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13 **UNITED STATES DISTRICT COURT**

14 **NORTHERN DISTRICT OF CALIFORNIA**

15 STEPHANIE DALCHAU and MICHAEL
16 GOODWIN, individuals on behalf of
themselves and others similarly situated,

17 Plaintiffs,

18 vs.

19 FASTAFF, LLC; U.S. NURSING
20 CORPORATION; and DOES 1 to 10
inclusive,

21 Defendants.

CASE NO. 3:17-cv-01584-WHO

**JOINT STIPULATION OF CLASS AND
COLLECTIVE ACTION SETTLEMENT**

1 **JOINT STIPULATION OF CLASS AND COLLECTIVE ACTION SETTLEMENT**

2 IT IS HEREBY AGREED, by and between Plaintiffs Stephanie Dalchau (“Dalchau”)
3 and Michael Goodwin (“Goodwin”) (collectively the “Named Plaintiffs”) as individuals and as
4 representatives of the proposed Settlement Class described herein, and Defendants Fastaff LLC
5 (“Fastaff”) and U.S. Nursing Corporation (“U.S. Nursing”) (collectively “Defendants”), that,
6 subject to the approval of the Court, the Action, as defined below, shall be settled on the terms
7 and conditions set forth in this Joint Stipulation of Class and Collective Action Settlement
8 (“Stipulation” or “Settlement”).

9 **I. THE CONDITIONAL NATURE OF THIS STIPULATION**

10 This Stipulation and all associated exhibits or attachments are made for the sole purpose
11 of settling the above-captioned action. This Stipulation and the Settlement it evidences are
12 made in compromise of disputed claims. Because this action is being settled as a class and
13 collective action, this Settlement must receive approval by the Court. Accordingly, the Settling
14 Parties (as defined herein) enter into this Stipulation and associated Settlement on a conditional
15 basis. If the Court does not enter the Order of Final Approval, the proposed Judgment does not
16 become a Final Judgment for any reason, and/or the Effective Date does not occur, this
17 Stipulation shall be deemed null and void *ab initio*; it shall be of no force or effect whatsoever;
18 it shall not be referred to or utilized for any purpose whatsoever; and the negotiation, terms and
19 entry of the Stipulation shall remain subject to the provisions of California Evidence Code
20 sections 1119 and 1152, Federal Rule of Evidence 408, and any other analogous rules of
21 evidence that are applicable.

22 Defendants deny all claims as to liability, damages, penalties, interest, fees, and all other
23 forms of relief, as well as deny the allegations asserted in the Action. Defendants have agreed to
24 resolve the Action via this Stipulation, but to the extent this Stipulation is deemed void or the
25 Effective Date does not occur, Defendants do not waive, but rather expressly reserve, all rights
26 to challenge all such claims and allegations in the Action upon all procedural, merits, and
27 factual grounds, including, without limitation, the ability to challenge class and collective action
28 treatment on any grounds, as well as asserting any and all other privileges and potential

1 defenses. To the extent this Stipulation is deemed void or the Effective Date does not occur, the
2 Named Plaintiffs and Class Counsel (as defined below) agree that Defendants retain and reserve
3 these rights stated in the preceding sentence, and to the extent this Stipulation is deemed void or
4 the Effective Date does not occur the Named Plaintiffs and Class Counsel agree not to argue or
5 present any argument, and hereby waive any argument, that based on this Stipulation,
6 Defendants cannot contest class certification or collective action treatment on any grounds
7 whatsoever, including through a decertification motion, or assert any and all other privileges or
8 potential defenses if this Action were to proceed.

9 **II. DESCRIPTION OF THE LITIGATION**

10 On March 24, 2017, the Named Plaintiffs filed a putative collective and class action
11 complaint against Defendants in the United States District Court for the Northern District of
12 California, captioned Stephanie Dalchau, et al. v. Fastaff, LLC, et al., Civil Action No. 3:17-
13 cv-01584-WHO. The Action alleges claims for: failure to pay overtime wages under California
14 Labor Code sections 510 and 1194; unfair business practices under California Business &
15 Professions Code section 17200, et seq.; failure to pay all wages due upon termination of
16 employment under California Labor Code section 203; and violations of the Fair Labor
17 Standards Act (“FLSA”), 29 U.S.C. §§ 201, et seq. The Named Plaintiffs brought the Action
18 individually and on behalf of a proposed collective and putative class. Defendants filed an
19 Answer to the Complaint on May 5, 2017.

20 On January 17, 2018, the Court granted the Named Plaintiffs’ Motion for Conditional
21 Certification (Dkt. #47), conditionally certifying a collective consisting of all individuals who,
22 at any time within three years prior to the date of conditional certification, worked an
23 assignment anywhere in the United States pursuant to an Assignment Agreement Letter with
24 Fastaff, during which they received a housing subsidy or housing provided by Fastaff, worked
25 in excess of 40 hours in one or more workweeks, and had the value of their housing benefit
26 excluded from their regular rate for purposes of calculating overtime. Notice was mailed to
27 4,371 putative collective members and nine hundred and eighty five (985) individuals filed
28 consent forms to join the action.

1 On April 9, 2018 the Court granted Dalchau's Motion for Class Certification (Dkt. # 74),
2 certifying a class of all individuals, except for those who worked exclusively on or after
3 November 16, 2017 and received housing provided by Fastaff, who, at any time from March
4 25, 2013 through April 9, 2018, worked in California pursuant to an Assignment Agreement
5 Letter with Fastaff during which they received a housing subsidy or housing provided by
6 Fastaff, received overtime pay, and had the value of the housing benefit excluded from their
7 regular rate for purposes of calculating overtime pay. Notice was mailed to 2,366 individuals
8 who were part of the certified class. Twenty-four (24) individuals opted out of the class.

9 Through both formal and informal discovery, Defendants provided Class Counsel with
10 putative class and collective member data, written policies, payroll records and other
11 documents related to the Named Plaintiffs' claims. Additionally, the Named Plaintiffs and
12 members of Fastaff's management were deposed.

13 The Parties had numerous and extensive discussions and negotiations regarding the
14 claims and defenses in the case and eventually reached an agreement on settlement during an
15 all-day mediation on October 15, 2018, with Jeffrey A. Ross, Esq., an experienced wage and
16 hour mediator. All of the terms of that settlement are contained within this Stipulation of
17 Settlement. At all times, the Parties' settlement negotiations have been non-collusive,
18 adversarial, and at arm's length.

19 Discussions between counsel for the Parties, discovery, as well as the respective
20 investigation and evaluation of the Named Plaintiffs' claims and Defendants' defenses by the
21 Parties, have permitted each side to assess the relative merits of the claims and the defenses to
22 those claims. The Parties agree that the above-described investigation and evaluation, as well
23 as discovery and the information exchanged during the settlement negotiations, are sufficient to
24 assess the merits of the respective Parties' positions and to compromise the issues on a fair and
25 equitable basis.

26 **III. BENEFITS OF SETTLEMENT TO THE SETTLEMENT CLASS MEMBERS AND**
27 **DEFENDANTS**

28 Named Plaintiffs and Class Counsel believe that the claims asserted in the Lawsuit have

1 merit and that evidence developed to date supports the claims. However, Named Plaintiffs and
2 Class Counsel recognize and acknowledge the significant expense, resources, and time that
3 would be required to continue these proceedings as necessary to prosecute the Lawsuit against
4 Defendants through trial and possibly also through appeal(s). Named Plaintiffs and Class
5 Counsel have also taken into account the uncertain outcome and the risks of litigation, the
6 difficulties, and delays inherent in this and similar litigation, the risk of decertification of the
7 collective and class actions, and of the problems of proving liability and damages and possible
8 defenses to the claims asserted in the Lawsuit. Based upon their evaluation, Named Plaintiffs
9 and Class Counsel have determined that the settlement set forth in this Stipulation is fair,
10 reasonable, adequate and in the best interests of the Named Plaintiffs and the Class Members
11 and FLSA Collective Action Members. Both Class Counsel and the Named Plaintiffs believe
12 that the settlement set forth in this Stipulation confers substantial benefits upon each of the
13 Class Members and/or FLSA Collective Action Members.

14 Defendants specifically and generally deny all of the claims asserted in the Litigation,
15 and deny any and all liability or wrongdoing of any kind whatsoever associated with and of the
16 facts or claims alleged in the Litigation, and make no concessions or admissions of wrongdoing
17 of any kind whatsoever. Nonetheless, Defendants have concluded that further conduct of the
18 Litigation would be protracted, distracting, and expensive, and that it is desirable that the
19 Litigation be fully and finally settled in the manner and upon the terms and conditions set forth
20 in this Stipulation.

21 **IV. TERMS OF THE STIPULATION AND AGREEMENT OF SETTLEMENT**

22 NOW, THEREFORE, IT IS HEREBY FURTHER STIPULATED AND AGREED by and
23 between the Named Plaintiffs (for themselves and the Settlement Class Members) and Defendants,
24 with the assistance of their respective counsel of record, that, as among the Settling Parties,
25 including all Settlement Class Members, the Litigation, and the Released State Law Claims and
26 Released Federal Law Claims shall be finally and fully compromised, settled, and released as to
27 all Settling Parties upon and subject to the terms and conditions of the Stipulation and Judgment.

1 **1. Definitions**

2 For purposes of this Stipulation, the following terms have the following meaning:

3 1.1. "Action" or "Litigation" means the above-captioned putative collective and class
4 action lawsuit, *Stephanie Dalchau, et al. v. Fastaff, LLC, et al.*, filed in the U.S. District Court for
5 the Northern District of California, Civil Action No. 3:17-cv-01584-WHO.

6 1.2. "Administrative Costs" means the amount to be paid to the Settlement
7 Administrator for its costs in connection with administering the terms of this Agreement,
8 including the costs associated with sending the Class Notice and Notice Packet and Individual
9 Settlement Payments to Settlement Class Members. Administrative Costs shall be paid from the
10 Gross Settlement Amount.

11 1.3. "Agreement" means this Stipulation of Class Action Settlement.

12 1.4. "Settlement Administrator" means a third-party settlement administration firm,
13 upon which the Parties will mutually agree in good faith. The Settlement Administrator shall be
14 responsible for distributing notices pursuant to this Stipulation; responding to Settlement Class
15 Member inquiries; resolving disputes relating to Settlement Class Members' settlement share
16 amounts; calculating settlement shares; reporting on the state of the Settlement to the Parties;
17 distributing settlement payments and withholding Settlement Class Members' share of taxes;
18 coordinating with Defendants to calculate and pay the employer's share of payroll taxes resulting
19 from any settlement payments; remitting such withheld funds to the appropriate taxing authorities;
20 preparing a declaration regarding its due diligence in the claims administration process; and
21 performing such other duties as the Parties may jointly direct or as specified herein.

22 1.5. "Class" or "Class Member" means all individuals, except for those who worked
23 exclusively on or after November 16, 2017 and received housing provided by Fastaff, who, at any
24 time from March 25, 2013 through April 9, 2018, worked in California pursuant to an Assignment
25 Agreement Letter with Fastaff during which they received a housing subsidy or housing provided
26 by Fastaff (collectively, a "housing benefit"), received overtime pay, and had the value of the
27 housing benefit excluded from their regular rate for purposes of calculating overtime pay. The
28 Class shall not include any of the 24 individuals who previously submitted a form in response to a

1 notice authorized by the Court in this Action stating that the individual wishes to be excluded from
2 participation in this Action.

3 1.6. "Class Counsel" means Hayes Pawlenko LLP.

4 1.7. "Class Period" means the time period between March 25, 2013, through the
5 Preliminary Approval Date.

6 1.8. "Class Representative" means Named Plaintiff Stephanie Dalchau.

7 1.9. "Class Counsel Award" means the amount the Court awards to Class Counsel as
8 attorneys' fees and reimbursement of actual expenses, which will be paid from the Gross
9 Settlement Amount. The Class Counsel Award shall not be more than one-third of the Gross
10 Settlement Amount for attorneys' fees (\$916,666.66) and not more than \$ 50,000 for costs.

11 1.10. "Class Information" means the following information regarding Class Members
12 and FLSA Collective Action Members that Defendants will in good faith compile from their
13 records and provide to the Settlement Administrator: (a) full name; (b) Last Known Address; (c)
14 email address (d) Social Security Number; and (e) the number of Compensable Overtime Hours
15 for each Class Member and/or FLSA Collective Action Member including the number of
16 Compensable California Overtime Hours worked.

17 1.11. "Compensable California Overtime Hour" means an hour of overtime or
18 doubletime, as defined by California law, worked by a Class Member on an assignment in
19 California during the Class Period.

20 1.12. "Compensable FLSA Overtime Hour" means an hour of overtime, as defined under
21 the FLSA, worked by an FLSA Collective Action Member on an assignment outside of California
22 during the FLSA Collective Period.

23 1.13. "Compensable Overtime Hours" means the sum of Compensable California
24 Overtime Hours and Compensable FLSA Overtime Hours.

25 1.14. "Complaint" means the Collective and Class Complaint that Plaintiffs filed in the
26 Action on March 24, 2017.

27 1.15. "Court" means the U.S. District Court for the Northern District of California, the
28 Honorable Judge William H. Orrick presiding.

1.16. "Database" means the Class Information formatted as one or more Microsoft Excel spreadsheets.

1.17. "Defendants" means Fastaff LLC and U.S. Nursing Corporation.

