

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made and entered into by and between Named Plaintiffs Karli White and Antonio Mitchell, individually and as representatives of a certified class (“Plaintiffs”), the certified Class, and Defendant Providence Health Services – Washington (“Providence” or “Defendant”) in the case entitled *White v. Providence Health Services - Washington*, Case Number 20-2-08249-0 SEA (“Lawsuit”) currently pending in King County Superior Court. Together, Plaintiffs, the Class, and Defendant are referred to here as “the Parties.”

WHEREAS, this Lawsuit arises from allegations that Defendant failed to provide additional compensation to Plaintiffs and the certified class for missed and late meal and rest breaks;

WHEREAS, Defendant denies the claims and contentions by Plaintiffs and denies any wrongdoing or liability arising out of the Lawsuit;

WHEREAS, the Parties are represented by counsel, are familiar with the law and facts at issue in the Lawsuit, and have engaged in arms-length, good faith negotiations resulting in a settlement they believe to be fair, adequate, and reasonable;

WHEREAS, this Agreement memorializes the terms of settlement reached by the Parties at the conclusion of such negotiations to bring about a full, complete, and final resolution of this Lawsuit;

NOW, THEREFORE, in consideration of the covenants and promises set forth below, the Parties agree as follows:

- 1) **Cooperation:** The Parties agree to cooperate with each other to accomplish the terms of this Agreement, including but not limited to, execution of the documents and filings necessary to do so.
- 2) **Court Approval:** The Parties understand that the terms of this Agreement are subject to approval by the King County Superior Court.
- 3) **Definitions:**
 - a) “Business Days” means weekdays (Monday through Friday), excluding weekends and paid holidays observed by Defendant.
 - b) “Class” means the class certified by the King County Superior Court on or about November 23, 2021 and including all registered nurses and technical personnel engaged in patient care who have been employed by Providence Health Services-Washington at the Providence Regional Medical Center-Everett (“PRMCE”); worked in the Emergency Department of PRMCE for at least one shift between April 15, 2017

and March 1, 2021; and worked at PRMCE for at least 20 shifts between April 15, 2017 and March 1, 2021.

The Parties agree nothing in this Agreement shall be construed to limit, waive, or otherwise impair Defendant's right to challenge class certification in the event the Final Order is not approved by the Court.

- c) "Class Counsel" means attorneys Adam Berger and Lindsay Halm of the law firm of Schroeter Goldmark & Bender and Damian Mendez of the Mendez Law Group, PLLC.
- d) "Class Member" means any individuals in the Class who did not timely request exclusion from the Class.
- e) "Class Period" means the period between April 15, 2017, and March 1, 2021.
- f) "Complaint" means the Class Complaint filed by Plaintiffs on April 28, 2020.
- g) "Defendant's Counsel" means attorneys Paula Lehmann, Katie Rosen, Sarah Ames, and Rebecca Shelton of Davis Wright Tremaine LLP.
- h) "Effective Date" means the date by which the Settlement is finally approved by the Court, meaning the later of: (i) thirty-five (35) days after entry of the Final Order dismissing the Lawsuit if no appeal of that Order is filed, or (ii) if a timely appeal is made, the date of the final resolution of that appeal and any subsequent appeals resulting in final judicial approval of the Settlement.
- i) "Final Order" means the Court's order approving the terms of the Parties' settlement and dismissing the Lawsuit with prejudice in accordance with the terms of this Agreement. The Final Order shall include provisions dismissing with prejudice the claims brought against Defendant on behalf of Plaintiffs and Class Members.
- j) "Gross Settlement Fund" means the total sum of seven-hundred and fifty thousand dollars and zero cents (\$750,000.00), which is the total amount Defendant shall be required to pay under the terms of this Agreement, with the exception of the employer's share of payroll taxes as provided in paragraph 7 below.
- k) "Incentive Awards" means the proposed payments specified below for Plaintiffs Karli White and Antonio Mitchell.
- l) "Individual Settlement Payments" means the payments made to individual Class Members.
- m) "Initial Mailing Date" is the date the TPA first mails the Notice preliminarily approved by the Court to the Class.

