settlement Amount as PAGA penalties.

27. **“PAGA Pay Periods”** refers to the number of pay periods a PAGA Member worked for Defendant during the PAGA Period. Each PAGA Member will be credited with at least one (1) PAGA Pay Period.

28. **“PAGA Period”** means from January 17, 2023 through preliminary court approval of the settlement.

29. **“PAGA Class”** and **“PAGA Member(s)”** means all current and former non-exempt employees of Defendant who were assigned to work at a healthcare facility inside California during the PAGA Period.

30. **“Participating Class Member(s)”** means all Class Members who do not opt out of the Settlement.

31. **“Parties”** means Plaintiffs and Defendant collectively.

32. **“Plaintiffs”** and **“Class Representatives”** means Stacy Smith and Keyona Turner on behalf of themselves and each of their heirs, representatives, successors, assigns, and attorneys.

33. **“Plaintiffs’ Enhancement Payment”** means, subject to Court approval, Ten Thousand Dollars (\$10,000.00) for each of the Plaintiffs in recognition of their effort and work in prosecuting the Action and in consideration for individual general releases of all claims with a waiver of California Code of Civil Procedure Section 1542.

34. **“Preliminary Approval”** means the Court’s Order Granting Preliminary Approval of the Settlement.

35. **“Preliminary Approval Motion”** means Plaintiffs’ motion for preliminary approval of the Settlement.

36. **“Released Claims”** means all claims under the California Labor Code, Wage Orders, regulations, and/or any other provisions of state and federal law against the Released Parties that were alleged in the Action and that reasonably could have been alleged in the Action based on the allegations asserted in the Action and any amendments thereto, including, without limitation, all claims for (1) off-the-clock work, (2) unpaid minimum wages, (3) unpaid regular wages, (4) unpaid overtime, (5) unpaid double time, (6) regular rate of pay, (7) meal periods and meal period premiums, (8) meal period auto-deductions, (9) rest breaks and rest break premiums, (10) wage statements, (11) failure to keep records, (12) reporting time pay, (13) timely payment of wages, (14) business expense reimbursements, (15) unpaid on call pay, (16) violation of Unfair Competition Law and any other Labor Code violations that were alleged in the Action, or that could have been alleged in the Action based on the facts alleged in the Action, which includes, but is not limited to, alleged violations of Labor Code sections 200, 201, 202, 203, 204, 210, 218.5,

223, 226, 226.3, 226.7, 227.3, 500, 510, 512, 558, 1194, 1194.2, 1197, 1198, 2802, Cal. Civ. Code section 1021.5 and Business and Professions Code section 17200 *et seq.*, and the applicable Wage Orders during the Class Period.

37. **“Released PAGA Claims”** means all claims for civil penalties under the California Labor Code, Wage Orders, regulations, and/or any other provisions of state and federal law against the Released Parties that were alleged in the Action and those that reasonably could have been alleged in the Action based on the allegations contained in the LWDA Letter and the operative complaint in the Action and any amendments thereto, including, without limitation, all claims for civil penalties under PAGA (Labor Code § 2698 *et seq.*) related to (1) off-the-clock work, (2) unpaid minimum wages, (3) unpaid regular wages, (4) unpaid overtime, (5) unpaid double time, (6) regular rate of pay, (7) meal periods and meal period premiums, (8) meal period auto-deductions, (9) rest breaks and rest break premiums, (10) wage statements, (11) failure to keep records, (12) reporting time pay, (13) timely payment of wages, (14) business expense reimbursements, (15) unpaid on call pay, (16) violation of Unfair Competition Law and any other Labor Code violations that were alleged in the Action, or that could have been alleged in the Action based on the facts alleged in the Action, which includes, but is not limited to, alleged violations of Labor Code sections 200, 201, 202, 203, 204, 210, 218.5, 223, 226, 226.3, 226.7, 227.3, 500, 510, 512, 558, 1194, 1194.2, 1197, 1198, 2802, and the applicable Wage Orders during the PAGA Period.

38. **“Released Parties”** means (i) ShiftMed, LLC (“Defendant”); (ii) each of Defendant’s past and present direct and indirect parents; (iii) the respective past and present direct and indirect subsidiaries and affiliates of any of the foregoing; (iv) the past, present, and future shareholders, directors, officers, agents, employees, attorneys, insurers, members, partners, managers, contractors, agents, consultants, representatives, administrators, fiduciaries, benefit plans, transferees, predecessors, successors and assigns of any of the foregoing; (v) the owners and operators of Client Facilities; and (vi) any individual or entity which could be jointly liable with any of the foregoing.

39. **“Request(s) for Exclusion”** refers to a Class Member’s written request to be excluded (i.e., opt-out) from the Settlement.

40. **“Response Deadline”** means forty-five (45) calendar days after the Administrator mails the Class Notice to Class Members.

41. **“Workweek(s)”** refers to the number of weeks a Class Member worked for Defendant during the Class Period, excluding any week(s) during which the Class Member did not work or was on a leave of absence. Each Class Member will be credited with at least one (1) Workweek.

42. **“Workweek Dispute(s)”** refers to a Class Member’s written dispute of the pre-printed information in the Class Notice as to his or her Workweeks and/or PAGA Pay Periods.

FACTUAL BACKGROUND

43. Plaintiffs filed a letter with the LWDA on January 17, 2024, alleging various wage and hour violations by Defendant.

44. On January 23, 2024, Plaintiffs filed a civil complaint in Contra Costa County Superior Court alleging the following causes of action: (1) failure to pay overtime, (2) failure to pay for all hours worked, (3) failure to pay minimum wage, (4) failure to provide meal breaks, (5) failure to provide rest breaks, (6) failure to reimburse business expenses, (7) failure to provide reporting time pay, (8) failure to provide accurate wage statements, (9) waiting time penalties, and (10) unfair business practices.

45. On February 6, 2025, Plaintiffs filed the operative first amended complaint alleging the following causes of action: (1) failure to pay overtime, (2) failure to pay for all hours worked, (3) failure to pay minimum wage, (4) failure to provide meal breaks, (5) failure to provide rest breaks, (6) failure to reimburse business expenses, (7) failure to provide reporting time pay, (8) failure to provide accurate wage statements, (9) waiting time penalties, (10) unfair business practices, and (11) violation of PAGA.

46. Plaintiffs have not filed a motion for class certification in the Action, nor has a date been set by the Court for the filing of such a motion.

47. The Action has been actively litigated. There have been on-going investigations, and there has been an exchange of extensive documentation and information.

48. On November 22, 2024, the Parties participated in a mediation with well-respected mediator Todd A. Smith.

49. Following the mediation, the Parties continued settlement discussions via the mediator and further exchange of documentation and information and reached a settlement of the claims in the Action as specified in this Agreement by accepting the mediator's proposal.

INADMISSIBILITY OF SETTLEMENT AGREEMENT/DENIAL OF LIABILITY

50. **No Determination on the Merits.** There has been no determination on the merits of the Action, but, in order to avoid additional cost and the uncertainty of litigation, it is the desire of the Parties to fully, finally, and forever settle, compromise, discharge, and release of any and all disputes and claims against the Released Parties arising from or related to the Action.

51. **Defendant Denies Liability and Wrongdoing.** This Agreement represents a full and good-faith compromise and settlement of highly disputed claims. Nothing in this Agreement or any statement or conduct in furtherance of the Settlement is intended or will be construed as an admission by Defendant that Plaintiffs' claims in the Action have merit or that Defendant has any liability to Plaintiffs, any Class Members, or any PAGA Members. Defendant denies any liability and wrongdoing of any kind associated with the alleged claims. Defendant further denies that, for any purpose other than settling the Action, the Action is appropriate for class or representative treatment. Defendant contends that it has complied with California and Federal employment laws at all times and that employees have been paid all wages owed.

CLASS CERTIFICATION FOR SETTLEMENT PURPOSES

52. Solely for purposes of settling the Action, the Parties stipulate that the requisites for class certification with respect to the Class Members are met. The Parties stipulate that certification for settlement purposes is in no way an admission that class certification is proper for litigation purposes, and that evidence of this limited stipulation for settlement purposes will not be deemed admissible in this or any other proceeding. More specifically, the Parties stipulate that, solely for settlement purposes:

- A. The Class is ascertainable and so numerous as to make it impracticable to join all Class Members;

- 1 B. With respect to the Class, common questions of law and fact predominate over
2 questions affecting any individual member in the Class, including, but not limited to:
3 whether Defendant paid proper wages and overtime to the Class; whether Defendant
4 provided compliant meal periods and compliant rest periods and associated premium
5 pay to the Class; whether Defendant timely paid compensation and associated
6 waiting time penalties; whether Defendant provided accurate itemized wage
7 statements to the Class; whether Defendant maintained accurate payroll records with
8 respect to the Class; whether Defendant paid reporting time pay to the Class; whether
9 Defendant reimbursed business expenses to the Class; and whether Defendant
10 engaged in unlawful or unfair business practices affecting the Class in violation of
11 the California Business & Professions Code;
- 12 C. Plaintiffs' claims are typical of the claims of the Class Members;
- 13 D. Plaintiffs and Class Counsel will fairly and adequately protect the interests of the
14 Class; and
- 15 E. A class action is superior to other available means for the fair and efficient
16 adjudication of the controversy, as the prosecution of separate actions by individual
17 members of the Class would create the risk of inconsistent or varying adjudications,
18 which would establish incompatible standards of conduct.

19 53. Class Counsel has conducted a thorough investigation into the facts of the Action,
20 including an extensive review of relevant documents, and has diligently pursued an investigation
21 of the claims of the Class against Defendant. Based on its own independent investigation and
22 evaluation, Class Counsel is of the opinion that the Settlement with Defendant for the
23 consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and
24 adequate and is in the best interest of the Class in light of all known facts and circumstances,
25 including the risk of significant delay, the risk the Class will not be certified by the Court,
26 defenses asserted by Defendant, and numerous potential appellate issues.

