

## EXHIBIT 2

### Class Action Settlement Agreement

Subject to final approval by the Court, Plaintiff Shirley Watkins ("Plaintiff"), on behalf of herself and the Class Members, as defined below, on the one hand, and Defendant St. Jude Hospital Yorba Linda ("Defendant"), on the other hand, (together the "Parties") hereby agree to the following binding settlement of the class action designated Shirley Watkins v. St. Jude Hospital Yorba Linda, et al., case number 30-2012-00561240-CU-OE-CXC (hereinafter the "Lawsuit"), pending before the Honorable Kim G. Dunning in Department CX-104 of the Orange County Superior Court.

### RECITALS

A. Certain claims, demands and disputes have existed heretofore between Plaintiff and the Class Members, on the one hand, and the Defendant, on the other hand, including Plaintiff's contention that she and other employees worked while "off the clock," that Defendant's policy and practice of rounding employee time entries to the nearest quarter-hour has resulted in a failure to pay her and the Class Members all wages owed, including minimum and overtime wages, and that Defendant has failed to provide complete and accurate wage statements.

B. Defendant denies each of Plaintiff's allegations in their entirety, and contends that Plaintiff and all other Class Members have been paid all wages owed, including minimum and overtime wages, and have at all times been provided with complete and accurate wage statements.

C. Plaintiff and the Class Members are represented by Ira Spiro and Jennifer Connor of the law firm of Spiro Law Corp. and Kashif Haque, Samuel Wong, and Jessica Campbell of the Aegis Law Firm, PC ("Plaintiff's Counsel"). Defendant is represented by Derek R. Havel and Jonathan P. Barker of the law firm of Sheppard, Mullin, Richter & Hampton, LLP ("Defense Counsel").

D. No class has yet been certified in this matter. The Parties have agreed to settle this matter prior to Plaintiff filing a Motion for Class Certification. Prior to settling this matter, the parties conducted substantial formal written discovery and independent investigation. In addition, Defense Counsel took Plaintiff's deposition, and Class Counsel has taken the deposition of Defendant's Person Most Qualified with respect to the matters alleged in the Complaint. The Parties also exchanged additional documents and information at, and in preparation for, mediation.

E. The cost of continuing to prosecute and defend the litigation, including the risks and hazards in continuing with the same, have led the Parties to resolve the case by way of settlement. On May 8, 2014, the Parties participated in a full-day mediation conducted before Steven J. Rottman. The parties continued settlement discussions following that mediation, with the aid of Mr. Rottman, and agreed on a settlement amount on July 22, 2014.

F. It is the intention of the Parties, by means of this Agreement, to settle and dispose of, fully and completely, any and all claims, demands and causes of action asserted by Plaintiff

in the Lawsuit, and any related claims, as described hereafter, as between Plaintiff and the Class Members, and the Defendant, including but not limited to requests for legal or equitable relief, requests for damages, and requests for injunctive relief, which have been asserted, or could have been asserted, based on the allegations in the Lawsuit.

1. **Stipulation re: Class Settlement.** Defendant will, and hereby does, stipulate that a class, as defined below, may be certified for settlement purposes only. The Parties agree that certification for settlement purposes is not an admission that class certification is proper under the more stringent standard applied to contested certification motions. The Parties agree that class certification under the terms of this Agreement is for settlement purposes only. Nothing in this Agreement will be construed as an admission or acknowledgement of any kind that any class should be certified or given collective treatment in the Lawsuit, or in any other action or proceeding for purposes other than the settlement of this Lawsuit. Further, neither this Agreement nor the Court's actions with regard to this Agreement will be admissible in any court or other tribunal regarding the propriety of class certification or collective treatment for purposes other than the settlement of this Lawsuit. In the event that this Agreement is not approved by the Court or any appellate court, is terminated, or otherwise fails to be enforceable, Defendant will not be deemed to have waived, limited, or affected in any way any its objections or defenses in the Lawsuit, including, but not limited to, its defenses in opposition to class certification.
2. **Class Definition.** The Class Members shall be defined as: All non-exempt, hourly paid employees who have been employed by Defendant in the State of California during the time period beginning April 11, 2008, and ending on either: (i) the date of preliminary approval of this settlement; or (ii) November 22, 2014, whichever is earlier (the "Class Period").
3. **Settlement Amount.** As of the date this Settlement Agreement is executed, the claims of Plaintiff and all the Class Members are settled for \$515,000.00. This "Settlement Amount" is inclusive of Class Counsel's attorneys' fees, costs and expenses directly related to the Lawsuit, and the Service Payment to Plaintiff, in the amount and to the extent set forth below. The payments provided by this Agreement to be made to a Third Party Claims Administrator for administering notice and payment to Class Members, and to the California Labor and Workforce Development Agency for the settlement of claims under the Private Attorney General Act, shall also be paid from, and deducted from, the Settlement Agreement, in the amount and to the extent set forth below. The Settlement Amount is non-reversionary.
4. **Non-Economic Benefit.** As additional consideration for the promises in this Settlement, Defendant agrees that it will engage in a good faith effort to discontinue the use of the plus or minus seven- and three- minute rounding functions on the Kronos and/or other time keeping software used to record Class Members' time entries within 30 days of the Court issuing final approval and settlement of this lawsuit. Defendant will effectuate such a change and provide a sworn statement affirming such change no later than 120 days after such final approval.

5. **Release.** The Class Members shall release Defendant as follows: Except for those who make timely and valid requests for exclusion, the remaining Class Members ("Participating Class Members") shall fully and finally release and discharge Defendant and its former and present parents, subsidiaries and affiliated corporations and their officers, directors, employees, partners, shareholders and agents, and any other successors, assigns or legal representatives ("Released Parties"), from all applicable California wage and hour claims, rights, demands, liabilities and causes of action of every nature and description, whether known or unknown, alleged in the complaint in the Lawsuit, or those causes of action that could have been brought in the pending action with respect to the matter in controversy, and all of the following recoverable or potentially recoverable under those claims: damages, unpaid costs, penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, equitable relief, and other relief under California Business & Professions Code § 17200. The claims alleged in the complaint in the Lawsuit are the following: (a) failure to pay wages for all hours worked, including but not limited to such claims based on allegations of working while "off the clock"; and/or Defendant's practice and/or policy of rounding employee time records; (b) claims for the failure to pay minimum or overtime wages, including but not limited to such claims resulting from rounding and/or "off the clock work"; (c) claims for waiting time penalties under Labor Code § 203; and (d) claims for failure to provide accurate wage statements. . There is no release of claims for the following, which is not an all-inclusive list: discrimination, harassment, hostile workplace, termination of employment (although claims under Labor Code section 203 are released as stated above), Workers' Compensation, and personal injury.

Participating Class Members shall also waive and release any and all claims for penalties pursuant to the Private Attorney's General Act of 2004 ("PAGA") arising out of the aforementioned claims, as well as all claims under the federal Fair Labor Standards Act ("FLSA") arising out of these claims. The Parties agree to follow the procedures set forth below in this Agreement in order to effectuate Class Members' waiver, release and settlement of all claims under PAGA arising out of the claims set forth above.

However, Class Members who do not make a claim and do not request exclusion – i.e., "do nothing," will not release FLSA claims.

6. **This Settlement includes claims under the FLSA:** Defendant agrees that the Orange County Superior Court has concurrent jurisdiction over these FLSA claims, and further agrees not to remove this action to federal court. The Claim Form to be sent to the Class Members, which is described below, will indicate that the claimant is consenting to the settlement of the FLSA portion of the Lawsuit. Accordingly, Participating Class Members who submit valid Claims Forms will be deemed to have fully released any and all claims under the FLSA based on any alleged (a) failure to pay wages for all hours worked, including claims based on allegations of working while "off the clock"; (b) failure to pay wages for all hours worked arising from or based on Defendant's practice and/or policy of rounding employee time records; (c) failure to pay minimum or overtime wages as a result of alleged rounding or "off the clock" work; and/or (d) failure to provide accurate wage statements.