1.18. "Defendants' Counsel" means Morgan, Lewis & Bockius LLP.

1.19. "Effective Date" means the Final Judgment Date.

1.20. "Fastaff" means Fastaff, LLC.

1.21. "Final Approval" or "Final Approval Order" means the Court order granting final approval of the Settlement.

1.22. "Final Approval Date" means the date on which the Court's Order of Final Approval is entered.

1.23. "Final Judgment Date" means the latest of the following dates: (a) if no Settlement Class Member files an objection to the Settlement, then the date the Court's Judgment ordering Final Approval of the Settlement is entered; (b) if a Settlement Class Member files an objection to the Settlement, then after the applicable date for filing a notice of appeal of the Court's Judgment giving Final Approval of the Settlement has passed, assuming no appeal or request for review is filed; or (c) if a notice of appeal is filed, the date of termination of the appeal (including any requests for rehearing) resulting in the final judicial approval of the Settlement. Notwithstanding the foregoing, any proceeding, order, or appeal pertaining solely to the Class Counsel Award or the Service Awards shall not by itself in any way delay or preclude the Judgment from becoming a Final Judgment.

1.24. "FLSA" means the Fair Labor Standards Act of 1938, as amended, 29 U.S.C. § 201, et seq.

1.25. "FLSA Collective Action Members" means, collectively, the Named Plaintiffs and all individuals who prior to the date of the Court's Preliminary Approval Order have filed a consent form to join this Action pursuant to the Court's January 17, 2018 Order Granting Motion for Conditional Certification.

1.26. "FLSA Collective Period" means the time period between March 1, 2015 through the Preliminary Approval Date.

1.27. “Gross Settlement Amount” means two-million and seven-hundred-fifty thousand Dollars (\$2,750,000) (\$2.75 million), which represents the total and non-reversionary amount payable pursuant to this Settlement by Defendants, and includes, without limitation, the Class Counsel Award, if any, Administrative Costs, the Service Awards, if any, and the amounts payable to Settlement Class Members. Under no circumstances shall Defendants be required to pay or contribute any monies in excess of the Gross Settlement Amount, except that Defendants are responsible for paying the employer’s share of any federal, state and/or local payroll taxes on the portion of the Individual Settlement Payment apportioned as wages. Under no circumstances shall any monies included in the Gross Settlement Amount revert back to Defendants.

1.28. “Judgment” means the judgment to be executed and filed by the Court pursuant to this Stipulation following the Final Fairness Hearing as described in Paragraph 2.7 below.

1.29. “Individual Settlement Payment” means the amounts payable from the Net Settlement Amount to each Settlement Class Member.

1.30. “Last Known Address” means the most recently recorded mailing address for a Settlement Class Member as such information was contained in Defendants’ records containing personnel information, the most recently recorded mailing address in Class Counsel’s records, and any mailing address a Settlement Class Member provides to the Parties or the Settlement Administrator.

1.31. “Named Plaintiffs” means Stephanie Dalchau and Michael Goodwin.

1.32. “Named Plaintiffs’ Released Claims” refers to the federal, state, and local law claims released by the Named Plaintiffs which are set forth in detail in the Named Plaintiffs’ General Releases, attached as Exhibits 4 and 5.

1.33. “Named Plaintiffs Service Awards” or “Service Awards” means the amounts that the Court authorizes to be paid to each of the Named Plaintiffs, in addition to their Individual Settlement Payments, in recognition of their efforts in coming forward as a Class and/or Collective Representative and/or otherwise benefiting the Settlement Class Members. Named Plaintiffs will request a Named Plaintiff Service Award that shall not exceed Twenty Thousand Dollars (\$20,000), i.e. \$10,000 each. Defendants will not oppose Class Counsel’s application to the Court

1 to allow this Service Award, which is expressly contingent on the Named Plaintiffs signing and
2 not revoking general releases attached thereto as Exhibits 4 & 5 and, with respect to Dalchau, also
3 dismissing her Complaint in Intervention in *Moppin v. Fastaff, LLC, et al.*, Stanislaus County
4 Superior Court No. 2020283 within five (5) business dates of the Effective Date. The amount of
5 the proposed Named Plaintiff Service Awards was negotiated and agreed upon after the Gross
6 Settlement Amount was negotiated and agreed upon. Any amount of the requested Service
7 Awards not awarded by the Court shall revert into the Net Settlement Amount.

8 1.34. "Net Settlement Amount" means the portion of the Gross Settlement Amount
9 available for distribution to the Settlement Class Members, which shall equal the Gross Settlement
10 Amount less all the following to the extent they are approved by the Court: the Class Counsel
11 Award, the Service Awards, and Administrative Costs.

12 1.35. "Notice of Class and Collective Action Settlement" or "Class Notice" means the
13 document provided to Class Members and FLSA Collective Action Members to notify them of the
14 Settlement, a copy of which is attached hereto as Exhibit 1.

15 1.36. "Notice Packet" refers collectively to the documents mailed and emailed to the
16 Class Members and FLSA Collective Action Members pursuant to the terms of this Stipulation,
17 and includes the following documents: (1) Class Notice (Exhibit 1); (2) Change of Address Form
18 (Exhibit 2).

19 1.37. The "Notice Mailing Deadline" shall be the date on which the Settlement
20 Administrator mails and/or emails the Notice Packet to the Class Members and FLSA Collective
21 Action Members. The mailing and emailing of the Notice Packet is to occur within twenty (20)
22 business days after the Preliminary Approval Date.

23 1.38. The "Notice Response Deadline" shall be the date forty-five (45) calendar days
24 after the Settlement Administrator first mails and/or emails the Notice Packet.

25 1.39. "Parties" means Defendants and Named Plaintiffs on behalf of themselves and all
26 Settlement Class Members.

27 1.40. "Preliminary Approval Date" means the date on which the Court enters the
28 Preliminary Approval Order.

1 1.41. "Preliminary Approval Order" means an order to be executed and filed by the
2 Court approving the terms of the Settlement contained in this Stipulation. The Named Plaintiffs
3 will submit a proposed order agreed to by the Parties, entitled "Order Granting Preliminary
4 Approval of Class and Collective Action Settlement," in the form attached hereto as Exhibit 3, for
5 the Court's review and approval.

6 1.42. "Qualified Settlement Fund" or "QSF" means the account established by the
7 Settlement Administrator for the Gross Settlement Amount paid by Defendants. The QSF will be
8 controlled by the Settlement Administrator subject to the terms of this Agreement, the Preliminary
9 Approval Order and the Final Approval Order.

10 1.43. "Reasonable Address Verification Measure" shall mean the utilization of the
11 National Change of Address Database maintained by the United States Postal Service and all
12 reasonable skip-tracing methods to review the accuracy of and, if possible, to update a mailing
13 address.

14 1.44. "Released Federal Law Claims" means any and all federal wage and hour claims,
15 obligations, demands, actions, rights, causes of action and liabilities that were asserted or could
16 have been asserted against the Released Parties based on the facts alleged in the Complaint,
17 whether known or unknown, that exist at the time of entry of the Court's Preliminary Approval
18 Order, that arose from or are in any way related to whether the value of the housing benefits that
19 Fastaff provided to an employee on an assignment during the FLSA Collective Period should be
20 included in calculating the employee's regular rate, including all claims arising under the FLSA
21 for minimum wages, overtime pay, liquidated damages, attorneys' fees, litigation costs, and
22 penalties.

23 1.45. "Released State Law Claims" means any and all state or local wage and hour and
24 wage payment claims, obligations, demands, actions, rights, causes of action and liabilities that
25 were asserted or could have been asserted against the Released Parties (including under the laws
26 of any state where the Class Member resided) based on the facts alleged in the Complaint, whether
27 known or unknown, that exist at the time of entry of the Court's Preliminary Approval Order, that
28 arose from or are in any way related to whether the value of the housing benefits that Fastaff

provided to an employee on assignment in California during the Class Period should be included in calculating the employee's regular rate, including (i) all claims for alleged unpaid overtime, doubletime, and/or other wages pursuant to contract, statute or regulation, including California Labor Code 510, based on the value of housing benefits; (ii) all claims for the alleged failure to timely pay wages, including final wages, under California Labor Code sections 201, 202, 203, 204 or any other applicable Labor Code sections; (iii) all claims resulting or deriving from any of the claims referenced in sub-sections (i) or (ii) above, including claims for alleged wage statement violations; (iv) all claims arising under California Business & Professions Code sections 17200, et seq., resulting or deriving from any alleged unlawful conduct referenced in sub-sections (i) or (ii); (v) and claims for damages, penalties, interest, costs, attorneys' fees, injunctive relief, or accounting based on or deriving from the claims referenced in sub-sections (i) - (iv), above. With respect to the Released State Law Claims only, Class Members waive their rights under California Civil Code section 1542 which states:

A general release does not extend to claims which the creditor does not know about or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

1.46. "Released Parties" means Defendants and all affiliated parties and entities and any other persons acting in concert with any of them (including past and present and direct and indirect affiliates, parents, subsidiaries, predecessors, owners, control persons, boards, board members, successors, assigns, shareholders, equity-holders, and divisions, and each of these entities' past and present directors, executives, officers, managers, employees, partners, shareholders, members, insurers, investors, joint venturers, attorneys, agents and representatives, including in their individual capacities) including HC Staffing Group Holdings, Inc. (including its past and present and direct and indirect affiliates, parents, subsidiaries, predecessors, owners, control persons, boards, board members, successors, assigns, shareholders, equity-holders, divisions, and shareholders, members, insurers, investors, joint venturers, attorneys, agents and representatives, including in their individual capacities).

1.47. "Settling Parties" means Defendants and Named Plaintiffs and the Settlement Class

1 Members.

2 1.48. "Settlement Class Members" means all Class Members and/or FLSA Collective
3 Action Members.

4 1.49. "U.S. Nursing" means U.S. Nursing Corporation.

5 **2. The Settlement**

6 2.1. This Settlement shall be limited to the Named Plaintiffs, the Class certified by the
7 Court on April 9, 2018 and the opt-in plaintiffs from the collective action conditionally certified
8 by the Court on January 17, 2018. The Defendants' willingness to agree to the Settlement shall
9 have no bearing on, and shall not be admissible in or considered in connection with, the issue of
10 whether a class or collective action should be certified in any other lawsuit. If, for any reason, the
11 Court does not approve this Stipulation, fails to enter the Judgment, or if this Stipulation is
12 terminated for any other reason, Defendants shall, and hereby do, retain the right to dispute the
13 appropriateness of the Court's class and collective action certification by a motion for
14 decertification or otherwise.

15 2.2. Consideration to Settlement Class Members

16 a. Individual Settlement Payments will be paid out of the Net Settlement Amount.
17 Individual Settlement Payments for Settlement Class Members will be calculated in the following
18 manner: (1) First, using the information in the Database, the Settlement Administrator will
19 compute the total number of Compensable Overtime Hours for the Settlement Class Members; this
20 sum shall be known as the Settlement Class Overtime Total; (2) Second, the Settlement
21 Administrator will divide the Net Settlement Amount by the Settlement Class Overtime Total to
22 determine the settlement value of each Compensable Overtime Hour ("Compensable Overtime
23 Hour Value"); (3) Third, the Settlement Administrator will multiply the Compensable Overtime
24 Hour Value by the number of Compensable Overtime Hours for each Settlement Class Member to
25 determine that Settlement Class Member's Individual Settlement Payment.

26 b. Settlement Class Members shall not be required to submit a claim form as a
27 condition of receiving their Individual Settlement Payment. Instead, the Settlement Administrator
28 shall automatically mail all Settlement Class Members their Individual Settlement Payment to the

1 Settlement Class Member's Last Known Address.

2 c. As further detailed in Paragraph 2.3 the Settlement Administrator will report each
3 payment made to Settlement Class Members to the applicable state and federal government
4 authorities, including the Internal Revenue Service, as required by law.

5 d. For purposes of resolving disputed Individual Settlement Payment amounts,
6 including the number of Compensable Overtime Hours for each Settlement Class Member, the
7 Defendants' records of the number of overtime and/or doubletime hours worked and the state
8 where the individual worked those hours are presumed accurate. If an individual disputes
9 Defendants' records, he or she has the burden of establishing with documents the correct number
10 of Compensable Overtime Hours and where those hours were worked. Applying these rules and
11 following a conference with counsel for the Parties, the Settlement Administrator will determine
12 whether an adjustment to the Settlement Class Member's Compensable Overtime Hours is
13 warranted. The Class Notice will inform Settlement Class Members that if they dispute their
14 Compensable Overtime Hours listed on the Class Notice, that they must provide the Settlement
15 Administrator with documents supporting their dispute.

16 2.3. Taxes

17 a. For the purpose of calculating applicable taxes for the Individual Settlement
18 Payments to Settlement Class Members, the Parties agree that one-third (33.33%) of each
19 Individual Settlement Payment will be considered wages, one-third (33.33%) will be considered
20 interest, and one-third (33.33%) will be considered penalties and other non-wage payments.