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SETTLEMENT AMOUNT

54. **Maximum Settlement Amount.** In consideration for the resolution and release of claims provided for by this Settlement, Defendant will pay the Maximum Settlement Amount of Six Hundred Seventy-Six Thousand and Three Hundred Dollars (\$676,300.00), which is inclusive of all amounts Defendant is required to pay under the Settlement except as provided in Paragraph 54 below. Defendant shall separately pay any and all employer payroll taxes owed under the Settlement. The Maximum Settlement Amount is non-reversionary and will be used for the payment of the following:

- A. Administration Expenses. The Administrator will be paid for the costs of administration of the Settlement from the Maximum Settlement Amount. The Administrator has provided a not-to-exceed bid for Administration Expenses in the amount of Eleven Thousand, Nine Hundred Fifty Dollars (\$11,950.00).
- B. Class Counsel's Attorneys' Fees and Costs. Defendant agrees not to oppose or object to any application or motion by Class Counsel for attorneys' fees not to exceed one-third of the Maximum Settlement Amount, which currently amounts to Two-Hundred Twenty-Five Thousand, Four Hundred Thirty-Three Dollars and Thirty-Three Cents (\$225,433.33), plus reasonable costs and expenses not to exceed Twenty-Five Thousand Dollars (\$25,000.00), subject to approval by the Court. This Agreement is not contingent upon the Court awarding Class Counsel any particular amount in attorneys' fees and costs. If the Court reduces or does not approve the requested Class Counsel's Attorneys' Fees and Costs, the Agreement will remain binding on the Parties. Any amount requested by Class Counsel for the Class Counsel's Attorneys' Fees and Costs and not granted by the Court will be added to the Net Settlement Amount and be distributed as provided in this Agreement. The Administrator will issue an IRS Form 1099-MISC to Class Counsel for the payments made pursuant to this paragraph.
- C. Plaintiffs' Enhancement Payment. The Parties agree to the designation of Plaintiffs Stacy Smith and Keyona Turner as the Class Representatives. Defendant agrees not to oppose or object to any application or motion by Class Counsel for an enhancement

payment not to exceed Ten Thousand Dollars (\$10,000.00) of the Maximum Settlement Amount for each Plaintiff in recognition of her effort and work in prosecuting the Action and in consideration for an individual general release of all claims with a waiver of California Code of Civil Procedure Section 1542. Plaintiffs' Enhancement Payment is a part of, and is to be deducted from, the Maximum Settlement Amount. If the Court approves an enhancement payment to either Plaintiff in an amount less than that set forth above, the difference between the amount set forth above and the amount approved by the Court will be added to the Net Settlement Amount and distributed as provided in this Agreement. In addition to the Court-approved Plaintiffs' Enhancement Payment, Plaintiffs will receive their pro-rata Individual Class Payment and pro-rata Individual PAGA Payment. Plaintiffs' Enhancement Payment will be paid within 30 days after the Effective Date of the Settlement. The Administrator will issue IRS Forms 1099-MISC for the Plaintiffs' Enhancement Payment. Plaintiffs assume full responsibility and liability for taxes owed on Plaintiffs' Enhancement Payment.

D. PAGA Allocation. Subject to Court approval, the Parties agree to allocate Fifty Thousand Dollars (\$50,000.00) of the Maximum Settlement Amount as PAGA penalties. The PAGA Allocation will be distributed as follows:

- i. LWDA Payment. Subject to Court approval of the PAGA Allocation, and per California Labor Code section 2699(s)(3), the Administrator will mail the LWDA Payment to the LWDA along with a copy the Order Granting Final Approval of the Settlement and Judgment to:

Department of Industrial Relations
Accounting Unit
455 Golden Gate Avenue, 10th Floor
San Francisco, CA 94102

- ii. Individual PAGA Payments. Subject to Court approval of the PAGA Allocation, and per California Labor Code section 2699(s)(2), the Administrator will distribute Individual PAGA Payments to PAGA Members on a pro-rata basis based on the number of pay periods worked by all PAGA Members during the PAGA Period.

The Administrator will calculate the number of pay periods worked by the PAGA Members during the PAGA Period, and the amount to be paid to PAGA Members per pay period based on information to be provided by Defendant. When making Individual PAGA Payment disbursements to Class Members, the Administrator may pay an Individual PAGA Payment and an Individual Class Payment as one sum, concurrently, to the extent appropriate. The PAGA Allocation is included in and will not increase the Maximum Settlement Amount. The Administrator will issue IRS Forms 1099-MISC to PAGA Members for their Individual PAGA Payments.

E. Net Settlement Amount. The Administrator will distribute the Net Settlement Amount as Individual Class Payments to Participating Class Members. The Individual Class Payments to Participating Class Members are calculated on a pro-rata basis based on the number of Workweeks worked by all Participating Class Members during the Class Period based on the Class Data provided by Defendant. Each Individual Class Payment to a Participating Class Member will be attributed 20% as wages and 80% as penalties and interest. The Administrator will report the portions paid as penalties and interest via IRS 1099 form, along with the Class Members' PAGA Payments (if applicable), and will report portions attributed to wages via IRS form W-2. Participating Class Members are responsible for their share of the payroll taxes, which will be deducted by the Administrator from their Individual Class Payments.

55. **Escalator Clause.** Defendant estimated for purposes of settlement that during the Class Period there were 1,117 Class Members with an associated 6,763 workweeks. If the number of workweeks during the Class Period exceeds 7,439 (i.e., an increase greater than 10% of the 6,763 estimated workweeks), Defendant may either: (1) revise the class period end date to a date where the workweek does not exceed 7,439 or (2) increase the Maximum Settlement Amount proportionally according to the number of additional workweeks above 7,439.

56. **Taxability of Settlement Payments.** Plaintiffs, Class Counsel, Participating Class Members, and the PAGA Members are each solely responsible for correctly characterizing any

57. **Settlement Payments Do Not Trigger Additional Benefits.** It is expressly understood and agreed that the receipt of any payment pursuant to this Agreement will not entitle any Participating Class Member, PAGA Member, or Plaintiffs to additional compensation or benefits under any company bonus, contest or other compensation or benefit plan or agreement in place during the period covered by the Agreement, nor will it entitle them to any increased retirement, 401(k) benefits or matching benefits, or deferred compensation benefits. It is the intent of the Parties that the payments provided for in this Agreement are the sole payments to be made by Defendant to the Participating Class Members, PAGA Members, and Plaintiffs in connection with this Agreement, and that they are not entitled to any new or additional compensation or benefits as a result of having received the payments provided for in this Agreement (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the period covered by this Agreement).

58. **Release By Participating Class Members.** Effective on the date when Defendant fully funds the Maximum Settlement Amount, Plaintiffs and all Participating Class Members fully, finally, and forever release, compromise, and discharge the Released Parties from the Released Claims for the Class Period.

59. **Settlement Terms Bind All Class Members Who Do Not Opt-Out.** Any Class Member who does not affirmatively opt-out of the Settlement by submitting a valid and timely Request for Exclusion will be deemed a Participating Class Member and will be bound by all terms

1 of the Agreement, including those pertaining to the Released Claims, as well as the Final Approval
2 Order and Judgment that may be entered by the Court if it grants final approval to the Settlement.

3 **60. Release By PAGA Members and State of California.** Effective on the date when
4 Defendant fully funds the Maximum Settlement Amount, Plaintiffs, all PAGA Members, and the
5 State of California fully, finally, and forever release, compromise, and discharge the Released
6 Parties from the Released PAGA Claims for the PAGA Period. This release is binding on the State
7 of California, which includes the LWDA and its departments, divisions, commissions, boards,
8 agencies, and employees, and any of Defendant's current or former employees who may seek to
9 represent the State of California to recover civil penalties pursuant to PAGA based on alleged
10 violations of the Released PAGA Claims during the PAGA Period.

11 **61. No Right to Opt Out of PAGA Release.** The Parties agree that there is no
12 statutory right for any PAGA Member to opt out or otherwise exclude himself or herself from the
13 Agreement.

14 **62. General Release by Plaintiffs.** Effective on the date when Defendant fully funds
15 the Maximum Settlement Amount, Plaintiffs fully, finally, and forever release, compromise, and
16 discharge the Released Parties from all causes of action, claims, judgments, obligations, damages or
17 liabilities of whatever kind and character. Plaintiffs understand and expressly agree that this general
18 release extends to all claims of every nature and kind whatsoever, known or unknown, suspected or
19 unsuspected, past or present, which Plaintiffs have or may have against the Released Parties, and all
20 rights under Section 1542 of the California Civil Code are hereby expressly waived. That Section
21 reads as follows:

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

26 Plaintiffs acknowledge that they have read this general release, including the waiver of California
27 Civil Code section 1542, and that they have consulted counsel about the general release and
28 specifically about the waiver of section 1542, and that they understand the general release and the

section 1542 waiver, and freely and knowingly enter into this Agreement. Plaintiffs acknowledge that they may later discover facts different from or in addition to those Plaintiffs know or now believe to be true with respect to the matters released or described in this Agreement, and Plaintiffs agree that the general release will remain effective in all respects notwithstanding any later discovery of any such different or additional facts.

63. **Labor Code § 206.5 Inapplicable.** It is acknowledged that all individual settlement payments made pursuant to this Agreement are on disputed claims and that Plaintiffs, each Participating Class Member, and each PAGA Member will be deemed to have acknowledged and agreed that California Labor Code § 206.5 is not applicable. That section provides:

An employer shall not require the execution of a release of a claim or right on account of wages due, or to become due, or made as an advance on wages to be earned, unless payment of those wages has been made. A release required or executed in violation of the provisions of this section shall be null and void as between the employer and the employee. Violation of this section by the employer is a misdemeanor.