7. **This Settlement includes claims under PAGA:** Plaintiff's Amended Complaint will also add a cause of action for penalties pursuant to PAGA. In order to resolve any and all claims for penalties under PAGA, the Parties agree that payment in the amount of \$3,000.00 shall be made to the California Labor and Workforce Development Agency ("LWDA") out of the Settlement Amount. This payment is being made pursuant to California Labor Code § 2699(i), and constitutes seventy-five (75%) of the \$4,000.00 PAGA penalties paid for purposes of this Agreement. This \$3,000.00 payment shall be paid out of and deducted from the Settlement Amount. This payment will be made directly to the LWDA by the Claims Administrator within 15 days of when payments are made to the Participating Class Members.

The Parties hereto, including the Participating Class Members, stipulate and agree that the consideration paid to the Participating Class Members pursuant to this Settlement Agreement compensates the Participating Class Members for all wages and penalties due to them, along with all liability for alleged wage statement violations and any related penalties, that are civil penalties under PAGA that are related to any of the claims asserted by Plaintiff in this Lawsuit.

Accordingly, Defendant cannot be held liable henceforth for any penalties pursuant to PAGA relating to the released claims, and the parties hereto, including the Participating Class Members, stipulate and agree that, following the payments made pursuant to this Agreement, the Participating Class Members will no longer be "aggrieved employees" for the purposes of PAGA. In addition, the parties, including the Participating Class Members, further stipulate and agree that even if any Participating Class Member is determined to be an "aggrieved employee" for the purposes of PAGA, said Participating Class Member waives any potential right to any penalty prescribed by PAGA relating to the released claims.

8. **Attorneys' Fees.** Class Counsel will request, and Defendant and its counsel will not oppose, an award of attorneys' fees of up to thirty percent (30%) of the Settlement Amount (currently \$154,500.00), as well as costs and expenses incurred by Class Counsel, in an amount not to exceed \$12,000.00. Said amounts shall be included in, paid from, and deducted from the Settlement Amount. Class Counsel will be issued an IRS Form 1099 for their award of attorneys' fees, costs, and expenses. Payment of attorneys' fees, costs and expenses to Class Counsel shall be made by the Claims Administrator within 15 days of when payments are made to the Participating Class Members.
9. **Costs Of Administration.** The parties will select a mutually agreeable Third Party Claims Administrator to administer Notice to Class Members and distribution of the Settlement Amount, as set forth more fully below. The Parties agree that the Claims Administrator's costs and fees shall be paid out of the Settlement Amount, including the cost and expense of disseminating the Class Notice, Claim Forms, Request for Exclusion Forms, and reminder postcards, calculating all settlement payments and tax liabilities, and disseminating payments to Participating Class Members and tax payments to the appropriate authorities, as well as any other costs incurred in administering this settlement ("Administration Costs"). Based on an estimate provided by Phoenix

Settlement Administrators, Inc., the Parties estimate Administration Costs will not exceed \$23,180.

10. **Plaintiff Service Payment And General Release.** Class Counsel will request, and Defendant and its counsel will not oppose, payment to Plaintiff Shirley Watkins in an amount of up to \$15,000.00 from the Settlement Amount, in addition to whatever payment she is otherwise entitled to receive as a Participating Class Member. This payment (the "Service Payment") will be paid out of and deducted from the Settlement Amount. Payment of the Service Payment shall be made to Plaintiff by the Claims Administrator within 15 days of when payments are made to the Participating Class Members.

In exchange for this Service Payment, and in addition to the release made by all of the Participating Class Members set forth in Paragraph 5 hereof, Plaintiff makes the following additional general release of all claims, known or unknown.

Plaintiff forever releases and discharges Defendant, its former and present parents, subsidiaries and affiliated corporations and its and their officers, directors, employees, partners, shareholders and agents, and any other successors, assigns or legal representatives (collectively "Released Parties"), from all claims, demands, rights, liabilities and causes of action of every nature and description whatsoever, known or unknown, asserted or that might have been asserted, whether in tort, contract, or for violation of any state or federal statute, rule or regulation arising out of, relating to, or in connection with any act or omission by or on the part of the Released Parties, including any actions taken with respect to Plaintiff's employment with Defendant or her separation therefrom. This release (the "General Release") includes any and all claims that Plaintiff may have against the Released Parties, whether known or unknown, fixed or contingent, measurable or immeasurable, that may be applicable, from any time prior to the date of this Agreement, to and including through the date on which this Agreement receives Preliminary Approval. Plaintiff agrees not to assert any such claim, grievance, liability or lawsuit. This General Release includes, but is not limited to, any claim under any of the following laws or provisions: The Constitution of the United States; the federal Fair Labor Standards Act, 29 U.S.C. § 201 *et seq.*, Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. §2000(e) *et seq.*, the Civil Rights Act of 1866, 42 U.S.C. §1981 *et seq.*; Employee Retirement Income Security Act, 29 U.S.C. §1001 *et seq.* ("ERISA"); Section 806 of 18 U.S.C. §1514A; Executive Orders 11246 and 11141; the Americans with Disabilities Act of 1990, 42 U.S.C. §12101 *et seq.*; the Federal Family and Medical Leave Act, 29 U.S.C. §2601 *et seq.*, the Equal Pay Act; the Sarbanes-Oxley Act of 2002; the Constitution of the State of California or any other applicable states; any claim arising from any express or implied contracts; the California Labor Code (as well as all associated IWC Wage Orders); the California Fair Employment and Housing Act; the California Family Rights Act, the California Business and Professions Code; California wage and hour laws; California Welfare and Institutions Code; California workers compensation and health and safety laws and regulations; any claim for wrongful discharge, breach of contract, promissory estoppel, negligence, defamation, or infliction of emotional distress; and any other claim under any other statute, regulation, ordinance

or common law rule, whether arising out of Plaintiff's employment with Defendant or otherwise.

Notwithstanding any provisions to the contrary, this release does not include a release of Plaintiff's rights under this Agreement, or any right that Plaintiff has to make a claim that California law precludes Plaintiff from waiving.

To the greatest extent allowed under the law, Plaintiff also agrees that the foregoing waiver shall also apply to any person or entity attempting to make a claim on Plaintiff's behalf. Plaintiff agrees that if a claim is prosecuted in Plaintiff's name before any court or administrative agency, Plaintiff waives and agrees not to take any award of money or other damages from such suit. Plaintiff also agrees that if a claim is prosecuted in Plaintiff's name, Plaintiff will immediately request, in writing, that the claim on Plaintiff's behalf be withdrawn.

11. **Plaintiff Waives All Known and Unknown Claims Against Defendant.** The General Release above includes any unknown claims that either Plaintiff does not know or suspect to exist in her favor at the time of the General Release, which, if known by her, might have affected her settlement with, and release of, Defendant and the Released Parties by Plaintiff, or might have affected her decision not to object to this Settlement Agreement or the General Release.

With respect to the General Release, Plaintiff stipulates and agrees that Plaintiff shall be deemed to have, and by operation of the Court's Final Judgment shall have expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or state law, which provides:

**A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.**

Plaintiff may hereafter discover facts in addition to or different from those she now knows or believes to be true with respect to the subject matter of the General Release, but Plaintiff shall be deemed to have, and by operation of the Court's Final Judgment shall have, fully, finally, and forever settled and released any and all of the claims released pursuant to the General Release whether known or unknown, suspected or unsuspected, contingent or non-contingent, which now exist, or heretofore have existed upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct that is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts.

