

## CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Sherry Rumph (“Plaintiff”) and defendant Sedgwick Claims Management Services, Inc. (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as the “Parties,” or individually as “Party.”

### 1. DEFINITIONS

In addition to other terms defined in this Agreement, the terms below have the following meaning in this Agreement:

- 1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against Defendant captioned *Sherry Rumph v. Sedgwick Claims Management Services, Inc.*, Case No. 24LBCV01324, initiated on June 26, 2024, amended on August 19, 2024, and pending in Superior Court of the State of California, County of Los Angeles.
- 1.2. “Administrator” means Apex Class Action LLC, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4. “Aggrieved Employees” means all individuals who are or previously were employed by Defendant as Field Case Managers and who were classified as exempt from overtime wages in California at any time during the PAGA Period.
- 1.5. “Class” means all individuals who are or previously were employed by Defendant as Field Case Managers and who were classified as exempt from overtime wages in California at any time during the Class Period.
- 1.6. “Class Counsel” means Norman B. Blumenthal, Kyle R. Nordrehaug, Aparajit Bhowmik, Jeffrey S. Herman, Sergio J. Puche, and Trevor G. Moran of Blumenthal Nordrehaug Bhowmik De Blouw LLP.
- 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts to be paid to Class Counsel for reasonable fees and expenses, respectively, as approved by the Court, to compensate Class Counsel for their legal work in connection with the Action, including their pre-filing investigation, their filing of the Action, all related litigation activities, all Settlement-related work, including any appeals, all post-Settlement compliance procedures, and related litigation expenses billed in connection with the Action.

- 1.8. “Class Data” means Class Member identifying information in Defendant’s possession including the Class Member’s name, last-known mailing address, Social Security number, email address (if known and available to Defendant), and number of Workweeks worked during the Class Period and PAGA Pay Periods worked during the PAGA Period, as applicable.
- 1.9. “Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non- Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10. “Class Member Address Search” means the Administrator’s investigation and search for Class Members’ mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members by use of available email addresses, phone numbers, social security numbers, credit reports, LinkedIn and Facebook in response to inquiries from Class Members and/or as requested by counsel.
- 1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement (other than non-material changes to facilitate printing by the Administrator).
- 1.12. “Class Period” means the period of time from May 24, 2020 through August 24, 2025.
- 1.13. “Class Representative” means the named Plaintiff in the Operative Complaint in the Action seeking Court approval to serve as a Class Representative.
- 1.14. “Class Representative Service Payment” means the service payment made to the Plaintiff as Class Representative in order to compensate her for initiating the Action, performing work in support of the Action, undertaking the risk of liability for Defendant’s expenses, and for the general release of all claims by the Plaintiff.
- 1.15. “Court” means the Superior Court of California, County of Los Angeles.
- 1.16. “Defendant” means Sedgwick Claims Management Services, Inc.
- 1.17. “Defense Counsel means Lois M. Kosch and Geoff D. La Val of Wilson Turner Kosmo LLP.
- 1.18. “Effective Date” means the date by when all of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; (b) the Judgment is final; and (c) Defense Counsel is served with a copy of the Order Granting Final Approval. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters

Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

- 1.19. "Final Approval" means the Court's Order Granting Final Approval of the Settlement substantially in the form attached hereto as Exhibit C to this Agreement and incorporated by reference into this Agreement.
- 1.20. "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval of the Settlement to determine whether to approve finally and implement the terms of this Agreement and enter the Judgment.
- 1.21. "Gross Settlement Amount" means Eight Hundred Forty Thousand Dollars (\$840,000) which is the total amount to be paid by Defendant as provided by this Agreement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment and the Administration Expenses Payment. This Gross Settlement Amount is an all-in amount without any reversion to Defendant, and excludes any employer payroll taxes, if any, due on the portion of the Individual Class Payments allocated to wages which shall not be paid from the Gross Settlement and shall be the separate additional obligation of Defendant.
- 1.22. "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.
- 1.23. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.
- 1.24. "Judgment" means the judgment entered by the Court based upon Final Approval substantially in the form attached hereto as Exhibit C to this Agreement and incorporated by reference into this Agreement.
- 1.25. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i), in effect prior to July 1, 2024, to receive the LWDA PAGA Payment.
- 1.26. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i), in effect prior to July 1, 2024.
- 1.27. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, LWDA

PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Administration Expenses Payment. The Net Settlement Amount is to be paid to Participating Class Members as Individual Class Payments.

- 1.28. “Non-Participating Class Member” means a Class Member who opts out of the Class Settlement by submitting a valid and timely Request for Exclusion to the Administrator.
- 1.29. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee received a wage payment for work performed as an exempt employee in California for Defendant during the PAGA Period.
- 1.30. “PAGA Period” means the period of time from April 22, 2023 through August 24, 2025.
- 1.31. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.32. “PAGA Notice” means the Plaintiff’s February 20, 2024 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.33. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount (\$20,000), allocated 25% to the Aggrieved Employees (\$5,000) and the 75% to the LWDA (\$15,000) in settlement of PAGA claims.
- 1.34. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.35. “Plaintiff” means Sherry Rumph, the named plaintiff in the Action.
- 1.36. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement, substantially in the form attached hereto as Exhibit B to this Agreement and incorporated by this reference herein.
- 1.37. “Released Class Claims” means, as set forth in Paragraph 6.2 below, all claims that were alleged, or reasonably could have been alleged, based facts stated in the Operative Complaint which occurred during the Class Period during employment in an exempt position in California.
- 1.38. “Released PAGA Claims” means, as set forth in Paragraph 6.3 below, all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notice, which occurred during the PAGA Period during employment in an exempt position in California.
- 1.39. “Released Parties” means Defendant and its former and present owners, board members, trustees, partners, representatives, heirs, executors, administrators, commonly owned or controlled entities, parents, subsidiaries, affiliates, shareholders, directors,

members, agents, employees, attorneys, predecessors, successors, insurers, assigns, and any individual or entity to whom liability for claims released by Plaintiff, or the Released Class Claims and Released PAGA Claims, could be assigned pursuant to Labor Code section 558.1 or on a joint-employer, alter-ego, or other vicarious liability theory.

- 1.40. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.41. “Response Deadline” means sixty (60) calendar days after the Administrator mails the Class Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) submit Requests for Exclusion from the Settlement, (b) submit an Objection to the Settlement, or (c) submit a challenge to their Workweeks or PAGA Pay Periods. Class Members to whom Class Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.
- 1.42. “Settlement” means the disposition of the Action and all related claims effectuated by this Agreement and the Judgment.
- 1.43. “Workweek” means any calendar week during the Class Period in which a Class Member received a wage payment for work performed as an exempt employee in California.

## **2. RECITALS**

### **The Class Action**

- 2.1. On May 24, 2024, Plaintiff commenced this Action by filing a Class Action Complaint against Defendant in the Superior Court of the State of California, County of Riverside (the “Class Action”). Plaintiff’s Class Action Complaint asserted claims that Defendant:
- (a) Violated California Business and Professions Code § 17200 *et seq.*;
  - (b) Failed to pay overtime wages in violation of California Labor Code § 510, *et seq.*;
  - (c) Failed to provide required meal periods in violation of California Labor Code §§ 226.7 & 512 and the applicable IWC Wage Order;
  - (d) Failed to provide required rest periods in violation of California Labor Code §§ 226.7 & 512 and the applicable IWC Wage Order;
  - (e) Failed to provide accurate itemized wage statements in violation of California Labor Code § 226;
  - (f) Failed to reimburse employees for required expenses in violation of California Labor Code § 2802; and
  - (g) Failure to provide wages when due in violation California Labor Code §§ 201, 202, and 203.

### **The PAGA Action**

2.2. On June 26, 2024, Plaintiff filed a separate Representative Action Complaint in the Superior Court of the State of California, County of Los Angeles against Defendant (the “PAGA Action”). Plaintiff’s Representative Action Complaint asserted one cause of action against Defendant for Civil Penalties Pursuant to Labor Code §§ 2699, *et seq.* for violations of Labor Code §§ 201, 202, 203, 204, *et seq.*, 210, 226(a), 226.7, 351, 510, 512, 558(a)(1)(2), 1194, 1197, 1197.1, 1198, 2802, California Code of Regulations, Title 8, Section 11040 Subdivision 5(A)-(B), and the applicable Wage Order(s).

### **Pleading Amendment**

2.3. On August 16, 2024, the Parties stipulated to the filing of a First Amended Class and Representative Action Complaint (“FAC”) in the PAGA Action to add the claims and parties in the Class Action. The Court granted the Parties’ stipulation and on August 20, 2024, the FAC was filed in the Los Angeles Superior Court. Subsequently, Plaintiff dismissed the separate Class Action without prejudice. The FAC is the Operative Complaint (“Operative Complaint”).

2.4. Defendant denies the allegations in the Operative Complaint (or any complaints filed in the Action), denies any failure to comply with the laws identified in in the Operative Complaint (or any complaints filed in the Action) and denies any and all liability for the causes of action alleged.

### **Mediation and Settlement**

2.5. On June 24, 2025, the Parties participated in an all-day mediation presided over by Steve Serratore, Esq., a respected mediator of wage and hour representative and class actions. Following the mediation, each side, represented by its respective counsel, was able to agree to settle the Action based upon a mediator’s proposal which was memorialized in the form of a Memorandum of Understanding. This Agreement replaces and supersedes the Memorandum of Understanding and any other agreements, understandings, or representations between the Parties regarding the same.

2.6. Prior to mediation, Plaintiff obtained sufficient documents and information to sufficiently investigate the claims such that Plaintiff’s investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).

2.7. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendant that the claims in the Action of Plaintiff, the Class, or the Aggrieved Employees have merit or that Defendant bears any liability to Plaintiff, the Class, or the Aggrieved Employees on those claims or any other claims, or as an admission by Plaintiff that Defendant’s defenses in the Action have merit. The Parties agree to certification of the Class for purposes of this Settlement only. If for any reason the settlement does not become effective, this Agreement shall be automatically void and vacated and Defendant

reserves the right to contest certification of any class for any reason and reserves all available defenses to the claims in the Action.