PROCEDURE FOR PRELIMINARY COURT APPROVAL OF AGREEMENT

64. **Seeking Preliminary Approval.** Plaintiffs will promptly submit this Agreement to the Court in support of Plaintiffs' Motion for Preliminary Approval of the Settlement. Plaintiffs agree to provide Defendant the opportunity to review, and to seriously consider Defendant's comments before filing Plaintiffs' Motion for Preliminary Approval. Plaintiffs will apply to the Court for the entry of an order preliminarily approving the Settlement, substantially in the following form and as attached hereto as **Exhibit A**, which provides, *inter alia*, for:

A. Scheduling a Final Approval Hearing on the question of whether the Settlement, including payment of Attorneys' Fees and Costs, Settlement Administration Costs, and Enhancement Payments should be finally approved as fair, reasonable and adequate;

B. Certifying the Settlement Class, designating Plaintiffs as the Class Representatives, and designating Plaintiffs' counsel as Class Counsel;

C. Approving as to form and content the Class Notice;

1 D. Approving the manner and method for Class Members to request exclusion from the
2 Settlement, object to the Settlement, and/or dispute the Workweeks credited to them, as contained
3 herein and within the Class Notice;

4 E. Directing the mailing of the Notice Packet by First Class U.S. mail to the Class Members;
5 and

6 F. Preliminarily approving the Settlement subject only to the objections of Class Members
7 and final review by the Court.

8 65. **Submission of Settlement to LWDA.** This Agreement is subject to and
9 conditioned upon obtaining Court approval under Labor Code Section 2699(s)(2). At the same
10 time Plaintiffs file with the Court the Preliminary Approval Motion accompanied with this
11 Agreement, Class Counsel will submit the Agreement to the LWDA through its on-line procedures,
12 and will provide Defense Counsel with a copy of the LWDA's acknowledgment of receipt of the
13 Agreement.

14 **CLASS NOTICE AND SETTLEMENT ADMINISTRATION**

15 66. **Class Data.** Within 21 calendar days after Preliminary Approval, Defendant will
16 provide the Class Data to the Administrator. The Class Data will be based on Defendant's payroll
17 and other business records and will be provided in a format reasonably acceptable to the
18 Administrator. The Parties agree the Class Members' contact information and Social Security
19 numbers will be used only by the Administrator for the sole purpose of effectuating the Settlement,
20 and will not be provided to Plaintiffs or Class Counsel at any time or in any form. The
21 Administrator will take reasonable steps to protect the confidential and private information of the
22 Class Members. To the extent Class Counsel possesses or comes to possess the Class Members'
23 contact information and/or social security numbers, Class Counsel will immediately return all such
24 information (including copies and data or information derived therefrom), will not retain copies of
25 such information, and will not maintain or use such information for any purpose.

26 67. **NCOA Check.** Prior to mailing of Class Notices, the Administrator will run a
27 check of the Class Members' addresses that are contained in the Class Data against those on file with
28

1 the U.S. Postal Service's National Change of Address ("NCOA") List; this check will be performed
2 only once per Class Member by the Settlement Administrator.

3 **68. Class Notice.** Within 35 calendar days after Preliminary Approval, the
4 Administrator will send by first-class mail a Class Notice to each Class Member in substantially the
5 form attached hereto as **Exhibit B**, and as approved by the Court. The Class Notice will include
6 the following information on Class Members' rights to respond to the Class Notice:

7 **A. Workweek Disputes.** A Class Member may dispute the pre-printed information on the
8 Class Notice as to their Workweeks and/or PAGA Pay Periods by submitting a timely
9 written Workweek Dispute to the Administrator. The Workweek Dispute must be
10 signed, dated, and mailed by First Class U.S. Mail, or the equivalent, to the
11 Administrator. All Workweek Disputes must be postmarked no later than the Dispute
12 Deadline. Unless a disputing Class Member submits documentary evidence in support
13 of his or her dispute, the Defendant's records will be determinative. All Workweek
14 Disputes will be resolved and decided by the Administrator, and the Administrator's
15 decision on all disputes will be final and binding. The date of the postmark on the
16 Workweek Dispute return envelope will be the exclusive means used to determine
17 whether a Workweek Dispute has been timely submitted. No Workweek Dispute will
18 be honored if it is postmarked after the Dispute Deadline unless the Parties mutually
19 agree to accept the untimely dispute.

20 **B. Opting Out of the Settlement.** Any Class Member may exclude themselves, if they do
21 not wish to participate in the Settlement, by submitting a timely written Request for
22 Exclusion to the Administrator. The Request for Exclusion must contain: the
23 individual's full name, signature with date, the case name and number of the Action;
24 and a clear statement indicating that he or she desires to be excluded from the
25 Settlement. The Request for Exclusion must be signed, dated, and mailed by First Class
26 U.S. Mail, or the equivalent, to the Administrator. All Requests for Exclusion must be
27 postmarked no later than the Response Deadline. Any individual who submits a
28 Request for Exclusion will not be allowed to object to the terms of the Settlement.

1 C. **Objecting to the Settlement.** Any Class Member who does not exclude himself/herself
2 from the Settlement (i.e., a Participating Class Member) may object to the terms of the
3 Settlement by filing a written objection with the Court and mailing a copy to the
4 Settlement Administrator, no later than the Response Deadline. A written objection
5 must contain: the Participating Class Member's full name, signature with date, the case
6 name and number of the Action, a clear statement indicating that he or she objects to the
7 Settlement, each specific reason in support of the objection along with any legal support
8 for each objection, a clear statement indicating whether he or she is represented by
9 counsel and whether he or she intends to appear at the Final Approval Hearing.
10 Alternatively, any Participating Class Member may object orally at the Final Approval
11 Hearing. If the Court rejects the objection, the individual will be bound by the terms of
12 the Settlement. At no time will any of the Parties or their counsel seek to solicit or
13 otherwise encourage Participating Class Members to submit written objections to the
14 Settlement Agreement or appeal from the Final Approval Order and Judgment. Class
15 Counsel will not represent any Class Members with respect to any such objections to
16 this Settlement.

17 69. **Non-Deliverable Class Notices.** Class Notices returned to the Administrator as
18 non-deliverable before the Response Deadline will be re-sent to the forwarding address, if any, on
19 the returned envelope. A returned Class Notice will be forwarded only once per Class Member by
20 the Administrator. If there is no forwarding address, the Administrator will do a skip-trace search
21 for a more recent address associated with the Class Member whose Notice Packet was returned,
22 and re-mail the Notice Packet within five (5) calendar days; this search and re-mailing will be
23 performed only once per Class Member by the Administrator. If a Class Member's notice is re-
24 mailed, the Class Member will have fourteen (14) calendar days from the re-mailing, or forty-five
25 (45) calendar days from the date of the initial mailing, whichever is later, in which to postmark
26 objections or submit a Request for Exclusion. Upon completion of these steps by the
27 Administrator, Defendant and the Administrator are deemed to have satisfied their obligations to
28 provide the Class Notice to Class Members. Irrespective of whether or not a Class Member

receives a Class Notice, they will remain a Class Member and will be bound by all the terms of the Settlement and the contemplated Final Approval Order and Judgment, unless they submit a valid and timely Request for Exclusion. The cost of all Return Envelopes or deficiency notices are a part of the Administration Expenses to be paid out of the Maximum Settlement Amount.

70. **Class Administration Webpage.** From the date Class Notices are mailed through two hundred (200) calendar days following the disbursement of Individual Class Payments and Individual PAGA Payments, the Administrator will post and permit Class Members to access the Agreement, Preliminary Approval Order, and Final Approval Order and Judgment at no charge via a webpage on its website.

71. **Right to Rescission.** If more than ten percent (10%) of Class Members opt out of the Settlement by submitting valid and timely Requests for Exclusion, Defendant has the right (but need not) in its sole discretion to rescind and void the Settlement, before final approval by the Court, by providing written notice to Class Counsel within ten (10) calendar days after the Administrator furnishes Defendant with the number and percentage of valid and timely Requests for Exclusion following the expiration of the Response Deadline. If Defendant exercises this option, Defendant will pay all Settlement Administration Costs incurred through such date. If the Settlement is rescinded pursuant to this provision, this Settlement will be considered null and void, neither the Settlement or any of the related negotiations or proceedings will have any force or effect and no party will be bound by any of its terms, and all Parties to this Settlement will stand in the same position, without prejudice, as if the Settlement had been neither entered into nor filed with the Court.

PROCEDURE FOR FINAL COURT APPROVAL OF AGREEMENT

72. **Seeking Final Approval.** Plaintiffs will prepare and file a motion for final approval of the Settlement. Plaintiffs agree to provide Defendant the opportunity to review the Final Approval Motion, and to seriously consider Defendant's comments before filing the Final Approval Motion. In conjunction with the Final Approval Motion, Class Counsel will submit a proposed Final Approval Order and Judgment, in substantially the form attached hereto as **Exhibit C**, that provides, *inter alia*, as follows:

- A. Making final the conditional certification of the Class for settlement purposes only;
- B. Approving the Settlement, adjudging the terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and provisions;
- C. Approving an award of Attorneys' Fees and Costs to Class Counsel;
- D. Approving the Enhancement Payment to the Class Representative;
- E. Approving the Administration Expenses to be paid to the Administrator;
- F. Approving the PAGA Allocation and LWDA Payment to the LWDA;
- G. Entry of judgment in the Action with continuing jurisdiction of the Court in conformity with California Rules of Court Rule 3.769 and California Code of Civil Procedure Section 664.6 as necessary to enforce the terms of the Agreement.

