SUPERIOR COURT FOR THE STATE OF WASHINGTON IN AND FOR KITSAP COUNTY

Kahn, et al v. The Doctors Clinic, A Professional Corporation Kitsap County Superior Court Civil Case No. 23-2-02374-18

- NOTICE OF CLASS ACTION SETTLEMENT -

A court authorized this notice. This is not a solicitation from a lawyer.

TO: All individuals who were employed at The Doctors Clinic facilities in Washington state in positions paid on an hourly basis at any time from December 22, 2020, through March 7, 2024.

<u>PLEASE READ THIS NOTICE</u>. A settlement in a class action may affect your rights. You may be entitled to a payment from the settlement. You do not need to do anything to receive a payment so long as your contact information is correct.

- Former employees brought claims against The Doctors Clinic, A Professional Corporation (hereafter "Defendant") alleging that Defendant failed to provide meal and rest periods in compliance with Washington law. The parties have reached a proposed Class Action Settlement.
- Defendant strongly denies any fault, wrongdoing, or liability or that class treatment is appropriate for any other purposes than facilitating the Class Action Settlement. If the Parties had not reached a Settlement, Defendant would have continued to vigorously defend against Plaintiffs' claims, including seeking a denial of class certification and a full defense verdict at trial. Defendant agreed to this Settlement to avoid the risk, burden, and expense of further litigation, and as a means of making its employees whole for even any arguable claims relating to the lawsuit.
- The Class Action Settlement includes a total maximum settlement payment by Defendant of One Million Forty-Two Thousand Five Hundred Dollars and Zero cents (\$1,042,500).
- To qualify for a share of these payments, you must have been employed at The Doctors Clinic facilities in the State of Washington in a position paid on an hourly basis at any time from December 22, 2020, through March 7, 2024 and have not excluded yourself from the Class Action Settlement.

Your Estimated Gross Settlement Award Before Taxes

<<\$EstAmnt>>

• You do not need to do anything to be eligible to receive a share of the settlement payment.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT		
DO NOTHING	You will be eligible to get a payment for your share of the Class Action Settlement. (You may need to provide the Settlement Administrator with any updated contact information to ensure you receive a payment). You will give up rights relating to the legal claims in this Case.	
ASK TO BE EXCLUDED	Get no payment. This is the only option that allows you to ever be a part of any other lawsuit against Defendant with respect to the legal claims in this Case.	
OBJECT	Write to the Court if you do not like the settlement and explain why. If the Settlement is approved, you will still receive a payment and you will give up rights relating to the legal claims in this Case.	

	Ask to speak in Court about the fairness of the Class Action Settlement. If the
GO TO A HEARING	Settlement is approved, you will still receive a payment and you will give up rights
	relating to the legal claims in this Case.

- These rights and options—and the deadlines to exercise them—are explained in this Notice.
- The Court in charge of this Case still has to decide whether to grant final approval of the Settlement. If the Court approves the Settlement, payments will be made after any appeals are resolved. Please be patient.

1. Why did I get this Notice?

Defendant's records show that you were employed by Defendant in the State of Washington sometime between December 22, 2020 and March 7, 2024 and paid on an hourly basis. The Court has authorized this Notice to be sent to you to inform you about a proposed settlement of a class action lawsuit, and about your options, before the Court decides whether to finally approve the Settlement. If the Court approves the Settlement, and after any appeals are resolved, payments will be made to Settlement Class Members who do not affirmatively request to be excluded from the Settlement.

This Notice explains the Case, the Class Action Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

2. What is this Case about?

The Plaintiffs, former employees Leslie Kahn, Tausha Stamp, and Alaina Hicks claim that Defendant violated Washington State wage and hour laws by failing to provide legally compliant meal and rest periods. Defendant has denied the Plaintiffs' claims.

The Superior Court for the State of Washington in and for Kitsap County, is overseeing this Class Action. The lawsuit is known as *Kahn, et al v. The Doctors Clinic, A Professional Corporation*, Kitsap County Superior Court Civil Case No. 23-2-02374-18 (the "Case").

