CALIFORNIA SUPERIOR COURT, COUNTY OF SAN DIEGO

Nguyen Ngo, et al., v. MedImpact Healthcare Systems, Inc. Case No. 37-2020-00015657-CU-OE-CTL

NOTICE OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT

A court authorized this notice. This is not a solicitation. This is not a lawsuit against you, and you are not being sued. However, your legal rights are affected by whether you act or don't act.

TO: All hourly-paid or non-exempt employees employed by Defendant MedImpact Healthcare Systems, Inc. ("Defendant") within the State of California during the time period from May 26, 2016 to November 30, 2021.

The California Superior Court, County of San Diego, has granted preliminary approval of a proposed settlement ("Settlement") of the above-captioned class and representative actions (referred to in this Notice as the "Class Action"). Because your rights may be affected by this Settlement, it is important that you read this Notice of Class and Representative Action Settlement ("Notice") carefully.

The Court has certified the following class for settlement purposes ("Class" or "Class Members"):

All hourly-paid or non-exempt employees employed by Defendant within the State of California during the time period from May 26, 2016 to November 30, 2021.

The purpose of this Notice is to provide a brief description of the claims alleged in the Class Action, the key terms of the Settlement, and your rights and options with respect to the Settlement.

YOU MAY BE ENTITLED TO MONEY UNDER THE PROPOSED CLASS AND REPRESENTATIVE ACTION SETTLEMENT. PLEASE READ THIS NOTICE CAREFULLY; IT INFORMS YOU ABOUT YOUR LEGAL RIGHTS.

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1. Why Have I Received This Notice?

The personnel records of Defendant indicate that you may be a Class Member. The Settlement will resolve all Class Members' Released Claims, as described below, from May 26, 2016 to November 30, 2021 (the "Class Period").

A Preliminary Approval Hearing was held on December 14, 2021, in the California Superior Court, County of San Diego. The Court conditionally certified the Class for settlement purposes only and directed that you receive this Notice.

The Court has determined that there is sufficient evidence to suggest that the proposed settlement may be fair, adequate, and reasonable and that any final determination of those issues will be made at the Final Approval Hearing.

The Court will hold a Final Approval Hearing concerning the proposed settlement on April 22, 2022 at 11:00 a.m., before the Honorable Keri Katz, at the Superior Court for the County of San Diego, located at 330 West Broadway, San Diego, California 92101, Department C-74.

2. What Is This Case About?

Plaintiff Nguyen Ngo commenced a wage-and-hour class action in the San Diego County Superior Court (Case Number 37-2020-00015657-CU-OE-CTL). Afterwards, Plaintiff Nguyen Ngo filed a First Amended Complaint and Second Amended Complaint that added Plaintiff Chelsea Skolnick as an additional plaintiff.

Plaintiffs' wage-and-hour class action against Defendant sought damages, restitution, statutory penalties, civil penalties interest, costs, attorney's fees and other relief based on the following alleged causes of action: (1) failure to pay overtime; (2) failure to provide meal period premiums; (3) failure to provide rest break premiums; (4) failure to pay minimum wages; (5) failure to timely pay final wages to terminated employees; (6) failure to comply with employee wage statement provisions of the California Labor Code; (7) failure to reimburse business expenses; and 8) a violation of the California Business & Professions Code sections 17200, *et seq*.

The Parties attended mediation on August 24, 2021 and subsequently agreed to enter a settlement.

The Court has <u>not</u> made any determination as to whether the claims advanced by Plaintiffs have any merit. Nor has it decided whether this case could proceed as a class action. Instead, both sides agreed to resolve the Class Action with no decision or admission of who is right or wrong.

In other words, the Court has not determined that Defendant violated any laws, nor has it decided in favor of Plaintiffs or Defendant; instead, both sides have agreed to resolve the Class Action with no decision or admission of who is right or wrong. By agreeing to resolve the Class Action, the parties avoid the risks and costs of a trial.

Defendant denies all allegations made by Plaintiffs, individually and on behalf of Class Members, in the Class Action and denies liability for any wrongdoing with respect to the alleged facts and causes of action asserted in the Class Action. The settlement is not an admission by Defendant of any wrongdoing or an indication that any law was violated.

