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

(Soliman, Carralez, and Bautista v. Satellite Healthcare, Inc., Superior Court of the State of California, County of Santa Clara, Case No. 21CV387218)

YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE READ THIS NOTICE CAREFULLY.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing and Receive a Payment	To receive a cash payment from the Settlement, you do not have to do anything.
	Your estimated Settlement Share is: \$< <estimated settlement="" share="">>. See the explanation in Section 5 below.</estimated>
	If you do nothing, you will be considered a Participating Class Member and will be part of the Settlement as explained more fully below. After final approval by the Court, the payment will be mailed to you at the same address as this Notice. In exchange for the Settlement Share payment, you will release the Released Class Claims as detailed in Section 4 below. If your address has changed, you must notify the Settlement Administrator as explained in Section 6 below.
Exclude Yourself	To exclude yourself, you must send a written request for exclusion to the Settlement Administrator as provided below. If you request exclusion, you
The Response Deadline is October 14, 2024	will receive no money from the Settlement and you will not be bound by the Settlement. However, if you are an Aggrieved Employee who opts out, you will still be paid your allocation of the Private Attorney Generals Act ("PAGA") Payment and will remain bound by the release of the Released PAGA Claims regardless of whether you submit a request for exclusion.
	If you choose to exclude yourself, you must notify the Settlement Administrator as explained in Section 7 below.
Object	Write to the Court about why you do not agree with the Settlement or appear at the Final Approval Hearing to make an oral objection.
The Response Deadline is October 14, 2024	Instructions are provided in Section 8 below.

1. Why did I get this Notice?

A proposed class action settlement of the above-captioned matter (the "Settlement") is pending in the Superior Court of the State of California, in and for the County of Santa Clara (the "Court") has been reached between Plaintiffs Tiffany Soliman, Maria Carralez, and Eugene Bautista ("Plaintiffs") and Defendant Satellite Healthcare, Inc. ("Defendant") and has been granted preliminary approval by the Court. You may be entitled to receive money from this Settlement.

You have received this Class Notice because you have been identified as a member of the Class, which is defined as:

All current and former non-exempt California employees of Defendant who worked at any time from April 21, 2020, through September 6, 2023 ("Class Period").

This Class Notice explains the lawsuit, the Settlement, and your legal rights. It is important that you read this Class Notice carefully as your rights may be affected by the Settlement. To exclude yourself from, or object to, the Settlement you must take action by certain deadlines. If you want to be part of the Settlement as proposed, you don't need to do anything to obtain your share of the Settlement. Defendant will not retaliate against you for any actions you take with respect to the Settlement.

2. What is this class and representative action lawsuit about?

In September 2021, Plaintiff Soliman filed a Complaint against Defendant in this Court ("Soliman Class Action"), alleging the following claims against Defendant: Failure to pay lawful wages, failure to provide meal and rest breaks, failure to reimburse business expenses, failure to timely pay wages, failure to provide accurate itemized wage statements, unfair competition. In January 2022 and June 2022, Plaintiff Soliman filed amended complaints supplementing her claims.

On September 14, 2022, Plaintiff Carralez filed a Complaint against Defendant in the United States District Court for the Eastern District of California, Case No. 2:22-at-00946 ("Carralez Class Action"), alleging substantially similar claims. On January 30, 2023, Plaintiff Carralez filed an amended complaint against Defendant adding Plaintiff Bautista, supplementing her allegations and claims, and adding a cause of action under the PAGA.

As part of this Settlement, in December 2023, Plaintiffs filed a Third Amended Complaint in the Soliman Class Action, adding Plaintiffs Carralez and Bautista as named plaintiffs, and consolidating their claims. This consolidated lawsuit is referred to as the "Action".

Defendant denies and disputes all claims. Specifically, Defendant contends that Plaintiffs and the Class Members were properly compensated for wages under California law; that Plaintiffs and the Class Members were provided with meal and rest periods in compliance with California law; that Defendant complied with California wage statement and payroll requirements; that Defendant is not liable for any of the damages or penalties claimed or that could be claimed in the Action; and that this Action cannot be maintained as a class or representative action.

