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9
10 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

11 **COUNTY OF ALAMEDA**

12
13 ALEXANDER GUREVICH, et al.,

14 Plaintiff,

15 vs.

16 ROYAL AMBULANCE, INC., et al.,

17
18 Defendants.

19
20 KEVIN DICKENS, et al.,

21 Plaintiffs

22 vs.

23 ROYAL AMBULANCE, INC., et al.,

24 Defendants.
25

**CASE NOS. RG12631895
RG12639791**

ASSIGNED FOR ALL PURPOSES TO
JUDGE WYNNE CARVILL
DEPARTMENT 21

17 CLASS ACTION

**JOINT STIPULATION AND
SETTLEMENT AGREEMENT**

JURY TRIAL DEMANDED

Complaints filed: May 24, 2012
July 18, 2012

Trial Date: Not yet set

1 **SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS**

2 1. This Settlement Agreement and Release is entered into in the consolidated class
3 action cases of *Alexander Gurevich v. Royal Ambulance, Inc.*, Alameda County Superior Court
4 Case No. RG12631895, and *Kevin Dickens, Patrick Oppido, Spencer Stecz, Chris Hern, and*
5 *Philip Jones v. Royal Ambulance, Inc.*, Alameda County Superior Court Case No. RG12639791,
6 by Plaintiffs Alexander Gurevich, Kevin Dickens, Patrick Oppido, Spencer Stecz, Chris Hern,
7 and Philip Jones (“Representative Plaintiffs”), individually and on behalf of all members of the
8 Class Action (including the Settlement Class) defined herein, and Defendant Royal Ambulance,
9 Inc., subject to the approval of the Court.

10 **I. DEFINITIONS**

11 2. As used in this Settlement Agreement, the following terms shall have the
12 following meanings:

- 13 a. “Claims Administrator” means the Angeion Group.
- 14 b. “Class Action” means the consolidated class action cases of
15 *Alexander Gurevich v. Royal Ambulance, Inc.*, pending in the Superior Court of California for
16 the County of Alameda, Case No. RG12631895, and *Kevin Dickens, Patrick Oppido, Spencer*
17 *Stecz, Chris Hern, and Philip Jones v. Royal Ambulance, Inc.*, pending in the Superior Court of
18 California for the County of Alameda, Case No. RG12639791.
- 19 c. “Class Counsel” means Gerson H. Smoger and Steven M. Bronson
20 of Smoger & Associates, David M. Arbogast of Arbogast Law, A Professional Corporation,
21 Arthur R. Siegel, and Robert S. Jaret and Phillip A. Jaret of Jaret & Jaret.
- 22 d. “Class Notice(s)” means the Notice of Class Action Settlement to
23 be sent to the Settlement Class, pursuant to the terms of the Court’s Preliminary Approval Order.
24 The Class Notice shall be substantially in the form attached as Exhibit A to this Settlement
25 Agreement.
- 26 e. “Class Period” means May 24, 2008, through the date of
27 Preliminary Approval of this Settlement.
- 28 f. “Defendant” means Royal Ambulance, Inc. (“Defendant”).

1 g. "Effective Date" means the later of: (a) if no objections are timely
2 filed or any objections filed have been withdrawn, the date of Final Approval of this Settlement
3 Agreement (through an Order and Final Judgment) by the trial court; (b) if objections are filed
4 but no appeal is filed, the expiration date of the time for filing notice of any appeal from the
5 Order Granting Final Class Action Settlement Approval and the Final Judgment by the trial court
6 (which is sixty (60) calendar days after service of the notice of entry of the Order and Judgment);
7 or (c) if an appeal is filed, the latest of (i) the date of final affirmance of an appeal of that Order,
8 (ii) the expiration of the time for a petition for writ of certiorari to review the Order if affirmed
9 and, if the certiorari be granted, the date of final affirmance of the Order following review
10 pursuant to that grant; or (iii) the date of final dismissal of any appeal from the Order or the final
11 dismissal of any proceeding on certiorari to review the Order that has the effect of confirming the
12 Order.