3. Am I A Class Member?

You are a Class Member if you are currently or were formerly employed by Defendant as an hourly-paid or non-exempt employees within the State of California during the time period from May 26, 2016 to November 30, 2021 ("Class Period"). If you qualify as a Class Member, you could receive money from the Class Action Settlement.

4. How Does The Class Action Settlement Work?

In this Class Action, Plaintiffs sued on behalf of themselves and all other similarly situated employees who were employed by Defendant as hourly-paid or non-exempt employees in California at any time during the Class Period. Plaintiffs and other current and former employees comprise a "Class" and are "Class Members." The settlement of this Action resolves the Released Claims of all Class Members, except for those who exclude themselves from the Class by requesting to be excluded in the manner set forth below.

Plaintiffs and Class Counsel believe the Settlement is fair and reasonable. The Court must also review the terms of the Settlement and determine if it is fair and reasonable to the Class. The Court file has the Settlement documents, which explain the Settlement in greater detail. If you would like copies of the Settlement documents, you can contact Class Counsel, whose contact information is below, and they will provide you with a copy free of charge.

5. Who Are the Attorneys Representing the Parties?

Attorneys for Plaintiffs and the Class Attorneys for Defendant JUSTICE LAW CORPORATION ALLEN MATKINS LECK GAMBLE Douglas Han MALLORY & NATSIS LLP Shunt Tatavos-Gharajeh Amy Wintersheimer Findley 751 N. Fair Oaks Avenue, Suite 101 Alexander Nestor Pasadena, California 91103 One America Plaza Telephone: (818) 230-7502 600 West Broadway, 27th Floor Facsimile: (818) 230-7259 San Diego, California 92101 Telephone: (619) 233-1155 Facsimile: (619) 233-1158

The Court has decided that Justice Law Corporation is qualified to represent the Class Members simultaneously for the purposes of this Settlement.

Class Counsel is working on your behalf. If you want your own attorney, you may hire one at your own cost.

6. What Are My Options?

The purpose of this Notice is to inform you of the proposed Settlement and your options. Each option has its consequences, which you should understand before making your decision. Your rights regarding each option, and the steps you must take to select each option, are summarized below and explained in more detail in this Notice.

<u>Important Note</u>: Defendant will not retaliate against you in any way for either participating or not participating in this Settlement.

• Do Nothing: You do not have to do anything in order to receive payment under this Settlement.

If you do nothing and the Court grants final approval of the Settlement, you will become part of the Class Action Settlement and will receive an Individual Settlement Share (explained below) based on the total number of workweeks you were employed by Defendant as an hourly-paid or non-exempt employee in California during the Class Period. You will release all of the Released Claims, as defined in Section No. 9 below, and you will give up your right to pursue the Released Claims, as defined in Section No. 9 below.

• OPT-OUT: If you do not want to participate as a Class Member and do not want to receive an

Individual Settlement Payment, you may "opt-out," and you will not be part of this Class Action Settlement. If the Court grants final approval of the Settlement, you will not receive an Individual Settlement Share, and you will not give up the right to sue the Released Parties, including Defendant, for any of the Released Claims as defined in Section No. 9

below.

• **OBJECT:** You can ask the Court to deny approval of this Settlement by filing an objection. You cannot ask the Court to order a larger settlement; the Court can only approve or deny the

settlement. You cannot both object to the Settlement and opt out of the case.

The procedures for opting out and objecting are set forth below in the sections entitled "How Do I Opt-Out or Exclude Myself From This Settlement" and "How Do I Object To The Settlement?"

7. How Do I Opt Out Or Exclude Myself From This Class Action Settlement?

Settlement Share, you can exclude yourself from the Settlement (*i.e.*, "opt-out") by sending an opt-out form by the date and to the address stated below. A form ("ELECTION NOT TO PARTICIPATE IN ('OPT-OUT' FROM) CLASS ACTION SETTLEMENT") (the "Exclusion Form") has been provided to you along with this Notice, which can be used for this purpose; alternatively, you can submit your own written document that includes all of the same information. If you opt-out of the Settlement, you will not be bound by the Class Action Settlement and therefore you will not release the claims set forth in Section No. 9. The Exclusion Form must be complete, signed, dated, and mailed by First-Class U.S. Mail, postmarked no later than March 11, 2022 to: Nguyen Ngo, et al., v. MedImpact Healthcare Systems, Inc., Settlement Administrator, C/O Phoenix Settlement Administrators, P.O. Box 7208, Orange, CA 92863.