The Court granted preliminary approval of the Settlement on **July 19, 2024**. At that time, the Court also preliminarily approved the Plaintiffs to serve as the Class Representatives, and the law firms of Mayall Hurley P.C. and James Hawkins ALPC to serve as Class Counsel.

3. What are the terms of the Settlement?

<u>Settlement Amount</u>. Defendant has agreed to pay an "all in" amount of Two Million Four Hundred Twenty-Five Thousand Dollars (\$2,425,000) (the "Gross Fund") to fund the settlement of this Action. The Gross Fund includes all Individual Settlement Payments to Participating Class Members, Attorneys' Fees and Costs to Class Counsel, the Class / PAGA Representative Enhancement Payment to Plaintiffs, the Labor and Workforce Development Agency Payment, and Settlement Administration Costs to the Settlement Administrator. Any employer-side payroll taxes on the portion of the Settlement Shares allocated to wages shall be separately paid by Defendant.

Within ten (10) days of the Effective Date, Defendant will fund the Gross Settlement Amount by depositing the money with the Settlement Administrator. The "Effective Date" is the date the Judgment is final and no longer subject to appeal. Ten (10) days after the Settlement is funded, the Settlement Administrator will mail checks for the Settlement Shares to Participating Class Members.

Amounts to be Paid from the Gross Settlement Amount. The proposed payments subject to Court approval will be deducted from the Gross Settlement Amount before Settlement Shares are made to Class Members who do not request exclusion ("Participating Class Members"):

- <u>Settlement Administration Expenses</u>. Payment to the Settlement Administrator, estimated not to exceed \$25,000, for expenses, including without limitation expenses of notifying the Class Members of the Settlement, processing opt outs, and distributing Settlement Shares and tax forms, and handling inquiries and uncashed checks.
- Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment. Payment to Class Counsel of reasonable Attorneys' Fees not to exceed one-third (1/3) of the Gross Fund, which is presently Eight Hundred Eight Thousand Three Hundred Thirty-Three Dollars and Thirty-Three (\$808,333.33), and an additional amount to reimburse actual litigation costs incurred by the Plaintiffs not to exceed \$35,000. Class Counsel has been prosecuting the Action on behalf of Plaintiffs and the Class on a contingency fee basis (that is, without being paid any money) and has been paying all litigation costs and expenses. The amounts stated are what Class Counsel will be requesting and the final amounts to be paid will be decided at the Final Approval Hearing.
- Class / PAGA Representative Enhancement Payments. Class / PAGA Representative Enhancement Payments in an amount not to exceed \$10,000 to each of the three Plaintiffs, or such lesser amount as may be approved by the Court, to compensate them for services on behalf of the Class in initiating and prosecuting the Action, and for the risks they undertook. The amount stated is what Plaintiffs will be requesting and the final amount to be paid will be decided at the Final Approval Hearing.
- PAGA Payment. A payment of \$50,000 relating to the claim for penalties under PAGA, \$37,500 of which will be paid to the State of California's Labor and Workforce Development Agency ("LWDA Payment"). The remaining \$12,500 will be distributed to the Aggrieved Employees as Individual PAGA Payments based on their respective pay periods employed during the PAGA Period (September 29, 2020, through September 6, 2023). "Aggrieved Employees" means all individuals who were employed by Defendant in California as hourly, non-exempt employees during the PAGA Period, regardless of whether they submit an Election Not to Participate in Settlement. All Aggrieved Employees will be sent their share of the PAGA Payment and will be subject to the release of the Released PAGA Claims as set forth below, whether or not they opt out of the Settlement.