73. **Declaration of Due Diligence.** In connection with and in support of Plaintiffs' Final Approval Motion, Class Counsel will file with the Court a declaration by the Settlement Administrator of due diligence and proof of mailing with regard to the mailing of the Class Notice to Class Members.

74. **Submission of Judgment to LWDA.** Within 10 calendar days after Class Counsel's receipt of the Court's approval of the Agreement and entry of a signed Final Approval Order and Judgment, Class Counsel will submit the Final Approval Order and Judgment to the LWDA through its on-line procedures, and will provide Defense Counsel with a copy of the LWDA's acknowledgment of receipt of the Final Approval Order and Judgment.

SETTLEMENT FUNDING AND PAYMENTS DISBURSEMENTS

75. **Accounting of Disbursement.** Within 10 calendar days after the Effective Date, the Administrator will provide Defendant with payment instructions and a report listing the amount of all payments to be made.

76. **Payment of Maximum Settlement Amount.** Within 20 calendar days after the Effective Date, Defendant, on behalf of the Released Parties, will pay to the Administrator the Maximum Settlement Amount. The Administrator will establish a Qualified Settlement Fund ("QSF") for purposes of disbursing the Maximum Settlement Amount per the terms of this Agreement. The Administrator will undertake all required withholding, remittances, reporting of

1 taxes, and issuance of the appropriate tax forms for payments required under this Agreement in
2 accordance with local, state, and federal laws.

3 **77. Disbursement of Maximum Settlement Amount.** Within 30 calendar days after
4 the Effective Date, the Administrator will disburse the Maximum Settlement Amount as specified
5 in this Agreement and as approved by the Court in the Final Approval Order and Judgment. The
6 Administrator will be responsible for making payment of any court-approved Class Counsel's
7 Attorneys' Fee and Costs, any court-approved Plaintiffs' Enhancement Payment to the Class
8 Representative, Administration Expenses, the LWDA Payment, issuing the Individual Class
9 Payments to Participating Class Members, issuing Individual PAGA Payments to PAGA Members,
10 and meeting any reporting obligations.

11 **78. Default on Payment.** Defendant's failure to timely pay to the Administrator the
12 Maximum Settlement Amount will be considered a default. In the event Defendant fails to timely
13 fund the Maximum Settlement Amount, the Administrator will provide notice to Class Counsel and
14 Defendant's counsel within three (3) business days of the missed payment. Thereafter, Defendant
15 will have seven (7) calendar days to cure the default and tender payment to the Administrator.

16 **79. Individual Class and PAGA Payment Disbursements.** The Administrator will
17 distribute Individual Class Payments, subject to applicable taxes and withholdings, and Individual
18 PAGA Payments by way of check(s) mailed to the Participating Class Member and/or PAGA
19 Member at the last known address that the Administrator has on file. Settlement payment checks
20 will remain valid and negotiable for one-hundred, eighty (180) calendar days from the date of their
21 issuance. If a settlement payment check is returned to the Administrator, the Administrator will
22 make all reasonable efforts to re-mail it to the Class and/or PAGA Member at his or her correct
23 address. Upon the deadline to cash the settlement payment checks, the checks will automatically
24 be cancelled by the Administrator if not cashed within that time and the funds associated with such
25 cancelled checks will be transmitted to the California State Controller's Office's Unclaimed
26 Property Division to be held as unclaimed funds in the Class and/or PAGA Member's name. A
27 Class and/or PAGA Member whose settlement payment check(s) are cancelled remains subject to
28 the Settlement, the releases of claims, and the Court's Final Approval Order and Judgment. The

checks provided to Class and/or PAGA Members will prominently state the expiration date or a statement that the checks will expire in 180 calendar days, or alternatively, such a statement may be made in a letter accompanying the check. Lost or expired settlement payment checks will not be reissued, except for good cause and as mutually agreed by the Parties in writing. No person will have any claim against Defendant, Released Parties, Defense Counsel, the Class Representative, any Class Member, any PAGA Member, Class Counsel, or the Administrator based on distributions and payments made in accordance with this Agreement.

80. **Declaration of Compliance.** Within two hundred (200) days from the date of issuance of settlement payment checks, the Administrator will provide a declaration of compliance with the terms of the Agreement and detailing proof of payment and the numbers of cashed and uncashed checks (without disclosing or identifying information of Class Members). Class Counsel will file the Administrator's declaration of compliance with the Court, as ordered by the Court.

MISCELLANEOUS PROVISIONS

81. **Stay of Discovery.** To effectuate the terms of the Settlement, the Parties agree all formal and informal discovery is stayed pending final Court approval of the Settlement.

82. **Limited Public Comment.** With the exception of court filings and notice to the LWDA, the Class Representatives and Class Counsel will not make: (1) any comments to the public or the media; (2) engage in any mass communications or other publicity, including, but not limited to, website, blog, or social media postings, and (3) public disclosure of the terms of this Settlement (including, but not limited to, the Maximum Settlement Amount), the negotiations leading to this Settlement, and all documents related to the Settlement. The Parties will use their best efforts to reach agreement on all Court filings. Class Counsel will take all steps necessary to ensure that Plaintiffs are aware of, and will ensure that Plaintiffs adhere to, the restriction against public comment of the Settlement. Class Counsel further agrees to cease all affirmative mass communication (oral and written) with the Class Members, other than through Court-approved notices. This provision does not prevent Class Counsel from communicating with any Class Members who may contact Class Counsel. Also, nothing in this Agreement restricts Class Counsel from disclosing and including all publicly available information regarding this case and the

1 settlement in any documents filed with any court and/or judicial submissions (e.g., CV's,
2 declarations regarding adequacy or experience, etc.).

3 **83. Media Communications / No Attorney Advertising.** The Parties will not initiate
4 any communications (directly or indirectly) with the media regarding the Action. Notwithstanding
5 the foregoing, the Class Representative and Class Counsel may, in response to a communication
6 initiated by the media, direct the inquiring media member to the public records of the Action on file
7 with the Court and respond only with "The matter has been resolved." Class Counsel will take all
8 steps necessary to ensure that Plaintiffs are aware of, and will ensure that Plaintiffs adhere to, the
9 restriction against any media comment on the Settlement and its terms. Class Counsel also agrees
10 that their law firm will not specifically refer to this case, this settlement, or the names of Released
11 Parties in any advertising or promotional material of any kind on their website, on any social media
12 platform, or in any other written or electronic communications of any kind or nature.

13 **84. No Assignment of Claims.** The Parties and their counsel represent, covenant and
14 warrant that they have not directly or indirectly, assigned, transferred, encumbered or purported to
15 assign, transfer or encumber to any person or entity any portion of any liability, claim, demand,
16 action, cause of action or right herein released and discharged except as set forth herein.

17 **85. Construction.** The Parties agree that the terms and conditions of this Agreement
18 are the result of lengthy, intensive arms-length negotiations between the Parties and this Agreement
19 will not be construed in favor of or against any party by reason of the extent to which any party or
20 his, her, or its counsel participated in the drafting of this Agreement.

21 **86. No Admission.** Nothing contained in this Agreement, nor the consummation of this
22 Agreement, is to be construed or deemed an admission of liability, culpability, negligence or
23 wrongdoing on the part of Plaintiffs, Defendant, or Released Parties. Each of the Parties hereto has
24 entered into this Agreement solely with the intention to avoid further disputes and litigation with
25 the attendant inconvenience and expenses.

26 **87. Captions and Interpretations.** Paragraph titles or captions contained herein are
27 inserted as a matter of convenience and for reference, and in no way define, limit, extend or
28 describe the scope of this Agreement or any provision of it.

88. **Modification and Waiver.** This Agreement may not be changed, altered or modified, except in writing specifically referencing this Agreement, signed by the Parties, and approved by the Court. No rights under this Agreement may be waived except in writing specifically referencing this Agreement, signed by the waiving Party or Parties.

89. **Notice to Counsel.** Unless otherwise specifically provided herein, all notices, demands, or other communications provided for in this Agreement will be in writing and will be both emailed and mailed by United States registered or certified mail, return receipt requested, addressed as follows:

Class Counsel:

Ashkan Shakouri, Esq
ash@shakourilawfirm.com
SHAKOURI LAW FIRM
 401 Wilshire Blvd., 12th Floor
 Santa Monica, California 90401

Defense Counsel:

Sander van der Heide
svanderheide@cdflaborlaw.com
 Corey J. Cabral
ccabral@cdflaborlaw.com
CDF Labor Law LLP
 900 University Avenue, Suite 200
 Sacramento, California 95825

90. **Mutual Full Cooperation.** The Parties agree to fully cooperate with each other to accomplish the terms of this Agreement, including, but not limited to, execution of such documents and taking such other action as reasonably may be necessary to implement the terms of this Agreement. The Parties will use their best efforts, including all efforts contemplated by this Agreement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Agreement and the terms set forth herein. As soon as practicable after execution of this Agreement, Class Counsel will, with the assistance and cooperation of Defendant and Defense Counsel, take all necessary steps to secure the Court's approval of this Agreement. If the Court does not issue an order approving the Agreement under the specific terms requested, the Parties agree to meet and confer to address the Court's concerns in good faith and determine whether resolution of the claims encompassed by the Agreement can be obtained in a manner consistent with the Court's concerns. The Parties, Class Counsel, and Defense Counsel agree that they will not attempt to encourage or discourage Class Members from filing Requests for Exclusion.

91. **Disputes.** Should any dispute(s) arise among the Parties or their respective counsel regarding the implementation or interpretation of this Agreement that they are unable to resolve

1 cooperatively, the Parties agree to submit any such dispute(s) to mediator Todd Smith. To the
2 extent any Party seeks to enforce any of the terms of this Agreement in Court or before the Court,
3 the prevailing party will be entitled to recover reasonable attorneys' fees and costs.