If you received a remailed Class Notice, whether, by skip-trace or forwarded mail, you will have an additional ten (10) days to postmark an Exclusion Form. The envelope should indicate whether the Class Notice has been forwarded or remailed. We encourage you to keep copies of all documents, including the envelope, in the event your compliance with the deadline is challenged.

The Court will exclude from the Class Action Settlement any Class Member who submits a complete and timely Exclusion Form as described in the paragraph above. Exclusion Forms that do not include all required information and/or that are not timely submitted will be deemed null, void, and ineffective. Any Class Member who fails to submit a valid and timely Exclusion Form on or before the above-specified deadline shall be bound by all terms of the Settlement, release, and any Judgment entered in the Action if the Settlement receives final approval from the Court.

8. How Do I Object To The Settlement?

If you are a Class Member who does not opt-out of the Settlement, you may object to the Settlement, personally or through an attorney.

You may mail a written objection to the Settlement Administrator at Phoenix Settlement Administrators, P.O. Box 7208, Orange, CA 92863 by **March 11, 2022**. If you received a remailed Class Notice, whether, by skip-trace or forwarded mail, you will have an additional ten (10) days to postmark a written objection. If you choose to object in writing your objection must state: (a) the objecting person's full name, address, and telephone number; (b) the words "Notice of Objection" or "Formal Objection;" (c) describe, in clear and concise terms, the legal and factual arguments supporting the objection; (d) list identifying witness(es) the objector may call to testify at the Final Approval hearing; and (e) provide true and correct copies of any exhibit(s) the objector intends to offer at the Final Approval hearing.

Class Members may appear at the Final Approval Hearing, either in person or through the objector's own counsel even if they did not submit a written objection. Class Members' timely and valid objections to the Settlement will be considered even if the objector does not appear at the Final Approval Hearing.

If the Court approves the settlement over objections, objecting Class Members will receive an Individual Settlement Share and will be bound by the terms of the Settlement.

9. How Does This Class Action Settlement Affect My Rights? What are the Released Claims?

If the proposed Settlement is approved by the Court, a Final Judgment will be entered by the Court. All Class Members who do not opt-out of the Settlement will be bound by the Court's Final Judgment and will fully release and discharge Defendant and its past or present officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and their respective successors and predecessors in interest, subsidiaries, affiliates, parents, attorneys, and any entities that may be considered joint employers ("Released Parties").

A. Released Claims.

The released claims means all causes of action and factual or legal theories that were alleged in the Complaints or reasonably could have been alleged based on the facts and legal theories contained in the Complaints, including all of the following causes of action: (a) violation of California Labor Code sections 510 and 1198 (Unpaid Overtime); (b) violation of California Labor Code sections 226.7 and 512(a) (Unpaid Meal Period Premiums); (c) violation of California Labor Code sections 226.7 (Unpaid Rest Period Premiums); (d) violation of California Labor Code sections 1194 and 1197 (Unpaid Minimum Wages); (e) violation of California Labor Code sections 201, 202, and 203 (Final Wages Not Timely Paid); (f) violation of California Labor Code sections 2800 and 2802 (Unreimbursed Business Expenses); and (h) violations of California Business & Professions Code sections 17200, *et seq*. The period of the Release shall extend to the limits of the Class Period.

10. How Much Can I Expect to Receive From This Settlement?

Defendant will pay, subject to Court approval, a Gross Settlement Amount of \$1,900,000.00 to cover: (1) the Individual Settlement Shares to all Settlement Class Members; (2) the Class Representative Enhancement Payment to Plaintiffs in an amount up to \$10,000.00 to each Plaintiff; (3) the Administration Costs to the Settlement Administrator in an amount not to exceed \$8,500.00; (4) the Attorney Fee Award for attorneys' fees of \$665,000.00 and Cost Award of up to \$20,000.00 supported by declaration.