- 2.8. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

### 3. MONETARY TERMS

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, Defendant promises to pay \$840,000 and no more as the Gross Settlement Amount. This amount is all-inclusive of all payments contemplated in this resolution, excluding any employer-side payroll taxes on the portion of the Individual Class Payments allocated to wages which shall be separately paid by Defendant. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.
- 3.2. Payments from the Gross Settlement Amount. Subject to the terms and conditions of this Agreement, the Administrator will make the following payments out of the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval.
- (a) To Plaintiff: Class Representative Service Payment to the Class Representative of not more than \$15,000 (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member and Aggrieved Employee). Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.
- (b) To Class Counsel: A Class Counsel Fees Payment of not more than one third (1/3) of the Gross Settlement Amount, which is currently estimated to be \$280,000, and a Class Counsel Litigation Expenses Payment of not more than \$36,000. Defendant will not oppose requests for these payments provided that do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested,

the Administrator will allocate the remainder to the Net Settlement Amount. With the exception of the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment, all Parties shall bear their own fees and costs. Defendants and the Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these payments.

- (c) To the Administrator: An Administration Expenses Payment not to exceed \$5,000 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses Payment is less or the Court approves payment less than \$5,000, the Administrator will retain the remainder in the Net Settlement Amount for distribution to Participating Class Members.
- (d) To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$20,000 to be paid from the Gross Settlement Amount, with 75% (\$15,000) allocated to the LWDA PAGA Payment and 25% (\$5,000) allocated to the Individual PAGA Payments.
  - i. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$5,000) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.
  - ii. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.
- (e) To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.
  - i. Tax Allocation of Individual Class Payments. 10% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. 90% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for non-wages, expense reimbursement, interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on

IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

- ii. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis. Any Non-Participating Class Member who is also an Aggrieved Employee will still receive their Individual PAGA Payment.

#### **4. SETTLEMENT FUNDING**

- 4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on its records through March 31, 2025, Defendant has represented that the Class consists of 82 Class Members who collectively worked a total of 8,500 Workweeks, and 56 Aggrieved Employees who worked a total of 1,900 PAGA Pay Periods.
- 4.2. Class Data. Not later than twenty-one (21) calendar days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted Class Member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.
- 4.3. Funding of the Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than sixty (60) days after the Effective Date.

#### **5. PAYMENTS FROM THE GROSS SETTLEMENT AMOUNT**

- 5.1. Within fourteen (14) calendar days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment.
- 5.2. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage

prepaid. The face of each check shall prominently state the “void date”, which is one hundred eighty (180) days after the date of mailing, when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Class Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Administrator must update the recipients’ mailing addresses using the National Change of Address Database. If a Participating Class Member’s or Aggrieved Employee’s check is not cashed within one hundred twenty (120) days after its last mailing to the affected individual, the Administrator will also send the individual a notice informing him or her that unless the check is cashed by the void date, it will expire and become non-negotiable and offer to replace the check if it was lost or misplaced but not cashed.

- 5.3. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without a USPS forwarding address. Within seven (7) calendar days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, if requested by the Class Member prior to the void date.
  - 5.4. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).
  - 5.5. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.
- 6. RELEASE OF CLAIMS.** Effective on the date when Defendant fully funds the entire Gross Settlement Amount and all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Participating Class Members, Aggrieved Employees and the LWDA will release claims against all Released Parties as follows:
- 6.1. Plaintiff’s General Release. Plaintiff and her respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, fully release and discharge Released Parties from any and all claims, charges, complaints,

demands, rights, liabilities, obligations, promises, agreements, controversies, transactions, occurrences, damages, suits, costs, losses, debts, actions, causes of action, or expenses (including back wages, penalties, liquidated damages, and attorney's fees and costs actually incurred), of any form or nature whatsoever, whether known or unknown, foreseen or unforeseen, anticipated or unanticipated, suspected or unsuspected, that Plaintiff Jones now have or may have against Defendants and the Released Parties arising from or relating to any and all acts, events and omissions occurring prior to the date of execution of this Agreement, whether or not asserted before such date that occurred during the Class Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, Plaintiff's PAGA Notice ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers' compensation benefits, any claims that arose at any time, or based on occurrences outside the Class Period or any other claims which cannot be released by law. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's General Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

(a) Plaintiff's Waiver of Rights Under Civil Code Section 1542. For purposes of Plaintiff's General Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

A general release does not extend to claims that 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.

6.2. Release by Participating Class Members. All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, fully release and discharge Defendant and the Released Parties from any and all causes of action, claims, rights, damages, and penalties arising at any time during the Class Period that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint including, inter alia, all claims arising under California Labor Code §§ 201, 202, 203, 204, 226, 226.7, 227.3, 246, 246.5, 510, 512, 558, 1174, 1194, 1194.2, 1197, 1198, and 2802; California Business and Professions Code §§17200-17208, including the following claims: all claims for alleged misclassification as an exempt employee, unpaid wages (including claims for failure to pay minimum wages, straight time wages, overtime and double-time compensation); all claims for the timeliness of wage payments (whether regular or final wages); all claims for the failure to provide compliant meal, rest, and recovery periods; all claims for the failure to pay premiums for violations of meal, rest, and recovery period laws (including the failure to make premium payments at all, or failure to make premium

payments at the correct rate of pay); all claims for the provision of wage statements; all claims for the failure to maintain accurate employment records; all claims for the deduction of wages; all claims for failure to reimburse necessary business expenses; all claims for failure to provide paid sick leave; and all claims for unfair business practices resulting from any of the foregoing. Except as set forth herein, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, or workers' compensation, or Class claims based on facts occurring outside the Class Period.

6.3. Release of PAGA Claims. All Aggrieved Employees and the LWDA are deemed to release and discharge fully, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, Defendant and the Released Parties from any and all rights and claims for civil penalties pursuant to PAGA during the PAGA Period that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notices including all PAGA claims arising under California Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 351, 246, 246.5, 510, 512, 558, 1194, 1197, 1197.1, 1198, 2699, and 2802; and 8 C.C.R. §11040, Sections 3, 4, 7, 11, 12, and 20 for any and all of the following PAGA claims: all PAGA claims based on alleged misclassification as an exempt employee, unpaid wages (including claims for failure to pay minimum wages, straight time wages, overtime and double-time compensation); all PAGA claims based on the timeliness of wage payments (whether regular or final wages); all PAGA claims based on the failure to provide compliant meal, rest, and recovery periods; all PAGA claims based on the failure to pay premiums for violations of meal, rest, and recovery period laws (including the failure to make premium payments at all, or failure to make premium payments at the correct rate of pay); all PAGA claims based on the provision of wage statements; all PAGA claims based on the failure to maintain accurate employment records; all PAGA claims based on to the deduction of wages; and all PAGA claims based on failure to reimburse necessary business expenses. The Released PAGA Claims do not include other PAGA claims, including underlying wage and hour claims, claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, and PAGA claims outside of the PAGA Period

7. **MOTION FOR PRELIMINARY APPROVAL**. Class Counsel shall prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”) that complies with the Court’s procedures and instructions. Class Counsel will provide Defense Counsel with a draft of these documents for review and comment and such drafts will be provided at least five (5) court days prior to the filing of the Motion for Preliminary Approval. In addition, Class Counsel will notify the LWDA of the Settlement as required by Labor Code section 2699, subd. (l) (in effect prior to July 1, 2024).

7.1. Defendant’s Responsibilities. Within twenty-one (21) days of the full execution of this Agreement, Defendant will prepare and deliver to Class Counsel a signed Declaration

disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator. In the Declaration, Defendant shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement. In this Declaration, Defendant shall also aver as to the number of Class Members and the number of Workweeks for the Class during the Class Period.

- 7.2. Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)) (in effect prior to July 1, 2024); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (v) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (vi) all facts relevant to any actual or potential conflict of interest with Class Members or the Administrator. In their Declarations, Plaintiff and Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement
- 7.3. Responsibilities of Counsel. Class Counsel is responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than thirty (30) calendar days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval Order to the Administrator.
- 7.4. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns. However, no Party shall be obligated to consent to any material change in the Agreement, whether or not such material change is caused or requested by the Court.

## 8. SETTLEMENT ADMINISTRATION

- 8.1. Selection of Administrator. The Parties have jointly selected Apex Class Action LLC to serve as the Administrator and verified that, as a condition of appointment, Apex Class

Action LLC agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Administrator's duties will include preparing, printing, and mailing the Class Notice to all Class Members; conducting a National Change of Address search to update Class Member addresses before mailing the Class Notice; re-mailing Class Notices that are returned to the Class Member's new address; setting up a toll-free telephone number and email and a fax number to receive communications from Class Members; receiving and reviewing for validity completed Requests for Exclusion; providing the Parties with weekly status reports about the delivery of Class Notices and receipt of Requests for Exclusion, objections and disputes; calculating Individual Class Payments and Individual PAGA Payments; issuing the checks to effectuate the payments due under the Settlement; issuing the tax reports required under this Settlement; and otherwise administering the Settlement pursuant to this Agreement. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

8.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.

8.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

8.4. Notice to Class Members.

- (a) No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks, and PAGA Pay Periods in the Class Data.
- (b) Using best efforts to perform as soon as possible, and in no event later than fourteen (14) calendar days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
- (c) Not later than seven (7) calendar days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member

Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

- (d) The deadlines for Class Members' written objections, Challenges to Workweeks and/or PAGA Pay Periods, and Requests for Exclusion will be extended an additional fourteen (14) calendar days beyond the Response Deadline provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- (e) If the Administrator, the Parties, Defense Counsel or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in good faith. in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than fourteen (14) calendar days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

#### 8.5. Requests for Exclusion (Opt-Outs).

- (a) Class Members who wish to exclude themselves from (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than the Response Deadline (plus an additional fourteen (14) calendar days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.
- (b) The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.
- (c) Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraph 6.2 of the Agreement,

regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

- (d) Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 6.3 of this Agreement and are eligible for an Individual PAGA Payment. If a Class Member submits both a Request for Exclusion and an objection, only the Request for Exclusion will be accepted, and the objection will be void and the Class Member shall be deemed a Participating Class Member.