21 b. The Parties make no representations as to the tax treatment or legal effect of the
22 payments called for hereunder, and Named Plaintiffs and Settlement Class Members are not
23 relying on any statement or representation by the Parties in this regard. The portion of the
24 Individual Settlement Payments attributable to unpaid wages will be subject to regular and/or
25 applicable payroll and income tax withholdings (for the employee portion of withholdings only),
26 and will be reported on an IRS Form W-2. The portion of the Individual Settlement Payments
27 attributable to interest and penalties will not be subject to regular and/or applicable payroll and
28 income tax withholdings, and will be reported on an IRS Form 1099. Plaintiffs and Settlement

1 Class Members understand and agree that they will be responsible for the payment of any taxes
2 and penalties assessed on the payments to them described herein and as to those portions of the
3 Individual Settlement Payments reported as non-wage income, agree to pay any taxes due or
4 owing by them with respect to such payment.

5 c. The employer's share of employer-side payroll taxes will be paid by Defendant in
6 addition to the Gross Settlement Amount.

7 d. The Settlement Administrator shall withhold all employee tax and withholding
8 obligations from the portion of each Settlement Class Member's Individual Settlement Payment
9 designated as unpaid wages. But there shall be no withholding or reduction of any payment by the
10 Settlement Administrator on account of any payroll tax or other tax responsibility of Defendants.
11 The Settlement Administrator shall pay the employer portion of payroll taxes with funds to be
12 furnished by Defendants separate from the Gross Settlement Amount. Settlement Class Members
13 will be responsible for paying all other taxes due on their Individual Settlement Payments. Other
14 than as set forth above, the Settlement Administrator will not make any deductions, withholdings,
15 or additional payments, including without limitation, medical or other insurance payments or
16 premiums, employee 401(k) contributions or matching employer contributions, wage
17 garnishments except to the extent clearly required by law, or charity withholdings, from or with
18 respect to the payments to Settlement Class Members, and entry of the Order of Final Approval by
19 the Court shall be deemed authority not to make any such deductions, withholdings, or additional
20 payments.

21 e. Circular 230 Disclaimer. Each Party to this Agreement acknowledges and agrees
22 that:

23 No provision of this Agreement, and no written communication or disclosure between or
24 among the Parties or their attorneys and other advisers, is or was intended to be relied upon as, tax
25 advice within the meaning of United States Treasury Department circular 230 (31 CFR part 10, as
26 amended), nor shall any such communication or disclosure constitute or be construed as such tax
27 advice.

28 Each Party: (a) has relied and will rely exclusively upon his, her or its own, independent

1 legal and tax counsel for advice (including tax advice) in connection with this Agreement; (b) has
2 not entered into this Agreement based upon the recommendation of any other Party or any
3 attorney or advisor to any other Party; and (c) is not entitled to rely upon any communication or
4 disclosure by any attorney or advisor to any other Party to avoid any tax or tax penalty. Further,
5 no attorney or advisor to any Party has imposed any limitation that protects the confidentiality of
6 any such attorney's or advisor's tax strategies upon disclosure by the Party of the tax treatment or
7 tax structure of any transaction, including any transaction contemplated by this Agreement.

8 2.4. Court Approval of Notice and a Settlement Hearing

9 a. The Named Plaintiffs, through Class Counsel, shall file this Stipulation with the
10 Court along with their motion for preliminary approval of the Settlement. Defendants will have
11 the opportunity to review and comment on the motion and shall not oppose the motion but may
12 respond to the motion if necessary. The Named Plaintiffs will provide a draft of the preliminary
13 approval motion to Defendants for their review at least one week prior to filing it, and will
14 consider any proposed revisions in good faith. Via this Stipulation, and a supporting motion, the
15 Named Plaintiffs, through Class Counsel, will request that the Court enter the Preliminary
16 Approval Order and preliminarily approve the terms of this Stipulation, preliminarily approve the
17 allocation of the Gross Settlement Amount as set forth in this Stipulation, and schedule the Final
18 Settlement Approval and Fairness Hearing.

19 b. If any deadlines related to this Stipulation cannot be met, Class Counsel and
20 Defendants' Counsel shall confer and attempt to reach agreement on any necessary revisions of
21 the deadlines and timetables set forth in this Stipulation. In the event that the Settling Parties fail
22 to reach such agreement, any of the Settling Parties may apply to the Court for modification of the
23 dates and deadlines in this Stipulation, provided that such a request to the Court may seek only
24 reasonable modifications of the dates and deadlines contained in this Stipulation and no other
25 material changes.

26 c. If the Court enters the Preliminary Approval Order, then at the resulting Final
27 Approval and Fairness Hearing, the Named Plaintiffs and Defendants, through their counsel of
28 record, shall address any timely written objections from Settlement Class Members or any

1 concerns from Settlement Class Members who attend the hearing. Additionally, the Named
2 Plaintiffs and Defendants, through their counsel of record, shall address any concerns of the Court
3 and shall and hereby do, unless provided otherwise in this Stipulation, stipulate to final approval
4 of this Stipulation and entry of the Judgment by the Court.

5 2.5. Notice to Class Members and FLSA Collective Action Members

6 a. Within fourteen (14) calendar days after the Court enters a Preliminary Approval
7 Order, Defendants shall provide the Database to the Settlement Administrator in electronic form.
8 The Database shall be based on Defendants' personnel, payroll, and/or other business records and
9 provided in a format acceptable to the Settlement Administrator. Defendants agree to consult with
10 the Settlement Administrator prior to the production date to ensure that the format will be
11 acceptable to the Settlement Administrator. The Settlement Administrator shall maintain the
12 Database, and all data contained within the Database, as private and confidential and shall not
13 disclose such data to any persons or entities other than counsel for Defendants and Class Counsel,
14 unless otherwise required by law. To the extent the Settlement Administrator receives inquiries
15 from individual Settlement Class Members, the Settlement Administrator will apprise the Parties
16 of the fact and nature of the inquiry. The Settlement Administrator will attempt to resolve any
17 such inquiry and may involve the Parties' respective counsel to the extent necessary. In the event
18 that the inquiry cannot be resolved adequately by the Settlement Administrator, the Parties shall
19 meet and confer in good faith to try to resolve the issue. Defendants will make reasonable efforts
20 to ensure that to the best of its knowledge the Database is complete and accurate and provides all
21 of the Class Information required pursuant to this Stipulation and any applicable Court orders.
22 The information in the Database is being supplied solely for purposes of the administration of the
23 Settlement and cannot be used by the Settlement Administrator for any purpose other than to
24 administer the Settlement.

25 b. Upon receipt of the Database, the Settlement Administrator will perform a search
26 based on the National Change of Address Database to update and correct any known or
27 identifiable address changes. By the Notice Mailing Deadline, the Settlement Administrator shall
28 mail copies of the Notice Packet to the Last Known Address of each Settlement Class Member via

1 regular First Class U.S. Mail and also email the Notice Packet to the email address provided for
2 each Settlement Class Member. Each Class Notice shall state the number of Compensable
3 Overtime Hours of the Settlement Class Member to whom it is sent, an estimate of the Individual
4 Settlement Payment the Settlement Class Member is to receive, the procedure for disputing the
5 number of Compensable Overtime Hours, and the procedure for objecting to the Settlement.

6 c. Any Notice Packets returned to the Settlement Administrator as undelivered on or
7 before the Notice Response Deadline shall be re-mailed to the forwarding address affixed thereto.
8 If no forwarding address is affixed, the Settlement Administrator shall promptly attempt to
9 determine a correct address by use of skip tracing or any other equivalently effective search
10 method, and shall then perform a re-mailing, if another mailing address is identified by the
11 Settlement Administrator from the search. Settlement Class Members who received a re-mailed
12 Notice Packet shall have their Notice Response Deadline extended fifteen (15) calendar days from
13 the original Notice Response Deadline.

14 d. Part of the administration costs to be paid to the Settlement Administrator shall be
15 used to pay for the cost of the mailings described in this Section 2.5, which shall include fees
16 charged by the Settlement Administrator for address verification and all other tasks, the cost of
17 the envelopes in which the Notice Packets will be mailed, the cost of creating and reproducing the
18 Notice Packets, and the costs associated with mailing and emailing the Notice Packets.

19 e. If the Notice Response Deadline falls on a Sunday or a holiday, the deadline will be
20 the next business day that is not a Sunday or holiday.

21 2.6. Responses to Class Notice

22 a. Settlement Class Members will have up to and including the Notice Response
23 Deadline to object to the Settlement. To object, a Settlement Class Member must mail to the
24 Settlement Administrator a written objection stating the basis for the objection and include any
25 supporting documents.. The postmark date shall be deemed the exclusive means for determining
26 if the objection is timely. The Settlement Administrator shall provide counsel for the Parties with
27 complete copies of all objections received, including the postmark dates for each objection, within
28 two business days of receipt. Class Counsel shall file the objections with the Court in connection

1 with the motion for Final Approval. The Parties and their counsel agree that they will not solicit,
2 encourage, or advise any individual to object to the Settlement. The Class Notice shall advise
3 Settlement Class Members of the right to object and state the following requirements for
4 objections: (1) the objection must be mailed to the Settlement Administrator no later than the
5 Notice Response Deadline, the date of which shall be stated in the Class Notice; (2) the objection
6 shall state the full name and address of the Settlement Class Member; (3) it shall state the last four
7 digits of the Settlement Class Member's Social Security Number; and (4) it shall state the basis for
8 the objection and include any supporting documents. The Class Notice shall state that if the
9 Settlement Class Member wishes to be represented by an attorney with respect to the objection, it
10 will be at his or her own expense. The Class Notice shall also state that the objection should state
11 if the Settlement Class Member or his or her attorney intends to appear at the Final Approval
12 Hearing.

13 b. Settlement Class Members will have up to and including the Notice Response
14 Deadline to dispute the number of Compensable Overtime Hours worked. The Settlement
15 Administrator shall consider all such disputes, provided that, prior to the Notice Response
16 Deadline, the Settlement Class Member notifies the Settlement Administrator of the dispute and
17 provides supporting documents. The Class Notice shall advise Settlement Class Members of the
18 right to dispute the number of Compensable Overtime Hours worked and state the following
19 requirements: (1) the Settlement Administrator must be notified of the dispute no later than the
20 Notice Response Deadline, the date of which shall be stated in the Class notice; and (2) the
21 Settlement Administrator must be provided with any documents supporting the dispute no later
22 than the Notice Response Deadline.

23 c. Settlement Class Members who, for future reference and mailings from the Court
24 or Settlement Administrator, if any, wish to change the name or contact information listed on the
25 Class Notice sent to them must provide their new name or contact information to the Settlement
26 Administrator or Class Counsel, who shall then provide such information to the Settlement
27 Administrator. The address provided shall be deemed the Last Known Address for any such
28 Settlement Class Member.

1 2.7. Final Approval

2 a. Prior to the Final Approval Hearing, and consistent with the rules imposed by the
3 Court, the Named Plaintiffs will file and serve their motion for entry of the Final Approval Order
4 and associated entry of Judgment (the “Motion for Final Approval”). Defendants will not oppose
5 the Motion for Final Approval if it is consistent with this Stipulation. The Named Plaintiffs will
6 provide a draft of the Final Approval Motion to Defendants for their review at least one week prior
7 to filing it, and will consider any proposed revisions in good faith. The Settling Parties shall make
8 all reasonable efforts to secure entry of the Order of Final Approval and the associated entry of
9 Judgment. If the Court rejects the Stipulation in its entirety, fails to enter a Final Approval Order,
10 or fails to enter the Judgment, this Stipulation shall be void ab initio (except for those provisions
11 relating to non-admissibility and non-admission of liability set forth in Sections III and IV) and
12 Defendants shall have no obligations to make any payments under the Stipulation, except for half
13 of the Administrative Costs already incurred by the Settlement Administrator, and half of the
14 Administrative Costs incurred by the Settlement Administrator related to any further notice
15 ordered by the Court.

16 b. Timing of Individual Settlement Payments and Notice of Final Approval to
17 Settlement Class Members.

18 i. Within fourteen (14) calendar days of the Notice Response Deadline, the
19 Settlement Administrator will calculate the total amount of the Individual Settlement Payments to
20 Settlement Class Members and inform Class Counsel and Defendants’ Counsel of this sum.

21 ii. No more than five (5) business days after the Final Approval Order is filed,
22 the Settlement Administrator will provide to Defendants’ Counsel the amount of funds needed to
23 cover the Individual Settlement Payments, Court-approved attorneys’ fees and costs, the Court-
24 approved Service Awards, an estimate of the Administration Costs, and the employer’s share of
25 payroll taxes associated with the Individual Settlement Payments. On this date, the Settlement
26 Administrator also shall send Defendants’ Counsel electronic wiring instructions to fund the above
27 amount.

1 iii. No more than five (5) calendar days after the Effective Date, Defendants
2 shall deposit into the QSF an amount sufficient to cover the Individual Settlement Payments, the
3 Court-approved attorneys' fees and costs, the Court-approved Service Awards, an estimate of the
4 Administration Costs, and the employer's share of payroll taxes for the Individual Settlement
5 Payments. In no event shall this sum be less than the amount of the Gross Settlement Amount.

6 iv. The Parties agree that the QSF (1) shall be established pursuant to an order
7 of the Court prior to the receipt of any monies from Defendants; (2) that it shall be established to
8 resolve and satisfy the contested claims that have resulted, or may result, from the matters that are
9 the subject of this Litigation and that are released by this Settlement; and (3) that the QSF that is
10 established and its assets are segregated and shall be segregated (within a separately established
11 fund or account) from the assets of Defendants and all related other persons. The Settlement
12 Administrator shall be responsible for establishing, administering and otherwise operating the
13 QSF, including the preparation and filing of federal, state, and local tax returns.