After deducting the Class Representative Enhancement Payments, Administration Costs, Attorney Fee Award, and Cost Award, the remaining sum, estimated at \$1,186,500.00 is the "Net Settlement Amount", which shall be distributed to all Participating Class Members. The Settlement Administrator will pay each Participating Class Member an Individual Settlement Share from the Net Settlement Amount. The Individual Settlement Share is calculated based on each Participating Class Member's pro rata share of the Net Settlement Amount based on workweeks during the Class Period as follows: (i) the number of weeks he or she worked as an hourly-paid or non-exempt employee during the Class Period, divided by (ii) the total number of weeks worked by all Participating Class Members collectively during the Class Period, which is then multiplied by the Net Settlement Amount. The Settlement Administrator will use the Class Data provided by Defendant to calculate the number of workweeks worked by each Class Member based on their dates of employment for purposes of this calculation.

If you believe the number of eligible workweeks records are incorrect, you may provide documentation and/or an explanation to show contrary information to the Settlement Administrator at Phoenix Settlement Administrators, P.O. Box 7208, Orange, CA 92863 on or before **March 11, 2022**. Any evidence submitted will be carefully weighed, and the Settlement Administrator will make a final determination. If this was remailed to you, you have an additional ten (10) days to submit a dispute.

Twenty percent (20%) of your Individual Settlement Share will be treated as unpaid wages. Applicable taxes will be withheld from the wages portion of your Individual Settlement Share only and reported on an IRS Form W-2. The remaining eighty percent (80%) of your Individual Settlement Share will be treated as penalties, interest, and reimbursement and will be paid pursuant to an IRS Form 1099.

Defendant is expected to fund the Gross Settlement Amount no later than thirty (30) calendar days after the date the Final Approval of the Settlement can no longer be appealed or, if there are no objectors and no Plaintiffs in intervention at the time the Court grants Final Approval of the Settlement, the date the court enters judgment granting Final Approval of the Settlement. Your Individual Settlement Share will be distributed within approximately fourteen (14) calendar days of the funding of the entire Gross Settlement Amount.

It is strongly recommended that upon receipt of your Individual Settlement Share check, you immediately cash it or cash it before the 180-day void date shown on each check. If any checks remain uncashed or not deposited by the expiration of the 180-day period after mailing, the Settlement Administrator will, within two hundred (200) calendar days after the checks are mailed, pay the amount of the Individual Settlement Share to the California State Controller's Unclaimed Property Division in accordance with California Unclaimed Property Law.

11. How Will the Attorneys for the Class and the Class Representatives Be Paid?

Class Counsel will be paid from the Gross Settlement Amount. Subject to Court approval, Class Counsel shall be paid an amount not to exceed thirty-five percent (35%) of the Gross Settlement Amount (or \$665,000.00) for attorneys' fees, and up to \$20,000.00 for litigation costs.

Defendant has paid all its own attorneys' fees and costs.

As set forth in Section No. 10 above, the Plaintiffs will also be paid Class Representative Enhancement Payments, subject to Court approval.

12. Final Approval Hearing

The Court will hold a Final Fairness Hearing concerning the proposed settlement on April 22, 2022 at 11:00 a.m., before the Honorable Keri Katz, at the Superior Court for the County of San Diego, located at 330 West Broadway, San Diego, California 92101, Department C-74. You are not required to appear at this hearing. Any changes to the hearing date will be available on the website http://www.phoenixclassaction.com/.

13. How Do I Get More Information?

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS OR WOULD LIKE ELECTRONIC COPIES OF DOCUMENTS RELATING TO THE CLASS ACTION OR THE SETTLEMENT, you may contact Class Counsel listed above, or the Settlement Administrator at the telephone number listed below, toll-free. Please refer to the "Ngo, et al., v. MedImpact Healthcare Systems, Inc. class action settlement."

This Notice does not contain all of the terms of the proposed Settlement or all of the details of these proceedings. For more detailed information, you may refer to the underlying documents and papers on file with the Court located at 330 West Broadway, San Diego, California 92101, between 8:30 a.m. and 4:00 p.m.

PLEASE DO NOT TELEPHONE THE COURT OR COURT'S CLERK FOR INFORMATION ABOUT THIS SETTLEMENT.