12. **Claims Procedure.** Each Class Member will be fully advised of the settlement by the Claims Administrator, in the manner set forth below. Each Class Member may submit a claim, request exclusion from the Class, or object to the Settlement. Via this claims process, the Claims Administrator will make Individual Settlement Payments to Participating Class Members on each timely and valid Claim Form submitted, in addition to the payments described above for Class Counsel's attorneys' fees, costs, and expenses, Plaintiff's Service Payment, and payment to the LWDA for settlement of claims under PAGA.

- a. **Notice Packet.** The Parties have jointly drafted a Notice of Pendency of Class Action Settlement ("Notice") and will submit it to the Court for approval. The Notice that has been drafted by the parties is attached to this Agreement as Exhibit "A." The Notice includes, among other information, information regarding the nature of the Lawsuit; a summary of the substance of the settlement; the class definition; the procedure and time period to submit a Claim Form, submit a Request for Exclusion Form, or object to the Settlement; and the date set for the Final Approval hearing. The Notice will be mailed with a Claim Form/FLSA Consent Form ("Claim Form") and a Request for Exclusion Form (collectively "Notice Packet") by the Claims Administrator. The Notice Packet will include a Spanish translation of the Notice, Claim Form and Request for Exclusion Form. The Claim Form drafted by the parties is attached to this Agreement as Exhibit "B." The Claim Form requests information to verify the Class Member's claim, and describes the necessary procedures for the Class Member to claim his or her Individual Settlement Payment, including the estimated Individual Settlement Payment, the deadline for submitting the Claim Form. The Claim Form also indicates that the claimant is consenting to settlement of the Participating Class Member's claims under the FLSA portion of the Action. The Request for Exclusion Form drafted by the parties is attached to this Agreement as Exhibit "C." The Request for Exclusion Form describes the necessary procedures and deadlines for the Class Member to opt out of the settlement.
- b. **Provision of Class Member Names.** Within 20 days of Preliminary Approval of the settlement, Defendant shall provide the Claims Administrator with the names of each Class Member, each Class Member's most current mailing address and telephone number, and number of compensable work weeks (collectively "Class List and Data"). Within the same time frame, Defendant shall also provide Class Counsel a list of each Class Member's name and number of compensable work weeks. Class Counsel shall not use the data to initiate contact with Class Members who have not initiated contact with Class Counsel.
- c. **Mailing of Notice.** Within 10 days after receipt of the Class List and Data from Defendant, the Claims Administrator shall perform a Notice of Change of Address ("NCOA") database search and mail the Notice to the Class Members via first-class regular U.S. mail. The Claims Administrator will exercise its best judgment to determine the current mailing address for each Class Member. As to



any Notice Packets which are returned by the post office for invalid addresses, one skip trace shall be performed by the Claims Administrator. Class Counsel and Defense Counsel shall be advised by the Claims Administrator of the identity of all class members who were sent notice as a result of a skip trace and whose notice was again returned, within 7 days of receipt of same by the Claims Administrator.

- d. **Submission of Claims Forms.** Class Members will have 60 days from the mailing of the Notice Packet to submit a valid Claim Form. The date of the postmark on the return envelope, the date of the fax stamp, or the date of the e-mail message with the Claim Form shall be the exclusive means used to determine whether a Participating Class Member has timely returned his or her Claim Form. Class Members must submit a timely and valid Claim Form in order to receive an Individual Settlement Payment. Untimely Claim Forms will be null and void, and of no force or effect. However, the parties may stipulate to accept untimely Claim Forms for good cause if such Claim Forms are otherwise valid and are received before Individual Settlement Payments are made to the Participating Class Members by the Claims Administrator.
- e. **Invalid Claims Forms.** A Claim Form shall be deemed valid if it is signed by the Participating Class Member and timely submitted. The Claim Form shall ask Class Members to provide certain identifying information. If a Class Member fails to provide accurate identifying information, that Claim Form shall be deemed defective. If the Claims Administrator receives a defective Claim Form, the Administrator shall return the Claim Form to the Class Member via first class mail and instruct the Class Member that he or she has 15 days within which to correct and/or complete the Claim Form and return it via first class mail, fax or e-mail. If a completed Claim Form is not received within 15 days from the date of re-mailing by the Administrator, the Claim Form shall be considered defective and invalid for purposes of this settlement.
- f. **Submission of Request for Exclusion Forms.** Class Members will have 60 days from the mailing of the Notice Packet to submit a valid Request for Exclusion Form. The date of the postmark on the return envelope, the date of the fax stamp, or the date of the e-mail message with Request for Exclusion Form shall be the exclusive means used to determine whether a Participating Class Member has timely returned his or her Request for Exclusion Form. Any Class Member who submits a valid and timely Request for Exclusion Form shall no longer be a member of the Class, shall be barred from participating in this Settlement, shall be barred from objecting to this Settlement and shall receive no benefit from this Settlement.
- g. **Objections.** Class Members wishing to object to the Settlement must do so in writing and serve their objections on the Claims Administrator and the Court within 60 days from the mailing of the Notice. Objections to the settlement which

are not post-marked within 60 days from the mailing of the Notice will be null and void, and of no force or effect, unless otherwise ordered by the Court.

- h. **Website.** The Claims Administrator will also maintain a website for purposes of providing copies of significant pleadings and relevant dates in administration of the Settlement.
  - i. **Reminders.** Not more than 30 days nor fewer than 20 days after mailing of the original Notice Packet, the Claims Administrator shall mail one reminder postcard to each Class Member who has not yet submitted a Claim Form, Exclusion Form, or objected to the Settlement. This Reminder shall include contact information for the Claims Administrator. The postcard shall be mailed to these Class Members via first-class regular U.S. Mail, using the most current mailing address information available for each Class Member.
  - j. **Certification of Claims.** All Claim Forms will be submitted to the Claims Administrator, who will certify jointly to counsel for both parties the forms that were timely submitted. If a single Class Member submits both a Claim Form and either a Request for Exclusion Form or objects to the settlement, the Claims Administrator will accept and certify the Claim Form, unless the Class Member states in writing to the Claims Administrator that the Class Member wishes to revoke the Claim Form and be excluded from the Class.
13. **Withdrawal Option.** If more than 5% of the Class Members request exclusion from the class, or if a sufficient number of Class Members request to be excluded from the class so that more than 5% of the Settlement Amount is not claimed, Defendant at its sole option may withdraw from the settlement. If Defendant exercises its option to terminate this Settlement, Defendant shall: (a) provide written notice to Class Counsel within thirty (30) days of the Response Deadline and (b) pay all Claims Administration costs incurred up to the date and as a result of the termination; and the Parties shall proceed in all respects as if this Agreement had not been executed.
14. **Pro-Rata Increase of Gross Settlement Fund.** Defendant's best estimate of the Class size as of the parties' mediation was 2,637 and 347,172 work weeks. If the actual Class size was more than five (5%) greater than this estimate, the Settlement Amount shall be increased by a percentage equal to the actual Class size as of the date of the parties' last mediation session, July 22, 2014, divided by Defendant's previously estimated Class size. Defendant represents in good-faith that there have not been and are not expected to be any large-scale workforce fluctuations that would be beyond the normal course of business (*i.e.*, acquisition or merger) during the proposed Class Period. However, the Settlement Amount will not be reduced based on Defendant's estimated Class size.
15. **Payment to Class Members.** The Settlement Amount will be divided and distributed as follows:
- (a) **Net Settlement Amount.** After deducting the amount of attorneys' fees, costs and expenses to be paid to Class Counsel, the Administration Costs, the Service

Payment to be paid to Plaintiff, and the payment to the LWDA for claims under PAGA, the remaining funds (the "Net Settlement Amount") will be available to the Participating Class Members.