14 v. No more than thirty (30) calendar days after the Effective Date, the
15 Settlement Administrator shall mail to each Settlement Class Member at his or her Last Known
16 Address his or her Individual Settlement Payment. All Individual Settlement Payment checks will
17 contain a notation on the memo line that stating it is a settlement payment in *Dalchau* matter.

18 vi. The Individual Settlement Payment to Settlement Class Members who are
19 not also FLSA Collective Action Members shall consist of two checks. One check shall
20 compensate such Settlement Class Members for their Compensable California Overtime Hours in
21 an amount that is 95% of the Settlement Class Member's total Individual Settlement Payment
22 amount. The other check shall compensate such Settlement Class Members for their Compensable
23 FLSA Overtime Hours in an amount that is 5% of the Settlement Class Member's total Individual
24 Settlement Payment amount and shall state: **"By endorsing and/or cashing this check, I**
25 **acknowledge that I have read the Class Notice and that I am releasing the Released Federal**
26 **Law Claims as set forth in the Notice"** immediately next to the space where the check is to be
27 endorsed by the payee. Settlement Class Members who are not also FLSA Collective Action
28 Members who cash or deposit the check representing payment for Compensable FLSA Overtime

Hours will be considered to have opted-in to the Settlement and released his or her Released Federal Law Claims in addition to the Released State Law Claims.

vii. All Individual Settlement Payment checks issued to Settlement Class Members pursuant to this Stipulation shall remain negotiable for a period of one hundred and eighty (180) calendar days from the date of the Settlement Administrator's mailing as reflected by the postmark on the mailing. Reasonable extensions of the 180-day period will be granted by the Settlement Administrator, if needed, as to deceased Settlement Class Members. Following the 180-day period, the Settlement Administrator shall deposit the amount of any uncashed checks with the Court's Unclaimed Funds Registry in the Settlement Class Member's name.

viii. Settlement Class Members who are both Class Members and FLSA Collective Action Members who cash or fail to cash or deposit their checks within 180 calendar days of the mailing shall remain subject to the terms of their Released State Law Claims, their Released Federal Law Claims, this Stipulation, and Judgment.

ix. Settlement Class Members who are FLSA Collective Action Members but who are not also Class Members and who cash or fail to cash or deposit their checks within 180 calendar days of the mailing shall remain subject to the terms of their Released Federal Law Claims, this Stipulation, and Judgment.

x. Settlement Class Members who are Class Members but who are not also FLSA Collective Action Members who cash or fail to cash or deposit their check representing payment for Compensable California Overtime Hours within 180 calendar days of the mailing shall remain subject to the terms of their Released State Law Claims, this Stipulation, and Judgment, but shall not be deemed to have released the Released Federal Law Claims unless they affirmatively cash or deposit their separate check representing payment for their Compensable FLSA Overtime Hours.

xi. Following the mailing of the Individual Settlement Payments to the Settlement Class Members discussed in Paragraph 2.2, the Settlement Administrator shall provide counsel for the Parties with a written confirmation of this mailing. Upon receipt of this

1 confirmation, Class Counsel will file a notice or acknowledgment of satisfaction of judgment with
2 the Court in the Litigation on behalf of the Settlement Class.

3 xii. With respect to those Settlement Class Members who are not also FLSA
4 Collective Action Members, the Settlement Administrator shall provide to counsel for the Parties a
5 list of the names of all such Settlement Class Members who have cashed their checks representing
6 payment for their Compensable FLSA Overtime Hours, and a copy of the cashed or deposited
7 checks no later than 200 calendar days after the Effective Date. Class Counsel will then file with
8 the Court redacted versions of the endorsed checks along with a declaration listing the names of all
9 such non-FLSA Collective Action Settlement Class Members who have cashed their checks
10 representing payment for their Compensable FLSA Overtime Hours.

11 2.8. Releases

12 a. Upon the Effective Date, each of the Settlement Class Members who is also a Class
13 Member, on behalf of themselves and each of their heirs, representatives, successors, assigns, and
14 attorneys, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and
15 forever released, dismissed with prejudice, relinquished, and discharged all Released State Law
16 Claims.

17 b. Upon the Effective Date, each Settlement Class Member who is a not also a FLSA
18 Collective Action Member but who affirmatively cashes or deposits his or her check representing
19 payment for Compensable FLSA Overtime hours, on behalf of himself or herself and each of their
20 heirs, representatives, successors, assigns, and attorneys, shall be deemed to have, and by
21 operation of the Judgment shall have, fully, finally, and forever released, dismissed with prejudice,
22 relinquished, and discharged all Released Federal Law Claims in addition to the Released State
23 Law Claims.

24 c. Upon the Effective Date, each of the Settlement Class Members who is also a
25 FLSA Collective Action Member, on behalf of themselves and each of their heirs, representatives,
26 successors, assigns, and attorneys, shall be deemed to have, and by operation of the Judgment
27 shall have, fully, finally, and forever released, dismissed with prejudice, relinquished, and
28 discharged all Released Federal Law Claims.

1 2.9. Payment of Attorneys' Fees and Costs and Service Awards

2 a. Class Counsel shall move for Court approval of no more than \$916,666.66 of the
3 Gross Settlement Amount as attorneys' fees and \$50,000.00 as costs. The attorneys' fees and
4 costs awarded to Class Counsel shall be determined by the Court, and this Settlement is not
5 contingent upon the Court's approval of the requested attorneys' fees and/or costs. Defendants
6 shall not oppose Class Counsel's motion for the recovery of attorneys' fees and/or costs, including
7 on any appeal by the Named Plaintiffs, subject to the limitations herein, and any appeal regarding
8 attorneys' fees and costs shall not in any way delay or preclude the Judgment from becoming a
9 Final Judgment.

10 b. Not more than thirty (30) calendar days after the Effective Date, and only if the
11 Effective Date occurs, and subject to Court approval, the Settlement Administrator will pay Class
12 Counsel's Court-approved attorneys' fees and costs from the QSF , and shall report to the
13 appropriate taxing authorities on Form 1099. Payments made pursuant to this Paragraph 2.9 shall
14 constitute full satisfaction of any claim for fees or costs, and the Named Plaintiffs and Class
15 Counsel, on behalf of themselves and all Settlement Class Members, agree that they shall neither
16 seek nor be entitled to any additional attorneys' fees or costs under any theory. Notwithstanding,
17 if as of the Effective Date there is an ongoing proceeding or appeal pertaining solely to the award
18 of Court-approved attorney's fees and costs to Class Counsel, then such payment will be delayed
19 until thirty (30) calendar days after entry of a final, non-appealable ruling and/or judgment
20 concerning Court-approved attorney's fees and costs to Class Counsel.

21 c. In the event that the Court (or any appellate court) awards less than the amount
22 requested for attorneys' fees and/or costs, any amount disallowed by the Court will be included in
23 the Net Settlement Amount.

24 d. Class Counsel shall move for Court approval of the Service Awards as set forth in
25 Paragraph 1.33. This Settlement is not contingent upon the Court's approval of a Service Award.
26 Defendants shall not oppose Class Counsel's motion for approval of the Service Award to the
27 Named Plaintiffs, subject to the limitations herein including the fact that Class Counsel will not
28 seek more than an award of \$10,000.00 for each Named Plaintiff and any appeal regarding the

1 Service Award shall not in any way delay or preclude the Judgment from becoming a Final
2 Judgment. In the event that the Court (or any appellate court) awards less than the amount
3 requested for the Service Award, any amount disallowed by the Court will become part of the Net
4 Settlement Amount.

5 e. Not more than thirty (30) calendar days after the Effective Date, and only if the
6 Effective Date occurs, and subject to Court approval, the Settlement Administrator will pay the
7 Named Plaintiffs the Court-approved Service Awards contingent upon the Named Plaintiffs
8 respectively signing this Stipulation and the General Releases attached as Exhibits 4 & 5 and, with
9 respect to Dalchau, also dismissing her Complaint in Intervention in *Moppin v. Fastaff, LLC, et*
10 *al.*, Stanislaus County Superior Court No. 2020283 within five (5) business days of the Effective
11 Date. Notwithstanding, if as of the Effective Date there is an ongoing proceeding or appeal
12 pertaining solely to the Court-approved Service Awards, then such payment will be delayed until
13 thirty (30) calendar days after entry of a final, non-appealable ruling and/or judgment concerning
14 the Court-approved Service Awards.

15 f. Any Service Awards approved by the Court in conjunction with the settlement shall
16 be paid from the QSF and be in addition to the Individual Settlement Payments otherwise owed to
17 the Named Plaintiffs pursuant to this Stipulation.

18 g. Because the Service Awards represent payment to the Named Plaintiffs for their
19 service to the Settlement Class Members and consideration for General Release of Claims, taxes
20 will not be withheld from the Service Awards. The Settlement Administrator will report the
21 Service Awards on an IRS Form 1099, and any other required tax forms, and will provide said
22 forms to the Named Plaintiffs and to the pertinent taxing authorities as required by law. The
23 Named Plaintiffs assume full responsibility for paying all taxes, if any, due as a result of the
24 Service Awards and agree to respectively indemnify Defendants for any such taxes owed by them
25 related to the Service Awards.

26 2.10. Settlement Administrator

27 a. The Settlement Administrator shall be paid from the Gross Settlement Amount any
28 fees and expenses reasonably incurred by the Settlement Administrator as a result of procedures

1 and processes expressly required by this Stipulation, subject to Court approval. The Named
2 Plaintiffs and Class Counsel shall have no responsibility for Administrative Costs.

3 b. In the event that either Defendants or Class Counsel take the position that the
4 Settlement Administrator is not acting in accordance with the terms of the Stipulation, such party
5 shall meet and confer with opposing counsel prior to raising any such issue with the Settlement
6 Administrator or the Court.

7 2.11. Termination of Settlement

8 a. In the event that this Stipulation is not approved in its entirety by the Court,
9 excluding modifications that Defendants determine in their reasonable and good faith judgment
10 not to be material modifications, or in the event that the Settlement set forth in the Stipulation fails
11 to become effective in accordance with its terms, or if the Judgment does not become a Final
12 Judgment, or if the Effective Date does not occur, no payments shall be made by Defendants to
13 anyone in accordance with the terms of this Stipulation, except for half of the Administrative
14 Costs already incurred by the Settlement Administrator, and half of the Administrative Costs
15 incurred by the Settlement Administrator related to any further notice ordered by the Court. In
16 such an event, the Stipulation (except for those provisions relating to non-admissibility and non-
17 admission of liability set forth in Sections III and IV) shall be deemed null and void, its terms and
18 provisions shall have no further force and effect and shall not be used in this Litigation, in any
19 other proceeding or otherwise, for any purpose; the negotiations leading to the settlement set forth
20 in this Stipulation may not be used as evidence for any purpose; Defendants shall retain the right
21 to challenge all claims and allegations, to assert all applicable defenses, and to seek decertification
22 on all applicable grounds; and any Judgment or order entered by the Court in accordance with the
23 terms of this Stipulation shall be treated as vacated, *nunc pro tunc*. Notwithstanding any other
24 provision of this Stipulation, no order of the Court, or modification or reversal on appeal of any
25 order of the Court, reducing the amount of any attorneys' fees or costs to be paid to Class Counsel,
26 or reducing the amount of any Service Award, shall constitute grounds for cancellation or
27 termination of this Stipulation or grounds for limiting any other provision of the Judgment.

1 b. Defendants shall have the right to terminate this Settlement Agreement and
2 Stipulation at any time prior to the Order Granting Final Approval of the Settlement in the event
3 that any of the following conditions occur:

4 i. This Stipulation is construed by the Court in such a fashion that would
5 require Defendants to pay more than the Gross Settlement Amount (excluding the employer
6 portion of payroll taxes).

7 ii. The Court does not approve the Released State Law Claims and/or the
8 Released Federal Law Claims or otherwise issues an order that Defendants in their reasonable and
9 good faith judgment deem inconsistent with any of the material terms of the Stipulation or the
10 Exhibits to the Stipulation.

11 c. To the extent Defendants choose to exercise the option established in this Section
12 2.11 and its subsections, they must do so through written notice sent to Class Counsel prior to the
13 entry of the Final Approval Order and Defendants will be responsible for all costs incurred by the
14 Settlement Administrator. If Defendants withdraw from the Settlement, Named Plaintiffs and
15 Named Plaintiffs' counsel reserve all rights to pursue the claims in the Complaint.

16 d. In the event that the Settlement set forth in this Stipulation is terminated, cancelled,
17 declared void, or fails to become effective in accordance with its terms, or if the Judgment does
18 not become a Final Judgment, or if the Effective Date does not occur, notwithstanding any of the
19 provisions of this Section 2.11 and all its subsections, the Litigation may proceed without
20 prejudice as if this Stipulation had not been executed.

21 2.12. Miscellaneous Provisions

22 a. The Parties agree to cooperate fully with one another to accomplish and implement
23 the terms of this Settlement. Such cooperation shall include, but not be limited to, execution of
24 such other documents and the taking of such other action as may reasonably be necessary to fulfill
25 the terms of this Settlement. The Parties to this Settlement shall exercise reasonable efforts,
26 including all efforts contemplated by this Settlement and any other efforts that may become
27 necessary by Court order, or otherwise, to effectuate this Settlement and the terms set forth herein.

