

## STIPULATION OF CLASS ACTION AND PAGA REPRESENTATIVE ACTION SETTLEMENT AND RELEASE

This Stipulation of Class Action and PAGA Representative Action Settlement and Release (“Stipulation” or “Settlement”) is entered into in the matters of (1) *Marquise Phillips v. Providien Thermoforming, Inc.*, et al., California Superior Court, County of San Diego, Lead Case No. 37-2021-00006863-CU-OE-CTL and (2) *Pepe Malveda v. Providien, LLC*, et al., California Superior Court, County of San Diego, Case No. 37-2021-00017707-CU-OE-CTL (collectively, the “Action”), by and between Plaintiffs Marquise Phillips, (“Phillips”), Pepe Malveda (“Malveda”), and Bruce Mason (“Mason”) (collectively, “Plaintiffs”) on the one hand, and Providien Thermoforming, Inc.; and Carlisle Medical Technologies, LLC, fka Providien, LLC (collectively “Providien” or “Defendants”), subject to the terms and conditions herein and the approval of the Court.

### 1. DEFINITIONS

1.1 “Action” collectively refers to the civil actions captioned *Marquise Phillips v. Providien Thermoforming, Inc.*, et al., California Superior Court, County of San Diego, Lead Case No. 37-2021-00006863-CU-OE-CTL and (2) *Pepe Malveda v. Providien, LLC*, et al., California Superior Court, County of San Diego, Case No. 37-2021-00017707-CU-OE-CTL.

1.2 “Administration Costs” means the actual and direct costs reasonably charged by the Settlement Administrator for its services in administering the Settlement, currently projected by the Parties not to exceed Twenty-Five Thousand Dollars (\$25,000.00).

1.3 “Class Counsel” means Plaintiffs’ counsel, Graham S. P. Hollis, Nathan J. Reese, and Alex Kuner of Graham**Hollis** A.P.C. and Douglas Han, Shunt Tatavos-Gharajeh, and Talia Lux of Justice Law Corporation.

1.4 “Class Members” mean all current and former non-exempt employees of Defendants in the State of California at any time during the Class Period.

1.5 “Class Period” is the period between February 17, 2017 and October 27, 2023.

1.6 “Class Released Claims” means and includes any and all claims, debts, liabilities, demands, obligations, penalties, premium pay, guarantees, costs, expenses, attorney’s fees, damages, restitution, actions or causes of action of whatever kind or nature, contingent or accrued, and irrespective of theory of recovery, that were or could have been brought based on the facts or claims alleged in any of the complaints filed in the Action or enumerated in the LWDA Letter, arising during the Class Period, except for claims for PAGA penalties, which are separately released hereinbelow. The released claims include, but are not limited to, claims for failure to pay sick time pay at the correct rate, failure to provide meal periods, failure to authorize and permit rest periods, short/late meal and rest periods, failure to relieve of all duties during meal and rest periods, failure to pay or properly compensate meal or rest break premiums, failure to furnish accurate wage statements, failure to pay final wages upon separation of employment, claims related to pay wages based on failure to properly calculate the regular rate of pay, failure to

reimburse business expenses, claims derivative and/or related to these claims, liquidated damages, conversion of wages, and claims under the California Unfair Competition Law (Business and Professions Code Section 17200 et seq.) arising from the Labor Code violations released herein.

1.7 “Defendants’ Counsel” means Andrew Paley, Holger Besch, and Eric May of Seyfarth Shaw LLP.

1.8 “Effective Date” means the date on which the Judgment becomes a Final Judgment.

1.9 “Fee and Expense Award” means such award of fees and costs as the Court may authorize to be paid to Class Counsel for the services they have rendered and will render to the Class in the Action. Class Counsel shall apply to the Court for fees in an amount up to thirty-five percent (35%) of the Maximum Settlement Amount (One Million Nine Hundred Twenty-Five Thousand dollars and Zero cents [\$1,925,000.00]) in attorneys’ fees plus the actual costs and expenses as supported by declaration. Class Counsel’s request for actual costs incurred in the litigation will not exceed Fifty Thousand dollars and Zero cents (\$50,000).

1.10 “Final Approval” means the final settlement approval order and judgment that will be entered by the Court.

1.11 “Final Judgment” means the later of: (i) if no appeal is filed, sixty (60) calendar days after notice of entry of the Court’s Judgment; (ii) if an appeal is filed, the date affirmance of an appeal of the Judgment becomes final; or (iii) if an appeal is filed, the date of final dismissal of any appeal from the Judgment or the final dismissal of any proceeding on review of any court of appeal decision relating to the Judgment.

1.12 “Individual Settlement Payment” or “Individual Settlement Allocation” means the portion of the Net Settlement Sum allocable to each participating Class Member.

1.13 “LWDA Letter” refers to Phillips’s letter to the Labor Workforce Development Agency requesting authorization to be appointed as a private attorney general for the purposes of pursuing claims pursuant to Labor Code 2699 *et seq.*, the Private Attorneys General Act (“PAGA”).

1.14 “Maximum Settlement Amount” means the maximum amount of Five Million Five Hundred Thousand dollars and Zero cents (\$5,500,000.00) that Defendants would pay as a result of this Stipulation of Settlement. The Maximum Settlement Amount includes: (1) the Individual Settlement Allocations; (2) the Fee and Expense Award; (3) the Administration Costs; (4) the PAGA Payment; and (5) the Named Plaintiff Service Awards. The Maximum Settlement Amount excludes the employer’s share of payroll taxes, which shall be paid separately by Defendants. All amounts to be paid by Defendants shall be paid to a Qualified Settlement Fund (“QSF”), which shall be administered by the Settlement Administrator. All amounts to be paid to anyone pursuant to this Stipulation of Settlement shall be paid out of the QSF.

1.15 “Mediator” means Jeff Ross, Esq.

1.16 “Named Plaintiff(s)” or “Class Representative(s)” refers to Pepe Malveda, Marquise Philips, and Bruce Mason.

1.17 “Net Settlement Sum” means the Maximum Settlement Amount less the Fee and Expense Award, the PAGA Payment, Administration Costs, and the Named Plaintiff Service Awards, as approved and awarded by the Court. This amount will be distributed to the Class Members who do not timely request exclusion from the Settlement.

1.18 “Notice” means the Court-approved form of Notice of Proposed Class Action Settlement, substantially in the same form as **Exhibit A**, attached hereto.

1.19 “Objection/Exclusion Deadline” means the date forty-five (45) calendar days following the date on which the Settlement Administrator first mails the Notice to the Class Members.

1.20 “PAGA” refers to the Labor Code 2699 et seq., the Private Attorneys General Act of 2004.

1.21 “PAGA Payment” means the sum of Two Hundred Seventy-Five Thousand dollars and Zero cents (\$275,000.00), which shall be allocated from the Maximum Settlement Amount to penalties under the Labor Code §2698 *et seq.*, the Private Attorneys General Act (“PAGA”). Of the total PAGA Payment Two Hundred and Six Thousand Two Hundred and Fifty dollars and Zero cents (\$206,250.00), seventy-five percent (75%) of this sum will be paid to the California Labor and Workforce Development Agency (“LWDA”), and the remaining twenty-five percent (25%) of this sum (Sixty-Eight Thousand Seven Hundred Fifty dollars and Zero cents [\$68,750.00]) will be known as the PAGA Employee Allocation and distributed to PAGA Employees.

1.22 “PAGA Employees” shall include all current and former non-exempt employees who worked for Defendants in the State of California at any time during the PAGA Period.

1.23 “PAGA Employee Allocation” refers to the twenty-five percent (25%) of the PAGA Payment, or Sixty-Eight Thousand Seven Hundred Fifty dollars and Zero cents (\$68,750.00), which will be distributed to PAGA Employees in recognition of the settlement of PAGA Released Claims.