8.6. Challenges to Calculation of Workweeks. Each Class Member shall have until the Response Deadline (plus an additional fourteen (14) days for Class Members whose Class Notice is re-mailed) to challenge the number of Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or PAGA Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or PAGA Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination as to the challenges

8.7. Objections to Settlement.

- (a) Only Participating Class Members may object to the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payments.
- (b) Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, or in addition to a written objection, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than the Response Deadline (plus an additional fourteen (14) days for Class Members whose Class Notice was re-mailed).
- (c) Non-Participating Class Members and Aggrieved Employees have no right to object to the Settlement.

8.8. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

- (a) Website, Email Address and Toll-Free Number. The Administrator will establish, maintain, and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval Order, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval Order and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.
- (b) Request for Exclusion (Opt-Outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than seven (7) days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion (“Exclusion List”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from the Settlement submitted (whether valid or invalid).
- (c) Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or PAGA Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.
- (d) Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, and challenges to Workweeks and/or Pay Periods received and/or resolved (“Weekly Report”). The Weekly Reports must include the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.
- (e) Administrator’s Declaration. Not later than seven (7) days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written

objections, and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

- (f) Final Report by Administrator. Within ten (10) days after the Administrator disburses all funds of the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least seven (7) days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court. If a second declaration attesting to the distribution of uncashed checks is required, the Administrator shall provide this second declaration at least seven (7) days before any deadline for a second declaration and Class Counsel shall be responsible for filing the second declaration with the Court.

**9. CLASS SIZE MODIFICATION AND ESCALATOR CLAUSE.** Based on its records, Defendant provided figures as to the Class size as set forth in paragraph 4.1 above. In regard hereto, Defendant is providing a declaration as set forth in paragraph 7.1. If the total number of Class Workweeks exceed by more than 10% above 8,500 (i.e. if the number of Workweeks exceeds 9,350), the Gross Settlement Amount shall increase proportionately (e.g., if the number of Workweeks exceeds by 11%, then Defendant shall pay 1% more than the Gross Settlement Amount). Alternatively, Defendant may opt to end the Class Period on the date the number of Class Workweeks does not exceed 9,350.

**10. DEFENDANT'S RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 5% of the total of all Class Members, Defendant may elect to, but is not obligated to, withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Administration Expenses incurred as of the date Defendant makes this election to withdraw. Defendant must notify Class Counsel and the Court of its election to withdraw not later than seven (7) calendar days after the Administrator sends the final Exclusion List to Defense Counsel. Invalid Requests for Exclusion will have no effect on this threshold for an election.

**11. MOTION FOR FINAL APPROVAL.** Unless otherwise ordered by the Court, not later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699(l) (in effect prior to July 1, 2024), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Class Counsel will also file a motion for approval of the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representative Service Payments. Plaintiff shall provide drafts of these documents to Defense Counsel not later than

seven (7) calendar days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

- 11.1. Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
- 11.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members and/or Aggrieved Employees), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administration Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph. If for any reason the Court does not grant final approval of the Settlement, this Agreement shall be automatically void and vacated.
- 11.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, the Action, and the Settlement under C.C.P. section 664.6 solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.
- 11.4. Waiver of the Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final.
- 11.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members and/or Aggrieved Employees), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on an equal basis, any additional Administration Expenses reasonably incurred at the time of remittitur. An appellate decision to vacate, reverse, or modify the

Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

**12. AMENDED JUDGMENT.** If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

### **13. ADDITIONAL PROVISIONS**

13.1. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval or Judgment pursuant to this Agreement, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

13.2. Confidentiality Prior to and After Preliminary Approval. Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

- 13.3. No Solicitation. The Parties separately agree that they and their respective counsel and employees have not and will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 13.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 13.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 13.6. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will first seek the assistance of a mediator and then the Court for resolution.
- 13.7. Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 13.8. Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 13.9. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 13.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 13.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

- 13.12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 13.13. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 13.14. Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 calendar days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall delete and destroy all paper and electronic versions of Class Data received from Defendant and provide confirmation that such destruction was completed.
- 13.15. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 13.16. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 13.17. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

*To Plaintiff and the Class:*

Norman B. Blumenthal  
Kyle R. Nordrehaug  
Blumenthal Nordrehaug Bhowmik De Blouw LLP  
2255 Calle Clara  
La Jolla, CA 92037  
Tel.: (858) 551-1223  
Fax: (858) 551-1232  
E-Mail: [norm@bamlawca.com](mailto:norm@bamlawca.com)  
[kyle@bamlawca.com](mailto:kyle@bamlawca.com)

*To Defendant:*

Lois M. Kosch

Geoffrey D. La Val  
Wilson Turner Kosmo LLP  
402 West Broadway, Suite 1600  
San Diego, California 92101  
Tel.: (619) 236-9600  
Fax: (619) 236-9669  
E-Mail: [lkosch@wilsonturnerkosmo.com](mailto:lkosch@wilsonturnerkosmo.com)  
[glaval@wilsonturnerkosmo.com](mailto:glaval@wilsonturnerkosmo.com)

13.18. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

13.19. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement, pursuant to CCP section 583.330, to extend the date to bring a case to trial under CCP section 583.310 for a period of not less than one (1) year starting from the date of the signing of this Agreement by all parties until the entry of the final approval order and judgment or if not entered the date this agreement shall no longer be of any force or effect.

13.20. Fair Settlement. The Parties, Class Counsel and Defense Counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arms-length negotiations, taking into account all relevant factors, both current and potential.

13.21. Severability. In the event that any one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, or not approved, such invalidity, illegality, unenforceability, or non-approval shall in no way affect any other provision if the Court and counsel, on behalf of the Parties and the Class Members, mutually elect in writing to proceed as if such invalid, illegal, unenforceable, or unapproved provision had never been included in this Agreement. If the Parties do not elect to proceed, the Parties shall be restored to their respective positions in the Action, as of the date of the hearing on the motion for preliminary approval.

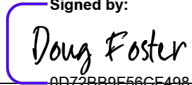
**14. EXECUTION BY PARTIES AND COUNSEL**

The Parties and their counsel hereby execute this Agreement.

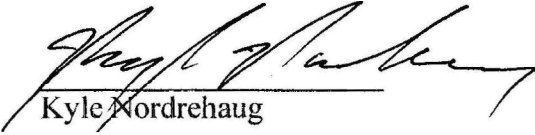
Dated: 10/22/2025

  
Sherry Rumph Oct 22, 2025 21:17:26 PDT  
\_\_\_\_\_  
Plaintiff Sherry Rumph


Dated: 11/4/2025

Signed by:  
  
9D72BB9F56CF498...  
\_\_\_\_\_  
Doug Foster  
For Defendant Sedgwick Claims Management Services, Inc.

Dated: 10/24/25

  
\_\_\_\_\_  
Kyle Nordrehaug  
Blumenthal Nordrehaug Bhowmik De Blouw LLP  
Attorney for Plaintiff

Dated: 11/6/2025

Signed by:  
  
BB81EFCF67BB4CA...  
\_\_\_\_\_  
Lois M. Kosch  
Geoffrey D. La Val  
Wilson Turner Kosmo LLP  
Attorney for Defendant

**EXHIBIT A**

[NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION AND HEARING DATE FOR  
FINAL COURT APPROVAL]

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

***Rumph v. Sedgwick Claims Management Services, Inc.,  
Superior Court of the State of California, County of Los Angeles, Case No. 24LBCV01324***

***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.***

**YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT  
ACT. PLEASE READ THIS NOTICE CAREFULLY.**

**You may be eligible to receive money** from an employee class action lawsuit (“Action”) against Defendant Sedgwick Claims Management Services, Inc. (“Defendant”) for alleged wage and hour violations. The Action was filed by Plaintiff Sherry Rumph (“Plaintiff”) and seeks payment of (1) wages and other relief on behalf of all individuals who are or previously were employed by Defendant as Field Case Managers and who were classified as exempt from overtime wages in California at any time during the Class Period (May 24, 2020 through August 24, 2025) (“Class Members”), and (2) penalties and other relief on behalf of all individuals who are or previously were employed by Defendant as Field Case Managers and who were classified as exempt from overtime wages in California at any time during the PAGA Period (April 22, 2023 through August 24, 2025) (“Aggrieved Employees”).

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

Based on Defendant’s records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be <<\$ \_\_\_\_\_>> (less withholding), and your Individual PAGA Payment is estimated to <<be \$ \_\_\_\_\_>>**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Defendant’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 Defendant’s records showing that **you worked << \_\_\_\_\_>> workweeks** during the Class Period and **you worked << \_\_\_\_\_>> pay periods** during the PAGA Period. If you believe that you worked more workweeks and/or pay periods during either period, you can submit a challenge by the deadline date. See Section 5 of this Notice below.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or do not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to

finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendant.

If you worked for Defendant during the Class Period and/or the PAGA Period, you have three basic options under the Settlement:

- (1) **Do Nothing.** You don’t have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment, and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Defendant as described in Section 4 below.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting a written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment, however you will preserve your right to personally pursue Class Period wage claims against Defendant. If you are an Aggrieved Employee, you remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.
- (3) **Object to the Settlement.** You may object to the Settlement, either in writing or verbally at the hearing. Instructions on how to object are provided below.

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

<b>SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:</b>	
<b>You Don’t Have to Do Anything to Participate in the Settlement</b>	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendant that are covered by this Settlement (Released Class Claims), in addition to being subject to the release of the Released PAGA Claims.
<b>You Can Opt-out of the Class Settlement but not the PAGA Settlement</b>  <b>The Opt-out Deadline is _____.</b>	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. <b>If you request exclusion, you will receive no money from the Class Settlement and you will not be bound by the Class Settlement.</b> Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 7 of this Notice.  You cannot opt-out of the PAGA portion of the proposed Settlement.