1 b. Unless otherwise specifically provided herein, all notices, demands, or other
2 communications given hereunder shall be in writing and shall be deemed to have been duly given
3 as of the date of receipt by facsimile or email or first-class mail, addressed as follows:

4
5 To the Named Plaintiffs:

6 Matthew B. Hayes
7 Hayes Pawlenko LLP
8 595 E. Colorado Blvd., Ste. 303
9 Pasadena, CA 91101
10 mhayes@helpcounsel.com

11 To Defendants:

12 John S. Battenfeld
13 Morgan, Lewis and Bockius LLP
14 300 South Grand Avenue
15 Twenty-Second Floor
16 Los Angeles, CA 90071-3132
17 John.battenfeld@morganlewis.com

18 c. Named Plaintiffs, Class Counsel, and all attorneys who, during the pendency of this
19 Action, have been employees or independent contractors of Class Counsel shall not issue any
20 press release concerning this litigation, the Settlement, and/or the business practices of
21 Defendants. If the press initiates contact with Class Counsel, Class Counsel may state only that
22 the matter has resolved amicably. Class Counsel shall not include in any mass mailing, website,
23 or other mass marketing materials reference to this litigation, the Settlement, and/or the business
24 practices of Defendants. This paragraph does not apply to submissions by Class Counsel to a
25 court regarding this case as part of descriptions about qualifications for court appointments to
26 Class Counsel or leadership positions or other similar applications or motions.

27 d. Within ten (10) business days following the filing of this Stipulation with the
28 Court, Defendants shall serve upon the appropriate Federal and State officials a notice of the
proposed settlement in compliance with the requirements of CAFA, 28 U.S.C. §1715.

 e. Neither Class Counsel nor any other attorneys acting for, or purporting to act for,
the Settlement Class Members or Named Plaintiffs with respect to this Action, may recover or

1 seek to recover any amounts for fees, costs, or disbursements from the Released Parties or the
2 Settlement Amount except as expressly provided herein.

3 f. The Named Plaintiffs represent that they have no claims against Defendants by any
4 of Defendants' former or present employees that are not covered by the Released State Law
5 Claims and Released Federal Law Claims. Class Counsel represents that, other than the Named
6 Plaintiffs and the members of the certified class and collective, they do not currently represent any
7 person or persons who have filed any other pending claims, complaints, or grievances against any
8 of the Defendants, or who are considering filing any claims, complaints, or grievances against any
9 of the Defendants. Class Counsel also represents that Class Counsel has not used any information
10 obtained from the settlement to solicit or assist any other persons or attorneys to commence a
11 claim or proceeding against Defendants.

12 g. This Stipulation may not be changed, altered, or modified, except in writing signed
13 by the Parties hereto or their counsel of record. This Stipulation may not be discharged except by
14 performance in accordance with its terms.

15 h. This Stipulation shall be binding upon and inure to the benefit of the Parties hereto
16 and their respective heirs, trustees, executors, administrators, successors, and assigns.

17 i. The failure to enforce at any time, or for any period of time, any one or more of the
18 terms of this Agreement shall not be a waiver of such terms or conditions. Moreover, it shall not
19 be a waiver of such Party's right thereafter to enforce each and every term and condition of this
20 Agreement.

21 j. Before declaring any provision of this Agreement invalid, the Court shall first
22 attempt to construe the provision to be valid to the fullest extent possible consistent with the law.

23 k. The Parties agree that the Court shall stay all proceedings in the Action, except
24 such proceedings necessary or appropriate to implement and complete the Settlement.

25 l. All originals, copies, and summaries of documents, presentations, and data
26 provided to Class Counsel by Defendants in connection with the mediation or other settlement
27 negotiations in this matter, including e-mail attachments containing such materials, may be used
28 only with respect to this Settlement, or any dispute between Settlement Class Members and Class

1 Counsel regarding the Settlement, and no other purpose, and may not be used in any way that
2 violates any existing contractual agreement, statute, or rule.

3 m. Because the Class Members are so numerous, the Parties agree that it is impossible
4 or impractical to have each Settlement Class Member sign this Stipulation. It is agreed that, for
5 purposes of seeking approval of this class action settlement, this Stipulation may be executed on
6 behalf of Settlement Class Members by Class Counsel.

7 n. This Stipulation shall become effective upon its execution by all of the
8 undersigned. The Settling Parties may execute this Stipulation in counterparts, and execution of
9 counterparts shall have the same force and effect as if all Settling Parties had signed the same
10 instrument.

11 .
12 o. The Court shall retain jurisdiction with respect to the implementation and
13 enforcement of the terms of the Stipulation and all Parties hereto submit to the jurisdiction of the
14 Court for purposes of implementing and enforcing the Settlement embodied in the Stipulation.
15 Any action to enforce this Stipulation shall be commenced and maintained only in the Court. To
16 the extent any Party seeks to enforce the terms of this Stipulation in Court, the prevailing party to
17 any such action shall be entitled to recover reasonable attorneys' fees and costs associated with
18 any such enforcement action.

19 p. Paragraph titles, headings or captions contained in the Stipulation are inserted as a
20 matter of convenience and for reference, and in no way define, limit, extend, or describe the scope
21 of this Stipulation, or any provision thereof.

22 q. The terms of this Agreement include the terms set forth in any Exhibits referred to
23 herein, which are incorporated herein by reference.

24 r. This Stipulation shall be construed and interpreted as if all of its language were
25 prepared jointly by the Parties. No language in this Stipulation shall be construed against a Party
26 on the ground that such Party drafted or proposed that language.

27
28 IN WITNESS WHEREOF, this Joint Stipulation of Class and Collective Action Settlement and

1 Release is executed by the Parties and their duly authorized attorneys, as of the day and year
2 herein set forth:

3 IT IS SO STIPULATED

4
5 Dated: March 27, 2019


Stephanie Dalchau

6
7 Dated: March 27, 2019


Michael Goodwin

8
9 DEFENDANTS:

Fastaff, LLC and U.S. Nursing Corporation

10
11 Dated: _____

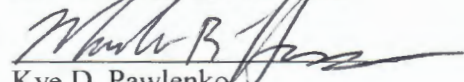
By _____

12
13 Its _____

14
15 APPROVED AS TO FORM AND CONTENT:

16
17 Dated: March 27, 2019

HAYES PAWLENKO LLP


Kye D. Pawlenko
Matthew B. Hayes
Counsel for Plaintiffs

18
19
20
21 Dated: _____

MORGAN, LEWIS & BOCKIUS LLP

22
23
24
25
26
27
28
John S. Battenfeld
Anne Marie Estevez
Counsel for Defendants

1 Release is executed by the Parties and their duly authorized attorneys, as of the day and year
2 herein set forth:

3 IT IS SO STIPULATED

4
5 Dated: _____

Stephanie Dalchau

6
7 Dated: _____

Michael Goodwin

8
9 DEFENDANTS:

Fastaff, LLC and U.S. Nursing Corporation

10
11 Dated: 3/26/2019

Kimberly Windsor

By Kimberly Windsor

Its Chief Administration Officer

12
13
14
15 APPROVED AS TO FORM AND CONTENT:

HAYES PAWLENKO LLP

16
17 Dated: _____

Kye D. Pawlenko

Matthew B. Hayes

Counsel for Plaintiffs

18
19
20
21 Dated: 3/26/19

MORGAN, LEWIS & BOCKIUS LLP

John S. Battenfeld / RB

John S. Battenfeld

Anne Marie Estevez

Counsel for Defendants

EXHIBIT 1

U.S. DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA

Stephanie Dalchau, et al. v. Fastaff, LLC, et al.
Civil Action No. 3:17-cv-01584-WHO

*A court has authorized this notice. This is not a solicitation.
This is not a lawsuit against you and you are not being sued.
Your legal rights are affected whether you act or do not act.*

NOTICE OF CLASS AND COLLECTIVE ACTION SETTLEMENT

To: All individuals who are members of the Class and/or Fair Labor Standards Act (“FLSA”) Collective Action in the above-styled case, such membership being defined as follows:

Class Members: All individuals, except for those who worked exclusively on or after November 16, 2017 and received housing provided by Fastaff LLC (“Fastaff”), who, at any time from March 25, 2013 through April 9, 2018, worked in California pursuant to an Assignment Agreement Letter with Fastaff during which they received a housing subsidy or housing provided by Fastaff (collectively, a “housing benefit”), received overtime pay, and had the value of the housing benefit excluded from their regular rate for purposes of calculating overtime pay. The Class shall not include any individual who previously submitted a form in response to a notice authorized by the Court in this Action stating that the individual wishes to be excluded from participation in this Action.

FLSA Collective Action Members: All individuals who, prior to the date of the Court’s Order granting preliminary approval of the parties’ settlement, have filed a consent form to join this Action pursuant to the Court’s January 17, 2018 Order Granting Motion for Conditional Certification.

CLASS MEMBERS AND FLSA COLLECTIVE ACTION MEMBERS (COLLECTIVELY “SETTLEMENT CLASS MEMBERS”) MAY BE ELIGIBLE TO RECEIVE A PAYMENT (“SETTLEMENT PAYMENT”) FROM SETTLEMENT DESCRIBED IN THIS NOTICE.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	To receive your Individual Settlement Payment, you do not need to do anything. Your Individual Settlement Payment—which may consist of either one or two checks, as described below—will be mailed to you, automatically, after the Court grants final approval to the settlement. <i>[You must, however, keep a current address on file with the Settlement Administrator to ensure receipt of your check(s).]</i>
CHANGE CONTACT AND ADDRESS INFORMATION	Update your address with the Administrator to ensure your check(s) is/are sent to the correct address. A change of address form is included herewith.
OBJECT	Write to the Court if you think the settlement is not fair and ask to speak in Court about why you think the settlement is not fair.

- **YOUR RIGHTS AND OPTIONS—AND THE DEADLINES TO EXERCISE THEM—ARE EXPLAINED IN THIS NOTICE.**

WHAT THIS NOTICE CONTAINS

BASIC INFORMATION

1. Why did I get this notice packet?Page 1
2. What is this class and collective action lawsuit about?Page 1
3. Why is there a settlement?.....Page 1
4. Who are the parties in this lawsuit?.....Page 1
5. Who are the attorneys for the parties?Page 2

THE TERMS OF THE SETTLEMENT

6. What is the settlement amount?.....Page 2
7. How will the Settlement Payments be calculated?Page 2

GETTING A PAYMENT

8. How can I get a Settlement Payment and approximately how much will it be?Page 3
9. What do I do if I believe my overtime hours are incorrect?.....Page 3
10. When can I expect to receive my Settlement Payment?Page 4
11. What am I giving up to get a payment?.....Page 4

OBJECTING TO THE SETTLEMENT

12. How do I tell the Court that I don't like the settlement?Page 5

THE COURT'S FINAL APPROVAL/FAIRNESS HEARING

13. When and where will the Court decide whether to approve the settlement?Page 6
14. Do I have to come to the hearing?.....Page 6
15. May I speak at the hearing?.....Page 6

GETTING MORE INFORMATION

16. Whom may I contact if I have questions about the settlement?Page 6

ADDITIONAL IMPORTANT INFORMATIONPage 6

BASIC INFORMATION

1. Why did I get this notice packet?

You received this notice because the records of Fastaff identify you as Class Member and/or FLSA Collective Action Member, as those terms are described on the first page of this Notice.

The purpose of this Notice is to explain the lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the U.S. District Court for the Northern District of California, and the case is known as *Stephanie Dalchau, et al. v. Fastaff, LLC, et al.*, Civil Action No. 3:17-cv-01584-WHO (hereinafter referred to as the “Action” or the “Lawsuit”). There was a hearing on [REDACTED], [REDACTED], in the U.S. District Court for the Northern District of California. The Court preliminarily approved the Settlement and directed that you receive this notice. The Court will hold a Final Approval Hearing concerning the proposed Settlement on [REDACTED], [REDACTED], at [REDACTED], before the Honorable William H. Orrick in the U.S. District Court for the Northern District of California, San Francisco Courthouse, 450 Golden Gate Avenue, San Francisco, CA 94102. The Final Approval Hearing may be rescheduled to another date without further notice.

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

The Lawsuit, which was filed on March 24, 2017, alleged claims against Fastaff and U.S. Nursing Corporation (“U.S. Nursing”) for (1) failure to pay overtime wages (Cal. Labor Code §§ 510, 1194); (2) unfair business practices (Cal. Business & Professions Code §§ 17200, et seq.); and (3) waiting time penalties (Cal. Labor Code § 203). The Lawsuit also asserted a nationwide collective action claim for violation of the FLSA (29 U.S.C. §§ 201, et seq.). The Lawsuit was prosecuted by two named plaintiffs, Stephanie Dalchau and Michael Goodwin (hereinafter, the “Named Plaintiffs”), on behalf a proposed class and collective of individuals, with membership in the class and collective being defined consistent with the definitions in this notice.

Fastaff and U.S. Nursing (collectively, the “Defendants”) deny all allegations of the Lawsuit and contend that they have fully complied with the FLSA, California law including the California Labor Code, and all other applicable laws. The Settlement is not an admission of any wrongdoing by Defendants or an indication that any law was violated. Defendants and the Named Plaintiffs (together, the “Parties”) have reached a settlement subject to Court approval as represented in the Stipulation of Class Action Settlement (the “Stipulation”).

3. Why is there a settlement?

The Court has not decided in favor of Named Plaintiffs, or in favor of Defendants. There was no trial. Instead, both sides agreed to a no-fault settlement of the Lawsuit (“Settlement”).

