

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

Rampley v. Bear Valley Community Healthcare District

[U.S. District Court, Central District of California, Case No. 5:21-cv-01270-SPG-SHKx]

The U.S. District Court, Central District of California authorized this Notice. Read it carefully! It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

You may be eligible to receive money from an employee class action lawsuit (“Action”) against Bear Valley Community Healthcare District (“Bear Valley”) for alleged wage and hour violations. The Action was filed by a former Bear Valley employee Kyana Rampley (“Plaintiff”) and seeks payment of (1) alleged unpaid wages, statutory penalties, interest, and attorneys’ fees and costs for a class of all non-exempt or hourly-paid employees (“Class Members”) who worked for Bear Valley during the Class Period (July 29, 2018 to May 22, 2023); and (2) civil penalties under the California Private Attorney General Act (“PAGA”) for all non-exempt employees who worked for Bear Valley during the PAGA Period (July 29, 2020 to May 22, 2023) (“Aggrieved Employees”).

The proposed Settlement has two main parts: (1) a Class Settlement requiring Bear Valley to fund Individual Settlement Payments, and (2) a PAGA Settlement requiring Bear Valley to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

Based on Bear Valley’s records, **your Individual Settlement Payment is estimated to be «ESA_Before_Paga» (less withholding) and your Individual PAGA Payment is estimated to be «PAGA_Amount».** The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Bear Valley’s records you are not eligible for an Individual PAGA Payment under the Settlement because you did not work as a non-exempt employee during the PAGA Period.)

The above estimates are based on Bear Valley’s records showing that **you worked «Total_Weeks» Workweeks** during the Class Period and **you worked «PAGA_Pay_Periods» PAGA Pay Periods** during the PAGA Period. If you believe that you worked more Workweeks during the Class Period or PAGA Pay Periods during the PAGA Period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or do not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires Bear Valley to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Bear Valley.

If you worked for Bear Valley as a non-exempt employee during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

- (1) **PARTICIPATE IN THE CLASS SETTLEMENT AND RECEIVE MONEY.** You can participate in the Class Settlement and receive your share of the settlement payment by not taking any action. You will receive your Individual Settlement Payment so long as you do not opt-out of the settlement. As a Participating Class Member, you will give up your right to assert Released Class Claims. If you are an Aggrieved Employee, you will automatically be bound to the PAGA Settlement and issued your Individual PAGA Payment.
- (2) **NOT PARTICIPATE IN THE CLASS SETTLEMENT AND NOT RECEIVE MONEY.** You can exclude yourself from the Class Settlement by completing, signing, and mailing the postage pre-paid Response Form in which you check the box for “Request for Exclusion” or otherwise notifying the Administrator of your Request for Opt-Out in writing via email, fax, or mail at the contact information provided below in Section 9. If you exclude yourself from the Class Settlement, you will not receive any settlement payment from the Class Settlement. You will, however, preserve your right to personally pursue Class Claims against Bear Valley, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA Settlement.

Bear Valley will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

<p>Participate in the Class Settlement and <u>Receive Money</u></p>	<p>If you do nothing, you will be a Participating Class Member and eligible for an Individual Settlement Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the Class Claims and Released PAGA Claims against Bear Valley that are covered by this Settlement.</p> <p>The deadline to make this election (e.g., postmark the Response Form or email/fax the Administrator) is August 28, 2023.</p>
<p>Not Participate in the Class Settlement and <u>Not Receive Money</u></p>	<p>If you complete, sign, and mail the postage pre-paid Response Form in which you check the box for “Request for Exclusion” or otherwise notifying the Administrator of your Request for Exclusion in writing, you will be a Non-Participating Class Member and no longer eligible for any Individual Settlement Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice.</p> <p>You cannot opt out of the PAGA Settlement. Bear Valley must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released PAGA Claims (defined below).</p> <p>The deadline to make this election (e.g., postmark the Response Form or email/fax the Administrator) is August 28, 2023.</p>
<p>You Can Participate in the Final Approval Hearing</p>	<p>The Court’s Final Approval Hearing is scheduled to take place on September 27, 2023 at 1:30 p.m.. You don’t have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.</p>
<p>You Can Challenge the Calculation of Your Workweeks/Pay Periods</p>	<p>The amount of your Individual Settlement Payment and PAGA Payment (if any) depend on how many Workweeks and PAGA Pay Periods you were determined to have worked with the Class Period and PAGA Period, respectively, as follows:</p> <p>Workweeks are based weeks during which at least one day was worked as a non-exempt employee.</p> <p>PAGA Pay Periods are based on pay periods during which at least one day was worked as a non-exempt employee.</p> <p>The number of Workweeks and number of PAGA Pay Periods you worked according to Bear Valley’s records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by August 28, 2023 See Section 4 of this Notice.</p>