- (b) **Individual Settlement Payments.** "Individual Settlement Payments" will be made to the individual Participating Class Members who submit timely and complete Claims Forms, or those Participating Class Members whose Claim Forms the Parties stipulate to accept (collectively the "Claimants"), out of the Net Settlement Amount. The Net Settlement Amount shall be divided and paid to the Claimants on a pro-rata basis, based on the percentage of weeks worked as compared to all weeks worked by all Claimants during the class period. Defendant will be responsible for providing the number of weeks worked by each Class Member to the Administrator. This is a non-reversionary settlement such that the aggregate of all Individual Settlement Payments paid to Claimants is no less than the Net Settlement Amount.
  - (c) **Withholding.** Sixty percent (60%) of each Individual Settlement Payment shall be apportioned to penalties, ten percent (10%) shall be apportioned to interest, and thirty percent (30%) shall be apportioned to wages subject to W2 reporting, and therefore normal payroll taxes and withholdings will be deducted pursuant to state and federal law from that portion of each payment. Each Claimant will be issued an IRS form W2 for that portion of each payment that is apportioned to wages, and an IRS form 1099 for the remaining 70% of each payment allocated to penalties or interest. The Claims Administrator, in consultation with Defendant, shall be responsible for issuing the payments and calculating and withholding all required state and federal taxes for that portion of each Individual Settlement Payment that is apportioned to wages.
  - (d) **Agreement to Arbitrate.** Any disputes not resolved by the Claims Administrator concerning administration of the settlement will be resolved by arbitration, venued in Los Angeles or Orange County, California and under the law of the State of California. The Parties shall split the fees and costs of the arbitrator. Prior to any such arbitration, counsel for the parties will meet and confer in good faith to resolve the dispute without the necessity of arbitration. If informal efforts to resolve such a dispute are unsuccessful, the parties will bring the matter to the attention of Mediator Steven Rottman, and seek in good faith to resolve the dispute with the assistance of Mr. Rottman, prior to proceeding to Arbitration.
16. **Notice of Settlement.** Within 10 days of the execution of this Agreement, Class Counsel will file a Notice of Settlement with Department CX-104 of the Orange County Superior Court.
17. **Preliminary Approval Hearing.** Plaintiff shall reserve a Preliminary Approval Hearing date within 90 days of the execution of this Agreement, in Department CX-104 of the Orange County Superior Court, before the Honorable Kim G. Dunning.

18. **Timing of Payments.** As used in this Agreement, "Effective Date" means the date by which this Settlement is finally approved as provided herein and the Superior Court's Final Judgment ("Final Judgment" or "Judgment") becomes final. For purposes of this paragraph, the Superior Court's Final Judgment "becomes final" upon the latter of: (i) if no appeal is filed, the expiration date of the time for the filing or noticing of any appeal from the Superior Court's Judgment; (ii) the date affirmance of an appeal of the Judgment becomes final under the California Rules of Court, the expiration of the time for a petition for review of the Final Judgment or of any court of appeal decision relating to the Final Judgment, and, if review is granted, the date of final affirmance of the Final Judgment following review pursuant to that grant; or (iii) the date of final dismissal of any appeal from the Judgment or the final dismissal of any proceeding on review of any court of appeal decision relating to the Judgment. Defendant will pay the entire Settlement Amount to the Claims Administrator within 15 days after the Effective Date. Payment by the Claims Administrator to the Claimants shall then be made within 10 days of receipt of the Settlement Amount from Defendant. Any checks paid to Claimants shall remain valid and negotiable for one-hundred and twenty (120) days from the date of their issuance. After that time, the funds shall escheat to the State of California in the name and for the benefit of the individual Class Member.
19. **Final Judgment.** Class Counsel will ask the Court to enter Final Judgment following Final Approval of this Settlement, which will become final on the Effective Date.
20. **No Publicity.** Plaintiff and Class Counsel agree to no publicity regarding the terms of this Agreement. Neither Plaintiff nor Class Counsel shall hold any press conference related in any way to the settlement. Neither Plaintiff nor Class Counsel shall issue any press release related in any way to the settlement. Plaintiff and Class Counsel further agree that they will not publicize this Settlement or Agreement in any manner, even anonymously, including, without limitation, reporting to Jury Verdicts or any other reporting services.
21. **No Admissions.** Defendant denies each of Plaintiff's allegations in their entirety. This Agreement does not constitute, is not intended to constitute, and will not be deemed to constitute, an admission by Defendant as to the merits, validity, or accuracy of any of the allegations or claims made against it in the Lawsuit.

All Claim Forms filed or other evidence produced or created by the Parties in connection with the claims resolution procedures do not constitute, are not intended to constitute, and will not be deemed to constitute, an admission by Defendant of any violation of any federal, state, or local law, statute, ordinance, regulation, rule or wage order, or any obligation or duty at law or in equity.

The Parties agree that class certification under the terms of this Agreement is for settlement purposes only. Nothing in this Agreement will be construed as an admission or acknowledgement of any kind that any class should be certified or given collective treatment in the Lawsuit or in any other action or proceeding for purposes other than the settlement of this Lawsuit. Further, neither this Agreement nor the Court's actions with regard to this Agreement will be admissible in any court or other tribunal regarding the

propriety of class certification or collective treatment for purposes other than the settlement of this Lawsuit. In the event that this Agreement is not approved by the Court or any appellate court, is terminated, or otherwise fails to be enforceable, Defendant will not be deemed to have waived, limited, or affected in any way any of its objections or defenses in the Lawsuit, including, but not limited to, its defenses in opposition to class certification.

22. **Nullification of Settlement Agreement.** In the event: (i) the Court does not grant preliminary approval; (ii) the Court does not grant final approval; (iii) the Court does not enter a final judgment as provided herein; or (iv) the Settlement does not become final for any other reason, this Settlement Agreement shall be null and void and any order or judgment entered by the Court in furtherance of this Settlement shall be treated as void from the beginning. In such a case, the Parties and any funds to be awarded under this Settlement shall be returned to their respective statuses as of the date and time immediately prior to the execution of this Agreement, and the Parties shall proceed in all respects as if this Agreement had not been executed, except that any costs already incurred by the Claims Administrator shall be paid by Defendant. In the event an appeal is filed from the Court's final judgment, or any other appellate review is sought, administration of the Settlement shall be stayed pending final resolution of the appeal or other appellate review, but any fees incurred by the Claims Administrator prior to it being notified of an appeal from the Court's Final Judgment, or any other appellate review, shall be paid by Defendant to the Settlement Administrator within thirty (30) days of said notification.
23. **No Interest.** The Settlement Amount includes any and all interest accruals, and no additional interest shall be due under any circumstances.
24. **Tax Liability.** The Parties make no representations as to the tax treatment or legal effect of the payments called for hereunder, and Participating Class Members are not relying on any statement or representation by the Parties, or their counsel, in this regard. Participating Class Members understand and agree that they will each be solely responsible for the payment of the employee portion of any taxes and penalties assessed on the settlement payments described herein. Defendant will maintain responsibility for the employer portion of taxes or penalties associated with the settlement payments, including the employer portion of applicable taxes (FICA, FUTA, and SDI) on the wage portion of the settlement contributions.
25. **CIRCULAR 230 DISCLAIMER.** EACH PARTY TO THIS AGREEMENT ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) PLAINTIFF (A) HAS RELIED EXCLUSIVELY UPON HER OWN;

INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON PLAINTIFF; AND (3) NO ATTORNEY OR ADVISOR TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISOR'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

26. **No Solicitation of Settlement Objections or Exclusions.** The Parties agree to use their best efforts to carry out the terms of this Agreement. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written objections to the Settlement or request exclusion from the Settlement Class, or to appeal from the Superior Court's Final Judgment.
27. **Plaintiff's Waiver of Right to be Excluded and Object.** Plaintiff agrees that by signing this Agreement she is bound by the terms stated herein. Plaintiff further agrees not to request to be excluded from the Class, and agrees not to object to any of the terms of this Agreement. Non-compliance by Plaintiff with this paragraph shall be void and of no force or effect. Any such request for exclusion or objection shall therefore be void and of no force or effect.
28. **Scope of Agreement.** The parties intend that this Agreement shall be fully enforceable and binding upon all parties, and that it shall be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding the confidentiality provisions of this Agreement, or any confidentiality provisions that otherwise might apply under federal or state law. This Agreement may be enforced by any lawful means, including without limitation, a motion under California Code of Civil Procedure section 644.6, or a suit in any competent court in the County of Orange.
29. **Miscellaneous.**
- a. **Stay of Litigation.** The Parties shall refrain from further litigation in this case, except for the filing of motions for Preliminary and Final Approval of this settlement. All proceedings in the Lawsuit shall be stayed except for those proceedings necessary to complete and implement this Agreement.
- b. **Interpretation of the Agreement.** This Agreement will be interpreted and enforced under the laws of the State of California, without regard to its conflict of laws provisions. Any dispute arising out of or relating to the interpretation of this Agreement, or the subject matter hereof, will be resolved solely and exclusively in the

Orange County Superior Court of California, and the Parties hereby consent to the jurisdiction of the Court over them solely in connection therewith.