	<p>Defendant must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released PAGA Claims (defined below) regardless of whether you submit a request for exclusion.</p>
<p><b>Participating Class Members Can Object to the Class Settlement</b></p> <p><b>Written Objections Must be Submitted by the Response Deadline</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 Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable, provided that you do not opt out of the Class Settlement. See Section 8 of this Notice.</p>
<p><b>You Can Participate in the _____ Final Approval Hearing</b></p>	<p>The Court’s Final Approval Hearing is scheduled to take place on _____ at _____ [a.m./p.m.], at the Los Angeles County Superior Court, Governor George Deukmejian Courthouse, located at 275 Magnolia, Long Beach, CA 90802, in Department S25 before Judge Nicole M. Heeseman. This hearing may change as explained below in Section 9.</p> <p>You don’t have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 9 of this Notice</p>
<p><b>You Can Challenge the Calculation of Your Workweeks / Pay Periods</b></p> <p><b>Witten Challenges Must be Submitted by the Response Deadline</b> (_____)</p>	<p>The amount of your Individual Class Payment depends on how many workweeks you received a wage payment for work performed during the Class Period. The amount of your share of your Individual PAGA Payment (if any) depends on how many pay periods you received a wage payment for work performed during the PAGA Period. The number of Class Period workweeks and number of PAGA Period pay periods you worked according to Defendant’s records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by _____. See Section 5 of this Notice</p>

**1. What is action about?**

Plaintiff is a former employee of Defendant. In the Action, Plaintiff accuses Defendant of misclassifying Plaintiff and other Field Case Managers as exempt, which Plaintiff contends resulted in Defendant failing to pay minimum wages, failing to pay overtime wages, failing to provide required meal periods and unpaid premiums, failing to provide required rest periods and

unpaid premiums, failing to provide accurate itemized wage statements, failing to provide required expense reimbursement, failing to provide wages when due, failure to pay sick pay, and engaging in unfair competition. Plaintiff also seeks civil penalties in a representative claim under the Private Attorneys General Act (“PAGA”).

Defendant strongly denies that it violated any laws or failed to pay any wages and further denies any liability whatsoever to Plaintiff, the Class, or Aggrieved Employees. Defendant contends it complied with all applicable laws.

## **2. What does it mean that the action has settled?**

The Court has made no determination whether Defendant or Plaintiff are correct on the merits. In other words, the Court has not determined whether any laws have been violated, nor has it decided in favor of Plaintiff or Defendant. In the meantime, Plaintiff and Defendant hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an end to the case by agreement (settle the case) with no decision or admission of who is right or wrong, rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a written Class Action and PAGA Settlement Agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Defendant 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, Defendant does not admit any violations or concede the merit of any claims. Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendant has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

## **3. What are the terms of the Settlement?**

**Gross Settlement Amount. Defendant has agreed to pay an “all in” amount of Eight Hundred Forty Thousand Dollars (\$840,000) (the “Gross Settlement Amount”) to fund the settlement of the Action.** The Gross Settlement Amount includes all payments of Individual Class Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, the Administration Expenses Payment, Individual PAGA Payments, and civil penalties under PAGA. Any employer-side payroll taxes on the portion of the Individual Class Payments allocated to wages shall be separately paid by Defendant. Defendant shall fund the Gross Settlement Amount and also fund the amounts necessary to fully pay Defendant’s share of payroll taxes, by transmitting the funds to the Administrator no later than 60 days after the Effective Date. The “Effective Date” means the date the Judgment is entered and Defense Counsel is served with a copy of the Order Granting Final Approval, unless there are objections or an appeal, in which case the Effective Date is the date the Judgment is final and no longer subject to appeal. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments to Participating Class Members.

Court Approved Deductions from Gross Settlement Amount. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:

- Administration Expenses Payment. Payment to the Administrator, estimated not to exceed \$5,000, for expenses, including expenses of notifying the Class Members of the Settlement, processing opt outs, and distributing settlement checks and tax forms.
- Attorneys' Fees and Costs. Payment to Class Counsel of reasonable attorneys' fees not to exceed one-third (1/3) of the Gross Settlement Amount, which presently equals \$280,000, and an additional amount to reimburse actual litigation costs incurred by the Class Counsel not to exceed \$36,000. Class Counsel has been prosecuting the Action on behalf of Plaintiff and the Class on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses. The amounts stated are what Class Counsel will be requesting and the final amounts to be paid will be decided at the Final Approval Hearing.
- Class Representative Service Payment. A Class Representative Service Payment in an amount not more than \$15,000 to the Plaintiff as a service award, or such lesser amount as may be approved by the Court, to compensate her for services on behalf of the Class in initiating and prosecuting the Action, and for the risks she undertook. The amount stated is what Plaintiff will be requesting and the final amount to be paid will be decided at the Final Approval Hearing.
- PAGA Penalties. A payment of \$20,000 relating to Plaintiff's claim under PAGA, \$15,000 of which will be paid to the State of California's Labor and Workforce Development Agency ("LWDA"). The remaining \$5,000 will be distributed to the Aggrieved Employees as Individual PAGA Payments. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$5,000) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee received a wage payment for work performed as an exempt employee in California for Defendant during the PAGA Period, which is April 22, 2023 through August 24, 2025.

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

Calculation of Payments to Class Members. After all of the payments of the court-approved Attorneys' Fees and Costs, the Class Representative Service Payment, the PAGA Penalties, and the Administration Expenses Payment are deducted from the Gross Settlement Amount, the remaining portion, the "Net Settlement Amount", shall be distributed as Individual Class Payments to the Participating Class Members. The Net Settlement Amount is estimated to be at least \$\_\_\_\_\_. The Administrator will pay an Individual Class Payment from the Net

Settlement Amount to each Participating Class Member. The Individual Class Payment for each Participating Class Member will be calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks. "Workweek" means any calendar week during the Class Period in which a Class Member received a wage payment for work performed as an exempt employee in California. The number of Workweeks will be based on Defendant's records; however, Class Members may challenge the number of Workweeks as explained below.

**If the Settlement is approved by the Court and you do not exclude yourself, you will automatically be mailed a check for your Individual Class Payment to the same address as this Class Notice. You do not have to do anything to receive a payment.** If your address has changed, you must contact the Administrator to inform them of your correct address to ensure you receive your payment.

Tax Matters. Ten Percent (10%) of each Participating Class Member's Individual Class Payment is in settlement of wage claims (the "Wage Portion"). Accordingly, the Wage Portion is subject to wage withholdings and shall be reported on IRS Form W-2. Ninety Percent (90%) of each Participating Class Member's Individual Class Payment is in settlement of claims for non-wages, expense reimbursement, interest and penalties allegedly due to employees (collectively the "Non-Wage Portion"). The Non-Wage Portion and any Individual PAGA Payment shall not be subject to wage withholdings and shall be reported on IRS Form 1099. The employee portion of all applicable income and payroll taxes will be the responsibility of the Participating Class Members. Neither Class Counsel nor Defendant's Counsel intend anything contained in this Class Notice to constitute advice regarding taxes or taxability. The tax issues for each Participating Class Member are unique to him/her, and each Participating Class Member may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

Conditions of Settlement. This Settlement and your receipt of the Individual Class Payment and Individual PAGA Payment is conditioned upon the Court entering an order granting final approval of the Settlement and entering judgment.

The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff and Defendant have agreed that, in either case, the Settlement will be void: Defendant will not pay any money and Class Members will not release any claims against Defendant.

Need to Promptly Cash Payment Checks. The front of every check issued 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 funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the individual who failed to cash their check.

Administrator. The Court has appointed a neutral company, Apex Class Action LLC (the "Administrator") to send this Notice, calculate and make payments, and process Class Members'

Requests for Exclusion. The Administrator will also decide Class Member challenges over Workweeks, 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 8 of this Notice.

#### **4. What Do I Release Under the Settlement?**

Released Class Claims. Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, all Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, fully release and discharge Defendant and the Released Parties from any and all causes of action, claims, rights, damages, and penalties arising at any time during the Class Period that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint including, inter alia, all claims arising under California Labor Code §§ 201, 202, 203, 204, 226, 226.7, 227.3, 246, 246.5, 510, 512, 558, 1174, 1194, 1194.2, 1197, 1198, and 2802; California Business and Professions Code §§17200-17208, including the following claims: all claims for alleged misclassification as an exempt employee, unpaid wages (including claims for failure to pay minimum wages, straight time wages, overtime and double-time compensation); all claims for the timeliness of wage payments (whether regular or final wages); all claims for the failure to provide compliant meal, rest, and recovery periods; all claims for the failure to pay premiums for violations of meal, rest, and recovery period laws (including the failure to make premium payments at all, or failure to make premium payments at the correct rate of pay); all claims for the provision of wage statements; all claims for the failure to maintain accurate employment records; all claims for the deduction of wages; all claims for failure to reimburse necessary business expenses; all claims for failure to provide paid sick leave; and all claims for unfair business practices resulting from any of the foregoing ("Released Class Claims"). Except as set forth in the Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, or workers' compensation, or Class claims based on facts occurring outside the Class Period.

This means that, if you do not timely and formally exclude yourself from the settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant and any other Released Party about the Released Class Claims resolved by this Settlement. It also means that all of the Court's orders in the Action will apply to you and legally bind you.