- n) “Net Settlement Fund” means the portion of the Gross Settlement Fund that is allocated to pay wages and interest to Class Members, after accounting for payment of any Court-approved attorneys’ fees, litigation costs, Incentive Awards, and third-party administrator (TPA) fees.
 - o) “Notice” means the document that will be sent to the Class following preliminary approval of the Parties’ settlement.
 - p) “Released Party” means: the named Defendant in this action, Providence Health Services - Washington, as well as each of its respective predecessors, successors, and assigns, parent companies, subsidiaries, related or affiliated companies, members, shareholders, owners, officers, directors, employees, agents, attorneys, and insurers, along with any other individual or entity who could be jointly or severally liable for any of the Released Claims.
 - q) “Settlement” means the compromise and resolution of this Lawsuit embodied in this Agreement.
 - r) “TPA” or “Settlement Administrator” refers to a third-party administrator, jointly selected by the parties, who shall be responsible to establish a qualified settlement fund, issue Notices, process any opt-outs, make payments and distributions, and issue tax documents to Class Members. Fees for such services shall be paid out of the Common Settlement Fund.
- 4) **Investigation and Due Diligence.** The Parties have conducted written discovery and investigation of the facts and the law during their respective prosecution and defense of this Action. As part of this review and investigation, the Parties and their counsel have: (1) taken formal written discovery; (2) collected, reviewed, and analyzed documents, time records, payroll data, and other information concerning the composition of the Class, the merits of Plaintiffs’ claims and Defendant’s defenses, and the potential damages; and (3) amply considered and analyzed their respective claims or defenses.
- 5) **Qualified Settlement Fund.** Defendants agree to deposit the Gross Settlement Fund (\$750,000.00) into a qualified settlement fund (the “QSF”) established by the Settlement Administrator within fifteen (15) business days of the Effective Date of the Settlement, by wire, check, or as directed by the TPA. The Parties agree that the QSF is intended to be a “Qualified Settlement Fund” under Section 468B of the Code and Treas. Reg. § 1.468B-1, 26 C.F.R. § 1.468B-1 *et seq.*, and will be administered by the Settlement Administrator in accordance with the terms of this Agreement and in such a manner as to qualify and maintain the qualifications of the QSF under the aforementioned Code sections. The monies to establish, maintain, and fund the QSF will be part of the TPA fees, which will be paid exclusively from the Gross Settlement Fund Payment. The Settlement Administrator shall be responsible for making the payments described above from the QSF.

6) **Allocation of the Gross Settlement Fund.** Subject to Court approval, the Gross Settlement Fund shall be allocated as follows:

- a) Attorneys' Fees and Costs. Class Counsel will apply for an award of up to thirty percent (30%) of the Gross Settlement Fund (or, \$225,000) as payment for attorneys' fees, plus actual litigation costs and TPA fees within thirty (30) days after the Initial Mailing Date. Defendant will not oppose such requests. The enforceability of this Agreement is not contingent on the amount of attorneys' fees, litigation costs, or TPA fees awarded by the Court. Any objection regarding the amount of fees or costs and/or any related appeal shall not affect the enforceability of this Agreement nor delay distribution of the Individual Settlement Payments or Incentive Awards.
- b) Incentive Awards. Class Counsel will apply for Incentive Awards of up to \$5,000 each to Plaintiffs Karli White and Antonio Mitchell within thirty (30) days after the Initial Mailing Date, separate and apart from any Individual Settlement Payment owed to them. Defendant will not oppose such request. The enforceability of this Settlement Agreement is not contingent on the amount of any Incentive Awards approved by the Court. Any objection regarding the amount of Incentive Awards and/or any related appeal shall not affect the enforceability of this Agreement nor delay distribution of the Individual Settlement Payments or Attorneys' Fees and Costs.
- c) Individual Settlement Payments. The remainder after deducting fees, incentive awards and costs described above (the Net Settlement Fund) will be distributed to individual Class Members on a pro rata basis, according to the number of missed meal periods reported and potential late rest breaks experienced by the Class Member during the Class Period, based on the data in Defendant's time-keeping records. Draft calculations of Individual Settlement Payments will be performed by Class Counsel and their expert and provided to the TPA and shared with counsel for Defendant five (5) Business Days before the Initial Mailing Date. Calculations will then be adjusted to account for final approval of any Attorneys' Fees and costs and finalized within ten (10) days of the Final Order.