- c. Final Agreement. This Agreement constitutes the exclusive and final understanding and expression of all agreements between the Parties with respect to the resolution of the Lawsuit, and supersedes all prior agreements and understandings between the Parties relating to the subject matter hereof. Plaintiff, on her own behalf and on behalf of Class Members, and Defendant enter into this Agreement based solely upon its terms and not in reliance upon any representations or promises other than those contained in this Agreement. The Agreement may be modified only by a writing signed by the Parties (or their successors) and approved by the Court
- d. Counterparts. This Agreement may be executed in counterparts. All counterparts when executed shall constitute one agreement binding upon all Parties notwithstanding that all of the parties are not a signatory to the original or the same counterpart. A faxed or emailed (PDF) copy of this Agreement may be deemed an original.
- e. Authority. Counsel for all Parties represent and warrant they are expressly authorized by the Parties whom they represent to negotiate this Agreement and to take all appropriate actions required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the Parties shall seek the assistance of Mediator Steven Rottman to resolve such disagreement. The persons signing this Agreement on behalf of Defendant represent and warrant that they are authorized to sign this Agreement on behalf of Defendant
- f. Injunctive Relief. Except as stated in paragraph 4 herein, Defendant shall not be required to enter into any consent decree, nor shall Defendant be required to agree to any provision for injunctive relief, or to modify or eliminate any of its personnel, compensation, or payroll practices, or adopt any new personnel, compensation, or payroll practices, as a result of this Agreement.
- g. Cooperation and Drafting. Each of the Parties has cooperated in the drafting and preparation of this Agreement. Hence, in any construction made to this Agreement, the same shall not be construed for or against any of the Parties.
- h. Defense. To the extent permitted by law, this Settlement may be pleaded as a full and complete defense to, and may be used as the basis for an injunction against, any action, suit, or other proceedings that may be instituted, prosecuted, or attempted with respect to the Released Claims in breach of or contrary to this Agreement.

ST. JUDE HOSPITAL YORBA LINDA

PLAINTIFF

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

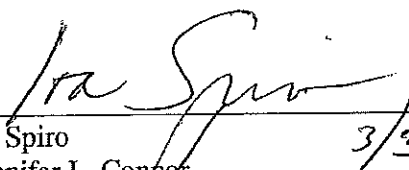
\_\_\_\_\_  
Shirley Watkins

APPROVED AS TO FORM AND CONTENT:

SPIRO LAW CORP.

APPROVED AS TO FORM AND CONTENT:

SHEPPARD MULLIN RICHTER &  
HAMPTON, LLP

  
Ira Spiro  
Jennifer L. Connor  
Attorneys for Plaintiff

3/31/15

AEGIS LAW FIRM, PC

\_\_\_\_\_  
Derek R. Havel  
Jonathan P. Barker  
Attorneys for Defendant

\_\_\_\_\_  
Kashif Haque  
Samuel A. Wong  
Jessica L. Campbell  
Attorneys for Plaintiff



ST. JUDE HOSPITAL YORBA LINDA

PLAINTIFF

BY: Jennifer Rieker

ITS: VP, Sr. Counsel

Shirley Watkins  
Shirley Watkins

APPROVED AS TO FORM AND CONTENT:

SPIRO LAW CORP.

APPROVED AS TO FORM AND CONTENT:

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Ira Spiro  
Jennifer L. Connor  
Attorneys for Plaintiff

AEGIS LAW FIRM, PC

Derek R. Havel  
Jonathan P. Barker  
Attorneys for Defendant

Kashif Haque  
Samuel A. Wong  
Jessica L. Campbell  
Attorneys for Plaintiff

**CLASS NOTICE**

**EXHIBIT “A”**

**NOTICE OF PENDENCY OF CLASS ACTION SETTLEMENT, SETTLEMENT  
HEARING, AND CLAIM, OBJECTION, AND EXCLUSION PROCEDURES**

Watkins v. St. Jude Hospital Yorba Linda, et al.  
Superior Court of the State of California, County of Orange  
Case No. 30-2012-00561240-CU-OE-CXC

If you worked in California as a non-exempt hourly paid employee for St. Jude Hospital Yorba Linda doing business as St. Joseph Heritage Healthcare ("Heritage") at any time from April 11, 2008, and ending on November 22, 2014 ("Covered Period"), you may be eligible to receive money from a Class Action Settlement.

**PLEASE READ THIS ENTIRE NOTICE CAREFULLY. IT MAY AFFECT  
YOUR LEGAL RIGHT TO A MONETARY SETTLEMENT ARISING OUT OF YOUR  
EMPLOYMENT WITH HERITAGE DURING THE COVERED PERIOD.**

| <b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT INCLUDE THE FOLLOWING:</b> |   |
|--|---|
| <b>RETURN THE CLAIM FORM</b>   | This is the ONLY WAY to receive payment from the Settlement. In exchange for receiving payment from the Settlement, you are releasing state and federal claims covered by the Settlement.   |
| <b>DO NOTHING</b>  | You WILL NOT receive a payment from the Settlement but you will still release certain state law, but not federal law, claims covered by the Settlement against Heritage.  |
| <b>RETURN THE REQUEST FOR EXCLUSION FORM</b>                                   | You will receive no payment from the Settlement and you will retain all rights as to the state and federal law claims covered by the Settlement that you may have against Heritage.   |
| <b>OBJECT</b>  | If you wish to object to the Settlement, you may file with the Court an objection stating why you don't agree with the Settlement. The Court may or may not agree with your objection. Objecting to the Settlement will not exclude you from the Settlement, and you will release certain state law claims covered by the Settlement if the Court ultimately approves the settlement. |

**THIS NOTICE WILL EXPLAIN THE ABOVE OPTIONS IN MORE  
DETAIL AND INFORM YOU OF IMPORTANT, TIME-SENSITIVE  
DEADLINES FOR EACH OPTION.**

**This Notice Is Court Approved. This Is Not A Solicitation From An Attorney.**

***PLEASE READ THIS NOTICE CAREFULLY AS IT MAY AFFECT YOUR LEGAL RIGHTS***

**EXHIBIT A**

## **I. WHY DID I GET THIS NOTICE?**

You have received this Notice because Heritage's records indicate that you are a class member who may be entitled to money from this Settlement. YOU MUST SUBMIT THE CLAIM FORM BY **[DATE]** TO RECEIVE MONEY FROM THE SETTLEMENT FUND.