3. What is a class action and who is involved?

In a class action lawsuit, one or more people called a "Class Representative" sues on behalf of other people whom they believe have similar claims. The people together are a "Class" or "Class Members." The employees who sued, and who represent the Class, are called the Plaintiffs.

The person or entity the Plaintiffs sue (in this case The Doctors Clinic, A Professional Corporation) is called the Defendant. In a class action, one court resolves the issues for everyone in the Class—except for those people who choose to exclude themselves from the Class.

4. Why is there a Settlement?

The Court did not decide in favor of the Plaintiffs or Defendant. Instead, both sides agreed to a Settlement. This allows the parties to avoid the cost of a trial, and the people affected will be entitled to compensation. The Class Representatives and their attorneys think the Settlement is best for everyone in the Class.

5. How do I know whether I am part of the Settlement?

As part of the Settlement of the Case, the Kitsap County Superior Court has decided that everyone who fits the following description is a Class Member:

All individuals who were employed by Defendant at The Doctors Clinic facilities in the State of Washington in positions paid on an hourly basis at any time from December 22, 2020 through March 7, 2024.

If it is approved, the Settlement will cover all Settlement Class Members who have not timely and affirmatively excluded themselves from the Case. To be a part of and receive any money pursuant to the Settlement, Settlement Class Members need do nothing (other than refrain from affirmatively opting out of the Settlement).

6. What claims are covered by the Settlement?

The Settlement will resolve all of the claims of Settlement Class Members, whether known or unknown, that were brought or that could have been brought based on any facts alleged in the Case, including, but are not limited to any claims arising out of or relating to: (1) any alleged missed, interrupted, shortened, untimely, unpaid, and/or non-compliant rest breaks and/or meal periods; and (2) any attendant claims for unpaid wages, overtime payments, premium payments, interest, exemplary damages, and attorneys' fees and costs relating to any of the foregoing.

7. What are the basic terms of the Settlement?

Subject to Court approval, the essential terms of the Settlement are as follows:

Defendant will pay a total of \$1,042,500 as part of the Settlement, apportioned as follows:

- **Class Fund**: Approximately \$642,250, which will be available for the payment of Settlement Awards to Settlement Class Members who do not timely opt out of this Settlement.
- Service Award: Up to \$7,500 each to Plaintiffs and Class Representatives Leslie Kahn, Tausha Stamp, and Alaina Hicks as service awards in recognition of their efforts in prosecuting the Case.
- **Full Release Award**: Up to \$42,500 to Leslie Kahn in settlement of her individual claims against Defendant for harassment, retaliation, disability discrimination, and hostile work environment in violation of Washington's law against discrimination; invasion of privacy; and wrongful discharge in violation of public policy as well as any and all known or unknown claims arising out of her application of employment, employment, or cessation of employment with Defendant.
- Settlement Administration Expenses Award: Up to \$15,000 to the Settlement Administrator for the processing of the Settlement, including the expenses of providing notice to Settlement Class Members, handling the claims administration process, processing payments to Settlement Class Members, and handling tax reporting requirements.
- Attorneys' Fees and Costs Award: Up to \$312,750 to Plaintiff's attorney for the attorneys' fees award and up to \$7,500 for actual litigation costs they have incurred and will incur through final judgment in representing Plaintiffs and the Settlement Class.

Monetary Relief: The amount available to the Settlement Class is intended to compensate Settlement Class Members for the wages and other compensation they allegedly lost and damages they are allegedly owed as a result of the practices alleged in the Case.