Released PAGA Claims. Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, all Aggrieved Employees and the LWDA are deemed to release and discharge fully, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, Defendant and the Released Parties from any and all rights and claims for civil penalties pursuant to PAGA during the PAGA Period that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notices including all PAGA claims arising under California Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 351, 246, 246.5, 510, 512, 558, 1194, 1197, 1197.1, 1198, 2699, and 2802; and 8 C.C.R. §11040,

Sections 3, 4, 7, 11, 12, and 20 for any and all of the following PAGA claims: all PAGA claims based on alleged misclassification as an exempt employee, unpaid wages (including claims for failure to pay minimum wages, straight time wages, overtime and double-time compensation); all PAGA claims based on the timeliness of wage payments (whether regular or final wages); all PAGA claims based on the failure to provide compliant meal, rest, and recovery periods; all PAGA claims based on the failure to pay premiums for violations of meal, rest, and recovery period laws (including the failure to make premium payments at all, or failure to make premium payments at the correct rate of pay); all PAGA claims based on the provision of wage statements; all PAGA claims based on the failure to maintain accurate employment records; all PAGA claims based on to the deduction of wages; and all PAGA claims based on failure to reimburse necessary business expenses (“Released PAGA Claims”). The Released PAGA Claims do not include other PAGA claims, including underlying wage and hour claims, claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, and PAGA claims outside of the PAGA Period.

Released Parties. The Released Parties are: Defendant and its former and present owners, board members, trustees, partners, representatives, heirs, executors, administrators, commonly owned or controlled entities, parents, subsidiaries, affiliates, shareholders, directors, members, agents, employees, attorneys, predecessors, successors, insurers, assigns, and any individual or entity to whom liability for claims released by Plaintiff, or the Released Class Claims and Released PAGA Claims, could be assigned pursuant to Labor Code section 558.1 or on a joint-employer, alter-ego, or other vicarious liability theory.

**5. How much will my payment be?**

Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member’s Workweeks.

**Defendant’s records reflect that you worked << \_\_\_\_ >> Workweeks during the Class Period (May 24, 2020 through August 24, 2025).**

**Based on this information, your estimated Individual Class Payment from the Net Settlement Amount is << \_\_\_\_ >>.**

**Defendant’s records reflect that you worked << \_\_\_\_ >> PAGA Pay Periods during the during the PAGA Period (April 22, 2023 through August 24, 2025). Based on this information your estimated Individual PAGA Payment is << \_\_\_\_ >>.**

If you wish to challenge the information set forth above, then you must submit a written, signed dispute challenging the information along with supporting documents, to the Administrator at the address provided in this Class Notice no later than the Response Deadline, which is \_\_\_\_\_ [sixty (60) days after the mailing of the Class Notice or an additional 14 days in the case of re-mailing]. You may also fax the dispute to \_\_\_\_\_ or email the

dispute to \_\_\_\_\_ by no later than the Response Deadline. Any dispute should include credible written evidence and will be resolved by the Administrator.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendant's calculation of Workweeks based on Defendant'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 Defendant's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

#### **6. How can I get a payment?**

To get money from the Settlement, you do not have to do anything. A check for your Individual Class Payment will be mailed automatically to the same address as this Class Notice.

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

The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

**Your check will be sent to the same address as this Class Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 8 of this Class Notice has the Administrator's contact information.**

#### **7. What if I don't want to be a part of the Settlement?**

If you do not wish to participate in the Settlement, you may exclude yourself from the Class portion of the Settlement or "opt out." **If you opt out, you will not receive an Individual Class Payment from the Settlement, and you will not be bound by its terms, which means you will retain the right to sue Defendant for the Released Class Claims.** However, Aggrieved Employees who opt out will still be paid their allocation of the PAGA Penalties and will remain bound by the release of the Released PAGA Claims regardless of whether they submit a request for exclusion.

To opt out, you must submit to the Administrator a written, signed and dated request to opt-out postmarked no later than the Response Deadline which is \_\_\_\_\_. You may also fax your request to opt out to \_\_\_\_\_ or email the request to opt out to \_\_\_\_\_ by no later than the Response Deadline. The request to opt-out should state in substance that you wish to be excluded from the class settlement in the *Rumph v. Sedgwick Claims Management Services, Inc.* lawsuit. The request to opt-out should state the Class Member's full name, address and email address or telephone number. Please include the

name and number of the case, which is *Rumph v. Sedgwick Claims Management Services, Inc.*, Case No. 24LBCV01324. The request to opt-out must be completed and signed by you. No other person may opt-out for a living member of the Class.

The address for the Administrator is \_\_\_\_\_. Written requests for exclusion that are postmarked after \_\_\_\_\_, or are incomplete or unsigned will be rejected, and those Class Members will remain bound by the Settlement and the release described above.

**8. 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 Defendant are asking the Court to approve. At least sixteen (16) court days before the Final Approval Hearing, scheduled for \_\_\_\_\_, Class Counsel and Plaintiff will file in Court a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and 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 Payment. Upon reasonable request, Class Counsel (whose contact information is below) will send you copies of these documents at no cost to you. You can also view them on Class Counsel’s website at [www.bamlawca.com](http://www.bamlawca.com) under “Class Notices” for *Rumph v. Sedgwick Claims Management Services, Inc.* or on the Court’s website (<http://www.lacourt.org/casesummary/ui/index.aspx?casetype=civil>) and entering the Case No. 24LBCV01324.

A Participating Class Member who disagrees with any aspect of the Agreement and/or the Motion for Final Approval 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 Response Deadline for sending written objections to the Administrator is \_\_\_\_\_** [sixty (60) days after the date of the Notice or an additional 14 days after the Notice in the case of re-mailing]. You may also fax the objection to \_\_\_\_\_ or email the objection to \_\_\_\_\_ by no later than this Response Deadline. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action, *Rumph v. Sedgwick Claims Management Services, Inc.*, Case No. 24LBCV01324, and include your name, current address, email or telephone number, and approximate dates of employment for Defendant and sign the objection. The Administrator’s contact information is as follows:

- Administrator:
- Name of Company: Apex Class Action LLC
- Email Address: \_\_\_\_\_
- Mailing Address: \_\_\_\_\_
- Telephone Number: \_\_\_\_\_
- Fax Number: \_\_\_\_\_
- Settlement Website: \_\_\_\_\_

Alternatively, a Participating Class Member can object (or personally retain a lawyer at their own cost to object on their behalf) 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. You also have the option to appear at the hearing by audio or video. Instructions on how to do so are available on the Court's website at <https://www.lacourt.org/lacc/>. Check the Court's website for the most current information. See Section 9 of this Notice (immediately below) for specifics regarding the Final Approval Hearing

The addresses for Parties' counsel are as follows:

**CLASS COUNSEL:**

Kyle Nordrehaug  
Blumenthal Nordrehaug Bhowmik DeBlouw LLP  
2255 Calle Clara  
La Jolla, CA 92037  
Tel.: (858) 551-1223  
Fax: (858) 551-1232  
E-Mail: [kyle@bamlawca.com](mailto:kyle@bamlawca.com)

**COUNSEL FOR DEFENDANT:**

Lois M. Kosch  
Geoffrey D. La Val  
Wilson Turner Kosmo LLP  
402 West Broadway, Suite 1600  
San Diego, California 92101

**9. Can I Attend the Final Approval Hearing?**

You can, but don't have to, attend the Final Approval Hearing at \_\_\_\_\_ (Pacific Standard Time) on \_\_\_\_\_, in Department S25 of the Superior Court of California, County of Los Angeles, Governor George Deukmejian Courthouse, 275 Magnolia, Long Beach, CA 90802, before Judge Nicole M. Heeseman. At this hearing the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement and to fix the amounts to be paid as attorneys' fees and costs to Class Counsel and as a service payment to Plaintiff. If there are objections, the Court will consider them. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing remotely using the Court Connect procedure at <https://www.lacourt.org/lacc/>. You may also appear in person. Check the Court's website for the most current information on appearing in Court.

It's possible the Court will reschedule the Final Approval Hearing. If the hearing is continued, notice will be posted on Class Counsel's website at [www.bamlawca.com](http://www.bamlawca.com) under "Class Notices" for *Rumph v. Sedgwick Claims Management Services, Inc.* In addition, hearing dates are posted on the Internet via the Case Access page for the Los Angeles County Superior Court (<http://www.lacourt.org/casesummary/ui/index.aspx?casetype=civil>) and entering the Case No. 24LBCV01324.

## 10. How Can I Get More Information?

You may call the Administrator at \_\_\_\_\_ or write to *Rumph v. Sedgwick Claims Management Services, Inc.* Administrator, c/o \_\_\_\_\_.

This Class Notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may receive a copy of the Agreement, the Judgment, the motion for attorneys' fees, costs and service award, the motion for final approval or other Settlement documents by going to Class Counsel's website at [www.bamlawca.com](http://www.bamlawca.com) under "Class Notices" for *Rumph v. Sedgwick Claims Management Services, Inc.* where these documents will be posted as they become available. You may get more details by examining the Court's file on the Internet via the Case Access page for the California Superior Court for the County of Los Angeles (<http://www.lacourt.org/casesummary/ui/index.aspx?casetype=civil>) and entering the Case No. 24LBCV01324. If you wish to view the Court files in person, you are encouraged to make an appointment with the Clerk's Office at the Governor George Deukmejian Courthouse by calling (562) 256-2315.

**PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.**

### IMPORTANT:

- **What if Your Address Changes** - To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.
- **What if You Fail to Cash a Check** - Settlement checks will be null and void 180 days after issuance if not deposited or cashed, and this expiration date is printed on the check. In such events, the Administrator shall direct all unclaimed funds to be paid to the California Controller's Unclaimed Property Fund in the name of and for the benefit of the individual who did not cash their check. The funds may be claimed at [https://www.sco.ca.gov/upd\\_msg.html](https://www.sco.ca.gov/upd_msg.html).
- **What if You Lose Your 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.

**EXHIBIT B**

[ORDER GRANTING PRELIMINARY APPROVAL]

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SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES

SHERRY RUMPH, as an individual, on behalf  
of herself and those similarly situated and on  
behalf of the State of California, as a private  
attorney general,

Plaintiffs,

vs.

SEDGWICK CLAIMS MANAGEMENT  
SERVICES, INC., a Corporation; and DOES 1  
through 50, inclusive,

Defendants.