This Notice describes a proposed Settlement of the class action lawsuit *Watkins v. St. Jude Hospital Yorba Linda, et al.* (the "Lawsuit"). This Notice is being sent to you by order of the Orange County Superior Court, which preliminarily approved the Settlement and conditionally certified the class on **[Date]**. This Notice informs you of the terms of the proposed Settlement, describes your rights in connection with the Settlement, and explains what steps you may take to participate in, object to, or exclude yourself from the Settlement. If you do not exclude yourself from the Settlement, you will be bound to the terms of the Settlement and any final judgment, if finally approved by the Court.

## **II. WHAT IS THIS LAWSUIT ABOUT?**

On April 11, 2012, Shirley Watkins ("Plaintiff") filed this putative class action lawsuit on behalf of herself and other employees similarly-situated against St. Jude Hospital Yorba Linda dba St. Joseph Heritage Healthcare (hereinafter "Heritage" or "Defendant") for: (a) failure to pay wages for all time worked based on allegations of working while "off the clock"; (b) failure to pay wages for all time worked based on allegations of a practice and/or policy of rounding employee time records; (c) failure to pay minimum or overtime wages as a result of alleged rounding or "off the clock work"; (d) failure to timely pay all wages and final wages; (e) failure to provide accurate itemized wage statements; and (f) violation of California Unfair Competition Law, along with claims for interest, attorneys' fees and costs. The most recent complaint also includes claims for violations of the Private Attorneys General Act ("PAGA") and the Fair Labor Standards Act ("FLSA").

Heritage responded to the this Lawsuit by denying all claims and contentions alleged by Plaintiff, and raising multiple defenses to the claims. Heritage continues to deny the factual and legal allegations in the Lawsuit.

After engaging in extensive investigation and mediation before an experienced mediator, in which both sides recognized the substantial risks of an adverse result in the Lawsuit for either side, Plaintiff and Heritage agreed on a class settlement that was preliminarily approved by the Court on **[Date]**. By agreeing to settle, Heritage is not admitting that it has any liability on any of the factual allegations or claims in the Lawsuit or that the Lawsuit can or should proceed as a class action.

Plaintiff and Class Counsel support and recommend the Settlement.

If for any reason the settlement fails, Heritage reserves the right to contest all factual and legal allegations in the Lawsuit. The pleadings on file with the Court contains the settlement documents that provide more information about the Lawsuit and the settlement.

# **EXHIBIT A**

### **III. WHAT IS A CLASS ACTION?**

In a class action lawsuit, one or more persons sue on behalf of other people who have similar claims. Shirley Watkins is the Class Representative or Named Plaintiff, and she asserts claims on behalf of herself and the class. Heritage is the Defendant. A class action allows the Court to resolve the claims of all the class members at the same time. A class member is bound by the determination or judgment entered in the case, whether the class wins or loses, and may not file his or her own lawsuit on the same claims that were decided in the class action. One court resolves the issues for all class members who choose not to exclude themselves from the class.

### **IV. WHO IS INCLUDED IN THE SETTLEMENT CLASS?**

All current and former non-exempt, hourly paid employees who have been employed by Heritage in the State of California between April 11, 2008 and November 22, 2014.

### **V. WHAT ARE THE TERMS OF THE CLASS SETTLEMENT?**

In exchange for the release of claims against it Heritage has agreed to pay \$515,000.00 ("Settlement Amount") to fully resolve the claims in the Lawsuit. After attorneys' fees and costs, service payment award to the Named Plaintiff, payment to the California Labor and Workforce Development Agency ("LWDA"), and settlement administration costs are deducted from the Settlement Amount, the remaining amount will constitute the Net Settlement Amount ("Net Settlement Amount") and will be distributed to Participating Class Members who submit timely Claim Forms. Subject to Court approval, the Net Settlement Amount will be allocated as follows:

1. Individual Settlement Payments: Participating Class Members who submit a valid Claim Form by **[DATE]**, will be deemed "Claimants" and are eligible to receive money from the Settlement. Each Individual Settlement Payment is a pro-rata share of the Net Settlement Amount based on the percentage of that individual's weeks worked as compared to all weeks worked by all Claimants during the covered period. This is a non-reversionary settlement such that the aggregate of all Individual Settlement Payments paid to Claimants is no less than the Net Settlement Amount. Your estimated minimum payment is listed on the Claim Form.

For example, if an individual Claimant worked 100 work weeks for Defendant during the Covered Period, he or she will be credited 100 work weeks and, if there are 10,000 work weeks attributable to all participating Claimants, then that individual Claimant's share will be 1% of the Net Settlement Amount.

Appropriate tax forms (such as an IRS Form W-2 and/or an IRS Form 1099) will be issued to Claimants who participate in the Settlement. The Individual Settlement Payments will be allocated as follows for tax purposes: 30% to wages, 10% to interest, and 60% to penalties. From each Claimant's wage portion, payroll deductions will be made for state and federal withholding taxes and any other applicable payroll deductions. Claimants who receive a settlement payment are responsible for correctly characterizing

## **EXHIBIT A**

the settlement payment for tax purposes and for paying all taxes due. Defendant will be responsible for paying the employer portion of applicable taxes, including the employer FICA, FUTA, and SDI contributions.

To the extent any tax liability arises from the tax apportionment described above, Heritage will maintain liability for employer portions of any and all tax liability, and Claimants will maintain liability for employee portions of any and all tax liability.

2. **Class Representative Service Payment:** Named Plaintiff will request an individual award of up to \$15,000 from the Settlement Amount in recognition of her efforts and risks in assisting with the prosecution of the Lawsuit and in return for executing a General Release of Heritage. This amount will be paid from the Settlement Amount, and any amount not awarded will revert to the Net Settlement Amount.
3. **Class Counsel Award for Attorney's Fees & Costs:** Class Counsel will request up to thirty percent (30%) of the Settlement Amount (currently \$154,500) as attorneys' fees for litigation and resolution of this Lawsuit and actual costs of approximately \$12,000. The award for fees will be split 50/50 between the two law firms. The award for costs will be split according to the actual expenses incurred by each firm. This amount will be paid from the Settlement Amount, and any amount not awarded will revert to the Net Settlement Amount.
4. **Settlement Administration:** The cost of settlement administration is approximately \$23,180 which pays for tasks such as mailing this Notice, mailing checks and tax forms, reporting to the parties and the Court, and tracking submitted Claim Forms and Request for Exclusion Forms.
5. **Payment to LWDA:** \$4,000 of the Settlement Amount is allocated for alleged violations of PAGA as follows: one payment of \$3,000 will be made to the LWDA for LWDA's portion of the Settlement allocated for alleged violations of PAGA, and \$1,000 will revert to the Net Settlement Amount.
6. **Non-Economic Benefit:** Heritage has discontinued the use of the plus or minus seven- and three- minute rounding functions on the Kronos and/or other time keeping software used to record Class Members' time entries. Heritage will submit a declaration at final approval confirming this change.

#### **VI. WHAT DO I NEED TO DO TO RECEIVE A SETTLEMENT PAYMENT?**

To participate in this Settlement and receive your share of the Net Settlement Amount, you **MUST** sign a Claim Form under penalty of perjury and **RETURN** it to the Claims Administrator **BY [DATE]**. The Claims Administrator is:

*Watkins v. St. Jude Hospital Yorba Linda, et al.*  
Claims Administrator

[insert mailing info including telephone#, fax #, website, and email address]

The Claim Form that you receive with this Notice includes information about your beginning and end dates of employment and the number of Compensable Work Weeks that Heritage records

## **EXHIBIT A**

show you worked during the Covered Period. Your estimated Settlement Payment is calculated using that Compensable Work Week information. If you dispute the information on your Claim Form, you must advise the Claims Administrator and provide documents to substantiate your dispute.

To be valid, the Claim Form **must be postmarked, faxed, or e-mailed** to the Claims Administrator by **[DATE]**. If you submit a Claim Form, you will be bound by the terms of the Settlement Agreement and you will receive an Individual Settlement Payment. If you do not submit a Claim Form or a Request for Exclusion Form, you will still be bound by the terms of the Settlement Agreement with respect to state law claims, but will not receive any payment. If you need another Claim Form, contact the Claims Administrator.