13 h. "Gross Settlement Amount" means the total amount of funds
14 Defendant shall pay in exchange for the release of all Settled Claims. The Gross Settlement
15 Amount shall be the sum of \$650,000. Other than the Defendant employer's share of payroll
16 taxes and contributions associated with wage payments to Settlement Class Members, and any
17 reasonable amount of settlement administration fees beyond the \$10,000 to be paid from the
18 Gross Settlement Amount which may be required to implement this settlement, in no event shall
19 the Gross Settlement Amount exceed \$650,000 and under no circumstances will Defendant be
20 required to pay more than \$650,000 total, for any reason under this Settlement. The Gross
21 Settlement Amount shall include disbursements to the class, attorneys' fees, reasonable litigation
22 costs and expenses, enhancements to the class representatives, administration expenses up to but
23 not more than \$10,000, penalties, interest and taxes other than the employer's share of payroll
24 taxes and contributions. The payments being made by Defendants are not being made for any
25 purpose other than the resolution of the Class Action, and shall not be construed as compensation
26 for purposes of determining eligibility for any health and welfare benefit, any other employee
27 benefit or for unemployment compensation.
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1 i. "Implementation Schedule" means the dates agreed upon by the
2 Parties and approved by the Court for implementing the Settlement Agreement. The proposed
3 Implementation Schedule is set forth in the plaintiffs' Motion for Preliminary Approval.

4 j. "Net Settlement Amount" means the Gross Settlement Amount
5 less the following amounts which are subject to Court approval: (i) \$32,000 set aside for service
6 payments to the Representative Plaintiffs for their efforts in bringing and prosecuting this matter
7 to be paid as follows: Alexander Gurevich: \$10,000; Kevin Dickens: \$10,000; Patrick Oppido:
8 \$3,000; Spencer Stecz: \$3,000; Chris Hern: \$3,000; and Philip Jones: \$3,000; (ii) the payment of
9 attorneys' fees to Representative Plaintiffs' counsel, not to exceed one third (33.33%) of the
10 Gross Settlement Amount; (iii) Class Counsel's litigation expenses estimated at \$25,000; (iv)
11 \$10,000 for the costs of the settlement administration, including the Claims Administrator's cost;
12 (v) the payment of \$7,500 (representing the state of California's share of \$10,000 to settle
13 claims pursuant to the California Private Attorney General's Act (Cal. Labor Code § 2698 et
14 seq.) to the California Labor Workforce Development Agency. (The remaining \$2,500 of this
15 \$10,000 is the Settlement Class Members' share and will be included in the Net Settlement
16 Amount.)

17 k. "Opt-Out Period" refers to the thirty (30) day period of time
18 following the date the Claims Administrator mails the Class Notice to the Settlement Class
19 Members, within which period any Settlement Class Member who wishes to be excluded from
20 the Settlement may submit a request to be excluded from the Settlement.

21 l. "Parties" means the Representative Plaintiffs and Defendant.

22 m. "Released Parties" means (i) Defendant; (ii) past or present
23 subsidiaries, divisions, parents, predecessors, successors, affiliates or assigns of Defendant; and
24 (iii) any past or present members, shareholders, officers, agents, employees, advisors, insurers,
25 re-insurers, attorneys, or representatives of Defendant, including but not limited to Steve Grau,
26 Eve Grau, and Leon Botoshansky.

1 n. "Representative Plaintiffs" means Alexander Gurevich, Kevin
2 Dickens, Patrick Oppido, Spencer Stecz, Chris Hern, and Philip Jones.