1.24 “PAGA Period” is the period from April 22, 2020 through October 27, 2023.

1.25 “PAGA Released Claims” shall include any and all claims for penalties under PAGA during the PAGA Period that were or could have been alleged in the Action based on the facts or claims alleged in any version of the complaint or enumerated in the LWDA Letter irrespective of the underlying theory of recovery supporting the claim for PAGA penalties.

1.26 “Parties” means Plaintiffs and Defendants, collectively.

1.27 “Payment Obligation Date” means the date which is ten (10) calendar days after Effective Date of the Settlement.

1.28 “Preliminary Approval” means an Order of the Court approving this Settlement, and the exhibits thereto, and setting a hearing for Final Approval of the Settlement, including approval of attorneys’ fees and costs.

1.29 “Released Parties” means Providien and its predecessors, successors, subsidiaries, parent companies, other corporate affiliates, and assigns, including but not limited to Carlisle Medical Holdings, LLC, and Carlisle Medical Technologies, LLC, and all of their owners, shareholders, members, officers, directors, exempt employees, agents, servants, registered representatives, attorneys, insurers, successors and assigns, and any other persons acting by, through, under or in concert with any of them.

1.30 “Request for Exclusion” means a letter or written request submitted by a Class Member to the Settlement Administrator and postmarked by the Objection/Exclusion Deadline that includes the Class Member’s name and signature, the last four digits of his or her Social Security Number and the following statement or something similar to “I request to be excluded from the class action proceedings in the matter of *Marquise Philips and Pepe Malveda v. Providien Thermoforming, Inc., et al.* currently pending in the pending in the California Superior Court, County of San Diego.”

1.31 “Service Awards” means the sum paid to Malveda, Philips, and Mason in recognition of their efforts in obtaining the benefits of the Settlement and additionally, in recognition for their willingness to provide a full and separate general release. The total amount of the Service Awards shall not exceed Thirty Thousand dollars and Zero cents (\$30,000.00), with each Named Plaintiff requesting a Service Award of not more than Ten Thousand dollars and Zero cents (\$10,000.00) per individual.

1.32 “Settlement” means the terms and conditions set forth in this Stipulation of Class and PAGA Representative Action Settlement and Release.

1.33 “Settlement Administrator” means CPT Group, Inc., subject to Court approval.

1.34 “Settlement Class” means all Class Members except those who submit a valid and timely Request for Exclusion.

1.35 “Waiting Time Penalties Subclass” means all Class Members, whose employment with Defendants ended at any time between February 17, 2018 and October 27, 2023.

## 2. **GENERAL**

2.1 The following is the procedural history of this Action:

(a) Plaintiff Marquise Philips filed the Complaint on February 17, 2021 and a First Amended Complaint on July 27, 2020 in the Superior Court for the State of California, County of San Diego, Case No. Case No. 37-2021-00006863-CU-OE-CTL (“*Philips Action*”), alleging individual, and class action allegations against Defendants on behalf of similarly situated employees of Defendants who worked for Defendants in California.

(b) Plaintiff Pepe Malveda filed the Complaint on April 21, 2021 and a First Amended Complaint on June 28, 2021 in the Superior Court for the State of California, County of San Diego, Case No. 37-2021-00017707-CU-OE-CTL (“*Malveda Action*”), alleging individual,

class action, and representative PAGA allegations against Defendants on behalf of similarly situated and/or aggrieved employees of Defendants who worked for Defendants in California.

(c) The *Philips* Action and *Malveda* Action were subsequently consolidated with a Lead Case Number of 37-2021-00006863-CU-OE-CTL.

(d) Plaintiff Bruce Mason filed a Complaint on March 14, 2023 in California Superior, Country of San Diego, Case No. 37-2023-00010548-CU-OE-CTL entitled *Bruce Mason v. Providien Thermoforming Inc. et al* (“Mason Action”), which is duplicative of the Action.

(e) The Parties have engaged in substantial litigation and have thoroughly investigated Plaintiffs’ causes of action. During the course of the litigation, Plaintiffs propounded and Defendants responded to written discovery, including requests for production of documents and interrogatories. Defendants produced in this Action: Plaintiffs’ employee files, their time and payroll records, and their wage statements; Defendants’ employee handbook, relevant wage and hour policies, and relevant “business processes” related to the allegations in the operative complaints; a significant portion of class members’ time and payroll records and wage statements; documents related to staffing agencies used by Defendants; and other documents. Defendants also provided Class Counsel with the contact information for Class Members, which Class Counsel then used to conduct interviews with Class Members. Class Counsel further deposed two witnesses designated by Defendants as corporate representatives to testify on Defendants’ behalf. Plaintiffs further subpoenaed time and payroll records from third-party payroll companies who were believed to maintain a portion of Class Members’ time and payroll records. In addition, Defendants served and Plaintiffs responded to written discovery. Defendants further took the deposition of Malveda.

(f) The Parties agreed to attempt to resolve the Action through mediation. An initial mediation was held on March 30, 2022 with Mediator. The initial mediation did not result in a settlement. Following the initial mediation, the Parties agreed to attend a subsequent mediation, which was held on July 26, 2023. At the second mediation, the parties were able to reach a deal in principle and thereafter executed an Memorandum of Understanding (“MOU”) outlining the key points of the settlement.

2.2 Defendants deny any liability and wrongdoing of any kind associated with the claims alleged in the Action, and further deny that the Action is appropriate for class and/or representative treatment for any purpose other than this Settlement. Defendants in no way admit any violation of law or any liability whatsoever to Plaintiffs and/or the Class Members, or “aggrieved” employees,” individually or collectively, all such liability being expressly denied. Defendants contend that they have complied at all times with the California Labor Code, the Wage Orders and the California Business and Professions Code.

2.3 Plaintiffs believe that the Action is meritorious and that class certification is appropriate.

2.4 Class Counsel has conducted a thorough investigation into the facts of the Action, including written discovery and depositions, an extensive review and analysis of Defendants’ documents, and interviewed key witnesses including Class Members. Class Counsel is

knowledgeable about and has done extensive research with respect to the applicable law and potential defenses to the claims of the Class Members. Class Counsel has diligently pursued an investigation of the Class Members' claims against Defendants. Based on the forgoing data and on its own independent investigation and evaluation, Class Counsel is of the opinion that the Settlement for the consideration and on the terms set forth in this Stipulation of Settlement is fair, reasonable, and adequate and is in the best interest of the Class Members in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation, the various defenses asserted by Defendants, and the numerous potential appellate issues. Further, Plaintiffs have carefully evaluated the terms of the Settlement, and, based upon that review, have determined that it is fair and reasonable.

2.5 Defendants make no concessions or admissions of wrongdoing or liability of any kind whatsoever. Defendants maintain that for any purpose other than settlement, the Action is neither suitable nor appropriate for treatment as a class or representative action. Although Defendants have vigorously contested the allegations in the Action to date and deny that it committed any wrongful action or violation of law, Defendants believe that further litigation with respect to the Plaintiffs' claims would be protracted, expensive, and contrary to its best interests. Substantial amounts of time, energy, and other resources have been, and, absent settlement, will continue to be devoted to Defendants' defense against Plaintiffs' claims. In light of these realities, Defendants believe that settlement is the best way to resolve the disputes among the Parties while minimizing its own further expenditures. Defendants thus agree the Settlement is fair, reasonable and adequate.

2.6 The Parties stipulate and agree to the conditional certification of the Class for purposes of this Settlement only. Should, for whatever reason, the Court not grant Final Approval, the Parties' stipulation to class certification as part of the Settlement shall become null and void and shall have no bearing on, and shall not be admissible in connection with, the issue of whether or not certification would be appropriate in a non-settlement context. Defendants expressly reserve their rights and declare that they intend to oppose class certification and any form of representative action vigorously should this Settlement not be granted Final Approval.