4. Who are the parties in this lawsuit?

The Class Members and FLSA Collective Action Members are represented in this matter by the Named Plaintiffs. Stephanie Dalchau worked for Fastaff as an hourly, nonexempt employee from September 2015 to November 2015, during which time she was assigned to work at Petaluma Valley Hospital in Petaluma, California. Goodwin worked for Fastaff as an hourly, nonexempt employee from October 2016 to November 2016, during which time he was assigned to work at Goshen Hospital in Goshen, Indiana.

Defendants are Fastaff and U.S. Nursing.

5. Who are the attorneys for the parties?

Counsel for Named Plaintiffs and the Class (Class Counsel)

HAYES PAWLENKO LLP
Matthew B. Hayes
Kye D. Pawlenko
595 E. Colorado Blvd., Ste. 303
Pasadena, CA 91101
Tel: 626.808.4357
Fax: 626.921.4932

Counsel for Defendants

MORGAN, LEWIS & BOCKIUS LLP
John S. Battenfeld
300 South Grand Avenue
Twenty-Second Floor
Los Angeles, CA 90071
Tel: 213.612.2500
Fax: 213.612.2501

Anne Marie Estevez
200 South Biscayne Boulevard
Suite 5300
Miami, FL 33131
Tel: 305.415.3000
Fax: 305.415.3001

If you have questions regarding this Settlement, you should contact Class Counsel or the Settlement Administrator.

The Settlement Administrator is CPT Group, Inc., and can be contacted at: [CPT CONTACT INFO].

THE TERMS OF THE SETTLEMENT

6. What is the settlement amount?

The proposed Settlement provides for a payment of \$2,750,000.00 (referred to as the “Gross Settlement Amount”). Class Counsel will apply to the Court for attorneys’ fees of no more than thirty-three percent (33%) of the Gross Settlement Amount, for a reimbursement for litigation costs of no more than \$50,000, and for the Settlement Administrator’s fees and expenses estimated to be \$42,000. Class Counsel will also apply for a Service Award of no more than \$10,000.00, each, for Named Plaintiffs Stephanie Dalchau and Michael Goodwin for their work and efforts prosecuting this case, and for undertaking the risks of payment of costs. The exact amount of the attorneys’ fees, litigation costs, Service Awards, and Administrative Costs will be determined by the Court at the Final Approval Hearing. The remaining portion of the Gross Settlement Amount, the “Net Settlement Amount,” is currently estimated to be approximately \$[REDACTED]. The Net Settlement Amount will be apportioned and paid out to Settlement Class Members. **You are not required to submit a claim form to be eligible to receive payment from the Net Settlement Amount.**

7. How will the Individual Settlement Payments be calculated?

If a Settlement Class Member is a Class Member, his or her share of the Net Settlement Amount will be determined based upon the total number of overtime hours that he or she worked in California between March 25, 2013, through the Preliminary Approval Date. If a Settlement Class Member is a FLSA Collective Action Member, his or her share of the Net Settlement Amount will be determined based upon the total number of overtime hours that he or she worked in any state between March 1, 2015 through the Preliminary Approval Date.

All Individual Settlement Payments to Settlement Class Members shall be allocated as follows for tax purposes: (a) 33.3% for compromise of a claim for alleged unpaid wage claims; (b) 33.3% for resolution of

alleged interest; and (c) 33.3% for alleged penalties under the California Labor Code and other non-wage payments. The portion of the Individual Settlement Payment attributable to unpaid wages will be subject to regular and/or applicable payroll and income tax withholdings, and will be reported on an IRS Form W-2. You will receive an IRS Form 1099 for the portion of the Individual Settlement Payment attributable to alleged interest and penalties. Settlement Class Members will be responsible for the payment of any taxes and penalties assessed on the payments to them described herein and as to those portions of the Individual Settlement Payments reported as non-wage income, agree to pay any taxes due or owing by them with respect to such payment.

The Individual Settlement Payments to Class Members who are not also FLSA Collective Action Members shall consist of two checks—one check shall compensate the Class Member for Compensable California Overtime Hours in an amount that is 95% of the Class Member’s total Individual Settlement Payment amount, the second check shall compensate the Class Member for Compensable FLSA Overtime Hours in an amount that is 5% of the Class Member’s total Individual Settlement Payment.

GETTING A PAYMENT

8. **How can I get my Individual Settlement Payment and approximately how much will it be?**

Settlement Class Members will automatically receive their Individual Settlement Payment approximately 30 days after the Court approves the Settlement at a Final Approval Hearing. **It is your responsibility to keep the Settlement Administrator informed of any change in your address. Your Individual Settlement Payment will be mailed to the last known address the Settlement Administrator has on file for you.** If your mailing address is different than the address to which this notice was mailed, you must return the change of address form in the pre-printed return envelope included with this notice. You can also contact the Settlement Administrator to change your address at [REDACTED]. Settlement Payment checks should be deposited soon after receipt. Checks uncashed after 180 days will be voided. The Settlement Administrator shall deposit the amount of any uncashed checks in the individual’s name with the Unclaimed Funds Registry of U.S. District Court for the Northern District of California.

The amount of your Individual Settlement Payment is estimated to be \$ [REDACTED]. This amount is based on Fastaff’s records that show that you worked [REDACTED] overtime hours on a temporary assignment(s) during the period of [REDACTED] through [REDACTED].

9. **What do I do if I believe my overtime hours are incorrect?**

If you believe your amount of overtime hours as stated in the paragraph above is incorrect, you may send a letter to the Settlement Administrator indicating what you believe to be the correct information. Your letter must be postmarked on or before [REDACTED]. *[60 days within mailing of Notice Packet – the Response Deadline.]* You should include any documents or other information that support what you believe to be the correct number of overtime hours. The Settlement Administrator will resolve any dispute regarding these issues based on Fastaff’s records and any information that you provide. The estimated payment amount and number of overtime hours stated in the preceding paragraph will be presumed correct unless you supply company records from Fastaff or other competent records showing different information.

10. **When can I expect to receive my Individual Settlement Payment?**

Your Individual Settlement Payment will be mailed to you approximately 30 days after the Court’s final approval of the Settlement. ***Your payment will be mailed to the address on file for you.*** Please do not telephone or contact the Court for information about this settlement or the claims process.

11. What am I giving up as part of the Settlement?

If the Settlement is finalized, that means that, in the future, you cannot sue, continue to sue, or be part of any other lawsuit against Fastaff or U.S. Nursing concerning the legal claims being resolved in this case. Specifically, you will be giving up or “releasing” the claims described immediately below:

Release of Claims: After the Court has approved the Settlement, each Settlement Class Member will be bound by the approval and judgment and thereby fully release and discharge Defendants and all affiliated parties and entities and any other persons acting in concert with any of them (including past and present and direct and indirect affiliates, parents, subsidiaries, predecessors, owners, control persons, boards, board members, successors, assigns, shareholders, equity-holders, and divisions, and each of these entities’ past and present directors, executives, officers, managers, employees, partners, shareholders, members, insurers, investors, joint venturers, attorneys, agents and representatives, including in their individual capacities) including HC Staffing Group Holdings, Inc. (including its past and present and direct and indirect affiliates, parents, subsidiaries, predecessors, owners, control persons, boards, board members, successors, assigns, shareholders, equity-holders, divisions, and shareholders, members, insurers, investors, joint venturers, attorneys, agents and representatives, including in their individual capacities) (the “Released Parties”), from the following claims:

Each Settlement Class Member who is also a Class Member, on behalf of themselves and each of their heirs, representatives, successors, assigns, and attorneys, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, dismissed with prejudice, relinquished, and discharged all means any and all state or local wage and hour and wage payment claims, obligations, demands, actions, rights, causes of action and liabilities that were asserted or could have been asserted against the Released Parties (including under the laws of any state where the Class Member resided) based on the facts alleged in the Complaint, whether known or unknown, that exist at the time of entry of the Court’s Preliminary Approval Order, that arose from or are in any way related to whether the value of the housing benefits that Fastaff provided to an employee on assignment in California during the Class Period should be included in calculating the employee’s regular rate, including (i) all claims for alleged unpaid overtime, doubletime, and/or other wages pursuant to contract, statute or regulation, including California Labor Code 510, based on the value of housing benefits; (ii) all claims for the alleged failure to timely pay wages, including final wages, under California Labor Code sections 201, 202, 203, 204 or any other applicable Labor Code sections; (iii) all claims resulting or deriving from any of the claims referenced in sub-sections (i) or (ii) above, including claims for alleged wage statement violations; (iv) all claims arising under California Business & Professions Code sections 17200, et seq., resulting or deriving from any alleged unlawful conduct referenced in sub-sections (i) or (ii); (v) and claims for damages, penalties, interest, costs, attorneys’ fees, injunctive relief, or accounting based on or deriving from the claims referenced in sub-sections (i) - (iv), above (the “Released State Law Claims”). With respect to Released State Law Claims only, Class Members waive their rights under California Civil Code section 1542 which states:

A general release does not extend to claims which the creditor does not know about or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Settlement Class Members who are also a Class Member will release their Released State Law Claims whether or not they cash or deposit the check representing payment for Compensable California Overtime Hours.

Individuals who are Class Members but who are not also FLSA Collective Action Members who cash or deposit the check representing payment for Compensable FLSA Overtime Hours will be considered to have opted-in to the Settlement and to have released all federal wage and hour claims, obligations, demands, actions, rights, causes of action and liabilities that were asserted or could have been asserted against the Released

Parties based on the facts alleged in the Complaint, whether known or unknown, that exist at the time of entry of the Court’s Preliminary Approval Order, that arose from or are in any way related to whether the value of the housing benefits that Fastaff provided to an employee on an assignment during the FLSA Collective Period should be included in calculating the employee’s regular rate, including all claims arising under the FLSA for minimum wages, overtime pay, liquidated damages, attorneys’ fees, litigation costs, and penalties (the “Released Federal Law Claims”).

Each Settlement Class Member who is also a FLSA Collective Action Member will release the Released Federal Law Claims whether or not they cash or deposit the check representing payment for Compensable Overtime Hours.

OBJECTING TO THE SETTLEMENT

12. How do I tell the Court that I don’t like the Settlement?

If you don’t think the Settlement is fair, you can object to the Settlement and tell the Court that you don’t agree with the Settlement or some part of it. The Court will consider your input. To object, you must mail a written objection to the Settlement Administrator, [REDACTED], at the addresses listed below, postmarked no later than [REDACTED]. The written objection must include the following: (1) the case name and number: *Stephanie Dalchau, et al. v. Fastaff, LLC, et al.*, Civil Action No. 3:17-cv-01584-WHO; (2) your full name, address, and the last four digits of your social security number, (3) the specific reasons you object to the terms of the Settlement, and (4) your signature. You should also state in the written objection whether you (or your attorney) intends to appear at the Final Fairness/Approval Hearing. If you are represented by an attorney, the written objection should include the name, address, and telephone number of the attorney. Mail the objection to the addresses listed below postmarked on or before [REDACTED]. [60 days of mailing of Notice Packet.]

**Stephanie Dalchau, et al. v. Fastaff, LLC, et al.,
Class Action Settlement Administrator**

c/o _____
P. O. Box _____
_____ [Zip Code]

THE COURT’S FINAL APPROVAL/FAIRNESS HEARING

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

The Court will hold a Final Approval/Fairness Hearing in the U.S. District Court for the Northern District of California, San Francisco Courthouse, 450 Golden Gate Avenue, San Francisco, CA 94102 on [REDACTED], at [REDACTED]. At the hearing, the Court will determine whether the settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve Class Counsel’s request for attorneys’ fees and costs, and the Named Plaintiffs’ Service Awards.

The Court may reschedule the Final Approval/Fairness Hearing without further notice to the Settlement Class Members. However, any Settlement Class Member who has submitted a timely objection to the settlement will be notified by Class Counsel of any rescheduling of the date and time of the Final Approval/Fairness Hearing.

14. Do I have to come to the hearing?

No. Class Counsel will represent the interests of the Settlement Class Members at the hearing. But you are welcome to come at your own expense. If you send an objection, you don't have to come to Court to talk about it. As long as you timely mailed your written objection, the Court will consider it. You may also hire and pay your own lawyer to attend if you so desire.

15. May I speak at the hearing?

You may appear and ask the Court for permission to speak at the Final Approval/Fairness Hearing.

GETTING MORE INFORMATION

16. Whom may I contact if I have questions about the settlement?

This notice summarizes the proposed Settlement. For the precise terms and conditions of the settlement, please see the settlement agreement available at www.uscourts.gov, by contacting class counsel at 626.808.4357, by accessing the Court docket in this case, for a fee, through the Court's Public Access to Court Electronic Records (PACER) system at <https://ecfcand.uscourts.gov>, or by visiting the office of the Clerk of the Court of the United States District Court for the Northern District of California, 450 Golden Gate Ave., San Francisco, CA, 94102, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays.

PLEASE DO NOT TELEPHONE THE COURT OR THE CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT.

ADDITIONAL IMPORTANT INFORMATION

A. **It is your responsibility to ensure that the Settlement Administrator** has your current mailing address and telephone number on file, as this will be the address to which your Individual Settlement Payment will be sent.

B. **Settlement Payment checks must be cashed soon after receipt.** Any money included in checks that remain uncashed after 180 days of the date of issuance will be forwarded consistent with the procedure described above. If your check is lost or misplaced, you should immediately contact the Settlement Administrator to request a replacement.