CASE NO.: **24LBCV01324**

**[PROPOSED] PRELIMINARY  
APPROVAL ORDER**

Hearing Date: \_\_\_\_\_  
Hearing Time: \_\_\_\_\_

Judge: Hon. Nicole M. Heeseman  
Dept: S25

Date Filed: June 26, 2024  
Trial Date: Not set

This matter came before the Honorable Nicole M. Heeseman of the Superior Court of the State of California, in and for the County Los Angeles, on \_\_\_\_\_[DATE], for hearing on the unopposed motion by Plaintiff Sherry Rumph (“Plaintiff”) for preliminary approval of the Class Action and PAGA Settlement with Defendant Sedgwick Claims Management Services, Inc. (“Defendant”). The Court, having considered the briefs, argument of counsel and all matters

1 presented to the Court and good cause appearing, hereby GRANTS Plaintiff’s Motion for  
2 Preliminary Approval of Class Action Settlement.

3

4 **IT IS HEREBY ORDERED:**

5 1. The Court preliminarily approves the Class Action and PAGA Settlement  
6 Agreement (“Agreement”) attached as Exhibit \_\_\_ to the Declaration of Kyle Nordrehaug in  
7 Support of Plaintiff’s Motion for Preliminary Approval of Class Action Settlement. This is based  
8 on the Court’s determination that the Settlement set forth in the Agreement is within the range of  
9 possible final approval, pursuant to the provisions of Section 382 of the California Code of Civil  
10 Procedure and California Rules of Court, rule 3.769.

11 2. This Order incorporates by reference the definitions in the Agreement, and all  
12 terms defined therein shall have the same meaning in this Order as set forth in the Agreement.

13 3. The Gross Settlement Amount that Defendant shall pay is Eight Hundred Forty  
14 Thousand Dollars (\$840,000). It appears to the Court on a preliminary basis that the settlement  
15 amount and terms are fair, adequate and reasonable as to all potential Class Members when  
16 balanced against the probable outcome of further litigation and the significant risks relating to  
17 certification, liability and damages issues. It further appears that investigation and research have  
18 been conducted such that counsel for the Parties are able to reasonably evaluate their respective  
19 positions. It further appears to the Court that the Settlement will avoid substantial additional costs  
20 by all Parties, as well as avoid the delay and risks that would be presented by the further  
21 prosecution of the Action. It further appears that the Settlement has been reached as the result of  
22 serious and non-collusive, arm’s-length negotiations.

23 4. The Court preliminarily finds that the Settlement appears to be within the range of  
24 reasonableness of a settlement that could ultimately be given final approval by this Court. The  
25 Court has reviewed the monetary recovery that is being granted as part of the Settlement and  
26 preliminarily finds that the monetary settlement awards made available to the Class are fair,  
27 adequate, and reasonable when balanced against the probable outcome of further litigation and the  
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1 significant risks relating to certification, liability, and damages issues.

2           5.       The Agreement specifies for an attorneys’ fees award not to exceed one-third of the  
3 Gross Settlement Amount, which is currently estimated to be \$280,000, an award of litigation  
4 expenses incurred, not to exceed \$36,000, and a proposed Class Representative Service Payment  
5 to the Plaintiff in an amount not to exceed \$15,000. The Court will not approve the amount of  
6 attorneys' fees and costs, nor the amount of any service payment, until the Final Approval  
7 Hearing. Plaintiff will be required to present evidence supporting these requests, including  
8 lodestar, prior to final approval.

9           6.       The Court recognizes that Plaintiff and Defendant stipulate and agree to  
10 representative treatment and certification of a class for settlement purposes only. This stipulation  
11 will not be deemed admissible in this, or any other, proceeding should this Settlement not become  
12 final. For settlement purposes only, the Court conditionally certifies the Class which consists of  
13 “all individuals who are or previously were employed by Defendant as Field Case Managers and  
14 who were classified as exempt from overtime wages in California at any time during the Class  
15 Period.” The “Class Period” is May 24, 2020 through August 24, 2025.

16           7.       The Court concludes that, for settlement purposes only, the Class meets the  
17 requirements for certification under section 382 of the California Code of Civil Procedure in that:  
18 (a) the Class is ascertainable and so numerous that joinder of all members of the Class is  
19 impracticable; (b) common questions of law and fact predominate, and there is a well-defined  
20 community of interest amongst the members of the Class with respect to the subject matter of the  
21 litigation; (c) the claims of the Plaintiff are typical of the claims of the members of the Class; (d)  
22 the Plaintiff will fairly and adequately protect the interests of the members of the Class; (e) a class  
23 action is superior to other available methods for the efficient adjudication of this controversy; and  
24 (f) counsel for the Class is qualified to act as Class Counsel and the Plaintiff is an adequate  
25 representative of the Class.

26           8.       The Court provisionally appoints Plaintiff as the representative of the Class. The  
27 Court provisionally appoints Norman B. Blumenthal, Kyle R. Nordrehaug, Aparajit Bhowmik,  
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1 Jeffrey S. Herman, Sergio J. Puche, and Trevor G. Moran of Blumenthal Nordrehaug Bhowmik  
2 De Blouw LLP as Class Counsel for the Class.

3 9. The Agreement provides for PAGA Penalties out of the Gross Settlement Amount  
4 of \$20,000, which shall be allocated \$15,000 to the Labor & Workforce Development Agency  
5 (“LWDA”) as the LWDA’s 75% share of the settlement of civil penalties paid under this  
6 Agreement pursuant to the PAGA and \$5,000 to the Aggrieved Employees. “Aggrieved  
7 Employees” are all individuals who are or previously were employed by Defendant as Field Case  
8 Managers and who were classified as exempt from overtime wages in California at any time  
9 during the PAGA Period (April 22, 2023 through August 24, 2025). Pursuant to Labor Code  
10 section 2699, the LWDA was provided notice of the Agreement and these settlement terms. The  
11 Court finds the PAGA Penalties to be reasonable.

12 10. The Court hereby approves, as to form and content, the Class Notice attached to the  
13 Agreement as Exhibit A. The Court finds that the Class Notice appears to fully and accurately  
14 inform the Class of all material elements of the proposed Settlement, of the Class Members’ right  
15 to be excluded from the Class by submitting a written opt-out request, and of each Participating  
16 Class Member’s right and opportunity to object to the Settlement. The Court further finds that the  
17 distribution of the Class Notice substantially in the manner and form set forth in the Agreement  
18 and this Order meets the requirements of due process, is the best notice practicable under the  
19 circumstances, and shall constitute due and sufficient notice to all persons entitled thereto. The  
20 Court orders the mailing of the Class Notice by first class mail pursuant to the terms set forth in  
21 the Agreement. If a Class Notice is returned because of an incorrect address, the Administrator  
22 will promptly search for a more current address for the Class Member and re-mail the Class Notice  
23 to any new address for the Class Member no later than seven (7) days after the receipt of the  
24 undelivered Class Notice.

25 11. The Court hereby appoints Apex Class Action LLC as the Administrator. No later  
26 than twenty-one (21) calendar days after this Order, Defendant will provide the Class Data to the  
27 Administrator. The Administrator will perform address updates and verifications as necessary  
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1 prior to the first mailing. Using best efforts to mail it as soon as possible, and in no event later  
2 than fourteen (14) days after receiving the Class Data, the Administrator will mail the Class Notice  
3 to all Class Members via first-class regular U.S. Mail to their last known address.

4       12.     The Court hereby preliminarily approves the proposed procedure for exclusion  
5 from the Settlement. Any Class Member may individually choose to opt out of and be excluded  
6 from the Class as provided in the Class Notice by following the instructions for requesting  
7 exclusion from the Class that are set forth in the Class Notice. All requests for exclusion must be  
8 postmarked or received no later than sixty (60) calendar days after the date of the mailing of the  
9 Class Notice (“Response Deadline”). If a Class Notice is re-mailed, the Response Deadline for  
10 requests for exclusion will be extended an additional fourteen (14) days. A Request for Exclusion  
11 may also be faxed or emailed to the Administrator as indicated in the Class Notice. Any such  
12 person who chooses to opt out of and be excluded from the Class will not be entitled to any  
13 recovery under the Class Settlement and will not be bound by the Class Settlement or have any  
14 right to object, appeal or comment thereon. Aggrieved Employees shall be sent their Individual  
15 PAGA Payment and will be subject to the release of the Released PAGA Claims regardless of  
16 whether they opt out of the Class. Class Members who have not requested exclusion shall be  
17 bound by all determinations of the Court, the Agreement and the Judgment. A request for  
18 exclusion may only opt out that particular individual, and any attempt to effect an opt-out of a  
19 group, class, or subclass of individuals is not permitted and will be deemed invalid.

20       13.     Any Class Member who has not opted out may appear at the final approval hearing  
21 and may object or express the Class Member’s views regarding the Settlement and may present  
22 evidence and file briefs or other papers that may be proper and relevant to the issues to be heard  
23 and determined by the Court as provided in the Class Notice. Class Members will have until the  
24 Response Deadline to submit their written objections to the Administrator. Written objections  
25 may also be faxed or emailed to the Administrator as indicated in the Class Notice. If a Class  
26 Notice is re-mailed, the Response Deadline for written objections will be extended an additional  
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1 fourteen (14) days. Alternatively, Class Members may appear at the Final Approval Hearing to  
2 make an oral objection.

3 14. A final approval hearing shall be held before this Court on \_\_\_\_\_  
4 \_\_\_\_\_ at \_\_\_\_\_ in Department S25 at the Governor George Deukmejian  
5 Courthouse of the Los Angeles County Superior Court to hear the motion for final approval and  
6 for attorneys' fees and costs, and to determine all necessary matters concerning the Settlement,  
7 including: whether the proposed settlement of the Action on the terms and conditions provided for  
8 in the Agreement is fair, adequate and reasonable and should be finally approved by the Court;  
9 whether the Final Approval Order and Judgment should be entered herein; whether the plan of  
10 allocation contained in the Agreement should be approved as fair, adequate and reasonable to the  
11 Class Members; and to finally approve attorneys' fees and costs to Class Counsel, service payment  
12 to Plaintiff, and the fees and expenses of the Administrator. All papers in support of the motion  
13 for final approval shall be filed with the Court and served on all counsel no later than sixteen (16)  
14 court days before the hearing and the motion shall be heard at this final approval hearing.