2.7 The Parties acknowledge that factual and legal issues have not yet been resolved and that if this litigation were to proceed, the Court would specifically need to resolve, among other issues, whether the Class should be certified and /or whether it should be allowed to proceed as a representative action, and whether Plaintiffs and the Class Members: (1) were denied meal periods required by California law without being paid a premium as required by California Labor Code § 226.7; (2) were denied rest periods required by California law without being paid a premium as required by California Labor Code § 226.7; (3) worked hours for which they were not properly compensated with appropriate minimum, hourly, and/or overtime wages as required by the California Labor Code and/or applicable Industrial Welfare Commission Wage Order(s); (4) were provided with inaccurate itemized wage statements in violation of California Labor Code § 226; (5) were timely paid final wages upon the termination of their employment from Defendant as required by California Labor Code §§ 201 and/or 202 and/or were owed waiting time penalties under California Labor Code § 203; (6) incurred reasonable and necessary business expenses for which they were not reimbursed as required by California Labor Code § 2802; (7) suffered any unfair business practices in violation of California Business & Professions Code § 17200 et seq.,

and/or (8) were entitled to penalties under the California Labor Code Private Attorneys General Act of 2004.

2.8 As a result of the information exchange through discovery and informally in preparation for mediation, the Parties have identified: a class size of approximately 1,466 employees as of the date of mediation, 1,006 of whom are former employee, and 855 of whom worked during the PAGA Period; 88,046 workweeks worked by Class Members during the Class Period; and 26,392 pay periods in which PAGA Employees worked during the PAGA Period.

### 3. PRELIMINARY APPROVAL

3.1 The Parties agree to fully cooperate with each other to accomplish the terms of this Stipulation of Settlement, including but not limited to, execution of such documents and to take such other actions as may reasonably be necessary to implement the terms of this Stipulation.

3.2 Class Counsel shall seek Preliminary Approval of the Settlement on October 27, 2023. In conjunction with such hearing, Class Counsel shall submit this Stipulation of Settlement, together with the exhibits attached hereto, and any other documents necessary to implement the Settlement.

3.3 Plaintiffs' Counsel shall provide a copy of the motion for preliminary approval to Defendants' Counsel for review before filing it with the Court. Defendants agree not to oppose Plaintiffs' motion for preliminary approval unless the motion is inconsistent with the terms set forth in this Settlement.

3.4 Prior to or in conjunction with moving for preliminary approval, the Plaintiffs and Defendants stipulate to the filing of an amended complaint adding Mason as a named plaintiff. Plaintiff Mason agrees that he shall dismiss the *Mason* Action without prejudice once he is added in as an additional Class Representative in the Action.

### 4. NOTICE AND CLAIM PROCESS

4.1 **Class Information.** Within ten (10) calendar days after entry of the order granting Preliminary Approval, Defendants shall provide to the Settlement Administrator a list of all Class Members, including their name, Social Security number, last-known address, telephone number, and the start and end date (if a former employee) of employment during the Class Period, for each Class Member. In order to expediate this process, Defendants agree to attempt to obtain necessary information from third parties, such as staffing agencies, prior to preliminary approval.

4.2 **Notice by First Class U.S. Mail.** Prior to the mailing of the Notice to the Class Members, the Settlement Administrator will run one Accurant (or substantially similar) skip trace as well as perform one basic search on the National Change of Address Database to attempt to obtain the best possible address for the Class Members before it mails the notices to the Class Members. Within fourteen (14) calendar days after receiving the Class Member list from Defendant, the Settlement Administrator shall send the Notice via first class mail, to the Class Members.

4.3 **Undeliverable Notices.** If a Notice is returned as undeliverable with a forwarding address provided by the United States Postal Service, the Settlement Administrator will promptly resend the Notice to that forwarding address along with a brief letter stating that the recipient of the Notice has until the original deadline set forth on the Notice, or ten (10) calendar days after the re-mailing of the Notice (whichever is later), to submit a Request for Exclusion, objection to the settlement, or to dispute the amount of pay periods identified.

4.4 **Objection/ Exclusion.** The Class Notice shall state the total number of workweeks worked based on the data provided to the Settlement Administrator. The Notice shall provide that Class Members who wish to exclude themselves from the Settlement of Class Released Claims must submit a Request for Exclusion postmarked by the Objection/Exclusion Deadline. The Objection/Exclusion Deadline is forty-five (45) calendar days following the initial mailing of the Notice. Any Class Member who properly requests exclusion using this procedure will not receive any payment from the Settlement and will not be bound by the Stipulation of Settlement or have any right to object, appeal or comment thereon. Class Members who do not submit a valid and timely Request for Exclusion shall be bound by all terms of the Stipulation of Settlement and any judgment entered in the Actions once the Settlement is approved by the Court. Although Class Members may request exclusion of this Settlement, all PAGA Employees shall be bound by this Agreement regarding Plaintiffs' claims asserted under the PAGA and shall be bound by the release of PAGA Released Claims once the Settlement is approved by the Court.

4.5 **Disputes Regarding Individual Settlement Allocations.** Class Members who disagree with Defendants' records regarding their number of workweeks credited to him or her must provide documentation and/or an explanation showing contrary information directly to the Settlement Administrator by the Response Deadline. The dispute must: (1) contain the case number and number of the Action; (2) contain the Class Member's full name, address, telephone number, and last four digits of his or her Social Security number; (3) contain a clear statement explaining that the Class Member wishes to dispute the number of pay periods credited to him or her and also stating the number of pay periods that he or she contends is correct; and (4) attach documentation demonstrating that the Class Member was not credited with the correct number of pay periods. The Settlement Administrator will in turn provide any such submissions by Class Members to the Parties. The Parties will meet and confer to determine whether adjustments to the Class Member's shifts and/or Individual Settlement Allocation are warranted. If the Parties are unable to reach an agreement as to a dispute, the Settlement Administrator will decide the outstanding issue. The Settlement Administrator's determination of the eligibility for and amount of any Individual Settlement Allocation will be binding upon the Class Member and the Parties. In the absence of circumstances indicating fraud, manipulation, negligence, or destruction, Defendants' records will be given a rebuttable presumption of accuracy. Any disputes must be submitted within forty-five (45) days following the initial mailing of the notice.

4.6 **Declaration of Due Diligence.** At least seven (7) calendar days prior to the deadline for Plaintiffs to file a motion seeking the Court's final approval of the Settlement, the Settlement Administrator will provide a declaration of due diligence and proof of mailing with regard to the mailing of the Notice to counsel for all Parties.



4.7 The Parties and their counsel agree not to take any action to encourage any Class Members to opt out of or to object to the Settlement.

4.8 Defendants will provide the Settlement Administrator with sufficient funds to make all payments due to Plaintiff, Class Counsel, the LWDA, the Settlement Administrator, and the Class Members, plus any owed payroll taxes, no later than the Payment Obligation Date.

4.9 The Settlement Administrator will mail all required payments no later than ten (10) calendar days after the Payment Obligation Date. Individual Settlement Allocation checks not cashed within 180 calendar days of mailing will become void. If a Class Member's check is returned to the Settlement Administrator, with a forwarding address provided by the United States Postal Service, the Settlement Administrator will promptly resend the check to that Class Member.

4.10 No person shall have any claim against Defendants, Defendants' Counsel, Plaintiffs, the Class, Class Counsel or the Settlement Administrator based on mailings, distributions and payments made in accordance with this Stipulation of Settlement.