#### **VII. WHAT AM I GIVING UP TO GET A PAYMENT?**

Unless you exclude yourself from the Settlement by returning a valid and timely Request for Exclusion Form, you will be a Participating Class Member, and that means you cannot sue or continue to sue Heritage for the claims covered by this Settlement. It also means that all of the Court's orders will apply to you and legally bind you. Unless you exclude yourself from the Settlement, you will be releasing all claims covered by this Settlement, whether you submit a Claim Form or not, except for federal Fair Labor Standards Act claims, which will only be released to the extent you submit a valid Claim Form. The legal claims that you will give up, or release, if you do not exclude yourself from the Settlement by returning a valid and timely Request for Exclusion Form, are described as follows:

Except for those who return a valid and timely Request for Exclusion Form, the remaining Participating Class Members shall fully and finally release and discharge Defendant and its former and present parents, subsidiaries and affiliated corporations and their officers, directors, employees, partners, shareholders and agents, and any other successors, assigns or legal representatives ("Released Parties"), from all applicable California wage and hour claims, rights, demands, liabilities and causes of action of every nature and description, whether known or unknown, alleged in the complaint in the Lawsuit, or those causes of action that could have been brought in the pending action with respect to the matter in controversy, and all of the following recoverable or potentially recoverable under those claims: damages, unpaid costs, penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, equitable relief, and other relief under California Business & Professions Code § 17200. The claims alleged in the complaint in the Lawsuit are the following; (a) failure to pay wages for all hours worked, including but not limited to such claims based on allegations of working while "off the clock"; and/or Defendant's practice and/or policy of rounding employee time records; (b) claims for the failure to pay minimum or overtime wages, including but not limited to such claims resulting from rounding and/or "off the clock work"; (c) claims for waiting time penalties under Labor Code § 203; and (d) claims for failure to provide accurate wage statements. There is no release of claims for the following, which is not an all-inclusive list: discrimination, harassment, hostile workplace, termination of employment (although claims under Labor Code section 203 are released as stated above), Workers' Compensation, and personal injury.

## **EXHIBIT A**

Participating Class Members will also waive and release any and all claims for penalties pursuant to the Private Attorneys General Act of 2004 ("PAGA") arising out of the aforementioned released claims.

Further, Participating Class Members who submit valid Claims Forms will be deemed to have fully released any and all claims under the FLSA based on any alleged (a) failure to pay wages for all hours worked, including claims based on allegations of working while "off the clock"; (b) failure to pay wages for all hours worked arising from or based on Defendant's practice and/or policy of rounding employee time records; (c) failure to pay minimum or overtime wages as a result of alleged rounding or "off the clock" work; and/or (d) failure to provide accurate wage statements.

#### **VIII. DO I HAVE A LAWYER IN THIS CASE?**

The lawyers who brought this Lawsuit on behalf of Plaintiff and those similarly situated have been designated by the Court as Class Counsel. These lawyers, listed below, represent you and other Participating Class Members. You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your expense.

| <b>CLASS COUNSEL</b>  |  |
|---|--|
| Ira Spiro, Esq.<br><b>SPIRO LAW CORP.</b><br>11377 W. Olympic Blvd., 5th Floor<br>Los Angeles, California 90064<br>Telephone: (310) 235-2350<br>Facsimile: (310) 235-2351 | Kashif Haque, Esq.<br>Samuel Wong, Esq.<br>Jessica Campbell, Esq.<br><b>AEGIS LAW FIRM</b><br>9811 Irvine Center Drive, Ste. 100<br>Irvine, California 92618<br>Telephone: (949) 379-6250<br>Facsimile: (949) 379-6251 |

#### **IX. WHAT IF I DON'T WANT TO PARTICIPATE IN THIS SETTLEMENT?**

You have the right to request to be excluded from the Settlement. To do so, you must complete the "Request for Exclusion Form" enclosed in this Notice Packet and submit it to the Claims Administrator by U.S. mail, fax, or email. You must mail, fax or email the Request for Exclusion Form by [DATE]. Unless you return a valid and timely Request for Exclusion Form, you will be bound by the judgment upon final approval of the Settlement, including the Release described in this Notice.

If you return a valid and timely Request for Exclusion Form, you will not be entitled to receive any payment under the Settlement, and, if you wish to pursue any claims against Heritage, you will have to do so at your own expense and at your own risk. Counsel for the class will not represent your interests if you request to be excluded.

## **EXHIBIT A**



**X. WHAT IF I WANT TO OBJECT TO THIS SETTLEMENT?**

Any Settlement Class Member who has not returned a valid and timely Request for Exclusion Form may object to the Settlement and appear at the hearing where the Court will make a final decision whether or not to approve the settlement (the "Final Approval Hearing"). The Final Approval Hearing is scheduled to take place on \_\_\_\_\_, 2015, at \_\_\_\_\_ in Courtroom Dept. CX-104 of the Orange County Superior Court – Civil Complex Center, located at 751 West Santa Ana Blvd., Santa Ana, California 92701.

To be valid, the written objection must be signed by the Participating Class Member and state: (1) the full name of the Participating Class Member; (2) the dates of employment of the Participating Class Member; (3) the last four digits of the Participating Class Member's Social Security number and/or the Employee ID number; (4) the basis for the objection; and (5) whether the Participating Class Member intends to appear at the Final Approval Hearing. A Participating Class Member who wishes to object must file his or her objection with the Court and serve a copy of the objection on the Claims Administrator by [DATE]. Mail the objection to both of the following places:

|   |  |
|---|--|
| <b>CLAIMS ADMINISTRATOR</b><br><br>[Insert address] | <b>THE COURT</b><br>Clerk of Court<br>Superior Court of California,<br>County of Orange<br>Civil Complex Center Division<br>751 West Santa Ana Blvd.,<br>Santa Ana, California 92701 |
|---|--|

You have the right to retain your own attorney, at your own expense, to submit an objection or appear on your behalf at the Final Approval Hearing.

Filing an objection will *not* exclude you from the Settlement Class. You will still have the right to submit a Claim Form before the deadline to receive an Individual Settlement Payment.

**XI. WHAT HAPPENS IF I DO NOT EXCLUDE MYSELF FROM THIS SETTLEMENT?**

The Settlement, if finally approved by the Court, will bind all Participating Class Members whether or not they receive or timely cash their Individual Settlement Payments. Final approval of the Settlement will bar any Participating Class Member from hereafter initiating a claim or lawsuit which was raised in this Lawsuit or could have been raised in this Lawsuit, based on the allegations in this Lawsuit, during the period between April 11, 2008 and November 22, 2014. Section VII, above, and the Settlement Agreement itself contains additional details about the scope of the release.

## **XII. FURTHER INFORMATION**

The foregoing is only a summary of the settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by calling or writing the Claims Administrator at:

### **CLAIMS ADMINISTRATOR**

Insert Address; Telephone; Fax; Email Info

A copy of the Settlement Agreement and other records in the litigation are on file with the Office of the Clerk of the Superior Court of California, County of Orange, located at Civil Complex Center, 751 West Santa Ana Boulevard, Santa Ana, California 92701, and may be examined during regular business hours. This information is also available online at <http://www.occourts.org/online-services/case-access>.

You may obtain more information about this case at [insert TPA hosted website URL]. If you have any questions about the settlement, you can also contact Class Counsel listed above.