Class Members shall not be required to complete a claim form in order to share in the Net Settlement Fund. A check representing each Class Member's Individual Settlement Payment shall be mailed to that member in accordance with the terms of this Settlement Agreement.

7) **Timing and Distribution of Payments.** The Settlement Administrator will make disbursements as follows:

- a) Within ten (10) business days of receiving Defendant's payment into the QSF, the Settlement Administrator shall issue to Class Counsel the attorneys' fees and costs award approved by the Court and the Incentive Awards for the Class Representatives. Payment of any Court-approved attorneys' fees and litigation costs shall be issued in one check or wire transfer made out to "Schroeter Goldmark & Bender."

- b) Within ten (10) business days of receiving Defendant's payment into the QSF, the Settlement Administrator may disburse to itself the Settlement Administration Expenses Award approved by the Court. Class Counsel hereby agrees to indemnify, defend, and hold harmless Defendant from any claim by the Settlement Administrator for reimbursement of the Settlement Administration Expenses in excess of those approved for payment by the Court from the Gross Settlement Fund.
 - c) Within ten (10) business days after receiving Defendant's payment, the Settlement Administrator shall issue and mail checks to Class Members and any Incentive Payments to the Plaintiffs approved by the Court. Checks will have a cashing deadline of 120 days.
 - d) The TPA shall send one reminder postcard to Class Members who have not cashed checks within 30 days of mailing.
 - e) The TPA will notify Class Counsel of the identity of any Class Members whose checks were returned as undeliverable.
- 8) **Tax Reporting.** The Settlement Administrator will be responsible for calculating the required taxes and withholdings on the Individual Settlement Payments and issuing all required tax forms for payments. The Parties agree to cooperate fully with the Settlement Administrator as necessary to facilitate such calculations, payment, and documentation. Individual Settlement Payments will be subject to payroll taxes and withholdings required by law and allocated as follows: (i) 50% of the Class Member's award will be treated as wages, subject to payroll taxes, and reported on a Form W-2 and (ii) 50% as interest, not subject to payroll taxes, and reported on a Form 1099-INT. The TPA will also issue Plaintiffs a Form 1099-MISC for any Court-approved Incentive Awards; and will issue Class Counsel a Form 1099 for attorneys' fees and costs. The employers' share of taxes on any such payments will not be drawn from the Gross Settlement Fund and will instead be calculated by the Settlement Administrator and funded separately by Defendant. Defendant will pay the employers' share of payments no later than fifteen business (15) days after the Effective Date. The TPA will calculate and deduct employee-side payroll tax amounts, including income tax withholding and any other required deductions. The TPA will be responsible for reporting all Settlement Award Payments and for forwarding all employee-side payroll taxes, withholdings, and other deducted amounts associated with the Settlement Awards to the necessary government entities. The TPA shall also timely remit Defendant's employer-side tax payments to the appropriate government entities and provide Defendant with prompt written notice of such remittal.
- 9) **Preliminary Approval.** Within thirty (30) days of executing this Agreement, Class Counsel shall move the Court for entry of an order that: (i) preliminarily approves the Parties' Settlement; (ii) sets a date for a final fairness hearing at least 90 days from the date of the preliminary order; (iii) approves the proposed Notice and notice procedure; and (iv) appoints a TPA to issue the Notice and administer settlement. Class Counsel shall provide Defendant's counsel with a draft of the motion at least five (5) calendar days before filing. The Parties will attempt in good faith to agree on the form of the proposed Notice in advance. If an impasse is reached, the Parties will request that the Court resolve such dispute at the time of preliminary

approval. Any changes to the Notice that the Court may require do not invalidate this Agreement as long as the changes do not materially affect the substance of the Agreement. If the Court denies the Motion for Preliminary Approval, unless the Parties jointly agree to seek reconsideration of the ruling or to seek Court approval of a renegotiated settlement, this Agreement will be null and void, Defendant shall not be required to make any payments and the Lawsuit will resume as if settlement had not been attempted.