4.11 The following is a summary of the proposed timeline related to this Settlement:

<b>EVENT</b>	<b>DEADLINE</b>
Preliminary Approval of the Settlement by the Court	TBD
Defendant to provide Settlement Administrator with list of Class Members, including their name, Social Security number, last-known address, telephone number, and the start and end date (if a former employee) of employment, for each Class Member during the Class Period.	10 calendar days after entry of the order granting Preliminary Approval
Settlement Administrator to mail Notice to Class Members	14 calendar days after receiving Class Member List
Objections/Exclusion Deadline	45 calendar days after mailing of Notice
Settlement Administrator to notify Parties of the number of valid and timely request(s) for exclusion letters received	7 calendar days after Objections/Exclusion Deadline
Settlement Administrator to provide declaration of due diligence	7 calendar days prior to deadline for Plaintiffs to file their Motion for Final Approval
Deadline for Plaintiffs to file their Motion for Final Approval	16 court days prior to the date of the Final Approval Hearing.
Final Approval Hearing	TBD

Effective Date of the Settlement	The later of the following: (a) the date on which Final Approval is granted; (b) if an objection to the settlement is made and subsequent appeal filed, the date of final affirmance on an appeal of the Judgment or the date of final dismissal with prejudice of the last pending appeal from the Judgment; or (c) if an objection to the settlement is made and no subsequent appeal is filed, the expiration date of the time for the filing or noticing of any form of valid appeal from the Judgment.
Payment Obligation Date	Ten (10) calendar days after Effective Date of the Settlement
Settlement Administrator to mail Individual Settlement Payments	Ten (10) calendar days after the Defendant makes all the necessary payments into the Qualified Settlement Fund
Uncashed Checks Become Void	180 calendar days after mailing of the Individual Settlement Payment Checks to Class Members

## 5. SETTLEMENT COMPONENTS

5.1 The Settlement shall have five components: (1) the Individual Settlement Allocations; (2) the Fee and Expense Award; (3) the Administration Costs; (4) the PAGA Payment; and (5) the Service Awards. All of these components are included in the Maximum Settlement Amount.

(a) **Escalation of Maximum Settlement Amount:** Providien's time and pay records shall be determinative for purposes of calculating the number of workweeks during the Class Period, and number of pay periods during the PAGA Period. If the number of workweeks worked during the Class Period increases by more than 10% over the current estimate (i.e., that is above 96,850 workweeks) at the time Providien provide class data to the settlement administrator for dissemination of settlement notices, Providien shall have the option to either cut off the Class Period and PAGA Period as of the date that there are 96,850 workweeks worked during the Class Period or increase the Maximum Settlement Amount on a proportional basis equal to the percentage increase in the workweeks above the 10% (i.e., if there is a 11% increase in the number of workweeks during the Class Period, Providien will have the option to increase the GSA by 1% to cover the entire Class Period). Should Providien seek to exercise its option to cut off the Class Period and PAGA Period on the date that there are 96,850 workweeks, Providien may only do so

at least three (3) business days prior to the deadline for the Settlement Administrator to mail the Notice to Class Members and PAGA Employees. Otherwise, Providien will forfeit this option and will be responsible for paying an increased Maximum Settlement Amount proportional to the increase in workweeks.

(b) **Payroll Taxes:** The Maximum Settlement Sum does not include the employer's share of payroll taxes, which shall be paid by Defendants separate and apart from the Maximum Settlement Amount. The payroll taxes will be computed by the Settlement Administrator based on the amounts paid to the participating Class Members. The Settlement Administrator shall be responsible for making all necessary payments and government filings in connection with such payments.

(c) **Individual Settlement Payments:** Administrator shall have the authority and obligation to calculate the amounts of Individual Settlement Payments in accordance with the methodology set forth in this Stipulation of Settlement and orders of the Court. The Parties agree that the formula for the Individual Settlement Payments to Class Members provided herein is reasonable and that the payments provided herein are designed to provide a fair settlement to such persons, in light of the uncertainties of the damages and penalties alleged to be owed to the Class and the calculation of such amounts.

(i) The parties agree that Class Members will not have to submit a claim form in order to participate in the Settlement. Each Class Member who does not timely submit a Request for Exclusion will be mailed a check representing his or her Individual Settlement Payment for Class Released Claims.

(ii) **Distribution Formula for Settlement Class:** The Parties agree that the Net Settlement Sum will be distributed to Settlement Class Members for their Individual Settlement Payments on a pro rata basis according to the number of workweeks each Class Member worked during the Class Period. Thus, participating Class Members shall be allocated a pro-rata share of the Net Settlement Sum based on the ratio of the number of each Class Member's workweeks to the total number of workweeks for all Class Members and multiplying this result by the Net Settlement Sum. The administration shall use the following formula when calculating Individual Settlement Payments: **Net Settlement Amount x (Participating Class Member's Individual Number of Workweeks/Total Number of Workweeks for All Participating Class Members) = Portion of the Individual Settlement Payment Attributable to Class Released Claims.** For participating Class Members who are also members of the Waiting Time Penalties Subclass, an additional four workweeks shall be added to that participating Waiting Time Penalties Subclass Member's total of workweeks for purposes of this calculation. The additional workweeks added to a Waiting Time Penalties Subclass Member's workweeks total shall be used only for the purposes of calculating Class Member's Individual Settlement Payments and shall not be counted as actual workweeks worked by Class Members for the purposes of the Escalator Clause in paragraph 5.1(a).

(iii) **Distribution Formula for PAGA Employees:** As to PAGA Employee Allocation (the 25% of the PAGA Payment to be distributed to PAGA Employees or \$68,750.00), each PAGA Employee shall receive pro rata portion according to the number of pay periods each PAGA Employee worked during the PAGA Period. Thus, PAGA Employees shall

be allocated a pro rata share of the PAGA Employee Allocation based on the ratio of the number of each PAGA Employees pay periods during the PAGA Period to the total number of pay periods for all PAGA Employees and multiplying this result by the PAGA Employee Allocation. The administration shall use the following formula to determine each PAGA Employee's portion of the PAGA Employee Allocation: **PAGA Employee Allocation x (PAGA Employee's Individual Number of Pay Periods/Total Number of Pay Periods for All PAGA Employees) = Portion of the Individual Settlement Payment Attributable to PAGA Released Claims.** Each PAGA Employee shall receive a distribution of the PAGA Employee Allocation, regardless of whether or not the PAGA Employee seeks exclusion from the class action portion of the Settlement.

(iv) Each Class Member and PAGA Employee mailed an Individual Settlement Payment will have one hundred eighty (180) calendar days from the date of the mailing of the Settlement Payment check to cash the check. The checks will state they are void if not cashed within 180 calendar days of mailing. The right of any Class Member to receive any settlement payment shall be conditioned upon his or her cashing the settlement check by the end of the 180th day after the Settlement Administrator mails any settlement check to the Class Member. Checks sent to Class Members and not cashed shall be null and void after 180 calendar days of mailing and the recipient Class Members shall thereafter have no right of any kind to receive payment. No Class Member or his or her heirs or estate shall acquire any interest in any settlement check that the Class Member does not cash by the end of the 180th day after the Settlement Administrator mails it.

(v) **Allocation of The Individual Settlement Payments.** The Parties recognize that the Individual Settlement Payments to be paid to Class Members reflect settlement of a dispute over claimed wages, interest, and penalties. Any amount attributable to the PAGA Employee Allocation shall be considered penalties. As to the remaining Individual Settlement Payments to the Settlement Class, they shall be allocated thirty-three percent (33%) to wages and sixty-seven (67%) to interest and penalties. The portion allocated to wages shall be reported on an IRS Form W-2, and the Settlement Administrator shall coordinate with Defendants, such that Defendants will pay the employer's portion of payroll taxes, including but not limited to FICA and FUTA, which is not part of the Maximum Settlement Amount. Defendants agrees to reasonably cooperate with the Settlement Administrator to the extent necessary to determine or confirm the amount of the payroll tax payment required under this Section. The portion allocated to interest and/or statutory penalties shall be reported on an IRS Form 1099.