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former Bear Valley employee. On July 29, 2021, Plaintiff commenced the class action lawsuit entitled *Rampley v. Bear Valley Community Healthcare District*, in the U.S. District Court, Central District of California, Case No. 5:21-cv-01270-SPG-SHKx (the “Action”). The Action alleges Bear Valley of violating federal and California laws by failing to properly pay minimum and overtime wages, timely pay wages during employment and upon termination of employment, and provide accurate itemized wage statements and keep requisite payroll records. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) (“PAGA”). Plaintiff is represented by attorneys in the Action (“Class Counsel”):

Kevin Mahoney (SBN: 235367)

kmahoney@mahoney-law.net

John Young (SBN: 299809)

jyoung@mahoney-law.net

MAHONEY LAW GROUP, APC

249 E. Ocean Blvd., Ste. 814

Long Beach, CA 90802

Telephone: (562) 590-5550

Facsimile: (562) 590-8400

Bear Valley strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws. The Court has not made any finding of liability in this case.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Bear Valley or Plaintiff is correct on the merits. In the meantime, Plaintiff and Bear Valley hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Bear Valley have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Bear Valley does not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Bear Valley has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Bear Valley Will Pay \$240,000.00 as the Gross Settlement Amount (Gross Settlement). Bear Valley has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Settlement Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel’s attorney’s fees and expenses, the Administrator’s expenses, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”). Assuming the Court grants Final Approval, Bear Valley will fund the Gross Settlement not more than thirty (30) days after the Judgment entered by the Court become final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$80,000.00 (33.33% of the Gross Settlement) to Class Counsel for attorneys’ fees and up to \$15,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.

- B. Up to \$7,500.00 as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Settlement Payment and any Individual PAGA Payment.
- C. Up to \$10,000.00 to the Administrator for services administering the Settlement.
- D. Up to \$10,000.00 for PAGA Penalties, allocated as 75% to the LWDAPAGA Payment and 25% to be paid to the Aggrieved Employees based on their PAGA Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

3. Net Settlement Distributed to Participating Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement Amount") by making Individual Settlement Payments to Participating Class Members based on their Workweeks.
4. Taxes Owed on Payments to Class Members. Plaintiff and Bear Valley are asking the Court to approve an allocation of 20% of each Individual Settlement Payment to taxable wages ("Wage Portion") and 80% to interest, penalties, and non-wage damages ("Non-Wage Portion."). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Bear Valley will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Settlement Payments on IRS 1099 Forms.

Although Plaintiff and Bear Valley have agreed to these allocations, neither side is giving you any advice on whether your payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Settlement Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you do not cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name. If the monies represented by your check is sent to the Controller's Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.
6. Participating in the Class Settlement. As a reminder, if you want to participate in the Class Settlement and receive money, then you do not need to take any action. If you do not want to participate in the Class Settlement and do not want to receive money, the easiest way is to complete, sign, and mail the postage pre-paid Response Form in which you check the box for "Request for Exclusion". You must submit your Request for Exclusion not later than August 28, 2023.

You cannot opt-out of the PAGA Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Bear Valley based on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff and Bear Valley have agreed that, in either case, the Settlement will be void: Bear Valley will not pay any money and Class Members will not release any claims against Bear Valley.
8. Administrator. The Court has appointed a neutral company, Phoenix Settlement Administrators (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Response Forms. The Administrator will also decide disputes regarding Workweeks and/or PAGA Pay Periods, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.

9. Participating Class Members' Release of Released FLSA and Labor Code Class Claims. Upon the Effective Date and full funding of the Gross Settlement (including all employer payroll taxes owed on the Wage Portion of the Individual Settlement Payments), Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that if you participate in the Class settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Bear Valley or Released Parties for Released Class Claims. The Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims that were alleged, or reasonably could have been alleged, that arose during the Class Period, based on the facts and legal assertions stated in the Operative Complaint and ascertained in the course of the Action, including any and all claims involving any alleged failure to pay minimum wages and overtime wages and for liquidated damages under the FLSA, 29 U.S.C §§ 201, et seq., and 29 C.F.R. §§ 778.101, et seq..

In addition, all Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims that were alleged, or reasonably could have been alleged, that arose during the Class Period, based on the facts and legal assertions stated in the Operative Complaint and ascertained in the course of the Action, including any and all claims involving any alleged failure to pay overtime wages pursuant to California Labor Code sections 510 and 1194, and applicable IWC Wage Orders; failure to pay minimum wages pursuant to California Labor Code sections 1194, 1194.2, 1197, and 1197.1 and applicable IWC Wage Orders; failure to pay all wages owed at termination pursuant to California Labor Code sections 201-203; failure to pay all wages in a timely manner during employment pursuant to California Labor Code section 204 and applicable IWC Wage Orders; failure to furnish accurate itemized wage statements pursuant to California Labor Code section 226(a) and applicable IWC Wage Orders; and failure to maintain adequate payroll records pursuant to California Labor Code sections 1174(d) and applicable IWC Wage Orders (the "Released Labor Code Class Claims").