4 **92. Parties' Authority.** It is agreed that because the Class and PAGA Members are so
5 numerous, it is impossible or impractical to have each Class and PAGA Member execute this
6 Agreement. The Class Notice will advise all Class and PAGA Members of the binding nature of
7 the releases of claims provided for by the Settlement, and that the releases will have the same force
8 and effect as if this Agreement were executed by each Participating Class Member and PAGA
9 Member. The signatories to this Agreement represent that they are fully authorized to enter into
10 this Agreement and bind the Parties to its terms and conditions.

11 **93. Agreement Binding on Successors.** This Agreement is binding on and inures to
12 the benefit of the Parties, and the Released Parties and their respective heirs, trustees, executors,
13 administrators, successors and assigns.

14 **94. Integration Clause.** This Agreement contains the entire agreement between the
15 Parties relating to any and all matters addressed in the Agreement, and all prior or
16 contemporaneous agreements, understandings, representations, and statements, whether oral or
17 written and whether by a party or such party's legal counsel, are merged herein.

18 **95. Attorneys' Fees and Costs.** Except as expressly provided in this Agreement,
19 Defendant and Plaintiffs will each bear their own attorney's fees and costs.

20 **96. Counterparts.** This Agreement may be executed in counterparts and by original or
21 electronic signatures consistent with the Uniform Electronic Transactions Act (Civil Code §
22 1633.1-1633.17) sent via PDF through email, and when each party has signed and delivered at least
23 one such counterpart, each counterpart, including e-mail and PDF versions, will be deemed an
24 original and, when taken together with other signed counterparts, will constitute one Agreement
25 binding upon and effective as to all Parties.

26 **97. Extension of Deadlines.** If the date by which any court filing, mailing, or deadline
27 is to occur per the terms and conditions of this Agreement falls on a Saturday, Sunday, or legal
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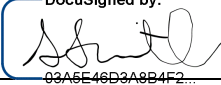
holiday in the State of California, the date of the court filing, mailing, or deadline is extended to the next following day which is not a Saturday, Sunday, or legal holiday in the State of California.

98. **California Law.** All terms of this Agreement will be governed by and interpreted according to the laws of the State of California.

99. **Voluntary Agreement.** The Parties expressly declare and represent that they have read this Agreement and have consulted with counsel, or had the opportunity to consult with counsel, regarding the meaning of the provisions, terms, and conditions contained in this Agreement. The Parties further expressly declare and represent that they fully understand the content and effect of this Agreement, that they approve and accept its terms and conditions, and that the Agreement is executed freely and voluntarily.

IN WITNESS WHEREOF, the Parties knowingly and voluntarily execute this Agreement as of the date(s) set forth below:

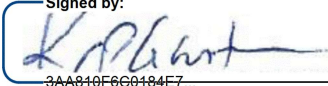
Dated: 2/24/2025

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 Plaintiff Stacy Smith

Dated: _____

Plaintiff Keyona Turner

Dated: 2/24/2025

Defendant ShiftMed, LLC
 Signed by:

 3AA810F6G0184E7...
 Karen Gaster
 General Counsel
 ShiftMed, LLC

AGREED AS TO FORM AND CONTENT:

SHAKOURI LAW FIRM

Dated: 2/24/25


 Ashkan Shakouri
 Attorneys for Plaintiffs Stacy Smith and Keyona

Turner

holiday in the State of California, the date of the court filing, mailing, or deadline is extended to the next following day which is not a Saturday, Sunday, or legal holiday in the State of California.

98. **California Law.** All terms of this Agreement will be governed by and interpreted according to the laws of the State of California.

99. **Voluntary Agreement.** The Parties expressly declare and represent that they have read this Agreement and have consulted with counsel, or had the opportunity to consult with counsel, regarding the meaning of the provisions, terms, and conditions contained in this Agreement. The Parties further expressly declare and represent that they fully understand the content and effect of this Agreement, that they approve and accept its terms and conditions, and that the Agreement is executed freely and voluntarily.

IN WITNESS WHEREOF, the Parties knowingly and voluntarily execute this Agreement as of the date(s) set forth below:

Dated: _____

Plaintiff Stacy Smith

Dated: 2/25/2025

DocuSigned by:

69248674EECF409

Plaintiff Keyona Turner

Dated: 2/24/2025

Defendant ShiftMed, LLC

Signed by:

3AA810F6G0184E7...

Karen Gaster
General Counsel
ShiftMed, LLC

AGREED AS TO FORM AND CONTENT:

SHAKOURI LAW FIRM

Dated: 2/24/25

Ashkan Shakouri
Ashkan Shakouri
Attorneys for Plaintiffs Stacy Smith and Keyona

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Dated: February 24, 2025

CDF Labor Law LLP



Sander van der Heide
Attorneys for Defendant ShiftMed, LLC

EXHIBIT A

SHAKOURI LAW FIRM
Ashkan Shakouri, State Bar No. 242072
ash@shakourilawfirm.com
Sharon Lin, Esq., State Bar No. 260443
sharon@shakourilawfirm.com
401 Wilshire Blvd., 12th Floor
Santa Monica, CA 90401
Telephone: (424) 252-4711

Attorneys for Plaintiffs

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF CONTRA COSTA

STACY SMITH; KEYONA TURNER, on
behalf of themselves and all others similarly
situated,

Plaintiffs,
vs.

SHIFTMED, LLC; and DOES 1-20, inclusive,
Defendants.

) Case No. C24-00180
)
) Assigned for All Purposes To:
) Judge: Hon. Edward G. Weil
) Dept: 39
)
) **[PROPOSED] ORDER GRANTING**
) **PRELIMINARY APPROVAL OF CLASS**
) **AND PAGA SETTLEMENT**
)
) Action Filed: January 23, 2024

1 **TO ALL PARTIES AND THEIR RESPECTIVE COUNSEL OF RECORD:**

2 Plaintiffs Stacey Smith and Keyona Turner's ("Plaintiffs") Motion for Preliminary
3 Approval of Class and PAGA Settlement ("Motion for Preliminary Approval") came before this
4 Court in Department 39 before the Honorable Edward G. Weil. The Court having reviewed the
5 Joint Stipulation of Class and PAGA Settlement ("Agreement" or "Settlement") and considered
6 the papers, the arguments of counsel, and all other evidence and matters presented, and good
7 cause appearing:

8 **IT IS ORDERED** that the Motion for Preliminary Approval of Class and PAGA
9 Settlement is **GRANTED**, subject to the following findings and orders:

10 1. The Court grants preliminary approval of the Parties' settlement based upon the
11 terms set forth in the Agreement. All terms used herein have the same meaning as defined in
12 the Agreement. The settlement terms set forth in the Agreement appears to be fair, adequate
13 and reasonable to the Class and PAGA Members.

14 2. It appears to the Court on a preliminary basis that (a) the Settlement is fair,
15 adequate and reasonable; (b) the Maximum Settlement Amount and Net Settlement Amount are
16 fair, adequate and reasonable when balanced against the probable outcome of further litigation
17 relating to liability and damages issues; (c) sufficient investigation and research have been
18 conducted such that counsel for the Parties at this time are able to reasonably evaluate their
19 respective positions; (d) settlement at this time will avoid additional costs by all Parties, as well
20 as avoid the delay and risks that would be presented by the further prosecution of the Action; and
21 (e) the Settlement has been reached as the result of non-collusive, arms-length negotiations.

22 3. A final fairness hearing on the question of whether the Settlement, Attorneys' Fees
23 and Costs to Class Counsel, Plaintiffs' Enhancement Payment, PAGA Allocation, and
24 Administration Expenses should be finally approved as fair, reasonable and adequate as to the
25 members of the Class is scheduled in Department 39 on the date and time set forth below.

26 4. This Court approves, as to form and content, the Class Notice, in substantially the
27 form attached hereto and to the Agreement as **Exhibit B**. The Court approves the procedure for
28

Class Members to participate in, to opt out of, and/or to object to, the Settlement as set forth in the Agreement and the Class Notice.

5. The Court directs the mailing of the Class Notice by first class mail to the Class and PAGA Members in accordance with the Implementation Schedule set forth below. The Court finds the dates selected for the mailing and distribution of the Class Notice, as set forth in the Implementation Schedule, meet the requirements of due process and provide the best notice practicable under the circumstances and will constitute due and sufficient notice to Class and PAGA members.

6. The Court concludes that, for settlement purposes only, the Class is preliminarily and conditionally certified and meets the requirements for certification under section 382 of California Code of Civil Procedure in that: (1) the Class is ascertainable and so numerous that joinder of all members of the Class is impracticable; (b) common questions of law and fact predominate, and there is a well-defined community of interest amongst the members of the Class with respect to the subject matter of the litigation; (c) Plaintiffs' claims are typical of the claims of the members of the Class; (d) Plaintiffs will fairly and adequately protect the interest of the members of the Class; (e) a class action is superior to other available methods for the efficient adjudication of the controversy; and (f) Class Counsel is qualified to act as counsel for Plaintiffs in their individual capacity and as the representatives of the Class. The Class is defined as all current and former non-exempt employees of Defendant who were assigned to work at a healthcare facility inside California from January 23, 2020 through preliminary court approval of the settlement.

7. The Court confirms Plaintiffs Stacy Smith and Keyona Turner as the Class Representatives, and Ashkan Shakouri, Esq. and Sharon W. Lim, Esq. of Shakouri Law Firm as Class Counsel.

8. The Court confirms ILYM Group, Inc. as the Administrator.

9. The Court approves the proposed procedures, as set forth in the Agreement for: seeking exclusion from the Settlement by submitting to the Administrator a valid and timely Request for Exclusion; objecting to the Settlement by filing with the Court and submitting to the

Administrator a written objection; and disputing credited workweeks by submitting to the Administrator a valid and timely Workweek Dispute.