- 10) **Notice to Class.** Within fifteen (15) days of entry of the Court's order preliminarily approving the Parties' settlement, Defendant will provide the Settlement Administrator their most current mailing addresses, phone numbers, and SSNs for each Class Member in Excel format. Within twenty (20) days of receiving such information, the Settlement Administrator will then mail the Notice to all Class Members via first class regular mail. If any Notice is returned as undeliverable within thirty (30) days of mailing, the Settlement Administrator will attempt one trace to locate a better address and, if found, will make a second attempt at mailing the Notice. If the Notice is again returned as undeliverable, no further attempts at delivery will be necessary by the TPA; however, Class Counsel may use reasonable means to locate such person. The TPA will provide the Parties regular updates regarding the Notice process, including any undeliverable notices, and the receipt of any objections, exclusions, and/or challenges to the settlement or any of its terms.
- 11) **Objection.** Any Class Member may object to any term of this Agreement provided that such objection is made in writing, filed with the Court, and received by Class Counsel no later than sixty (60) days after the Initial Mailing Date. The Notice will provide instruction on how to submit an objection. Failure to comply with this requirement will be deemed a waiver of the right to object or to be heard at a final hearing. If the Objection is submitted and overruled by the Court, the objecting Class Member shall remain fully bound by the terms of the Agreement, including the Release, so long as the Agreement is finally approved by the Court, and the Effective Date occurs. The Parties shall submit any responses to objections at least fourteen (14) days before the final approval hearing.
- 12) **No Residual.** Defendant will receive no reversion from the settlement funds. Fifty percent (50%) of the proceeds of any uncashed checks (after the 120-day deadline has passed) will be sent to the Legal Foundation of Washington; the other fifty percent (50%) to the Fair Work Center. The TPA shall issue and deliver the *cy pres* checks to the Fair Work Center and the Legal Foundation of Washington, with notice to Class Counsel of the payments.
- 13) **Release by Class Members.** In exchange for the terms and conditions outlined in this Agreement, Class Members, including Plaintiffs, agree to release the Released Parties from any and all past claims, demands, obligations, actions, causes of action, rights, rights of appeal, damages, costs, losses, expenses and compensation of any nature whatsoever whether based in statute, tort, contract, common law, or other theory of recovery, in equity or in law, that were made or could have been made arising out of or in any way related to the acts or omissions alleged by the Plaintiffs in the Lawsuit during the Class Period. This Release includes but is not limited to the release of Defendant and the Released Parties from any

claims, loss, or damage sustained by Class Members based on federal, state, or local laws pertaining to alleged missed, interrupted, shortened, untimely, unpaid, and/or non-compliant rest breaks and/or meal periods, including any attendant claims for unpaid wages, overtime payments, exemplary damages, interest, fees, costs, attorneys' fees and all other claims and allegations made or arising from the facts and circumstances alleged in the Lawsuit, or any assertion of rights relating to any of the foregoing that arose during the Class Period. Each Class Member is responsible for appropriately reporting the proceeds received as a result of this Settlement Agreement on his/her taxes. This provision expressly excludes any claims that may not be released by law or claims that accrue after the Class Period.

14) Additional Release by Named Plaintiffs. In addition to the release of Class Members, which is incorporated herein by reference, Plaintiffs Karli White and Antonio Mitchell for themselves and on behalf of their marital community, if any, hereby irrevocably, fully, and finally release the Released Parties of and from any and all past and present claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, action or causes of action, contingent or accrued, asserted or unasserted, of any kind or nature, including without limitation arising out of or related to their employment with Defendant, which existed on the Effective Date, whether or not such claims are presently known or unknown. This Release is intended to extend to and includes, among other things, claims of any kind arising under or based upon the Worker Adjustment and Retraining Notification Act; Title VII of the Civil Rights Act of 1964; the Americans with Disabilities Act; the Family and Medical Leave Act; the Employee Retirement Income Security Act; the Equal Pay Act; the Occupational Safety and Health Act; the Families First Coronavirus Response Act; Washington Human Rights Commission, Wash. Rev. Code §§ 49.60.010–49.60.390; Equal Pay Opportunity Act, Wash. Rev. Code § 49.12.175 (equal pay); Wash. Rev. Code § 49.44.090 (age discrimination); Wash. Rev. Code §§ 49.78.005–49.78.904, 49.12.265–49.12.295 (family and medical leave); Wash. Rev. Code §§ 50A.05.005–50A.04.900 (family and medical leave); Wash. Rev. Code § 49.46.200–49.46.210 (sick leave); Wash. Rev. Code § 42.17A.495 (political party discrimination), Wash. Rev. Code § 2.36.165 (jury duty), and any other federal, state, or local law, rule, or regulation prohibiting employment discrimination, retaliation, harassment, or otherwise relating to employment; and any claims based upon any other theory, whether legal or equitable.