C. **Fastaff will not retaliate against any Class Member or FLSA Collective Action Member for participating in this Action.**

EXHIBIT 2

Dalchau, et al. v. Fastaff, LLC, et al.
Class Action Settlement Administrator
c/o _____, [ADDRESS]

«BARCODE»
«FIRST_NAME» «LAST_NAME»
«ADDR1»
«ADDR2»
«CITY» «ST» «ZIP»

Change of Address

I wish to change my mailing address to the following:

Name:

Street and Apt. No., if any:

City, State and Zip Code:

I understand that all future correspondence in this action, including, but not necessarily limited to, important notices or payments to which I am entitled (if any), will be sent to the address listed above and not to the address previously used. I hereby request and consent to the use of the address listed above for these purposes.

Dated: _____, 2019

Submitted by:

Print Name

Signature

PLEASE RETURN THIS FORM VIA U.S. MAIL TO:

Dalchau, et al. v. Fastaff, LLC, et al.
Class Action Settlement Administrator
[Address]

EXHIBIT 3

HAYES PAWLENKO LLP
Matthew B. Hayes (SBN 220639)
Kye D. Pawlenko (SBN 221475)
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Tel: (626) 808-4357
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Attorneys for Plaintiffs

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

STEPHANIE DALCHAU and MICHAEL
GOODWIN, individuals on behalf of
themselves and others similarly situated,

Plaintiffs,

vs.

FASTAFF, LLC; U.S. NURSING
CORPORATION; and DOES 1 to 10
inclusive,

Defendants.

CASE NO. 3:17-cv-01584-WHO

**[PROPOSED] ORDER GRANTING
PLAINTIFFS' MOTION FOR
PRELIMINARY APPROVAL OF CLASS
AND COLLECTIVE ACTION
SETTLEMENT**

Date: May 1, 2019
Time: 2:00 p.m.
Courtroom: 2

1 Plaintiffs' Motion for Preliminary Approval of Class and Collective Action Settlement (the
2 "Motion") came before the Court for hearing on May 1, 2019. The Court has considered the terms
3 set forth in the Joint Stipulation of Class and Collective Action Settlement (the "Settlement
4 Agreement"), the proposed Notice of Class and Collective Action Settlement attached to the
5 Settlement Agreement ("Notice of Settlement"), and all of the papers filed in support of the
6 Motion.

7 Having reviewed and considered the terms and conditions of the proposed settlement as set
8 forth in the Settlement Agreement, which are hereby incorporated in this Order; and no opposition
9 to the Motion having been submitted; and the Court having jurisdiction to consider the Motion and
10 the relief requested therein, and venue being proper before the Court; and due and proper notice of
11 the Motion having been provided; and upon the hearing on the Motion and after due deliberation,
12 and good and sufficient cause appearing therefor;

13 **IT IS HEREBY ORDERED:**

14 1. The Settlement Agreement is hereby preliminarily approved, subject to further
15 consideration at the Fairness Hearing provided for below. The Court concludes that the proposed
16 settlement is sufficiently within the range of reasonableness to warrant preliminary approval, the
17 scheduling of the Fairness Hearing, and the mailing of the Notice of Settlement to the "Settlement
18 Class Members" as that group is defined in the Settlement Agreement.

19 2. The Court approves the Notice of Settlement attached as Exhibit 1 to the Settlement
20 Agreement.

21 3. The Court finds that the procedures for providing notice to the Settlement Class
22 Members specified in the Settlement Agreement is the best notice practicable under the
23 circumstances under the circumstances and, when completed, shall constitute due and sufficient
24 notice of the proposed settlement and the Fairness Hearing to all persons affected by and/or
25 entitled to participate in the proposed settlement or the Fairness Hearing in full compliance with
26 the requirements of due process and the Federal Rules of Civil Procedure.

27 4. Not later than fourteen (14) calendar days after the entry of this Order, Defendants
28

1 shall provide the “Database” as defined in the Settlement Agreement to the agreed upon settlement
2 administrator.

3 5. Not later than twenty (20) business days after the entry of this Order, the settlement
4 administrator shall e-mail and mail, via first-class U.S. mail, the Notice of Settlement to each of
5 the Settlement Class Members.

6 6. Pursuant to Paragraph 2.6 of the Settlement Agreement, all Settlement Class
7 Members who wish to object to the proposed settlement and/or dispute their “Compensable
8 Overtime Hours” as defined in the Settlement Agreement, must follow the procedures set forth in
9 the Notice of Settlement.

10 7. A hearing (the “Fairness Hearing”) shall take place before this Court, on the date
11 and time set forth below, to determine:

12 a. Whether the proposed settlement, on the terms and conditions provided for
13 in the Settlement Agreement, should be finally approved by the Court as fair, reasonable and
14 adequate;

15 b. Whether the Court should enter Judgment consistent with the terms of the
16 final approval order;

17 c. Whether the application for attorneys’ fees and expenses to be submitted by
18 class counsel should be approved;

19 d. Whether the application for service awards to the class and collective action
20 representatives should be approved; and

21 e. Such other matters as the Court may deem necessary or appropriate. The
22 Court may finally approve the proposed settlement at or after the Fairness Hearing with any
23 modifications agreed to by the parties without further notice to the Settlement Class Members.

24 8. Class counsel shall serve and file their application for attorneys’ fees and costs and
25 their application for service awards to the class representatives by not later than ten (10) calendar
26 days after the Notice of Class and Collective Action Settlement is mailed.

27 9. The motion for final approval, all written objections, and any responses by the
28 parties to written objections shall be filed with the Court not later than thirty-five (35) calendar

1 days before the Fairness Hearing.

10. The Court hereby sets the following schedule:

Deadline for Defendants to provide Database to settlement administrator	14 calendar days after entry of this Order
Deadline for settlement administrator to mail and e-mail Notice of Settlement	20 business days after entry of this Order
Deadline for Plaintiffs to file application for attorneys' fees, costs, and service awards	10 calendar days after Notice is mailed
Last day for Settlement Class Members to submit objections and/or disputed claim amounts	45 calendar days from date Notice of Settlement is mailed, unless a Settlement Class Member's Notice of Settlement was re-mailed by the settlement administrator, in which case the deadline shall be extended for that individual to 60 days from mailing of the original Notice of Settlement
Deadline for Parties to file motion for final approval, written objections received, and responses to written objections	35 calendar day before Fairness Hearing
Fairness Hearing and hearing on Plaintiffs' motion for fees, costs, and service awards	[TO BE SET BY COURT]

11. All further proceedings in this Action shall be stayed except such proceedings necessary to carry out the terms of the Settlement Agreement including the Fairness Hearing. To the extent permitted by law, pending the Fairness Hearing, the Court hereby order that the Settlement Class Members shall not prosecute any other claims or actions against Defendants or other Released Parties (as defined in the Settlement Agreement) that would be released by the defined released claims in the Settlement Agreement if final approval of the Settlement is granted.

IT IS SO ORDERED

DATED: _____

HON. WILLIAM H. ORRICK
United States District Judge

EXHIBIT 4

GENERAL AND COMPREHENSIVE RELEASE OF CLAIMS

This General and Comprehensive Release of Claims (the “Release”) is made and entered into by and between Plaintiff Stephanie Dalchau (“Plaintiff”) and Defendants Fastaff LLC (“Fastaff”) and U.S. Nursing Corporation (“U.S. Nursing”) (together, “Defendants”) (Plaintiff and Defendants are hereinafter collectively referred to as the “Parties”).

WHEREAS, Plaintiff is a class and collective action representative in the matter of *Stephanie Dalchau, et al. v. Fastaff, LLC, et al.*, Civil Action No. 3:17-cv-01584-WHO (the “Litigation”);

WHEREAS, through their respective counsel, the Parties to the Litigation have signed a Joint Stipulation of Class and Collective Action Settlement (the “Settlement Agreement”) for the purpose of settling the Litigation on a collective and class-wide basis; and

WHEREAS, Paragraph 1.33 of the Settlement Agreement provides that Defendants shall pay Plaintiff an amount approved by the court not to exceed \$10,000 (“Service Award”) contingent upon Plaintiff executing and not revoking a general release of claims against Defendants and dismissing her Complaint in Intervention in *Moppin v. Fastaff, LLC et al.*, Stanislaus County Superior Court No. 2020283, within five (5) business days of the Effective Date of the Joint Stipulation and Settlement Agreement;

NOW, THEREFORE, after having had an opportunity to consult with counsel, and in consideration of the promises, covenants, and undertakings described below, and for other good and sufficient consideration, the Parties agree as follows:

1. General Release and Discharge of Claims: Plaintiff, on behalf of herself and any heirs, executors, administrators or assigns which she has or may have at any time in the future, hereby irrevocably and unconditionally releases and forever discharges Defendants, meaning Fastaff and U.S. Nursing, and all affiliated parties and entities and any other persons acting in concert with any of them (including past and present and direct and indirect affiliates, parents, subsidiaries, predecessors, owners, control persons, boards, board members, successors, assigns, shareholders, equity-holders, and divisions, and each of these entities’ past and present directors, executives, officers, managers, employees, partners, shareholders, members, insurers, investors, joint venturers, attorneys, agents and representatives, including in their individual capacities) including HC Staffing Group Holdings, Inc. (including its past and present and direct and indirect affiliates, parents, subsidiaries, predecessors, owners, control persons, boards, board members, successors, assigns, shareholders, equity-holders, divisions, and shareholders, members, insurers, investors, joint venturers, attorneys, agents and representatives, including in their individual capacities) (collectively, the “Released Parties”), with respect to and from any and all claims, wages, demands, rights, liens, agreements, contracts, covenants, actions, suits, causes of action, obligations, debts, costs, expenses, attorneys’ fees, damages, judgments, orders, liabilities, demands, charges, complaints, and promises of any nature whatsoever, in law or equity, known or unknown, suspected or unsuspected, and whether or not concealed or hidden, which Plaintiff ever had, now has, or hereafter may have against the Released Parties from the beginning of time to the date of this Agreement, committed or omitted prior to the date of this Agreement, including, without limiting the generality of the foregoing, any claims under Title VII of the Civil Rights Act of 1964, as amended, the Americans with Disabilities Act, the

Employee Retirement Income Security Act of 1974, as amended, the Family and Medical Leave Act, the California Constitution, the California Fair Employment and Housing Act, as amended, the California Family Rights Act, the California Labor Code and applicable Wage Order(s), the California Private Attorneys General Act, the Unfair Competition Law, and any other federal, state or local law, regulation, ordinance, and/or public policy having any bearing whatsoever on the terms, conditions, and/or ending of her employment with Defendants including, but not limited to, any and all claims for regular wages, premium pay, overtime pay, other wages, penalties, interest, and/or attorneys' fees and costs. Plaintiff represents and acknowledges that she has asserted no claim against Defendants or any of the Released Parties under the Age Discrimination in Employment Act, 29 U.S.C. §§ 621 *et seq.*, and that she is aware of no basis for such a claim, and she further admits and acknowledges that she is unaware of any facts establishing or suggesting that her age in any way affected any terms and conditions of her employment with Defendants.

2. Release of Unknown Claims: In waiving and releasing any and all claims set forth in this Release, whether or not now known to Plaintiff, Plaintiff understands that this means that if Plaintiff later discovers facts different from or in addition to those facts currently known or believed to be true by Plaintiff, the waivers and releases of this Release will remain effective in all respects—despite such different or additional facts and even if Plaintiff would not have agreed to this Release if Plaintiff had prior knowledge of such facts. Plaintiff expressly, knowingly, and intentionally waives the benefits and rights of any statute, rule, doctrine, or common law principle of any jurisdiction whatsoever that provides that a general release does not extend to unknown claims.

3. Exceptions for Claims Not Being Waived or Released: The only claims that are not being waived and released by Plaintiff under this Release are claims that cannot be waived or released as a matter of law. Additionally, nothing in this Release prohibits or restricts Plaintiff, Defendants, or the Released Parties from making any disclosure of information required by law or providing information to, or testifying or otherwise assisting in any investigation or proceeding brought by any federal regulatory or law enforcement agency. Additionally, nothing herein constitutes a release or waiver of any claim to vested benefits, workers' compensation, or unemployment benefits.

4. Knowing and Voluntary Waiver: The Parties represent that it is their intention in executing this document that this Agreement shall be effective as a bar to each and every claim, demand, suit, action, cause of action, and debt, hereinabove specified and not expressly excluded herein, and in furtherance of this intention, Plaintiff **EXPRESSLY WAIVES ANY AND ALL RIGHTS AND BENEFITS CONFERRED BY THE PROVISIONS OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE WHICH PROVIDES AS FOLLOWS:**

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

Notwithstanding Section 1542 of the California Civil Code, Plaintiff expressly consents that this Agreement shall be given full force and effect according to each and all of its express terms and provisions including, as well, those relating to unknown and unspecified claims, demands, suits, actions, causes of action and debts, if any, and those relating to any other claims, demands, suits, actions, causes of action and debts hereinabove specified.

5. No Future Employment: Plaintiff hereby understands and agrees that she is not an employee of Defendants and that she will not apply for, seek or obtain employment of any kind with Defendants or their current, former, and future affiliates (including, without limitation, their parents and subsidiaries), predecessors, successors, divisions, joint ventures and assigns after the date of this Release. Plaintiff agrees that if she knowingly or unknowingly applies for a position and/or is offered or accepts a position with Defendants or their current, former, and future affiliates (including, without limitation, their parents and subsidiaries), predecessors, successors, divisions, joint ventures and assigns, the offer may be withdrawn and Plaintiff may be terminated without notice, cause, or legal recourse.