(vi) It shall be the responsibility of the Settlement Administrator to timely and properly withhold from Individual Settlement Payments payable to Class Members all applicable payroll and employment taxes, including all federal, state, and local income taxes, and to prepare and deliver the necessary tax documentation and, thereafter, to cause the appropriate deposits of withholding taxes and informational and other tax return filing to occur.

(vii) Each Class Member's share of all applicable payroll and employment taxes withheld and deposited with the applicable governmental authorities in accordance with this Stipulation of Settlement shall be a part of, and paid out of, the Individual Settlement Payment to each Class Member. Each Class Member will be responsible for paying all

applicable state, local, and federal income taxes on all amounts the Class Member receives pursuant to this Stipulation of Settlement.

(viii) **No Effect on Employee Benefits:** No payment made under this Agreement shall be considered as compensation for hours worked or hours paid for purposes of determining eligibility, vesting, participation, or contributions with respect to any employee benefit plan. For purposes of this Agreement, the term “benefit plan” means every ERISA “employee benefit plan,” as defined in the Employee Retirement and Income Security Act of 1974 (“ERISA”), 29 U.S.C. section 1002(3). The term also includes any 401(k) plan, bonus, pension, stock option, stock purchase, stock appreciation, welfare, profit sharing, retirement, disability, vacation, severance, hospitalization, insurance, incentive, deferred compensation, or any other similar benefit plan, practice, program, or policy, regardless of whether any such plan is considered an ERISA employee benefit plan.

(d) **Allocation of the Remainder of The Net Settlement Sum.** This is a non-reversionary “all-in” settlement. No unclaimed amounts will revert to Defendant. Any funds associated with checks from the Net Settlement Amount that remain uncashed after 180 days shall escheat to the State of California and shall be sent by the Settlement Administrator to the State Controller’s Office, Unclaimed Property Division.

(e) **Service Award and General Release by Named Plaintiffs:** In seeking approval of the settlement, Class Counsel may petition the Court for a Service Award for each Named Plaintiff.

(i) Defendants agree not to challenge Class Counsel’s request for Service Awards to Named Plaintiffs unless they exceed Ten Thousand dollars and Zero cents (\$10,000.00) per Named Plaintiff. The Service Awards will be paid in addition to Plaintiffs’ Individual Settlement Payment. The Service Awards shall not exceed Thirty Thousand dollars and Zero cents (\$30,000.00) in total. Should the Court award less than the amount sought by Plaintiffs, the difference shall revert to the Net Settlement Sum. The amount awarded by the Court is not a material term of this Agreement.

(ii) The Service Awards are for the Class Representatives’ services and assistance to Class Members and PAGA Employees throughout the over the period of this litigation, and additionally, in recognition for his willingness to provide a full and separate general release of any and all claims against Defendants regardless of whether such claims are known and unknown, suspected or unsuspected.

(iii) Named Plaintiffs hereby release, on behalf of themselves and each of their family members, heirs, representatives, attorneys, and assigns, Released Parties from any and all claims of any nature whatsoever, fixed or contingent, known or unknown, suspected or unsuspected, including, without limitation, those related to unknown and unsuspected injuries as well as unknown and unsuspected consequences of known or suspected injuries, arising out of, or in connection with Plaintiffs’ employment with Defendants or their compensation while an employee, under federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law (“Plaintiffs’ Released Claims”). Except as to the claims explicitly excluded in this Agreement, Plaintiffs’ Released Claims include all claims asserted in the Action, and all

claims for unpaid or improperly paid wages, including overtime compensation and missed meal-period and rest-break wages; expense reimbursement, penalties, including, but not limited to recordkeeping penalties, pay-stub penalties, minimum-wage penalties, missed meal-period and rest-break penalties, and waiting-time penalties; and interest, attorneys' fees, and costs related thereto. Plaintiffs' Released Claims include all such claims, including but not limited to those arising under the California Labor Code; the wage orders of the California Industrial Welfare Commission; California Business and Professions Code section 17200 et seq.; the California common law of contract; the Fair Labor Standards Act, 29 U.S.C. § 201 et seq.; federal common law; and the Employee Retirement Income Security Act, 29 U.S.C. § 1001 et seq. Plaintiffs' Released Claims also include, but are not limited to all claims for lost wages and benefits, emotional distress, punitive damages, and attorneys' fees and costs arising under federal, state, or local laws for discrimination, harassment, and wrongful termination, including, but not limited to, 42 U.S.C. section 1981, Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, and the California Fair Employment and Housing Act. This release only excludes the release of claims not permitted by law.

Named Plaintiffs expressly waive the protections of California Civil Code Section 1542. Named Plaintiffs understand and agree that claims or facts in addition to or different from those which are now known or believed by them to exist may hereafter be discovered. It is their intention to settle fully and release all of the claims they now have against the Released Parties, whether known or unknown, suspected or unsuspected. The Service Awards shall be paid to Named Plaintiffs specifically in exchange for the general release of the Released Parties from all claims.

(iv) Named Plaintiffs acknowledge they are expressly waiving any and all rights and benefits conferred by the provisions of Section 1542 of the California Civil Code, which provides:

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

(v) Named Plaintiffs promise never to sue nor participate in any lawsuit against the Released Parties in any forum or for any reason related to the laws or theories covered by the release set forth herein. Named Plaintiffs expressly waive any rights or potential rights of recovery that they may have in a potential class, collective, or representative settlement in any actions related to the claims released herein.

(vi) Because the Service Awards represent payments to the Name Plaintiffs for their services to the Class Members, and not wages, taxes will not be withheld from the Named Plaintiff Service Awards. The Settlement Administrator will report the Service Awards on a Form 1099, which it will provide to the Named Plaintiffs and to the pertinent taxing authorities as required by law.

(vii) The Named Plaintiffs assume full responsibility for paying all taxes and penalties, if any, federal and state, due as a result of the Service Awards.

(f) **Class Counsel's Fees and Expense Award:** Defendants agree not to challenge Class Counsel's request for its Fee and Expense Award up to the maximum amount of One Million Nine Hundred Twenty-Five Thousand dollars and Zero cents (\$1,925,000.00), plus an award of reasonable litigation expenses actually and necessarily incurred in the Action. Should the Fee and Expense Award approved by the Court be less than the amount sought, the difference shall be added to the Net Settlement Sum. Payment of the Fee and Expense Award to Class Counsel shall constitute full satisfaction of any obligation to pay any amounts to any person, attorney or law firm for attorneys' fees, expenses or costs in the Action, and shall relieve Defendants of any other claims or liability to any other attorney or law firm for any attorneys' fees, expenses and/or costs to which any of them may claim to be entitled on behalf of Plaintiffs and/or the Settlement Class and PAGA Employees. The amount awarded by the Court for Fees and Expenses is not a material term of this Agreement.

## 6. **RELEASE BY THE CLASS AND PAGA EMPLOYEES**

6.1 Upon full payment by Providien of the Maximum Settlement Amount to the Administrator as well as the employer's share of taxes necessary to effectuate the Settlement, all members of the Settlement Class who do not opt out of the Settlement, and Plaintiffs, shall release Released Parties from any and all Class Released Claims arising during the Class Period.

6.2 Upon full payment by Providien of the Maximum Settlement Amount to the Administrator as well as the employer's share of taxes necessary to effectuate the Settlement, all PAGA Employees, and Plaintiffs and the State of California (through Plaintiffs Malveda and Mason as Private Attorneys General), shall release Released Parties from any and all PAGA Released Claims arising during the PAGA Period.