***PLEASE DO NOT TELEPHONE OR CONTACT THE COURT FOR  
INFORMATION REGARDING THE SETTLEMENT.***

# **EXHIBIT A**

**CLAIM FORM**

**EXHIBIT “B”**

Watkins v. St. Jude Hospital Yorba Linda, et al.  
Superior Court of the State of California, County of Orange  
Case No. 30-2012-00561240-CU-OE-CXC

**CLAIM FORM/FLSA CONSENT FORM**  
**COMPLETE FOR MONETARY RECOVERY**

**BASED ON THE SETTLEMENT FORMULA, THE PARTIES ESTIMATE THAT YOU WILL RECEIVE THE FOLLOWING GROSS AMOUNT IF YOU FILE A CLAIM \$ \_\_\_\_\_. HOWEVER, THE ACTUAL AMOUNT THAT YOU RECEIVE COULD BE MORE OR LESS THAN THIS AMOUNT, DEPENDING ON SUCH FACTORS AS PARTICIPATION RATES, SETTLEMENT COSTS, TAXES, EXPENSES AND ATTORNEYS' FEES EVENTUALLY APPROVED BY THE COURT.**

<MAILING ID>  
<NAME>  
<ADDRESS>  
<CITY, STATE, ZIP>

Please provide current address (if different) here

Former Names (if any) \_\_\_\_\_

**Please Type or Print**

\_\_\_\_\_  
Last 4 Digits of Social Security Number

**YOU MUST TIMELY COMPLETE, SIGN AND RETURN THIS FORM TO SHARE IN THE MONETARY RECOVERY AND TO CONSENT TO JOIN THE FLSA PORTION OF THIS ACTION.**

**INSTRUCTIONS**

1. Please complete, sign, and mail or submit this form to share in the recovery and consent to join the FLSA portion of this Settlement.
2. If you move, please send us your new address.
3. If found eligible, and subject to Court approval, you will not receive payment until approximately DATE.

**YOU MUST COMPLETE, SIGN AND MAIL THIS FORM IN THE ENCLOSED POSTAGE-PAID ENVELOPE, POSTMARKED ON OR BEFORE DATE, ADDRESSED AS FOLLOWS IN ORDER TO RECEIVE A RECOVERY AND CONSENT TO JOIN THE FLSA PORTION OF THIS ACTION. THIS FORM MAY ALSO BE RETURNED VIA THE EMAIL OR FAX NUMBER BELOW**

|   |
|---|
| Claims Administrator<br>c/o TPA<br>[ADDRESS]<br><br>[TEL/FAX]<br>[EMAIL]<br>[WEBSITE] |
|---|

Employment records reflect that you were employed by St. Jude Hospital Yorba Linda doing business as St. Joseph Heritage Healthcare ("Heritage") as an hourly-paid, non-exempt employee at one or more locations where Heritage employees worked in California at any time between April 11, 2008 through November 22, 2014. ("Class Member").

Heritage estimates that you were employed from <start date> to <end date> and worked a total of \_\_\_\_\_ Compensable Work Weeks as a Class Member. If you disagree with Heritage's records, please provide the

**EXHIBIT B**

following information: List location(s) and dates of your employment at Heritage in chronological order as best you can. Please provide and send in any documentation that supports your estimates. (Errors in locations, dates or order of your employment will not affect your eligibility to participate in the settlement. This information will aid the Administrator in verifying your records).

|                       |                |                      |
|-----------------------|----------------|----------------------|
| _____<br>Job Title #1 | _____<br>Dates | _____<br>Location #1 |
| _____<br>Job Title #2 | _____<br>Dates | _____<br>Location #2 |

I have reviewed the Class Notice and this form and wish to participate in the settlement of *Watkins v. St. Jude Hospital Yorba Linda, et al.* (Superior Court of the State of California, County of Orange, Case No. 30-2012-00561240-CU-OE-CXC) and receive a payment in accordance with the terms of the Settlement. By signing and submitting this Claim Form, I understand that I am releasing Heritage together with its former and present parents, subsidiaries and affiliated corporations and their officers, directors, employees, partners, shareholders and agents, and any other successors, assigns or legal representatives ("Released Parties"), from all applicable California wage and hour claims, rights, demands, liabilities and causes of action of every nature and description, whether known or unknown, alleged in the complaint in the Lawsuit, or those causes of action that could have been brought in the pending action with respect to the matter in controversy, and all of the following recoverable or potentially recoverable under those claims: damages, unpaid costs, penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, equitable relief, and other relief under California Business & Professions Code § 17200. The claims alleged in the complaint in the Lawsuit are the following; (a) failure to pay wages for all hours worked, including but not limited to such claims based on allegations of working while "off the clock"; and/or Defendant's practice and/or policy of rounding employee time records; (b) claims for the failure to pay minimum or overtime wages, including but not limited to such claims resulting from rounding and/or "off the clock work"; (c) claims for waiting time penalties under Labor Code § 203; and (d) claims for failure to provide accurate wage statements. There is no release of claims for the following, which is not an all-inclusive list: discrimination, harassment, hostile workplace, termination of employment (although claims under Labor Code section 203 are released as stated above), Workers' Compensation, and personal injury.

I also waive and release any and all claims for penalties pursuant to the Private Attorney's General Act of 2004 ("PAGA") arising out of the aforementioned released claims.

Further, by submitting a valid Claims Form, I will be deemed to have fully released any and all claims under the FLSA based on any alleged (a) failure to pay wages for all hours worked, including claims based on allegations of working while "off the clock"; (b) failure to pay wages for all hours worked arising from or based on Defendant's practice and/or policy of rounding employee time records; (c) failure to pay minimum or overtime wages as a result of alleged rounding or "off the clock" work; and/or (d) failure to provide accurate wage statements.

***Heritage will not take any adverse employment action against you and will not target, retaliate, or discriminate against you because of your decision to either participate or not participate in this Settlement.***

By my signature below, I consent to join *Watkins v. St. Jude Hospital Yorba Linda*, Case No. 30-2012-00561240-CU-OE-CXC as a Plaintiff under the Fair Labor Standards Act 29 USC §200 *et seq.* I declare under penalty of perjury under the laws of the State of California that the above information is true and correct.

X \_\_\_\_\_  
(sign your name here)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Full Name

EXHIBIT B

**REQUEST FOR EXCLUSION FORM**

EXHIBIT "C"

**REQUEST FOR EXCLUSION FORM**  
*Watkins v. St. Jude Hospital Yorba Linda, et al.*  
**OCSC CASE NO. 30-2012-00561240-CU-OE-CXC**

**DO NOT SIGN THIS DOCUMENT UNLESS YOU WISH TO EXCLUDE YOURSELF  
FROM THE WATKINS V. ST. JUDE HOSPITAL YORBA LINDA CLASS ACTION  
SETTLEMENT.**

**CLAIMANT IDENTIFICATION**

[NAME WHILE EMPLOYED]

[ADDRESS]

[TELEPHONE NUMBER]

CORRECT NAME AND ADDRESS:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: (    ) \_\_\_\_\_ - \_\_\_\_\_

**IF ANY OF THE INFORMATION ABOVE IS INCORRECT, YOU MUST PROVIDE THE  
CORRECT INFORMATION IN THE SPACE PROVIDED ABOVE.**

If you wish to participate in the settlement, do not send in this Request for Exclusion Form. If you wish to participate in the settlement, you need to follow the instructions on the "Claim Form."

If you wish to exclude yourself from this settlement, you must complete and sign this Exclusion Form and send it by U.S. mail, fax or email on or before [date, 2015] to:

Claims Administrator  
Address

Toll Free:

Fax:

Email:

Read this statement before signing:

I confirm that I have received notice of the proposed settlement in this action. I have decided to be excluded from the class, and I have decided not to participate in the proposed settlement. As such, I do not wish to receive any portion of the settlement recovery.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

[CLAIM NO. \_\_\_\_\_]

**IF YOU WANT TO PARTICIPATE IN THE CLASS ACTION SETTLEMENT,  
STOP, DO NOT SEND THIS FORM, SEND IN THE "CLAIM FORM" INSTEAD.**