Distribution of Class Fund: Each Settlement Class Member who does <u>not</u> submit a valid and timely request for exclusion will automatically receive a settlement payment. Each Settlement Class Member who does not request exclusion shall receive a minimum settlement payment of \$150.00. The remaining amounts after minimum payments from the class fund will be allocated to individual Settlement Class Members pro rata by dividing each Settlement Class Member's total wages paid by The Doctors Clinic, A Professional Corporation, during the Settlement Class Period by the total aggregate wages paid to all Settlement Class Members and then multiplying the resulting ratio by the remaining amounts in the Class Fund. Checks will be mailed to Settlement Class Members by the Settlement Administrator. If any checks have not been negotiated within one hundred twenty (120) days after distribution, the funds from those checks will be sent in the corresponding Settlement Class Member's name to the Unclaimed Property Fund for the State of Washington pursuant to the Unclaimed Property Act (RCW 63.29 et seq). Defendant will not receive funds from any uncashed checks.

Tax Treatment of Settlement Awards: One third of each Settlement Class Member's settlement award will be treated as wages and subject to normal tax withholding and shall be reported to the taxing authorities and the Settlement Class Member on an IRS Form W-2. Two thirds of each Settlement Class Member's settlement award will be treated as non-wages (a combination of penalties, enhancements, and prejudgment interest) on which there will be no tax withholding and for which an IRS Form 1099-MISC (marked "Other Income") shall be issued to the taxing authorities and the Settlement Class Member.

Release of Claims: Upon final approval by the Court, the Settlement Class and each Settlement Class Member who has not submitted a valid and timely written request to be excluded from the Settlement will irrevocably release all of the Released Claims against Defendant relating to the period from December 22, 2020 through and including March 7, 2024. This Release specifically includes any claims arising out of or relating to: (1) any alleged missed, interrupted, shortened, untimely, unpaid, and/or non-compliant rest breaks and/or meal periods; and (2) any attendant claims for unpaid wages, overtime payments, premium payments, interest, exemplary damages, and attorneys' fees and costs relating to any of the foregoing.

This Release requires you to waive and precludes you from bringing any Released Claims against Defendant The Doctors Clinic, A Professional Corporation, as well as each of their respective (and as applicable) past, current, or future successors and assigns, together with each of their respective parent companies, subsidiaries, related or affiliated companies, members, shareholders, owners, investors, officers, directors, employees, agents, attorneys, and insurers, along with any other individual or entity who could be jointly or severally liable for any of the claims alleged in the Case or released by this Agreement.

Dismissal of Action: Upon final approval, the Court will enter a judgment of dismissal of the Case with prejudice but shall retain jurisdiction to enforce the terms of the settlement agreement.

8. How can I get a payment?

To get a payment, you don't need to do anything. As long as you do <u>not</u> submit a written request to be excluded from the Settlement, you will be a Settlement Class Member and will be entitled to payment.

9. When would I get my payment?

The Court will hold a hearing on to decide whether to finally approve the settlement. If the Kitsap County Superior Court approves the settlement, the parties will then have to wait to see whether there is an appeal. This will take at least thirty (30) days and, if there is an appeal, can take up to a year or more to resolve. In the event of an appeal. information regarding the appeal's progress will be made available at www.cptgroupcaseinfo.com/DoctorsClinicAction. If there is no appeal, payments are expected to go out within approximately sixty (60) days of the Court's final approval of the settlement. Please be patient.

10. Do I have a lawyer in this case?

The Court has decided that James B. Pizl, Entente Law PLLC, James McCanna, and McCanna Law PLLC are qualified to represent you and all Settlement Class Members. These lawyers are called "Class Counsel." You will not be charged for these lawyers. If you want to be represented by our own lawyer, you may hire one at your own expense.

11. How will the lawyers be paid?

As indicated above, Class Counsel will seek payment of their attorneys' fees in the amount of \$312,750, and their litigation costs in an amount of up to \$7,500, each of which must be approved by the Court as part of the final approval of this Settlement. Class Counsel has been working on this case since December 2023, and have not received any fees or reimbursements for the costs of the lawsuit.