15) Final Approval and Dismissal. On the date established by the Court's order issuing preliminary approval, Class Counsel shall file a motion and proposed Final Order that seeks: (i) final approval of the Settlement, including an order that directs the funding and disbursement of the Individual Settlement Payments, attorneys' fees and costs, Incentive Awards, and TPA fees; (ii) dismissal of the Lawsuit with prejudice; (iii) incorporation of the releases at paragraphs 13 and 14, (iv) without affecting the finality of the Final Order for the purposes of appeal, retention of jurisdiction as to all matters relating to administration, consummation, enforcement, and interpretation of this Agreement and the Final Order, and for any other necessary purpose; and (v) any other provisions as the Court deems necessary and just. Class Counsel shall provide Defendant with a draft of the motion and proposed Final Order at least five (5) calendar days before filing.

- 16) **Appellate Review.** Except to the extent a Class Member presents a timely objection to the terms of this Agreement, Class Members waive their right to seek any form of appellate review over any order issued consistent with the terms of this Settlement Agreement.
- 17) **Voiding the Settlement Agreement.** In the event the Court fails to finally approve the fairness of the Settlement or scope of the Release, this Agreement shall be rendered void and unenforceable as to all Parties. If the Settlement becomes void, this Agreement shall have no force or effect; all negotiations, statements, and proceedings related to it shall be without prejudice to the rights of any party, all of whom shall be restored to their respective positions in the Lawsuit prior to the Settlement; and neither this Settlement Agreement nor any ancillary documents, actions, or filings shall be admissible or offered into evidence in the Lawsuit.
- 18) **No Admission of Liability.** Defendant does not admit any liability or wrongdoing of any kind associated with the claims asserted in the Lawsuit. Defendant denies all of Plaintiffs' material allegations, including without limitation that Defendant failed to properly compensate class members for time worked or failed to comply with the law. The Parties agree that this Agreement is entered into solely on the basis of a compromise of disputed claims, and this Settlement Agreement is not, and is not to be construed as, an admission by any Party of any liability whatsoever. Nor is it, and nor will it be construed as, an admission of any act or fact whatsoever, including any violation of federal, state, local, or common law, statute, ordinance, directive, regulation, or order. This Settlement Agreement, and any communications, papers, proceedings or orders related to this Settlement Agreement, are settlement documents and shall be inadmissible in evidence in any proceeding, other than an action or proceeding to approve, interpret or enforce this Settlement Agreement.
- 19) **Authority.** Each signatory to this Agreement states that they have the authority to sign on behalf of the person or entity for which they are signing.
- 20) **Dispute Resolution.** Any dispute over any term of this Agreement or enforcement of this Agreement shall be brought to the Court presiding over the Lawsuit. The Parties agree that the Court shall have jurisdiction to consider and resolve disputes that may arise. The Parties agree that the prevailing party in such action shall be entitled to reasonable attorneys' fees and costs. The laws of the State of Washington govern this Agreement.
- 21) **Modification.** This Agreement may not be changed, altered, or modified, except in writing and signed by the Parties, and, if changed after preliminary court approval, approved by the Court.
- 22) **Integration Clause.** This Agreement constitutes the entire understanding between the Parties relating to the settlement contemplated.