## 7. **VOIDING THE AGREEMENT**

7.1 In the event of any of the following: (i) the Court does not approve the scope of the Class Released Claims, (ii) requires a change to a material term of this Agreement, or (iii) the Court finds the Maximum Settlement Sum is insufficient to warrant approval, Defendants may elect to reject this Settlement and the Settlement shall be null and void. In such case, the Class Members and Defendants shall be returned to their respective statuses as of the date immediately prior to the execution of this Settlement. In the event an appeal is filed from the Final Approval Order and Judgment, or any other appellate review is sought prior to the Payment Obligation, administration of the Settlement, including disbursement of any payments of any settlement amounts, shall be stayed pending final resolution of the appeal or other appellate review.

## 8. **PUBLICITY**

8.1 Neither Plaintiffs nor Class Counsel will publicize the Settlement in any way that reasonably identifies Providien or the Releasees. However, nothing herein will restrict Plaintiffs or Class Counsel from communicating with Settlement Class Members about the Agreement or in

submitting filings with the Court in furtherance of obtaining approval of the Settlement. Nor shall anything herein restrict Class Counsel from including publicly available information regarding this Settlement in future judicial submissions regarding Class Counsel's qualifications and experience or otherwise allowing the Judgment to become known to Settlement Class Members.

**9. PARTIES' AUTHORITY**

9.1 The signatories hereto represent that they are fully authorized to enter into this Settlement and bind the Parties to the terms and conditions hereof.

**10. ATTORNEYS' FEES AND COSTS**

10.1 Except as expressly provided herein, Defendants and Plaintiffs shall each bear their own attorneys' fees and costs.

**11. MUTUAL FULL COOPERATION**

11.1 The Parties and their counsel agree to fully cooperate with each other to accomplish the terms of this Settlement, including but not limited to, execution of such documents and to take such other action as may reasonably be necessary to implement the terms of this Settlement. The Parties to this Settlement shall use their best efforts, including all efforts contemplated by this Settlement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Settlement and the terms set forth herein. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions or actions that may become necessary to effectuate the terms of this Settlement, the Parties shall seek the assistance of the Court or the Mediator to resolve such disagreement.

**12. NO ADMISSION**

12.1 Nothing contained herein, nor the consummation of this Settlement, is to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendants or any of the other Released Parties. Each of the Parties hereto has entered into this Settlement with the intention of avoiding further disputes and litigation with the attendant risk, inconvenience and expenses. This Settlement is a settlement document and shall, pursuant to California Evidence Code section 1152 and/or Federal Rule of Evidence 408 and/or any other similar law, be inadmissible as evidence in any proceeding, except an action or proceeding to approve the settlement, and/or interpret or enforce this Settlement.

**13. CONSTRUCTION**

13.1 The Parties hereto agree that the terms and conditions of this Settlement are the result of lengthy, intensive arms' length negotiations between the Parties and that this Settlement shall not be construed in favor of or against any of the Parties by reason of the extent to which any Party or his or its counsel participated in the drafting of this Settlement.



**14. JURISDICTION OF THE COURT**

14.1 Except for those matters to be resolved by the Settlement Administrator as expressly stated, any dispute regarding the interpretation or validity or otherwise arising out of this Settlement, or relating to the Actions or the Class Released Claims, shall be subject to the exclusive jurisdiction of the Court, and the Plaintiffs, Class Members and Defendants agree to submit to the personal and exclusive jurisdiction of the Court. The Court shall retain jurisdiction solely with respect to the interpretation, implementation and enforcement of the terms of this Settlement and all orders and judgments entered in connection therewith, and the Parties and their counsel submit to the jurisdiction of the Court for purposes of interpreting, implementing and enforcing the settlement embodied in this Settlement and all orders and judgments entered in connection therewith.

**15. CALIFORNIA LAW GOVERNS**

15.1 All terms of this Settlement and the exhibits hereto shall be governed by and interpreted according to the laws of the State of California, regardless of its conflict of laws.

**16. INVALIDITY OF ANY PROVISION**

16.1 The Parties request that before declaring any provision of this Stipulation of Settlement invalid, the Court shall first attempt to construe all provisions valid to the fullest extent possible consistent with applicable precedents.

**17. AMENDMENT OR MODIFICATION**

17.1 This Settlement may be amended or modified only by a written instrument signed by counsel for all Parties or their successors-in-interest.

**18. ENTIRE AGREEMENT**

18.1 This Settlement, including Exhibits attached hereto, contains the entire agreement between the Parties. All prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a party or such party's legal counsel, including the Memorandum of Agreement between the Parties, are merged herein.

**19. INTERIM STAY OF PROCEEDINGS**

19.1 The Parties agree to hold in abeyance all proceedings in the Actions, except such proceedings necessary to implement and complete the Settlement, pending the final approval hearing to be conducted by the Court.

**20. COUNTERPARTS**

20.1 This Settlement may be executed in counterparts, and when each of the Parties has signed and delivered at least one such counterpart, each counterpart shall be deemed an original,

and, when taken together with other signed counterparts, shall constitute one fully signed Settlement, which shall be binding upon and effective as to all Parties.

**IT IS SO AGREED.**

Dated: 10/03/2023

**PLAINTIFF:**

*Marquise Phillips*

\_\_\_\_\_  
MARQUISE PHILIPS

Dated: \_\_\_\_\_

**PLAINTIFF:**

\_\_\_\_\_  
PEPE MALVEDA

Dated: 10/03/2023

**PLAINTIFF:**

*Bruce Mason*

\_\_\_\_\_  
BRUCE MASON

Dated: \_\_\_\_\_

**DEFENDANT:**

CARLISLE MEDICAL TECHNOLOGIES, LLC,  
FKA PROVIDIEN, LLC

By: \_\_\_\_\_

Name (Title): \_\_\_\_\_

Dated: \_\_\_\_\_

**DEFENDANT:**

PROVIDIEN THERMOFORMING, INC.

By: \_\_\_\_\_

Name (Title): \_\_\_\_\_

and, when taken together with other signed counterparts, shall constitute one fully signed Settlement, which shall be binding upon and effective as to all Parties.

**IT IS SO AGREED.**


Dated: \_\_\_\_\_

**PLAINTIFF:**

\_\_\_\_\_  
MARQUISE PHILIPS

Dated: 10/3/2023

**PLAINTIFF:**

\_\_\_\_\_  
DocuSigned by:  
  
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PEPE MALVEDA

Dated: \_\_\_\_\_

**PLAINTIFF:**

\_\_\_\_\_  
BRUCE MASON

Dated: \_\_\_\_\_

**DEFENDANT:**

CARLISLE MEDICAL TECHNOLOGIES, LLC,  
FKA PROVIDIEN, LLC

By: \_\_\_\_\_

Name (Title): \_\_\_\_\_

Dated: \_\_\_\_\_

**DEFENDANT:**

PROVIDIEN THERMOFORMING, INC.

By: \_\_\_\_\_

Name (Title): \_\_\_\_\_

and, when taken together with other signed counterparts, shall constitute one fully signed Settlement, which shall be binding upon and effective as to all Parties.

**IT IS SO AGREED.**

Dated: \_\_\_\_\_

**PLAINTIFF:**

\_\_\_\_\_  
MARQUISE PHILIPS

Dated: \_\_\_\_\_

**PLAINTIFF:**

\_\_\_\_\_  
PEPE MALVEDA

Dated: \_\_\_\_\_

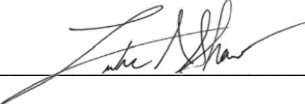
**PLAINTIFF:**

\_\_\_\_\_  
BRUCE MASON

Dated: October 3, 2023

**DEFENDANT:**

CARLISLE MEDICAL TECHNOLOGIES, LLC,  
FKA PROVIDIEN, LLC


By:  \_\_\_\_\_

Name (Title): Luke A. Shaw, VP and Secretary

Dated: October 3, 2023

**DEFENDANT:**

PROVIDIEN THERMOFORMING, INC.