Calculation of Payments to Class Members. After all of the payments of the Court-approved Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, the Class / PAGA Representative Enhancement Payments, the PAGA Payment, and the Settlement Administration Expenses are deducted from the Gross Settlement Amount, the remaining portion, called the "Net Settlement Amount", shall be distributed as Settlement Shares to the Participating Class Members. The Net Settlement Amount is estimated to be at least \$1,489,166.67, based upon the above proposed deductions. Settlement Administrator will pay a Settlement Share from the Net Settlement Amount to each Participating Class Member, which shall be calculated as follows: (a) the Settlement Administrator shall divide the Net Settlement Amount by the total number of weeks employed during the Class Period by Participating Class Members to determine a dollar amount per week ("Weekly Rate"); and (b) the Settlement Administrator shall then take the number of weeks

employed by each Participating Class Member during the Class Period and multiply it by the Weekly Rate to calculate their Settlement Share.

If the Settlement is approved by the Court and you do not exclude yourself, you will automatically be mailed a check for your Settlement Share to the same address as this Class Notice. You do not have to do anything to receive a payment. If your address has changed, you must contact the Settlement Administrator to inform them of your correct address to ensure you receive your payment.

Tax Matters. Thirty-three percent (33%) of each Participating Class Member's Settlement Share is in settlement of wage claims (the "Wage Portion"). Accordingly, the Wage Portion is subject to wage withholdings, and shall be reported on IRS Form W-2. Sixty-seven percent (67%) of each Participating Class Member's Settlement Share is in settlement of claims for interest, non-wage damages and penalties allegedly due to employees (the "Non-Wage Portion"). The Non-Wage Portion shall not be subject to wage withholdings, and shall be reported on IRS Form 1099 MISC. The employee portion of all applicable income and payroll taxes will be the responsibility of the Participating Class Members. Neither Class Counsel nor Defendant's Counsel intend anything contained in this Class Notice to constitute advice regarding taxes or taxability. The tax issues for each Participating Class Member are unique to him/her, and each Participating Class Member may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

<u>Conditions of Settlement</u>. This Settlement is conditioned upon the Court granting final approval of the Settlement and entering the Judgment.

4. What do I release under the Settlement?

Released Claims. Upon the Effective Date and full funding of the Gross Settlement Amount, Defendant and the Released Parties shall receive a release from the Participating Class Members of all claims, rights, demands, liabilities, and causes of action, for, failure to pay all minimum wage and overtime, to provide meal and rest breaks and to provide meal and rest break premiums at the correct rates of pay, to reimburse business expenses, to compensate for all paid sick leave at the correct rate of pay, to provide accurate itemized wage statements, and waiting time penalties, arising under Labor Code sections 201-203, 204, 226, 226.7, 246, 510, 512, 558, 1182.12 et seq., 1194, 1197, 1198, 1199, 2698 et seq., and 2802 and the applicable California wage orders, as well as any and all corresponding claims that could have been brought under the Fair Labor Standards Act ("FLSA"), 29 U.S.C. sections 201, et seq. based on the facts alleged in the complaint and in accordance with Rangel v. PLS Check Cashers of Cal., Inc., 899 F.3d 1106, 1110–11 (9th Cir. 2018) (holding opt-out release of California state law claims was res judicata against FLSA claims "which were direct federal law counterparts to the state law claims settled"), as well as unfair business practices and imposition of PAGA civil penalties during the PAGA Period based upon the same, and any claims that were alleged in the pleadings or the LWDA letters or that could have been alleged based on the facts asserted in the pleadings or the LWDA letters during the relevant Release Period (April 21, 2020, through September 6, 2023).

This means that, if you do not timely exclude yourself from the Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant and/or any other Released Party about Released Class Claims resolved by the Settlement. It also means that all of the Court's orders in the Action will apply to you and legally bind you.