6. Severability: If any provision of this Release or the application thereof is held invalid, the invalidity shall not affect other provisions or applications of the Release which can be given their intended effect without the invalid provisions or applications, and to this end the provisions of this Agreement are declared to be severable.

7. Governing Law: This Agreement is made and entered into in the State of California and shall be interpreted, enforced and governed under the laws of this State. Neither this Agreement nor anything contained in it shall be introduced in any proceeding except to enforce this Agreement or to prosecute or defend any claim relating to the subject matter of the release contained herein, or as required by court order, subpoena, or other legal process.

8. Successors and Assigns: This Agreement shall be binding upon the Parties and their respective heirs, representatives, executors, administrators, successors, and assigns.

9. Drafting: This Agreement shall be construed and interpreted as if all of its language were prepared jointly by Plaintiff and Defendants. No language in this Agreement shall be construed against a Party on the ground that such Party drafted or proposed that language.

10. No Other Claims: Plaintiff agrees that within five (5) business days of the Effective Date of the Settlement Agreement she will move to voluntarily dismiss her Complaint in Intervention in the matter captioned *Andrea Moppin v. Fastaff, LLC, et al.*, Case No. 2020283, which is pending in the Superior Court of California, County of Stanislaus ("*Moppin*"). Plaintiff represents that other than the Litigation and in *Moppin*, she has not filed any notices, complaints, charges, representative actions, or lawsuits of any kind whatsoever against Defendants with any court, governmental agency, or any other regulatory body with respect to any matter related to, or arising out of her interactions with Defendants, included but not limited to her employment with Fastaff.

11. Damages for Breach: Plaintiff recognizes and agrees that the representations, promises, and covenants set forth in Paragraphs 1, 2 and 10 of the Release constitute a material and significant part of the consideration received by the Released Parties in exchange for their

obligations under this Release, and that any violations of Paragraphs 1, 2 and 10 will constitute a material violation of this Release. In the event of any violation of Paragraphs 1, 2 and 10, Plaintiff recognizes and agrees that the Released Parties will be entitled to seek any and all appropriate relief, including seeking recovery of moneys paid under the Settlement Agreement, enforcing rights under this Release, and pursuing any other right and remedies available under law, including equitable relief, injunctive relief and damages. In the even that Plaintiff or her attorneys violate the terms of this Release, a court may award the prevailing party their reasonable attorney's fees, expenses, and costs, and the provisions of this Release that were not breached remain binding and in effect.

12. Non-admission: Defendants do not admit that they or any of their employees violated any federal, state or local law, or other statute or regulation or common law or any other legal or equitable obligation they have or ever had to Plaintiff, or that they acted wrongfully with respect to Plaintiff. Defendants specifically disclaim any liability to or wrongful acts against Plaintiff.

13. Execution of Counterparts: This Release may be executed in counterparts, but shall be construed as if signed in one document. Photographic or facsimile copies of any such signed counterparts may be used in lieu of the original.

14. Plaintiff's Acknowledgements: Plaintiff further understands and agrees that she:

- (a) Has carefully read and understands the terms and conditions of this Release;
- (b) Has been advised by Defendants to consult with an attorney before signing the Release;
- (c) Has willingly executed the Release knowingly and voluntarily without any duress, coercion or undue influence by Defendants, their representatives or other persons.
- (d) Is by reason of this Release receiving from Defendants good and sufficient consideration in addition to anything of value to which she is already entitled.

IN WITNESS WHEREOF, the undersigned parties have executed this General and Comprehensive Release of Claims on the date(s) specified below.

PLAINTIFF:

Dated: 1/14/19

Stephanie Dalchau, RN
Stephanie Dalchau

DEFENDANTS:

Fastaff, LLC and U.S. Nursing Corporation

Dated: 1/14/2019

[Signature] CEO

By Allison Beer

Its CEO

EXHIBIT 5

GENERAL AND COMPREHENSIVE RELEASE OF CLAIMS

This General and Comprehensive Release of Claims (the “Release”) is made and entered into by and between Plaintiff Michael Goodwin (“Plaintiff”) and Defendants Fastaff LLC (“Fastaff”) and U.S. Nursing Corporation (“U.S. Nursing”) (together, “Defendants”) (Plaintiff and Defendants are hereinafter collectively referred to as the “Parties”).

WHEREAS, Plaintiff is a collective action representative in the matter of *Stephanie Dalchau, et al. v. Fastaff, LLC, et al.*, Civil Action No. 3:17-cv-01584-WHO (the “Litigation”);

WHEREAS, through their respective counsel, the Parties to the Litigation have signed a Joint Stipulation of Class and Collective Action Settlement (the “Settlement Agreement”) for the purpose of settling the Litigation on a collective and class-wide basis; and

WHEREAS, Paragraph 1.33 of the Settlement Agreement provides that Defendants shall pay Plaintiff an amount approved by the court not to exceed \$10,000 (“Service Award”) contingent upon Plaintiff executing and not revoking a general release of claims against Defendants;

NOW, THEREFORE, after having had an opportunity to consult with counsel, and in consideration of the promises, covenants, and undertakings described below, and for other good and sufficient consideration, the Parties agree as follows:

1. General Release and Discharge of Claims: Plaintiff, on behalf of himself and any heirs, executors, administrators or assigns which he has or may have at any time in the future, hereby irrevocably and unconditionally releases and forever discharges Defendants, meaning Fastaff and U.S. Nursing, and all affiliated parties and entities and any other persons acting in concert with any of them (including past and present and direct and indirect affiliates, parents, subsidiaries, predecessors, owners, control persons, boards, board members, successors, assigns, shareholders, equity-holders, and divisions, and each of these entities’ past and present directors, executives, officers, managers, employees, partners, shareholders, members, insurers, investors, joint venturers, attorneys, agents and representatives, including in their individual capacities) including HC Staffing Group Holdings, Inc. (including its past and present and direct and indirect affiliates, parents, subsidiaries, predecessors, owners, control persons, boards, board members, successors, assigns, shareholders, equity-holders, divisions, and shareholders, members, insurers, investors, joint venturers, attorneys, agents and representatives, including in their individual capacities) (collectively, the “Released Parties”), with respect to and from any and all claims, wages, demands, rights, liens, agreements, contracts, covenants, actions, suits, causes of action, obligations, debts, costs, expenses, attorneys’ fees, damages, judgments, orders, liabilities, demands, charges, complaints, and promises of any nature whatsoever, in law or equity, known or unknown, suspected or unsuspected, and whether or not concealed or hidden, which Plaintiff ever had, now has, or hereafter may have against the Released Parties from the beginning of time to the date of this Agreement, committed or omitted prior to the date of this Agreement, including, without limiting the generality of the foregoing, any claims under Title VII of the Civil Rights Act of 1964, as amended, the Americans with Disabilities Act, the Employee Retirement Income Security Act of 1974, as amended, the Family and Medical Leave Act, the Indiana Civil Rights Law, Indiana Age Discrimination Law, Indiana Employment Discrimination Against Disabled Persons Law, Indiana Equal Pay Law, Indiana laws related to

Military Leave and Re-Employment Rights, Indiana Military Family Leave Act, Indiana Minimum Wage Law, Indiana Wage Payment and Wage Claims Act, Indiana Occupational Safety and Health Law, Indiana Blacklisting Statute, and any other federal, state or local law, regulation, ordinance, and/or public policy having any bearing whatsoever on the terms, conditions, and/or ending of his employment with Defendants including, but not limited to, any and all claims for regular wages, premium pay, overtime pay, other wages, penalties, interest, and/or attorneys' fees and costs. Plaintiff represents and acknowledges that he has asserted no claim against Defendants or any of the Released Parties under the Age Discrimination in Employment Act, 29 U.S.C. §§ 621 *et seq.*, and that he is aware of no basis for such a claim, and he further admits and acknowledges that he is unaware of any facts establishing or suggesting that his age in any way affected any terms and conditions of his employment with Defendants.

2. Release of Unknown Claims: In waiving and releasing any and all claims set forth in this Release, whether or not now known to Plaintiff, Plaintiff understands that this means that if Plaintiff later discovers facts different from or in addition to those facts currently known or believed to be true by Plaintiff, the waivers and releases of this Release will remain effective in all respects—despite such different or additional facts and even if Plaintiff would not have agreed to this Release if Plaintiff had prior knowledge of such facts. Plaintiff expressly, knowingly, and intentionally waives the benefits and rights of any statute, rule, doctrine, or common law principle of any jurisdiction whatsoever that provides that a general release does not extend to unknown claims.

3. Exceptions for Claims Not Being Waived or Released: The only claims that are not being waived and released by Plaintiff under this Release are claims that cannot be waived or released as a matter of law. Additionally, nothing in this Release prohibits or restricts Plaintiff, Defendants, or the Released Parties from making any disclosure of information required by law or providing information to, or testifying or otherwise assisting in any investigation or proceeding brought by any federal regulatory or law enforcement agency. Additionally, nothing herein constitutes a release or waiver of any claim to vested benefits, workers' compensation, or unemployment benefits.

4. No Future Employment: Plaintiff hereby understands and agrees that he is not an employee of Defendants and that he will not apply for, seek or obtain employment of any kind with Defendants or their current, former, and future affiliates (including, without limitation, their parents and subsidiaries), predecessors, successors, divisions, joint ventures and assigns after the date of this Release. Plaintiff agrees that if he knowingly or unknowingly applies for a position and/or is offered or accepts a position with Defendants or their current, former, and future affiliates (including, without limitation, their parents and subsidiaries), predecessors, successors, divisions, joint ventures and assigns, the offer may be withdrawn and Plaintiff may be terminated without notice, cause, or legal recourse.

5. Severability: If any provision of this Release or the application thereof is held invalid, the invalidity shall not affect other provisions or applications of the Release which can be given their intended effect without the invalid provisions or applications, and to this end the provisions of this Agreement are declared to be severable.

6. Governing Law: This Agreement is made and entered into in the State of Indiana and shall be interpreted, enforced and governed under the laws of this State. Neither this

Agreement nor anything contained in it shall be introduced in any proceeding except to enforce this Agreement or to prosecute or defend any claim relating to the subject matter of the release contained herein, or as required by court order, subpoena, or other legal process.

7. Successors and Assigns: This Agreement shall be binding upon the Parties and their respective heirs, representatives, executors, administrators, successors, and assigns.

8. Drafting: This Agreement shall be construed and interpreted as if all of its language were prepared jointly by Plaintiff and Defendants. No language in this Agreement shall be construed against a Party on the ground that such Party drafted or proposed that language.

9. No Other Claims: Plaintiff represents that other than the Litigation, he has not filed any notices, complaints, charges, representative actions, or lawsuits of any kind whatsoever against Defendants with any court, governmental agency, or any other regulatory body with respect to any matter related to, or arising out of his interactions with Defendants, included but not limited to his employment with Fastaff.

10. Damages for Breach: Plaintiff recognizes and agrees that the representations, promises, and covenants set forth in Paragraphs 1, 2 and 9 of the Release constitute a material and significant part of the consideration received by the Released Parties in exchange for their obligations under this Release, and that any violations of Paragraphs 1, 2 and 9 will constitute a material violation of this Release. In the event of any violation of Paragraphs 1, 2 and 9, Plaintiff recognizes and agrees that the Released Parties will be entitled to seek any and all appropriate relief, including seeking recovery of moneys paid under the Settlement Agreement, enforcing rights under this Release, and pursuing any other right and remedies available under law, including equitable relief, injunctive relief and damages. In the even that Plaintiff or his attorneys violate the terms of this Release, a court may award the prevailing party their reasonable attorney's fees, expenses, and costs, and the provisions of this Release that were not breached remain binding and in effect.

11. Non-admission: Defendants do not admit that they or any of their employees violated any federal, state or local law, or other statute or regulation or common law or any other legal or equitable obligation they have or ever had to Plaintiff, or that they acted wrongfully with respect to Plaintiff. Defendants specifically disclaim any liability to or wrongful acts against Plaintiff.

12. Execution of Counterparts: This Release may be executed in counterparts, but shall be construed as if signed in one document. Photographic or facsimile copies of any such signed counterparts may be used in lieu of the original.

13. Plaintiff's Acknowledgements: Plaintiff further understands and agrees that he:

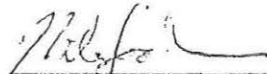
- (a) Has carefully read and understands the terms and conditions of this Release;
- (b) Has been advised by Defendants to consult with an attorney before signing the Release;

- (c) Has willingly executed the Release knowingly and voluntarily without any duress, coercion or undue influence by Defendants, their representatives or other persons.
- (d) Is by reason of this Release receiving from Defendants good and sufficient consideration in addition to anything of value to which he is already entitled.

IN WITNESS WHEREOF, the undersigned parties have executed this General and Comprehensive Release of Claims on the date(s) specified below.

PLAINTIFF:

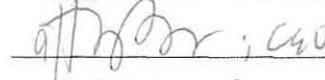
Dated: 1/10/19


Michael Goodwin

DEFENDANTS:

Dated: 1/14/2019

Fastaff, LLC and U.S. Nursing Corporation



By Allison Beer

Its CEO