- 23) **No Prior Assignments.** This Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, trustees, executors, administrators, and successors. The Parties represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or rights herein released and discharged except as set forth in the Agreement.
- 24) **Counterparts.** This Agreement may be executed in counterparts, and, when taken together with other signed counterparts, shall constitute one Agreement, which shall be binding on and effective as to all Parties. Scanned or electronic signatures shall have the same force and affect as an original ink signature.
- 25) **Severability.** If any term, clause, or provision of this Agreement is held invalid by a court of competent jurisdiction, such invalidity will not affect the validity or operation of any other term, clause, or provision and will be deemed to be severed from the Agreement or amended so as to comply with Washington law.
- 26) **Preliminary Timeline for Completion of Settlement Agreement.** The preliminary schedule for notice, approval, and payment procedures carrying out this Agreement is set forth below. This schedule may be modified by agreement of the Parties in writing, or by order of the Court, depending on whether and when the Court grants necessary approvals and orders notice to the Class, and sets any further hearings. In the event of any such modification, the Parties shall cooperate in order to complete the Settlement procedures as expeditiously as reasonably practicable.

Within 25 days of Executing this Agreement	Class Counsel will provide Defendant's Counsel with the Proposed Motion for Preliminary Approval from the Court
Within 30 days of Executing this Agreement	Class Counsel moves for Preliminary Approval from the Court
Order on Preliminary Approval	Order on Preliminary Approval
Within 15 days of the Court's Preliminary Approval	Defendant's Counsel will provide class data to TPA and Class Counsel
No later than 5 Business Days before the Initial Mailing Date	Class Counsel will provide final calculations to Defendant's counsel and the TPA
Within 20 days of providing class data to TPA and Class Counsel: Initial Mailing Date	TPA will send Notice to Class on Initial Mailing Date
Within 30 days of the Initial Mailing Date	Class Counsel will apply for an award of up to thirty percent (30%) of the Gross Settlement Fund (or,

	\$225,000) as payment for attorneys’ fees, plus actual litigation costs and TPA fees
Within 30 days of the Initial Mailing Date	Class Counsel will apply for Incentive Awards of up to \$5,000 each to Plaintiffs Karli White and Antonio Mitchell
Within 60 days of Initial Mailing Date	Class members may object to terms of settlement (as long as it is in writing, sent to Class Counsel, and filed with the Court)
After 90 days from the Court’s Preliminary Approval Order	Final Approval Hearing
Within 10 days of the Final Order	Class Settlement Awards will then be adjusted to account for final approval of any Attorneys’ Fees and costs and finalized.
EFFECTIVE DATE	Effective Date: Court finally approves the Final Order, meaning the later of 35 days after entry of the Final Order dismissing the lawsuit or the date of final resolution of a timely appeal.
15 business days after the Effective Date	Defendant deposits the Gross Settlement Fund into the QSF.
15 business days after the Effective Date	Defendant will pay the employers’ share of taxes on back wage components of Individual Settlement Awards
Within 10 days of depositing GSF into QSF	TPA sends Class Counsel checks for fees and costs.
Within 10 days of depositing GSF into QSF	TPA sends Class checks for Individual Settlement Awards.
Within 30 days of mailing of Individual Settlement Awards	TPA will send reminder postcard to Class members who have not cashed checks
Within 120 days of mailing the settlement checks	Uncashed checks shall be deemed relinquished.

The undersigned have duly executed this Settlement Agreement as of the date indicated below:

Plaintiffs:

Date: 10/27/2023

DocuSigned by:

Karli White

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Plaintiff Karli White

Date: 10/27/2023

DocuSigned by:


[Signature]

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Plaintiff Antonio Mitchell

For Class Counsel:

Date: 10/27/23

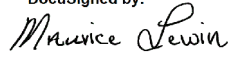


Lindsay Halm
Adam Berger
SCHROETER GOLDMARK & BENDER

Damian Mendez
MENDEZ LAW GROUP, PLLC

For Defendant:

Date: 11/20/2023

DocuSigned by:


FDA54F3AD271463...
Name (Printed): Maurice Lewin Chief Human Resource Officer
Providence Health Services – Washington
Representative

For Defendant's' Counsel:

Date: 11/27/2023



Sarah Ames
DAVIS WRIGHT TREMAINE