Released PAGA Claims. Upon the Effective Date and full funding of the Gross Fund, Defendant and the Released Parties shall receive a release from the State of California and the Aggrieved Employees of all

claims, rights, demands, liabilities, and causes of action, for civil penalties based upon the failure to pay all minimum wage and overtime, to provide meal and rest breaks and to provide meal and rest break premiums at the correct rates of pay, to reimburse business expenses, to compensate for all paid sick leave at the correct rate of pay, to provide accurate itemized wage statements, and waiting time penalties, arising under Labor Code sections 201-203, 204, 210, 226, 226.7, 246.5, 510, 512, 558, 1182.12 *et seq.*, 1194, 1197, 1198, 1199, 2698 et seq., and 2802 and the applicable California wage orders, and any claims that were alleged in the pleadings or the LWDA letters or that could have been alleged based on the facts asserted in the pleadings or LWDA letters during the PAGA Period (September 29, 2020 through September 6, 2023).

The Released PAGA Claims do not include other PAGA claims, underlying wage and hour claims seeking relief other than civil penalties including, but not limited to, claims for vested health insurance benefits, wrongful termination, unemployment insurance, disability insurance, social security, worker's compensation, and claims outside of the PAGA Period. The release of the Released PAGA Claims shall be effective as to all Aggrieved Employees, regardless of whether an Aggrieved Employee submitted a request for an exclusion from the Class.

5. How much will my payment be?

The Weekly Rate is estimated to be \$6.20. Defendant's records reflect that you have worked << workweeks >> workweeks for Defendant as a Class Member during the Class Period (April 21, 2020, through September 6, 2023).

Based on this information, your estimated Settlement Share from the Net Settlement Amount is \$<<estimated settlement share>>.

If you wish to challenge the information set forth above, then you must submit a written and signed dispute challenging the information along with supporting documents, to the Settlement Administrator at the address provided in this Class Notice no later than **October 14, 2024** ("Response Deadline").

6. How can I get a payment?

To get money from the Settlement, you do not have to do anything. A check for your Settlement Share will be mailed automatically to the same address as this Class Notice. If your address is incorrect or has changed, you must notify the Settlement Administrator. The Settlement Administrator can be contacted at: satellitehealthcaresettlement@atticusadmin.com or 1-888-848-8947.

The Court will hold a Final Approval Hearing on January 8, 2024, at 1:30 p.m. to decide whether to approve the Settlement and fix the amounts to be paid as Attorneys' Fees and costs to Class Counsel and as service awards to the Plaintiffs. If the Court approves the Settlement and there are no objections or appeals, payments will be mailed approximately three months after this hearing. If there are objections or appeals, resolving them can take time, usually more than a year. Please be patient.

7. What if I don't want to be a part of the Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or "opt out." If you opt out, you will not receive a Settlement Share from the Settlement, and you will not be bound by the Settlement which means you will retain the right to sue Defendant for the Released Class Claims. However, Aggrieved Employees who opt out will still be paid their allocation of the PAGA

Payment and will remain bound by the release of the Released PAGA Claims regardless whether they submit a request for exclusion.

To opt out, you must mail to the Settlement Administrator, by First Class Mail, a written, signed and dated request to opt out postmarked no later than the Response Deadline, which is **October 14, 2024**. The request to opt out must be postmarked or received by the Settlement Administrator by this deadline and should: (1) contain a clear statement that you are requesting to opt out of, or be excluded from the Settlement and Released Class Claims in the *Soliman, Carralez, Bautista v. Satellite Healthcare, Inc.* lawsuit; (2) contain the name, address, and the last four digits of the Social Security Number of the person requesting exclusion; and (3) be signed by the Class Member or his or her lawful representative. Please include the name and number of the case, which is *Soliman, Carralez, Bautista v. Satellite Healthcare, Inc.*, Case No. 21CV387218. The request to opt out must be signed by you. No other person may opt out for a living member of the Class.

The address for the Settlement Administrator is Soliman, Carralez, Bautista v Satellite Healthcare, Inc Settlement Administrator, c/o Atticus Administration, PO Box 64053, St. Paul, MN 55164. Written requests for exclusion that are postmarked after **October 14**, **2024**, or are incomplete or unsigned may be rejected; and if so, those Class Members will remain bound by the Settlement and the Released Class Claims described above.