15 15. Neither the Settlement nor any exhibit, document, or instrument delivered  
16 thereunder shall be construed as a concession or admission by Defendant in any way that the  
17 claims asserted have any merit or that this Action was properly brought as a class or representative  
18 action, and shall not be used as evidence of, or used against Defendant as, an admission or  
19 indication in any way, including with respect to any claim of any liability, wrongdoing, fault or  
20 omission by Defendant or with respect to the truth of any allegation asserted by any person.  
21 Whether or not the Settlement is finally approved, neither the Settlement, nor any exhibit,  
22 document, statement, proceeding or conduct related to the Settlement, nor any reports or accounts  
23 thereof, shall in any event be construed as, offered or admitted in evidence as, received as or  
24 deemed to be evidence for any purpose adverse to the Defendant, including, but not limited to,  
25 evidence of a presumption, concession, indication or admission by Defendant of any liability,  
26 fault, wrongdoing, omission, concession or damage.

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1           16.     In the event the Settlement does not become effective in accordance with the terms  
2 of the Agreement, or the Settlement is not finally approved, or is terminated, canceled or fails to  
3 become effective for any reason, this Order shall be rendered null and void and shall be vacated,  
4 and the Parties shall revert to their respective positions as of before entering into the Agreement,  
5 and expressly reserve their respective rights regarding the prosecution and defense of this Action,  
6 including all available defenses and affirmative defenses, and arguments that any claim in the  
7 Action could not be certified as a class action and/or managed as a representative action. In such  
8 an event, the Court’s orders regarding the Settlement, including this Order, shall not be used or  
9 referred to in litigation for any purpose. Nothing in this paragraph is intended to alter the terms of  
10 the Agreement with respect to the effect of the Agreement if it is not approved.

11           17.     The Court reserves the right to adjourn or continue the date of the final approval  
12 hearing and all dates provided for in the Agreement without further notice to Class Members and  
13 retains jurisdiction to consider all further applications arising out of or connected with the  
14 proposed Settlement.

15           18.     The Action is stayed and all trial and related pre-trial dates are vacated, subject to  
16 further orders of the Court at the Final Approval Hearing

17           **IT IS SO ORDERED.**

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

19 \_\_\_\_\_  
20 HON. NICOLE M. HEESEMAN  
21 JUDGE OF THE SUPERIOR COURT OF CALIFORNIA  
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**EXHIBIT C**

[FINAL APPROVAL ORDER AND JUDGMENT]

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SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES

SHERRY RUMPH, as an individual, on behalf  
of herself and those similarly situated and on  
behalf of the State of California, as a private  
attorney general,

Plaintiff,

vs.

SEDGWICK CLAIMS MANAGEMENT  
SERVICES, INC., a Corporation; and DOES 1  
through 50, inclusive,

Defendants.

**CASE NO.: 24LBCV01324**

**[PROPOSED] FINAL APPROVAL  
ORDER AND JUDGMENT**

Hearing Date: \_\_\_\_\_  
Hearing Time: \_\_\_\_\_

Judge: Hon. Nicole M. Heeseman  
Dept: S25

Date Filed: June 26, 2024  
Trial Date: Not set

1 The unopposed motion of Plaintiff Sherry Rumph (“Plaintiff”) for an order finally  
2 approving the Class Action and PAGA Settlement Agreement (“Agreement”) with Defendant  
3 Sedgwick Claims Management Services, Inc. (“Defendant”), attorneys’ fees and costs, service  
4 payment, and the expenses of the Administrator duly came on for hearing on \_\_\_\_\_  
5 before the Honorable Nicole M. Heeseman.

6 **I.**  
7 **FINDINGS**

8 Based on the oral and written argument and evidence presented in connection with the  
9 motion, the Court makes the following findings:

- 10 1. All terms used herein shall have the same meaning as defined in the Agreement.
- 11 2. This Court has jurisdiction over the subject matter of this litigation pending before  
12 the Superior Court for the State of California, in and for the County of Los Angeles, and over all  
13 Parties to this litigation, including the Class.
- 14 3. Based on a review of the papers submitted by Plaintiffs and a review of the  
15 applicable law, the Court finds that the Gross Settlement Amount of Eight Hundred Forty  
16 Thousand Dollars (\$840,000) and the terms set forth in the Agreement are fair, reasonable, and  
17 adequate.
- 18 4. The Court further finds that the Settlement was the result of arm’s length  
19 negotiations conducted after Class Counsel had adequately investigated the claims and became  
20 familiar with the strengths and weaknesses of those claims. In particular, the amount of the  
21 Settlement, and the assistance of an experienced mediator in the settlement process, among other  
22 factors, support the Court’s conclusion that the Settlement is fair, reasonable, and adequate.

23 **Preliminary Approval of the Settlement**

24 5. On \_\_\_\_\_, the Court granted preliminary approval of the Settlement. At  
25 this same time, the Court approved conditional certification of the Class for settlement purposes  
26 only.

1           **Notice to the Class**

2           6.       In compliance with the Preliminary Approval Order, the Court-approved Class  
3 Notice was mailed by first class mail to members of the Class at their last-known addresses on or  
4 about \_\_\_\_\_. This mailing of the Class Notice to Class Members' last-known  
5 addresses was the best notice practicable under the circumstances and was reasonably calculated  
6 to communicate actual notice of the litigation and the proposed settlement to the Class. The Class  
7 Notice given to the Class Members fully and accurately informed the Class Members of all  
8 material elements of the proposed Settlement and of their opportunity to object to or comment  
9 thereon or to seek exclusion from the Settlement; was valid, due, and sufficient notice to all Class  
10 Members; and complied fully with the laws of the State of California, the United States  
11 Constitution, due process and other applicable law. The Class Notice fairly and adequately  
12 described the Settlement and provided Class Members adequate instructions and a variety of  
13 means to obtain additional information.

14           7.       The Response Deadline for opting out or submitting written objections to the  
15 Settlement was \_\_\_\_\_, which for re-mailings was extended by fourteen (14) days. There  
16 was an adequate interval between notice and the deadline to permit Class Members to choose what  
17 to do and to act on their decision. A full and fair opportunity has been afforded to the Class  
18 Members to participate in this hearing, and all Class Members and other persons wishing to be  
19 heard have had a full and fair opportunity to be heard. Class Members also have had a full and  
20 fair opportunity to exclude themselves from the proposed Settlement and Class. Accordingly, the  
21 Court determines that all Class Members who did not timely and properly submit a request for  
22 exclusion are bound by the Settlement and this Final Approval Order and Judgment.

23           **Fairness of the Settlement**

24           8.       The Agreement is entitled to a presumption of fairness. *Dunk v. Ford Motor Co.*  
25 48 Cal.App.4th 1794, 1801 (1996).

26           a.       The settlement was reached through arm's-length bargaining between the  
27 Parties during an all-day mediation before Steve Serratore, an experienced mediator of wage and  
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1 hour class actions. There has been no collusion between the Parties in reaching the Settlement.

2 b. Plaintiff and Class Counsel's investigation and discovery have been  
3 sufficient to allow the Court and counsel to act intelligently.

4 c. Counsel for all Parties are experienced in similar employment class action  
5 and PAGA litigation. Class Counsel recommended approval of the Agreement.

6 d. The percentage of objectors and requests for exclusion is small. \_\_\_\_  
7 objections were received. \_\_\_\_\_ requests for exclusion were received. The following  
8 individuals were the only Class Members who opted out of the Settlement: \_\_\_\_\_.

9 e. The participation rate was high. \_\_\_\_\_ Participating Class Members will  
10 be mailed a settlement payment, representing \_\_\_\_% of the overall Class.

11 9. The consideration to be given to the Class Members under the terms of the  
12 Agreement is fair, reasonable and adequate considering the strengths and weaknesses of the claims  
13 asserted in this action and is fair, reasonable and adequate compensation for the release of Class  
14 Members' claims, given the uncertainties and significant risks of the litigation and the delays  
15 which would ensue from continued prosecution of the action.

16 10. The Agreement is approved as fair, adequate and reasonable and in the best  
17 interests of the Class Members.

18 **Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment**

19 11. An award of \$280,000 for attorneys' fees, representing one-third of the Gross  
20 Settlement Amount, and \$ \_\_\_\_\_ for litigation costs and expenses, is reasonable, in light of  
21 the contingent nature of Class Counsel's fee, the hours worked by Class Counsel, and the results  
22 achieved by Class Counsel. The requested awards have been supported by Class Counsel's  
23 lodestar and billing statement.

24 **Class Representative Service Payment**

25 12. The Agreement provides for a Class Representative Service Payment of not more  
26 than \$15,000 to the Plaintiff, subject to the Court's approval. The Court finds that the Class  
27 Representative Service Payment in the amount of \$ \_\_\_\_\_ to the Plaintiff is reasonable in  
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1 light of the risks and burdens undertaken by the Plaintiff in this litigation and for her time and  
2 effort in bringing and prosecuting this matter on behalf of the Class.

3 **Administration Expenses Payment**

4 13. The Administrator shall calculate and administer the payment to be made to the  
5 Class Members and Aggrieved Employees, transmit payment for attorneys' fees and costs to Class  
6 Counsel, transmit the Class Representative Service Payment to the Plaintiff, issue all required tax  
7 reporting forms, calculate withholdings and perform the other remaining duties set forth in the  
8 Agreement. The Administrator has documented \$ \_\_\_\_\_ in fees and expenses, and this amount  
9 is reasonable in light of the work performed by the Administrator.