By:  \_\_\_\_\_

Name (Title): Luke A. Shaw, VP and Secretary

# **EXHIBIT A**

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

*Phillips et al. v. Providien Thermoforming, Inc. et al.*

Superior Court of California, County of San Diego, Case No. 37-2021-00006863-CU-OE-CTL

***The Superior Court for the State of California authorized this Notice. Read it carefully! It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.***

**You may be eligible to receive money** from an employment class action Settlement resulting from a lawsuit (“Action”) against Providien Thermoforming, Inc.; and Carlisle Medical Technologies, LLC, fka Providien, LLC (collectively “Providien”) for alleged wage and hour violations. The Action was filed by former Providien employees, Marquise Phillips, Pepe Malveda, and Bruce Mason (collectively “Plaintiffs”) and seeks payment of unpaid wages, meal and rest premiums, reimbursement, and penalties for a class of hourly and/or non-exempt employees in California (“Class Members”) at any time during the Class Period (between February 17, 2017 and October 27, 2023); and (2) penalties under the California Private Attorneys General Act (“PAGA”) for all hourly employees who worked for Providien during the PAGA Period (April 22, 2020 through October 27, 2023 (“PAGA Employees”).

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

Based on Providien’s records, and the Parties’ current assumptions, **your Individual Settlement Payment is estimated to be \$[Est. Settlement Amount] (less withholding)**. The actual amount you may receive may be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Providien’s records you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.)

The above estimates are based on Providien’s records showing that **you worked [# of weeks] workweeks** during the Class Period and **you worked [# of pay periods]** during the PAGA period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

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

If you worked for Providien during the Class Period, you have two basic options under the Settlement:

- (1) **Do Nothing.** You do not have to do anything to participate in the proposed Settlement and be eligible for an Individual Settlement Payment. However, as a Participating Class Member, you will give up your right to assert the released wage and hour claims that accrued during the Class Period against Providien.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Settlement Payment.

You will, however, preserve your right to personally pursue the released claims that accrued during the Class Period against Providien. You cannot, however, opt-out of the PAGA portion of the proposed Settlement.

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

**SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT**

<p><b>You Don't Have to Do Anything to Participate in the Settlement</b></p>	<p>If you do nothing, you will be a Participating Class Member, eligible for an Individual Settlement Payment. In exchange, you will give up your right to assert the wage claims against Providien that are covered by this Settlement (Released Claims).</p>
<p><b>You Can Opt-out of the Class Settlement</b></p> <p><b>The Opt-out Deadline is [45 Days After Mailing]</b></p>	<p>If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Settlement Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice.</p>
<p><b>Participating Class Members Can Object to the Class Settlement</b></p> <p><b>Written Objections Must be Submitted by [45 Days After Mailing]</b></p>	<p>All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiffs who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiffs, but every dollar paid to Class Counsel and Plaintiffs reduces the overall amount paid to Participating Class Members. See Section 7 of this Notice.</p>
<p><b>You Can Participate in the [FAH Date] Final Approval Hearing</b></p>	<p>The Court's Final Approval Hearing is scheduled to take place on [FAH Date]. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. See Section 8 of this Notice.</p>
<p><b>You Can Challenge the Calculation of Your Workweeks</b></p> <p><b>Written Challenges Must be Submitted by [45 Days After Mailing]</b></p>	<p>The amount of your Individual Settlement Payment depends on how many workweeks you worked during the Class Period. The number Class Period Workweeks you worked according to Providien's records is stated on the first page of this Notice. If you disagree with this number, you must challenge it by [45 Days After Mailing]. See Section 4 of this Notice.</p>

**1. WHAT IS THE ACTION ABOUT?**

Plaintiffs are former employees of Providien. The Action accuses Providien of violating California labor laws by: violating Labor Code sections 510 and 1198 (unpaid overtime), violating Labor Code sections 226.7 and 512(a) (unpaid meal period premiums), violating Labor Code section 226.7 (unpaid rest period premiums), violating Labor Code sections 1194 and 1197 (unpaid minimum wages), violating Labor Code sections 201 and 202 (final wages not timely paid), violating Labor Code section 226(a)

(non-compliant wage statements), violating Labor Code sections 2800 and 2802 (unreimbursed business expenses), and violating Business & Professions Code section 17200, et seq. Based on the same claims, Plaintiffs have also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) (“PAGA”).

Plaintiffs are represented by the following attorneys (collectively referred to as “Class Counsel”) in the Action: Graham S. P. Hollis, Nathan J. Reese, and Alex Kuner of GrahamHollis, APC; Douglas Han, Shunt Tatavos-Gharajeh, and Talia Lux of Justice Law Corporation.

Providien strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws. Providien has entered into the Settlement solely for the purposes of resolving this dispute and has agreed to settle the case as part of a compromise with Plaintiffs. By agreeing to settle, Providien not admitting liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class action.

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

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

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

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

1. Providien will pay \$5,500,000.00 as the Maximum Settlement Amount (MSA). Providien has agreed to deposit the MSA into an account controlled by the Administrator of the Settlement. The Administrator will use the MSA to pay the Individual Settlement Payments, Individual PAGA Payments, Class Representative Service Payments, Class Counsel’s attorney’s fees and expenses, and the Administrator’s expenses, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”).
2. Assuming the Court grants Final Approval and no objections are received, Providien will fund the Settlement by transferring the MSA to the Administrator within ten (10) days following Final Approval. The Administrator will then be responsible for calculating and mailing Individual Settlement Payments within ten (10) days following the funding of the Settlement.

**In order to ensure you receive a payment, it is essential that you inform the Administrator (identified in Section 9 of this notice) about any changes to your mailing address that occur at any time prior to the mailing of the settlement payments.**



3. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiffs and/or Class Counsel will ask the Court to approve the following deductions from the MSA, the amounts of which will be decided by the Court at the Final Approval Hearing:
  - A. Up to \$1,925,000.00 (35% of the MSA) to Class Counsel for attorneys' fees and up to \$50,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
  - B. Up to \$30,000.00 to Class Representatives (up to \$10,000.00 for each of the three Class Representatives) for Service Awards for filing the Action, working with Class Counsel and representing the Class and PAGA Employees. A Service Award will be the only monies Plaintiffs will receive other than Plaintiffs' Individual Settlement Payments and any Individual PAGA Payments.
  - C. Up to \$25,000.00 to the Administrator for services administering the Settlement.
  - D. Up to \$275,000.00 for PAGA Penalties, with 75% (\$206,250.00) to be paid to the California Labor and Workforce Development Agency ("LWDA"), and the remaining twenty-five (25%) (\$68,750.00) to be paid to covered employees based on the number of pay periods they worked for during the PAGA Period.