12. How do I exclude myself from the Settlement?

If you fit the definition of a Settlement Class Member and want to exclude yourself from the Settlement, you <u>must</u> request exclusion in writing by May 12, 2025. You may be excluded as a member of the class by submitting a written request stating, "I request that I be excluded from the Class in the case of Kahn, et al v. The Doctors Clinic, A Professional Corporation." The request must include your name, address, and signature. You must mail a copy of the letter to the Settlement Administrator at the following address postmarked no later than May 12, 2025:

Khan v. The Doctor's Clinic c/o CPT Group, Inc. 50 Corporate Park Irvine, CA 92606

If you exclude yourself from the Settlement (i.e., opt out), you will not receive any payment from the Settlement. You will also not be entitled to object to the Settlement. If you exclude yourself, you will not be bound by the terms of the Settlement, including the Release described in Sections 6 and 7, above. This means you will retain the right at your own expense to pursue any claims you may have against Defendant.

13. If I don't like the Settlement, how do I tell the Court?

If you are a Settlement Class Member, have <u>not</u> excluded yourself from the Settlement, and do not like the Settlement or the fee request, you can object. You <u>must</u> do so in writing, and you <u>must</u> state the reasons why you think the Court should not approve the Settlement. If you object, be sure to include your name, address, and telephone number, the name of the Case (*Kahn, et al v. The Doctors Clinic, A Professional Corporation,* Kitsap County Superior Court Civil Case No. 23-2-02374-18), the reasons you object to the Settlement, and a signature. You <u>must</u> mail a copy of the objection to the following address **postmarked no later than May 12, 2025**:

Khan v. The Doctor's Clinic c/o CPT Group, Inc. 50 Corporate Park Irvine, CA 92606

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

The Court will hold a Fairness Hearing at 9:00 a.m. on May 23, 2025 at Kitsap County Superior Court; 614 Division St., Room 210; Port Orchard, WA 98366.

If there are objections, the Court will consider them. The Judge will listen to people who have asked to speak at the hearing (*see* Section 16). After the hearing, the Court will decide whether to finally approve the Settlement, including Class Counsel's request for attorneys' fees and litigation costs, Settlement Administration Expenses, and Service Awards for the named Plaintiffs and the Full Release Award for Leslie Kahn. We do not know how long that decision will take.

15. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Judge may have, but you are welcome to attend at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but that is not necessary.

16. May I speak at the hearing?

You may ask the Court for permission to speak at the Fairness Hearing. To do so, you <u>must</u> send a letter saying it is your "Notice of Intention to Appear in *Kahn, et al v. The Doctors Clinic, A Professional Corporation,* Kitsap County Superior Court Civil Case No. 23-2-02374-18." Be sure to include your name, address, phone number, and your signature. Your Notice of Intention to Appear <u>must</u> be **postmarked no later than May 12, 2025** and be sent to the Court, Class Counsel, and Defense Counsel at the three addresses set forth below:

COURT	CLASS COUNSEL	DEFENSE COUNSEL
Kitsap County Superior Court	James B. Pizl	Devin Smith
614 Division St	Entente Law PLLC	Davis Wright Tremaine LLP
Room 210	315 39 th Ave SW, Suite 14	920 Fifth Ave, Ste 3300
Port Orchard, WA 98366	Puyallup, WA 98373	Seattle, WA 98104

17. What happens if I do nothing at all?

If you do nothing—that is, if you do not mail or deliver a timely written request to exclude yourself from the Settlement—you will be part of the Settlement Class and will be entitled to a share of the Settlement. You will also be bound by the terms of the Settlement, including the Release described in Sections 6 and 7, above.

18. Are there more details about the Settlement?

This Notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by visiting the website, which has a copy of the Settlement Agreement posted. Plaintiffs' motion for final approval of the settlement agreement, including Class Counsel's request for attorneys' fees, costs, Settlement Administration Expenses, and Service Awards for named Plaintiffs and Full Release Award for Leslie Kahn will be available for you to review on at www.cptgroupcaseinfo.com/DoctorsClinicAction.