10. A Final Approval Hearing will be held before this Court on the date and time indicated in the Implementation Schedule below in Department 39 of the Superior Court of California for the County of Contra Costa located at 725 Court Street, Martinez, California 94553 to determine all necessary matters concerning the Settlement, including: whether the proposed settlement of the Action on the terms and conditions provided for in the Agreement is fair, adequate, and reasonable and should be finally approved by the Court; whether a judgment, as provided in the Agreement, should be entered; whether the plan of allocation contained in the Settlement should be approved as fair, adequate, and reasonable to the Class Members; and determine whether to finally approve the allocations and requests for Class Counsel's Fees and Costs, Plaintiffs' Enhancement Payment, Administration Expenses, and PAGA Allocation. Class Counsel will file a motion for final approval of the Settlement and for Class Counsel's Fees and Costs, Plaintiffs' Enhancement Payment, and Administration Expenses, along with the appropriate declarations and supporting evidence, including the Administrator's declaration in accordance with California Code of Civil Procedure section 1005(b) (i.e., 16 court days prior to the Final Approval Hearing).

The Court orders the following **Implementation Schedule** for further proceedings:

	Event	Date
a.	Deadline for Defendant to Submit Class Data to Administrator	[21 calendar days after Order granting preliminary Approval]
b.	Deadline for Administrator to Mail Class Notice to Class and PAGA Members	[35 calendar days after Order granting preliminary Approval]
c.	Deadline for Class Members to Postmark Workweek Dispute	[45 calendar days after mailing of the Class Notice]

d.	Deadline for Class Members to Postmark Requests for Exclusion	[45 calendar days after mailing of the Class Notice]
e.	Deadline for Receipt by Court and Administrator of any objections to Settlement	[45 calendar days after mailing of the Class Notice]
f.	Deadline for Class Counsel to file Motion for Final Approval of Settlement, including Request for Class Counsel’s Attorneys’ Fees and Costs and Plaintiffs’ Enhancement Payment	[16 Court days before Final Approval Hearing]
g.	Deadline for filing of Declaration by Administrator of Due Diligence and Proof of Mailing	[16 Court days before Final Approval Hearing]
h.	Deadline for Defendant to provide written Notice of Rescission of Settlement to Class Counsel (if applicable)	[10 calendar days after Administrator provides Defendant with the number and percentage of opt outs following expiration of the Response Deadline.]
i.	Final Approval Hearing	Date:
		Time:

11. Pending the Final Approval Hearing, all proceedings in this Action, other than proceedings necessary to carry out or enforce the terms of the Settlement and this Order, are hereby stayed.

IT IS SO ORDERED.

Dated: _____

Honorable Edward G. Weil
JUDGE OF THE SUPERIOR COURT

EXHIBIT B

<<First Name>> <<Last Name>>

<<Address 1>>

<<Address 2>>

**NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT
APPROVAL**

*Stacy Smith; Keyona Turner, on behalf of themselves and all others similarly situated v. ShiftMed, LLC
and DOES 1-20, inclusive*

Contra Costa Superior Court No. C24-00180

**PLEASE READ THIS NOTICE CAREFULLY. THIS NOTICE RELATES TO A
SETTLEMENT OF CLASS ACTION AND PAGA LITIGATION.**

I. BACKGROUND OF THE CASE

On January 23, 2024, former employees Stacy Smith and Keyona Turner (“Plaintiffs”) filed a lawsuit alleging wage and hour violations against ShiftMed, LLC (“Defendant”) (Plaintiffs and Defendant are collectively referred to as the “Parties”). On February 6, 2025, Plaintiffs filed a first amended complaint adding a claim seeking penalties under the California Private Attorney General Act (“PAGA”) The lawsuit was filed in Superior Court of the State of California for Contra Costa County (“Court”), Case No. C-24-00180 (the “Action”).

The Action alleges Defendant failed to pay overtime, failed to pay for all hours worked, failed to pay minimum wage, failed to provide compliant meal and rest breaks, failed to reimburse business expenses, failed to pay reporting time pay, failed to provide accurate wage statements, waiting time penalties, unfair business practices, and violation of PAGA.

Defendant denies all claims, denies that Plaintiffs and the Class Members are entitled to any recovery, and assert affirmative defenses in response to Plaintiffs’ claims.

The Action has been actively litigated. There have been on-going investigations, and an exchange of extensive documentation and information. Furthermore, the Parties have engaged in arms-length private mediation before a well-respected mediator. Based upon the negotiations, and all known facts and circumstances, including the various risks and uncertainties related to legal actions, the Parties reached a class-wide Settlement based upon the recommendation of the mediator. By settling, the Parties will avoid the risks associated with a lengthy litigation process. Despite agreeing to and supporting the Settlement, Defendant continues to deny all allegations and claims.

The Parties have entered into a Joint Stipulation of Class and PAGA Settlement (“Settlement,” or “Agreement”), which has been preliminarily approved by the Court. The Settlement has been reached between the Parties on behalf of:

- (1) all current and former non-exempt employees of Defendant who were assigned to work at a healthcare facility inside California during the Class Period (defined as January 23, 2020 through preliminary court approval of the settlement) (“Class Members”); and
- (2) all current and former non-exempt employees of Defendant who were assigned to work at a healthcare facility inside California during the PAGA Period (defined as January 17, 2023 through preliminary court approval of the settlement) (“PAGA Members”).

II. ESTIMATED INDIVIDUAL PAYMENT

You have received this notice because Defendant's records indicate you are a Class Member and/or PAGA Member. This notice is to advise you of how you can participate in or be excluded from the Settlement.

Based on Defendant's records, your Individual Class Payment is estimated to be \$_____ (less applicable withholdings) and your Individual PAGA Payment is estimated to be \$_____. The actual amount you may receive may be more or less than the amount estimated depending on the number of Class Members who choose to exclude themselves from the Settlement, the actual number of Workweeks worked by Participating Class Members, and on the distributions approved and allocated by the Court. If no amount is stated for your Individual PAGA Payment, then you are not eligible for an Individual PAGA Payment under the Settlement because you did not work during the PAGA Period.

The above estimates are based on Defendant's records showing that you worked _____ workweeks during the Class Period, and you worked _____ pay periods during the PAGA Period.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether or not you act. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement. The Court will also decide whether to enter a judgment that approves the releases of claims by Class Members and PAGA Members in accordance with the terms of the Settlement.

III. SUMMARY OF SETTLEMENT

1. Under the terms of the Settlement, Defendant agrees to pay the Maximum Settlement Amount of Six Hundred Seventy-Six Thousand Three Hundred Dollars (\$676,300.00), which is inclusive of all amounts Defendant is required to pay under the Settlement, including all Individual Class Payments to Participating Class Members, all Individual PAGA Payments to PAGA Members, the LWDA Payment, Plaintiffs' Enhancement Payment, Class Counsel's Attorneys' Fees and Costs, and Administration Expenses. Defendant will separately pay employer payroll taxes owed under the Settlement. The entire Maximum Settlement Amount will be fully paid out and no portion of the Maximum Settlement Amount will revert back to Defendant.

2. At the Final Approval Hearing, Plaintiffs and/or Class Counsel will ask the Court to approve the following deductions from the Maximum Settlement Amount, the amounts of which will be decided by the Court at the Final Approval Hearing:

a. Up to \$11,950.00 in Administration Expenses to the Administrator for costs of administration of the Settlement.

b. Up to \$50,000.00 as allocated as PAGA penalties, 75% of which will be paid to the LWDA and 25% of which will be distributed as Individual PAGA Payments to PAGA Members on a pro-rata basis based on the number of pay periods worked by all PAGA Members during the PAGA Period.

c. Up to \$225,433.33 (one-third of the Maximum Settlement Amount) to Class Counsel for attorneys' fees and up to \$25,000 for litigation costs and expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.

d. Up to \$10,000.00 for each of the Plaintiffs as Plaintiffs' Enhancement Payment in recognition of their effort and work in prosecuting the Action and in exchange for individual general releases of all claims.

3. After making the above deductions in amounts approved by the Court the Administrator will distribute the remaining amount (the “Net Settlement Amount”) as Individual Class Payments to Participating Class Members. The Individual Class Payments to Participating Class Members are calculated on a pro-rata basis based on the number of Workweeks worked by all Participating Class Members during the Class Period based on the Class Data provided by Defendant.

4. Each Individual Class Payment to a Participating Class Member will be attributed 20% as wages and 80% as penalties and interest. The Administrator will report the portions paid as penalties and interest via IRS 1099 form, along with the Class Members’ PAGA Payments (if applicable), and will report portions attributed to wages via IRS form W-2. The Administrator will deduct employee payroll taxes from the wage portion of Individual Class Payments. Defendant will separately pay employer payroll taxes owed on the wage portion of Individual Class Payments. Although the Parties have agreed to these allocations, neither side is giving you any advice on whether your payment(s) are taxable or how much you might owe in taxes. You are solely responsible for correctly characterizing any payments made pursuant to the Settlement for tax purposes and for paying any taxes on the amounts received. You should consult a tax advisor if you have any questions about the tax consequences of the Settlement.