10. Aggrieved Employees' Release of Released PAGA Claims. After the Effective Date and full funding of the Gross Settlement Amount (including all employer payroll taxes owed on the Wage Portion of the Individual Settlement Payments), all Aggrieved Employees will be barred from asserting PAGA claims against Released Parties, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees cannot sue, continue to sue, or participate in any other PAGA claim against Released Parties based on the facts alleged in the Action during the PAGA Period and resolved by this Settlement. The Aggrieved Employees' Release is as follows:

All Aggrieved Employees, whether or not they are a Participating Class Member, are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA civil penalties under California Labor Code §§ 2699, et seq. that were alleged, or reasonably could have been alleged, that arose during the PAGA Period, based on the facts and legal assertions stated in the Operative Complaint, the PAGA Notice, and ascertained in the course of the Action, including any and all claims for any alleged failure to pay overtime wages pursuant to California Labor Code sections 510 and 1194, and applicable IWC Wage Orders; failure to pay minimum wages pursuant to California Labor Code sections 1194, 1194.2, 1197, and 1197.1 and applicable IWC Wage Orders; failure to pay all wages owed at termination pursuant to California Labor Code sections 201-203; failure to pay all wages in a timely manner during employment pursuant to California Labor Code section 204 and applicable IWC Wage Orders; failure to furnish accurate itemized wage statements pursuant to California Labor Code section 226(a) and applicable IWC Wage Orders; and failure to maintain adequate payroll records pursuant to California Labor Code sections 1174(d) and applicable IWC Wage Orders (the "Released PAGA Claims").

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Settlement Shares. The Administrator will divide the final Net Settlement Amount by the total number of Workweeks worked by all Class Members to yield the "Estimated Workweek Value," and multiply each Class Member's individual Workweeks by the Estimated Workweek Value to yield his or her estimated Individual Settlement Share.

2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$2,500.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each Individual Aggrieved Employee.
3. Workweek/Pay Period Challenges. The number of Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Bear Valley's records, are stated in the first page of this Notice. You have until August 28, 2023 to dispute the number of Workweeks and/or Pay Periods credited to you. You can submit your dispute in the Response Form comment section or signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your dispute by sending copies of pay stubs or other records. The Administrator will accept Bear Valley's calculation of Workweeks and/or Pay Periods based on Bear Valley's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or PAGA Pay Period disputes based on your submission and on input from Class Counsel and Bear Valley's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Settlement Payment and/or the Individual PAGA Payment.

Aggrieved Employees. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every individual who is eligible to receive payment under the PAGA Settlement as an Aggrieved Employee.

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I EXCLUDE MYSELF OF THE CLASS SETTLEMENT?

You can exclude yourself from the Class Settlement by completing, signing, and mailing the postage pre-paid Response Form in which you check the box for "Request for Exclusion". You will not receive any money from the Class Settlement by choosing this option.

You can also submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Rampley v. Bear Valley Community Healthcare District*, Case No. 5:21-cv-01270-SPG-SHKx and include your identifying information (full name, address, telephone number, and approximate dates of employment). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by August 28, 2023, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Bear Valley are asking the Court to approve. At least twenty-eight (28) days before the September 27, 2023 Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website at <https://www.phoenixclassaction.com/bear-valley-community-healthcare/> or the Court for a fee at www.cacd.uscourts.gov/records.

The deadline for sending written objections to the Administrator is August 28, 2023. You may submit your objection in the comments section of the Response Form or submit a separate written objection to the Administrator. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. If you are submitting a separate objection, make sure you identify the Action, *Rampley v. Bear Valley Community Healthcare District*, Case No. 5:21-cv-01270-SPG-SHKx and include your name, current address, telephone number, and approximate dates of employment for Bear Valley and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object to the Class Settlement (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on September 27, 2023 at 1:30 p.m. in Court 5C of the U.S. District Court, Central District of California, located at First Street Courthouse, 350 West 1st Street, Los Angeles, California 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement Amount will be paid to Class Counsel, Plaintiff, and the Administrator. You can attend (or hire a lawyer to attend) either personally or virtually via Zoom at:

<https://cacd-uscourts.zoomgov.com/j/1608687864?pwd=V290TzJQQTZBzVXJFTXBiUndkM05kQT09>

Telephone: (669) 254-5252

Webinar ID: 160 868 7864

Passcode: 833882

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website <https://www.phoenixclassaction.com/bear-valley-community-healthcare/> beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Bear Valley and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to Phoenix Settlement Administrators' website at <https://www.phoenixclassaction.com/bear-valley-community-healthcare/>. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the District Court's website by going to www.cacd.uscourts.gov/records.

DO NOT TELEPHONE THE DISTRICT COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Settlement Administrator:
Phoenix Settlement Administrators
notice@phoenixclassaction.com
P.O. Box 7208
Orange, CA 92863
Telephone: (800) 523-5773
Facsimile: (949) 209-2503

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the Unclaimed Property Fund for instructions on how to retrieve the funds.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.