10 **PAGA Penalties**

11 14. The Agreement provides for PAGA Penalties out of the Gross Settlement Amount  
12 of \$20,000, which shall be allocated \$15,000 to the Labor & Workforce Development Agency  
13 ("LWDA") as the LWDA's 75% share of the settlement of civil penalties paid under this  
14 Agreement pursuant to the PAGA and \$5,000 to be distributed to the Aggrieved Employees and  
15 allocated by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties  
16 (\$5,000) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during  
17 the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay  
18 Periods. "Aggrieved Employees" are all individuals who are or previously were employed by  
19 Defendant as Field Case Managers and who were classified as exempt from overtime wages in  
20 California at any time during the PAGA Period (April 22, 2023 through August 24, 2025).  
21 Pursuant to Labor Code section 2699, the LWDA was provided notice of the Agreement and these  
22 settlement terms and has not indicated any objection thereto. The Court finds the PAGA Penalties  
23 to be reasonable.

24 **II.**

25 **ORDERS**

26 Based on the foregoing findings, and good cause appearing, IT IS HEREBY ORDERED:  
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1 15. The Class is certified for the purposes of settlement only. The Class is defined as  
2 follows:

3 All individuals who are or previously were employed by Defendant as Field Case  
4 Managers and who were classified as exempt from overtime wages in California at  
any time during the Class Period (May 24, 2020 through August 24, 2025).

5 16. All persons who meet the foregoing definition are members of the Class, except for  
6 those individuals who filed a valid request for exclusion (“opt out”) from the Class. [INSERT  
7 REFERENCE TO IDENTIFY ANY OPT OUTS].

8 17. The Agreement is hereby finally approved as fair, reasonable, adequate, and in the  
9 best interest of the Class. Defendant shall fully fund the Gross Settlement Amount and also fund  
10 the amounts necessary to fully pay Defendant’s share of payroll taxes, by transmitting the funds to  
11 the Administrator no later than sixty (60) days after the Effective Date.

12 18. Class Counsel are awarded attorneys’ fees in the amount of \$280,000 and costs in  
13 the amount of \$\_\_\_\_\_. Class Counsel shall not seek or obtain any other compensation or  
14 reimbursement from Defendant, Plaintiff or members of the Class.

15 19. The payment of the Class Representative Service Payment in the amount of  
16 \$\_\_\_\_\_ to the Plaintiff is approved.

17 20. The payment of \$\_\_\_\_\_ to the Administrator for its fees and expenses is  
18 approved.

19 21. The PAGA Penalties amount of \$20,000 is approved and is to be distributed in  
20 accordance with the Agreement.

21 22. Pursuant to Labor Code section 2699, Class Counsel shall submit a copy of this  
22 Final Approval Order and Judgment to the LWDA within 10 days after its entry.

23 23. Neither the Agreement nor this Settlement is an admission by Defendant, nor is this  
24 Final Approval Order and Judgment a finding, of the validity of any claims in the Action or of any  
25 wrongdoing by Defendant or that this Action is appropriate for class or representative treatment  
26 (other than for settlement purposes). Neither this Final Approval Order and Judgment, the  
27 Agreement, nor any document referred to herein, nor any action taken to carry out the Agreement  
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1 is, may be construed as, or may be used as an admission by or against Defendant of any fault,  
2 wrongdoing or liability whatsoever. The entering into or carrying out of the Agreement, and any  
3 negotiations or proceedings related thereto, shall not in any event be construed as, or deemed to be  
4 evidence of, an admission or concession with regard to the denials or defenses by Defendant.  
5 Notwithstanding these restrictions, Defendant may file in the Action or in any other proceeding  
6 this Final Approval Order and Judgment, the Agreement, or any other papers and records on file in  
7 the Action as evidence of the Settlement to support a defense of *res judicata*, collateral estoppel,  
8 release, or other theory of claim or issue preclusion or similar defense as to the Released Class  
9 Claims and/or Released PAGA Claims.

10         24. Notice of entry of this Final Approval Order and Judgment shall be given to all  
11 Parties by Class Counsel on behalf of Plaintiff and all Class Members. The Final Approval Order  
12 and Judgment shall be posted on the website as set forth in the Class Notice to the Class. It shall  
13 not be necessary to send notice of entry of this Final Approval Order and Judgment to individual  
14 Class Members.

15         25. If the Agreement does not become final and effective in accordance with the terms  
16 of the Agreement, then this Final Approval Order and Judgment, and all orders entered in  
17 connection herewith, shall be rendered null and void and shall be vacated, and the Parties shall  
18 revert to their respective positions as of before entering into the Agreement, and expressly reserve  
19 their respective rights regarding the prosecution and defense of this Action, including all available  
20 defenses and affirmative defenses, and arguments that any claim in the Action could not be  
21 certified as a class action and/or managed as a representative action.

22 **IT IS HEREBY ORDERED, ADJUDICATED AND DECREED THAT:**

23         26. Except as set forth in the Agreement and this Final Approval Order and Judgment,  
24 Plaintiffs, and all members of the Class, shall take nothing in the Action.

25         27. All Parties shall bear their own attorneys' fees and costs, except as otherwise  
26 provided in the Agreement and in this Final Approval Order and Judgment.

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1           28.     Effective on the date when Defendant fully funds the entire Gross Settlement  
2 Amount and all employer payroll taxes owed on the Wage Portion of the Individual Class  
3 Payments, Plaintiff, Participating Class Members, Aggrieved Employees and the LWDA will  
4 release claims against Defendant and all Released Parties as follows:

5                   (a)     All Participating Class Members, on behalf of themselves and their  
6 respective former and present representatives, agents, attorneys, heirs, administrators, successors,  
7 and assigns, fully release and discharge Defendant and the Released Parties from any and all  
8 causes of action, claims, rights, damages, and penalties arising at any time during the Class Period  
9 that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative  
10 Complaint including, inter alia, all claims arising under California Labor Code §§ 201, 202, 203,  
11 204, 226, 226.7, 227.3, 246, 246.5, 510, 512, 558, 1174, 1194, 1194.2, 1197, 1198, and 2802;  
12 California Business and Professions Code §§17200-17208, including the following claims: all  
13 claims for alleged misclassification as an exempt employee, unpaid wages (including claims for  
14 failure to pay minimum wages, straight time wages, overtime and double-time compensation); all  
15 claims for the timeliness of wage payments (whether regular or final wages); all claims for the  
16 failure to provide compliant meal, rest, and recovery periods; all claims for the failure to pay  
17 premiums for violations of meal, rest, and recovery period laws (including the failure to make  
18 premium payments at all, or failure to make premium payments at the correct rate of pay); all  
19 claims for the provision of wage statements; all claims for the failure to maintain accurate  
20 employment records; all claims for the deduction of wages; all claims for failure to reimburse  
21 necessary business expenses; all claims for failure to provide paid sick leave; and all claims for  
22 unfair business practices resulting from any of the foregoing (“Released Class Claims”). Except  
23 as set forth herein, Participating Class Members do not release any other claims, including claims  
24 for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act,  
25 unemployment insurance, disability, social security, or workers’ compensation, or Class claims  
26 based on facts occurring outside the Class Period.

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1 (b) All Aggrieved Employees and the LWDA are deemed to release and  
2 discharge fully, on behalf of themselves and their respective former and present representatives,  
3 agents, attorneys, heirs, administrators, successors, and assigns, Defendant and the Released  
4 Parties from any and all rights and claims for civil penalties pursuant to PAGA during the PAGA  
5 Period that were alleged, or reasonably could have been alleged, based on the facts stated in the  
6 Operative Complaint and the PAGA Notices including all PAGA claims arising under California  
7 Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 351, 246, 246.5, 510, 512, 558, 1194,  
8 1197, 1197.1, 1198, 2699, and 2802; and 8 C.C.R. §11040, Sections 3, 4, 7, 11, 12, and 20 for any  
9 and all of the following PAGA claims: all PAGA claims based on alleged misclassification as an  
10 exempt employee, unpaid wages (including claims for failure to pay minimum wages, straight  
11 time wages, overtime and double-time compensation); all PAGA claims based on the timeliness of  
12 wage payments (whether regular or final wages); all PAGA claims based on the failure to provide  
13 compliant meal, rest, and recovery periods; all PAGA claims based on the failure to pay premiums  
14 for violations of meal, rest, and recovery period laws (including the failure to make premium  
15 payments at all, or failure to make premium payments at the correct rate of pay); all PAGA claims  
16 based on the provision of wage statements; all PAGA claims based on the failure to maintain  
17 accurate employment records; all PAGA claims based on to the deduction of wages; and all  
18 PAGA claims based on failure to reimburse necessary business expenses (“Released PAGA  
19 Claims”). The Released PAGA Claims do not include other PAGA claims, including underlying  
20 wage and hour claims, claims for vested benefits, wrongful termination, violation of the Fair  
21 Employment and Housing Act, unemployment insurance, disability, social security, workers’  
22 compensation, and PAGA claims outside of the PAGA Period.

23 (c) Plaintiff and his respective former and present spouses, representatives,  
24 agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge  
25 Released Parties from the Plaintiff’s Release, as fully set forth in the Agreement.

26 29. For any Class Member or Aggrieved Employee whose Individual Class Payment  
27 check or Individual PAGA Payment check is uncashed and cancelled after the void date, the  
28

1 Administrator shall transmit the funds represented by such checks to the California Controller's  
2 Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue"  
3 subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

4 30. The Court hereby enters judgment in the Action as of the filing date of this Order  
5 and Judgment, pursuant to the terms set forth in the Settlement. Without affecting the finality of  
6 this Order and Judgment in any way, the Court hereby retains continuing jurisdiction over the  
7 interpretation, implementation, and enforcement of the Settlement and all orders entered in  
8 connection therewith pursuant to California Code of Civil Procedure section 664.6.

9 **LET JUDGMENT BE FORTHWITH ENTERED ACCORDINGLY. IT IS SO ORDERED.**

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

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HON. NICOLE M. HEESEMAN  
JUDGE OF THE SUPERIOR COURT OF CALIFORNIA

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