5. Releases of Claims. Upon Final Approval being granted by the Court, every Class Member who does not opt out of the Settlement (i.e., Participating Class Member), will release Defendant and the Released Parties from the Released Claims as described below. In other words, if you are a Class Member and you do not exclude yourself from the Settlement Class, you will be deemed to have entered into the release and to have released the below-described Released Claims. Additionally, every PAGA Member will release Defendant and the Released Parties from the Released PAGA Claims whether or not the Class Member opts out of the Settlement, as further described below. If the Settlement is not approved by the Court or does not become final for some other reason, the Action will continue as though the Settlement never occurred and without prejudice to any Party.

a. “Released Parties” means (i) ShiftMed, LLC (“Defendant”); (ii) each of Defendant’s past and present direct and indirect parents; (iii) the respective past and present direct and indirect subsidiaries and affiliates of any of the foregoing; (iv) the past, present, and future shareholders, directors, officers, agents, employees, attorneys, insurers, members, partners, managers, contractors, agents, consultants, representatives, administrators, fiduciaries, benefit plans, transferees, predecessors, successors and assigns of any of the foregoing; (v) the owners and operators of Client Facilities; and (vi) any individual or entity which could be jointly liable with any of the foregoing.

b. Release By Participating Class Members. Effective on the date when Defendant fully funds the Maximum Settlement Amount, Plaintiffs and all Participating Class Members fully, finally, and forever release, compromise, and discharge the Released Parties from all claims under the California Labor Code, Wage Orders, regulations, and/or any other provisions of state or federal law against the Released Parties that were alleged in the Action and those that reasonably could have been alleged in the Action based on the allegations contained in the operative complaint in the Action and any amendments thereto, including, without limitation, all claims for (1) off-the-clock work, (2) unpaid minimum wages, (3) unpaid regular wages, (4) unpaid overtime, (5) unpaid double time, (6) regular rate of pay, (7) meal periods and meal period premiums, (8) meal period auto-deductions, (9) rest breaks and rest break premiums, (10) wage statements, (11) failure to keep records, (12) reporting time pay, (13) timely payment of wages, (14) business expense reimbursements, (15) unpaid on call pay, (16) violation of Unfair Competition Law and any other Labor Code violations that were alleged in the Action, or that could have been alleged in the Action based on the facts alleged in the Action, which includes, but is not limited to, alleged violations of Labor Code sections 200, 201, 202, 203, 204, 210, 218.5, 223, 226, 226.3, 226.7, 227.3, 500, 510, 512, 558, 1194, 1194.2, 1197, 1198, 2802, Cal. Civ. Code section 1021.5

and Business and Professions Code section 17200 *et seq.*, and the applicable Wage Orders during the Class Period (January 23, 2020 through preliminary court approval of the settlement).

c. Release By PAGA Members and State of California. Effective on the date when Defendant fully funds the Maximum Settlement Amount, Plaintiffs, all PAGA Members, and the State of California fully, finally, and forever release, compromise, and discharge the Released Parties from all claims for civil penalties under the California Labor Code, Wage Orders, regulations, and/or any other provisions of state and federal law against the Released Parties that were alleged in the Action and those that reasonably could have been alleged in the Action based on the allegations contained in the LWDA Letter and the operative complaint in the Action and any amendments thereto, including, without limitation, all claims for civil penalties under PAGA (Labor Code § 2698 *et seq.*) related to (1) off-the-clock work, (2) unpaid minimum wages, (3) unpaid regular wages, (4) unpaid overtime, (5) unpaid double time, (6) regular rate of pay, (7) meal periods and meal period premiums, (8) meal period auto-deductions, (9) rest breaks and rest break premiums, (10) wage statements, (11) failure to keep records, (12) reporting time pay, (13) timely payment of wages, (14) business expense reimbursements, (15) unpaid on call pay, (16) violation of Unfair Competition Law and any other Labor Code violations that were alleged in the Action, or that could have been alleged in the Action based on the facts alleged in the Action, which includes, but is not limited to, alleged violations of Labor Code sections 200, 201, 202, 203, 204, 210, 218.5, 223, 226, 226.3, 226.7, 227.3, 500, 510, 512, 558, 1194, 1194.2, 1197, 1198, 2802, and the applicable Wage Orders during the PAGA Period (January 17, 2023 through preliminary court approval of the settlement).

IV. YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

If you worked for Defendant during the Class Period and/or the PAGA Period, your options under the Settlement are as follows:

Do Nothing	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if applicable). In exchange, you will give up your right to assert the Released Claims against the Defendant and the Released Parties (defined above), and if applicable, the Released PAGA Claims. Your check(s) will be sent to the same address as this notice. If you move or change your mailing address, be sure to notify the Administrator as soon as possible.
You can exclude yourself (i.e., opt-out) of the Class Settlement but not the PAGA Settlement Response Deadline is [DATE]	If you do not wish to participate in the Settlement, you can opt-out by sending the Administrator a written Request for Exclusion. The Request for Exclusion must contain: your full name, signature with date, the case name and number of the Action, and a clear statement indicating that you want to be excluded from the Settlement. The Request for Exclusion must be signed, dated, and mailed by First Class U.S. Mail, or the equivalent, to the Administrator. All Requests for Exclusion must be postmarked no later than the Response Deadline. Any individual who submits a Request for Exclusion will not be allowed to object to the terms of the Settlement.
Participating Class Members can object to the Class Settlement but not the PAGA Settlement Response Deadline is [DATE]	Any Class Member who does not exclude himself/herself from the Settlement (i.e., a Participating Class Member) may object to the terms of the Settlement by filing a written objection with the Court and mailing a copy to the Administrator, no later than the Response Deadline. A written objection must contain: your full name,

	signature with date, the case name and number of the Action, a clear statement indicating that you object to the Settlement, each specific reason in support of the objection along with any legal support for each objection, a clear statement indicating whether you are represented by counsel and whether you intend to appear at the Final Approval Hearing. Alternatively, you may object orally at the Final Approval Hearing. If the Court rejects the objection, you will nevertheless be bound by the terms of the Settlement.
Participating Class Members can participate in the Final Approval Hearing	<p>The Court's Final Approval Hearing is scheduled to take place on [DATE] at [TIME] in Department 39 of the Superior Court of California for the County of Contra Costa located at 725 Court Street, Martinez, California 94553.</p> <p>You don't have to attend, but you have the right to appear (or hire an attorney to appear on your behalf at your own cost) at the Final Approval Hearing. If you do not exclude yourself from the settlement, you may object orally at the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts and legal support for your objection. If the Court rejects the objection, you will nevertheless be bound by the terms of the Settlement.</p> <p>It is possible the Court will reschedule the Final Approval Hearing. Check the Court's website for the most current information or contact Class Counsel to verify the date and time of the Final Approval Hearing.</p>
You can dispute the calculation of your Workweeks / Pay Periods Dispute Deadline is [DATE]	The number of Class Period workweeks and/or PAGA Period Pay Periods you worked based on Defendant's records are stated above. If you disagree with either of these numbers, you can dispute them by submitting a timely written Workweek Dispute to the Administrator. The Workweek Dispute must be signed, dated, and mailed by First Class U.S. Mail, or the equivalent, to the Administrator. All Workweek Disputes must be postmarked no later than the Dispute Deadline. Unless you submit documentary evidence in support of your dispute, Defendant's records will be determinative. All Workweek Disputes will be resolved and decided by the Administrator, and the Administrator's decision on all disputes will be final and binding.

V. HOW TO CONTACT THE ADMINISTRATOR

[ADMINISTRATOR]

[ADDRESS 1]

[ADDRESS 2]

Telephone: [NUMBER]

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you should consult the detailed “Joint Stipulation of Class Action and PAGA Settlement” which is on file with the Clerk of the Court and can be accessed at <<[website address](#)>>. The pleadings and other records in this Action, including the Settlement, may be examined at any time during regular business hours at the Office of the Clerk of the Contra Costa County Superior Court at 725 Court Street, Martinez, California 94553. You can also consult the Superior Court website by going to <https://odyportal.cc-courts.org/Portal/Home/Dashboard/29> and entering the Case Number for the Action, Case No. C24-00180.

If you want additional information about this Action and its proceedings, you can contact the Administrator or Class Counsel in this Action:

Ashkan Shakouri, Esq.
Sharon Lin, Esq.
401 Wilshire Blvd., 12th Floor
Santa Monica, California 90401
Telephone: (424) 252-4711
EMAIL: ash@shakourilawfirm.com
sharon@shakourilawfirm.com

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

BY ORDER OF THE SUPERIOR COURT.

EXHIBIT C

SHAKOURI LAW FIRM
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Attorneys for Plaintiffs

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF CONTRA COSTA

STACY SMITH; KEYONA TURNER, on
behalf of themselves and all others similarly
situated,

Plaintiffs,

vs.

SHIFTMED, LLC; and DOES 1-20, inclusive,

Defendants.

) Case No. C24-00180
)
) Assigned for All Purposes To:
) Judge: Hon. Edward G. Weil
) Dept: 39
)
) **[PROPOSED] ORDER GRANTING FINAL**
) **APPROVAL OF CLASS AND PAGA**
) **SETTLEMENT AND JUDGMENT**
)
) Action Filed: January 23, 2024

1 **TO ALL PARTIES AND THEIR RESPECTIVE COUNSEL OF RECORD:**

2 This matter has come before the Honorable Edward G. Weil in Department 39 of the
3 above-entitled Court for a hearing on plaintiffs' Stacy Smith and Keyona Turner's ("Plaintiffs")
4 Motion for Final Approval of Class and PAGA Settlement ("Motion for Final Approval") came
5 before this Court, on [DATE].

6 On [DATE], the Court entered the Order Granting Preliminary Approval of Class and
7 PAGA Action Settlement ("Preliminary Approval Order") preliminarily approving the
8 settlement of the above-captioned action ("Action") in accordance with the Joint Stipulation of
9 Class and PAGA Settlement ("Settlement" or "Agreement"), which together with its attached
10 exhibits, set forth the terms and conditions for settlement of the Action.

11 Due and adequate notice having been given to all Class and PAGA Members as
12 required in the Preliminary Approval Order, and the Court having reviewed the Agreement and
13 considered the papers, the arguments of counsel, and all other evidence and matters presented,
14 and good cause appearing:

15 **IT IS ORDERED** that the Motion for Final Approval of Class and PAGA Settlement is
16 **GRANTED**, subject to the following findings and orders:

17 1. All terms used herein have the same meaning as defined in the Agreement and
18 Preliminary Approval Order.