8. How do I tell the Court that I don't agree with the Settlement?

Any Class Member who has not opted out and believes that the Settlement should not be finally approved by the Court for any reason may object to the proposed Settlement, the Attorneys' Fees, the costs and/or the service awards, either in writing or in person. Objections that are in writing should state the Class Member's name, current address, telephone number, and the dates of employment in California by Defendant, and describe why you believe the Settlement is unfair. All written objections or other correspondence should also state the name and number of the case, which is *Soliman, Carralez, Bautista v. Satellite Healthcare, Inc.*, in the Superior Court of the State of California, County of Santa Clara, Case No. 21CV387218.

All written objections must be mailed to the Settlement Administrator by October 14, 2024.

Alternatively, Class Members may appear at the Final Approval Hearing on January 8, 2025 at 1:30 p.m. to make an oral objection. The Final Approval Hearing can be attended remotely thought CourtCall. Please check the Court's website for current information concerning appearances and how to view court proceedings: https://www.scscourt.org/online_services/case_info.shtml. For assistance in making an appearance at the Final Approval Hearing, please contact Class Counsel below.

To object to the Settlement, you must not opt out, and if the Court approves the Settlement despite your objection, you will be bound by the terms of the Settlement in the same way as Class Members who do not object and you will still be mailed a check for your Settlement Share.

The addresses for Parties' counsel are as follows:

Class Counsel:

Robert J. Wassermann rwassermann@mayallaw.com Nicholas F. Scardigli nscardigli@mayallaw.com Jenny D. Baysinger jbaysinger@mayallaw.com Mayall Hurley P.C. 112 S Church St. Lodi, CA 95240

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9. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing at 1:30 p.m. on January 8, 2025, at the Santa Clara County Superior Court, located at 161 North First Street, San Jose, CA 95113. At this hearing the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement and to fix the amounts to be paid as Attorneys' Fees and costs to Class Counsel and as service payments to Plaintiffs. If there are objections, the Court will consider them. This hearing may be rescheduled by the Court without further notice to you.

Class Members may appear at the final approval hearing in person or remotely using the Microsoft Teams link for Department 19 (Afternoon Session). Instructions for appearing remotely are provided at https://www.scscourt.org/general_info/ra_teams/video_hearings_teams.shtml and should be reviewed in advance. Class Members who wish to appear remotely are encouraged to contact class counsel at least three days before the hearing if possible, so that potential technology or audibility issues can be avoided or minimized.

If the hearing is continued, the new hearing date can be found on the Court Public Portal webpage for the Santa Clara County Superior Court (https://traffic.scscourt.org/search) by entering the Case No. 21CV387218.

10. How do I get more information about the Settlement?

You may call the Settlement Administrator at 1-888-848-8947 or write to *Soliman, Carralez, Bautista v. Satellite Healthcare, Inc.* Settlement Administrator, c/o Atticus Administration, PO Box 64053, St. Paul, MN 55164; or contact Class Counsel listed above.

This Class Notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You may receive a copy of the Settlement Agreement, the Judgment, the motion for Attorneys' Fees, costs and service award, the motion for final approval, or other Settlement documents by going to Settlement Administrator's website at www.satellitehealthcaresettlement.com under "Settlement Documents" for *Soliman, Carralez, Bautista v. Satellite Healthcare, Inc.* You may also get more details by examining the Court's file on the Internet via the Court Public Portal webpage for the Santa Clara County Superior Court (https://traffic.scscourt.org/search) and entering the Case No. 21CV387218. If you wish to view the Court files in person, you may go to the Clerk's Office at 161 North First Street, San Jose, CA 95113.

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

IMPORTANT:

- You must inform the Settlement Administrator of any change of address to ensure receipt of your Settlement payment.
- Settlement checks will be null and void if not cashed within one hundred eighty (180) days after its mailing. In such event, the Settlement Administrator shall pay all unclaimed funds to the California State Controller's Unclaimed Property Fund in the name of and for the benefit of the individual who did not cash their check where the funds may be claimed.
- If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.