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

4. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Maximum Settlement Amount (the "Net Settlement Sum") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.
5. Taxes Owed on Payments to Class Members. Plaintiffs and Providien are asking the Court to approve an allocation of thirty-three percent (33%) of each Individual Class Payment to taxable wages ("Wage Portion") and sixty-seven percent (67%) to interest and penalties ("Non-Wage Portion"). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Providien will separately pay employer payroll taxes it owes on the Wage Portion, and the Administrator will report the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the payments attributable to PAGA and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

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

6. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Settlement Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be distributed to the State of California Unclaimed Property Fund and held for you in your name. For more information regarding unclaimed property, you may visit the California State Controller's website at: [https://www.sco.ca.gov/search\\_upd.html](https://www.sco.ca.gov/search_upd.html).
7. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating

Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [45 Days After Mailing], that you wish to opt-out. If you wish to exclude yourself from the settlement, you must notify the Administrator by sending a written and signed Request for Exclusion by the [45 Days After Mailing] Response Deadline. The Request for Exclusion should be a letter from you or your representative setting forth your name and signature, the last four digits of your Social Security Number and the following statement or something similar to “I request to be excluded from the class action proceedings in the matter of *Marquise Phillips and Pepe Malveda v. Providien Thermoforming, Inc., et al.* currently pending in the California Superior Court, County of San Diego. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Providien.

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

8. Administrator. The Court has appointed a neutral company, CPT Group, Inc. (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 9 of this Notice.
9. Participating Class Members’ Release. After the Judgment is final and Providien has fully funded the MSA and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement (“Released Class Claims”). This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Providien or related entities alleging the Released Class Claims during Class Period as alleged in the Action and resolved by this Settlement.

“Released Class Claims” means all claims, debts, liabilities, demands, obligations, penalties, premium pay, guarantees, costs, expenses, attorney’s fees, damages, restitution, actions or causes of action of whatever kind or nature, contingent or accrued, and irrespective of theory of recovery, that were or could have been brought based on the facts or claims alleged in any of the complaints filed in the Action or enumerated in the LWDA Letter, arising during the Class Period, except for claims for PAGA penalties. The released claims include, but are not limited to, claims for failure to pay sick time pay at the correct rate, failure to provide meal periods, failure to authorize and permit rest periods, short/late meal and rest periods, failure to relieve of all duties during meal and rest periods, failure to pay or properly compensate meal or rest break premiums, failure to furnish accurate wage statements, failure to pay final wages upon separation of employment, claims related to pay wages based on failure to properly calculate the regular rate of pay, failure to reimburse business expenses, claims derivative and/or related to these claims, liquidated damages, conversion of wages, and claims under the California Unfair Competition Law (Business and Professions Code Section 17200 et seq.) arising from the Labor Code violations released herein.

10. Aggrieved Employees’ PAGA Release. After the Court’s judgment is final, and Providien has paid the MSA, all PAGA Employees (i.e. all current and former non-exempt employees who worked for Providien in the State of California at any time from April 22, 2020 through October 27, 2023) will also be barred from asserting PAGA Released Claims against Providien, regardless whether or not they exclude themselves from the Settlement. This means that all current and former non-exempt employees who worked for Providien in the State of California at any time from April 22, 2020

through October 27, 2023, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Providien or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

“Released PAGA Claims” means all claims for penalties under PAGA from April 22, 2020 through October 27, 2023 that were or could have been alleged in the Action based on the facts or claims alleged in any version of the complaint or enumerated in the LWDA Letter irrespective of the underlying theory of recovery supporting the claim for PAGA penalties.

#### **4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?**

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Sum by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$68,750.00 by the total number of PAGA Pay Periods worked by all PAGA Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual PAGA Employee.
3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Providien’s records, are stated in the first page of this Notice. You have until **[45 Days After Mailing]** to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator’s contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Providien’s calculation of Workweeks and/or Pay Periods based on Providien’s records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Providien’s Counsel. The Administrator’s decision is final. You cannot appeal or otherwise challenge its final decision.

#### **5. HOW WILL I GET PAID?**

Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who does not opt-out) including those who also qualify as PAGA Employees. Said check shall include the portion of the settlement for Released Class Claims as well as Released PAGA Claims.

Non-Participating Class Members. If you are a Non-Participating Class Member (i.e., a Class Member who timely opts-out of the class settlement) and also a PAGA Employee, the Administrator will send, by U.S. mail, a single Individual PAGA Payment to you for releasing PAGA Released Claims.

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

## 6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

1.1 Submit a written and signed letter with your name, present address, telephone number, the last four digits of your social security number, and a simple statement that you do not want to participate in the Settlement such as the following: “I request to be excluded from the class action proceedings in the matter of *Phillips et al. v. Providien Thermoforming, Inc., et al.* currently pending in the California Superior Court, County of San Diego.” Be sure to personally sign your request, identify the Action, and include your identifying information (full name, address, telephone number, social security number, and date). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by [45 Days After Mailing], or it will be invalid.** Section 9 of the Notice has the Administrator’s contact information.

## 7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Providien are asking the Court to approve. At least 16 days before the [FAH Date] Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys’ fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can view them on the Court’s website (<https://www.sdcourt.ca.gov/sdcourt/civil2>), clicking “View a Case File,” and entering the case number (37-2021-00006863-CU-OE-CTL).

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is [45 Days After Mailing].** Be sure to tell the Administrator what you object to, why you object, and any facts and reasoning that support your objection. Make sure you identify the Action *Marquise Phillips and Pepe Malveda v. Providien Thermoforming, Inc., et al.* and include your name, current address, telephone number, and sign the objection. Section 9 of this Notice has the Administrator’s contact information.

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

## 8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don’t have to, attend the Final Approval Hearing on [FAH Date] at [time] in Department 72 of the San Diego Superior Court, located at Hall of Justice, 330 W Broadway, San Diego, CA 92101. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually attend the hearing. Check the Court’s website for the most current information at <https://www.sdcourt.ca.gov/virtualhearings>.

It's possible the Court will reschedule the Final Approval Hearing. You should check the San Diego Superior Court's website (<https://www.sdcourt.ca.gov/sdcourt/civil2>) and entering the case number (37-2021-00006863-CU-OE-CTL) beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

## 9. HOW CAN I GET MORE INFORMATION?

The Settlement Agreement sets forth everything Providien and Plaintiffs have promised to do under the proposed Settlement. The easiest way to read the Settlement Agreement, the Judgment or any other Settlement documents is to go to CPT's website at <https://www.cptgroup.com/>. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website Court's website by going to <https://www.sdcourt.ca.gov/sdcourt/civil2>, clicking "View a Case File," and entering the case number (37-2021-00006863-CU-OE-CTL). You can also personally review court documents in the Civil Business Office at Hall of Justice, 330 W Broadway, San Diego, CA 92101. For more information, including regular business hours, go to: <https://www.sdcourt.ca.gov/sdcourt/civil2/civillocations>.

### DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

#### Class Counsel:

Name of Attorneys: Graham S.P. Hollis  
Nathan J. Reese  
Alex M. Kuner  
Name of Firm: **GrahamHollis APC**  
Mailing Address: 3555 Fifth Ave, San Diego, CA 92115  
Email Address: [akuner@grahamhollis.com](mailto:akuner@grahamhollis.com)  
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Name of Attorneys: Douglas Han  
Shunt Tatavos-Gharajeh  
Talia Lux  
Name of Firm: **Justice Law Corporation**  
Mailing Address: 751 N Fair Oaks Ave # 101, Pasadena, CA 91103  
Email Address: [tlux@justicelawcorp.com](mailto:tlux@justicelawcorp.com)  
Telephone: (818) 230-7502  
Fax Number: (818) 230-7259

#### Settlement Administrator:

Name of Company: CPT Group, Inc.  
Email Address: [Email Address of Case Manager]  
Mailing Address: 50 Corporate Park, Irvine, CA 92606  
Telephone: (800) 542-0900  
Fax Number: (949) 419-3446

## 10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you may still claim the amount of your Individual Class Payment and/or an Individual PAGA

Payment through the California State Controller's website for unclaimed property at [https://www.sco.ca.gov/search\\_upd.html](https://www.sco.ca.gov/search_upd.html).

#### **11. WHAT IF I CHANGE MY ADDRESS?**

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