19 2. The Court finds that, for settlement purposes only, the applicable requirements of
20 California Code of Civil Procedure section 382 and California Rule of Court 3.769, *et seq.* have
21 been satisfied with respect to the Class and the Settlement. The Court makes final its earlier
22 provisional certification of the Class for settlement purposes, as set forth in the Preliminary
23 Approval Order.

24 a. The Class is defined as: All current and former non-exempt employees of
25 Defendant who were assigned to work at a healthcare facility inside California during the Class
26 Period (January 23, 2020 through preliminary court approval of the settlement).

27 b. The PAGA Class is defined as: All current and former non-exempt
28 employees of Defendant who were assigned to work at a healthcare facility inside California

1 during the PAGA Period (January 17, 2023 through preliminary court approval of the
2 settlement).

3 c. The Released Parties are defined as: (i) ShiftMed, LLC (“Defendant”); (ii)
4 each of Defendant’s past and present direct and indirect parents; (iii) the respective past and
5 present direct and indirect subsidiaries and affiliates of any of the foregoing; (iv) the past,
6 present, and future shareholders, directors, officers, agents, employees, attorneys, insurers,
7 members, partners, managers, contractors, agents, consultants, representatives, administrators,
8 fiduciaries, benefit plans, transferees, predecessors, successors and assigns of any of the
9 foregoing; (v) the owners and operators of Client Facilities; and (vi) any individual or entity
10 which could be jointly liable with any of the foregoing.

11 3. This Court has jurisdiction over the Action and over all Parties to this Action,
12 including all Class and PAGA Members.

13 4. Distribution of the Class Notice directed to the Class and PAGA Members as set
14 forth in the Agreement has been completed in conformity with the Preliminary Approval Order,
15 including individual notice to all Class and PAGA Members who could be identified through
16 reasonable effort, and was the best notice practicable under the circumstances. The Class
17 Notice fully and accurately informed the Class of all material elements of the Settlement and of
18 their opportunity to participate in, object to, or comment thereon, or to seek exclusion from the
19 Settlement; provided due and adequate notice of the proceedings related to the Settlement; and
20 fully satisfied the requirements of due process.

21 5. The Court grants final approval of the Settlement and finds that the Settlement is
22 fair, adequate, and reasonable and that Plaintiffs have satisfied the standards and applicable
23 requirements for final approval of this class action settlement under California law, including the
24 provisions of California Code of Civil Procedure section 382. The Court hereby finds the
25 Settlement was entered into in good faith pursuant to and within the meaning of California Code
26 of Civil Procedure section 877.6.

27 6. The Court finds that the Settlement has been reached as a result of intensive,
28 serious and non-collusive arms-length negotiations. The Court has considered all of the evidence
presented and further finds that the Parties have conducted extensive investigation and research,

1 and counsel for the Parties are able to reasonably evaluate their respective positions. The Court
2 also finds that the Settlement at this time will avoid additional substantial costs, as well as avoid
3 the delay and risks that would be presented by the further prosecution of the Action. The Court
4 has considered the benefits that are being provided as part of the Settlement and the significant
5 value to the Class and PAGA Members, the absence of objections to the Settlement, and that
6 there were only _____ Requests for Exclusion from the Settlement by Class Members.
7 Accordingly, the Court directs that the Settlement be affected in accordance with the Agreement
8 and the following terms and conditions.

9 7. A full opportunity has been afforded to the Class and PAGA Members to
10 participate in the Final Approval Hearing, and all Class and PAGA Members and other persons
11 wishing to be heard have been heard. The Class Members also have had a full and fair
12 opportunity to exclude themselves from the Settlement. Accordingly, the Court determines that
13 all Class Members who did not submit a timely and valid Request for Exclusion to the
14 Administrator (“Participating Class Members”) and PAGA Members are bound by this Final
15 Approval Order and Judgment.

16 8. The Court finds that _____ Class Members have timely and validly opted out of
17 the Settlement and will not be bound by this Final Order Approving Class Action Settlement and
18 Judgment (“Final Approval Order and Judgment”).

19 9. The Court finds the Individual Class Payments to Participating Class Members
20 provided for under the Settlement to be fair and reasonable in light of all of the circumstances.
21 The Court directs the Administrator to calculate and distribute payments to Participating Class
22 Members for Individual Class Payments, in accordance with the terms of the Agreement.

23 10. The Court finds that the request for an award of attorneys’ fees in the amount of
24 \$225,433.33 to Class Counsel falls within the range of reasonableness, and the results achieved
25 justify the award sought. The requested attorneys’ fees to Class Counsel are fair and
26 reasonable; and are approved. The Court directs the Administrator to issue payment in the
27 amount of \$225,433.33 to Class Counsel for attorneys’ fees, in accordance with the terms of the
28 Agreement.

1 11. The Court finds that reimbursement of litigation costs and expenses in the
2 amount of \$_____.00 to Class Counsel is reasonable; and is approved. The Court directs the
3 Administrator to issue payment in the amount of \$_____.00 to Class Counsel for
4 reimbursement of litigation costs and expenses, in accordance with the terms of the Agreement.

5 12. The Court finds that Plaintiffs' Enhancement Payment in the amount of
6 \$10,000.00 for each of the Plaintiffs for their work on behalf of the Class is fair and reasonable;
7 and is approved. The Court directs the Administrator to issue payment of Plaintiffs'
8 Enhancement Payment in the amount of \$10,000.00 to each Plaintiff, in accordance with the
9 terms of the Agreement.

10 13. The Court finds that the PAGA Allocation in the amount of \$50,000.00 for
11 penalties under the California Private Attorneys General Act of 2004, is fair and reasonable; and
12 is approved. The Court directs the Administrator to issue payment of the PAGA Allocation as
13 follows: the amount of \$37,500.00 (75 percent of \$50,000.00) to the California Labor Workforce
14 Development Agency and the amount of \$12,500.00 (25 percent of \$50,000.00) as Individual
15 PAGA Payments to PAGA Members, in accordance with the terms of the Agreement.

16 14. The Court finds that payment of Administration Expenses in the amount of
17 \$11,950.00 to the Administrator is fair, reasonable, and appropriate for the services performed
18 and costs incurred and to be incurred for the notice and settlement administration process; and is
19 approved. The Court directs the Administrator to issue payment of Administration Expenses in
20 the amount of \$11,950.00 to itself, in accordance with the terms of the Agreement.

21 15. The Court directs the Administrator to cancel any Individual Class Payment
22 and/or Individual PAGA Payment checks issued to Class and PAGA Members that are not
23 cashed or deposited within 180 calendar days after they are issued, and transmit the funds
24 associated with such cancelled checks to the California State Controller's Offices Unclaimed
25 Property Division to be held as unclaimed funds in the Class and/or PAGA Member's name.

26 16. The Court directs Class Counsel to file the Administrator's Declaration of
27 Compliance and Proof of Payment within two hundred (200) calendar days of the notice of entry
28 of this Final Approval Order and Judgment.

1 17. Neither the Settlement nor any of the terms set forth in the Stipulation is an
2 admission by Defendant, or any of the other Released Parties, nor is this Final Approval Order
3 and Judgment a finding of the validity of any claims in the Action or of any wrongdoing by
4 Defendant, or any of the other Released Parties. Neither this Final Approval Order and Judgment,
5 the Agreement, any document related to the Settlement, nor any action taken to carry out the
6 Settlement is, may be construed as, or may be used as, an admission by or against Defendant, or
7 any of the other Released Parties, of any fault, wrongdoing or liability. The entering into or
8 carrying out of the Settlement, and any related negotiations or proceedings, will not in any event
9 be construed as, or deemed to be evidence of, an admission or concession with regard to the
10 denials or defenses by Defendant, or any of the other Released Parties, and will not be offered in
11 evidence in any action or proceeding in any court, administrative agency or other tribunal for any
12 purpose whatsoever other than to enforce the provisions of this Final Approval Order and
13 Judgment, the Agreement, the Released Claims, Released PAGA Claims, or any related
14 agreement or release. Notwithstanding these restrictions, any of the Released Parties may file in
15 the Action, or submit in any other proceeding, the Final Approval Order and Judgment, the
16 Agreement, and any other papers and records on file in the Action as evidence of the Settlement to
17 support a defense of res judicata, collateral estoppel, release, or other theory of claim or issue
18 preclusion or similar defense.

18 18. The Court orders, adjudges and decrees that:

19 a. Plaintiffs and all Participating Class Members fully, finally, and forever
20 release, compromise, and discharge the Released Parties from the Released Claims for the Class
21 Period, in accordance with the terms of the Agreement;

22 b. Plaintiffs, all PAGA Members, and the State of California fully, finally,
23 and forever release, compromise, and discharge the Released Parties from the Released PAGA
24 Claims for the PAGA Period, in accordance with the terms of the Agreement; and

25 c. Plaintiffs fully, finally, and forever release, compromise, and discharge the
26 Released Parties from all causes of action, claims, judgments, obligations, damages or liabilities of
27 whatever kind and character and waive all rights under California Civil Code section 1542, in
28 accordance with the terms of the Agreement.

1 19. The Court hereby enters final judgment in accordance with the terms of the
2 Agreement, the Order Granting Preliminary Approval of Class and PAGA Settlement, and this
3 Order.

4 17. The Court retains continuing jurisdiction, pursuant to California Rules of Court,
5 Rule 3.769(h) and Code of Civil Procedure section 664.6, to enforce the settlement until
6 performance in full of the terms of the Agreement.

7 **IT IS SO ORDERED ADJUDGED AND DECREED.**

8 The Clerk of the Court is directed to enter this Judgment.

9
10 Dated: _____

Honorable Edward G. Weil
JUDGE OF THE SUPERIOR COURT