3 o. "Settled Claims," with respect to the Settlement Class Members
4 who do not opt out of the settlement pursuant to Paragraph 20 of this Agreement and
5 Representative Plaintiffs, means any and all liabilities, demands, claims, causes of action,
6 complaints and obligations of whatever kind or nature that were or reasonably could have been
7 asserted or alleged, and/or any cause of action for (or attempt to recover) statutory or civil
8 penalties that was or could reasonably have been alleged, and/or which derive from the
9 allegations contained in or that reasonably could have arisen out of the same facts asserted or
10 alleged by or on behalf of Representative Plaintiffs and the Settlement Class Members based on
11 the allegations contained in the consolidated Class Action (including the consolidated cases of
12 *Alexander Gurevich v. Royal Ambulance, Inc.*, pending in the Superior Court of California for
13 the County of Alameda, Case No. RG12631895, and *Kevin Dickens, Patrick Oppido, Spencer*
14 *Stecz, Chris Hern, and Philip Jones v. Royal Ambulance, Inc.*, pending in the Superior Court of
15 California for the County of Alameda, Case No. RG12639791), against the Released Parties by
16 or on behalf of such Settlement Class Members or successors or assigns of any of them (whether
17 directly, indirectly, representatively, derivatively or in any other capacity), accruing any time
18 prior to the entry of the Preliminary Approval Order, defined in Paragraph 18, below, **to the**
19 **fullest extent permitted by law**. The Settled Claims include but are not limited claims seeking
20 unpaid wages (including but not limited to overtime, minimum wages, and wages at an agreed
21 rate under the Fair Labor Standards Act and/or California law), premiums, penalties for missed
22 meal and rest periods, waiting time penalties, claims related to wage statements and record-
23 keeping violations, civil penalties, injunctive relief forbidding destruction of records pertaining
24 to the class period, civil penalties pursuant to the Private Attorneys General Act of 2004
25 ("PAGA"), other injunctive and equitable relief, and reasonable attorneys' fees, costs, and
26 interest, based on a breach of contract and/or violation of Labor Code sections 201, 202, 203,
27 204, 226, 226.7, 510, 512, 558, 1182, 1182.12, 1194, 1197, and 2699, and/or Business and
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1 Professions Code sections 17200 et seq., and Industrial Welfare Commission (“IWC”) Wage
2 Order No. 9-2001(Cal. Code Regs., tit. 8, § 11090), as amended, as alleged in the Class Action.

3 p. “Settlement Agreement” means this Agreement and all Exhibits
4 attached to it.

5 q. “Settlement Award” means the amount from the Net Settlement
6 Amount to which each Settlement Class Member is entitled under this Settlement as calculated
7 and distributed based on Paragraph 31.

8 r. “Settlement Class” and “Settlement Class Member” mean all
9 individuals who are currently and were formerly employed by Defendant as Emergency Medical
10 Technicians - Ambulance Drivers, from May 24, 2008, through the date of preliminary approval
11 of this Settlement Agreement, including Representative Plaintiffs.

12 s. “Settlement Fairness Hearing” means the hearing to be requested
13 by the Parties and conducted by the Court, following appropriate notice to the Settlement Class
14 and an opportunity for Settlement Class Members to participate in or exclude themselves from
15 the Settlement Class and the proposed settlement, at which time the Parties will request the Court
16 to approve the fairness, reasonableness and adequacy of the terms and conditions of the proposed
17 settlement and this Settlement Agreement and to enter the Order of Final Approval and Final
18 Judgment.

19 II. RECITALS

20 3. This Action involves two class action lawsuits consolidated by the Court.
21 Plaintiffs filed the first Class Action Complaint in the first suit, *Alexander Gurevich v. Royal*
22 *Ambulance, Inc.*, Alameda County Superior Court Case No. RG12631895, on May 24, 2012.
23 Plaintiffs represented by different counsel filed the first Class Action Complaint in the second
24 suit, *Kevin Dickens, Patrick Oppido, Spencer Stecz, Chris Hern, and Philip Jones v. Royal*
25 *Ambulance, Inc.*, Alameda County Superior Court Case No. RG12639791, on July 18, 2012.
26 Plaintiffs in both cases subsequently amended their complaints. The complaints were largely
27 overlapping, both in the scope of putative class representation and the scope of alleged claims.
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1 4. On October 11, 2013, the Court ordered both the *Gurevich* case and the *Dickens*
2 case to be consolidated. Representative Plaintiffs subsequently filed a Consolidated Master
3 Complaint on November 12, 2013.

4 5. On April 23, 2013 and August 26, 2013, the parties participated in mediation in
5 San Francisco, California before Mark Rudy, Esq., an experienced class action mediator. After
6 the second mediation session, the Parties engaged in ongoing settlement negotiations, reaching a
7 settlement on January 10, 2014.

8 6. Prior to reaching a settlement, the parties engaged in extensive informal
9 discovery. Among other things, counsel for Defendant made relevant electronic documents
10 (redacting the names of current and former employees), including (1) a class list (including date
11 of hire and, if no longer employed, date of termination); (2) payroll data (1-2-09 to 5-18-12); (3)
12 and time punch data (July 2008 to May 2012); and (4) information about the dates on which
13 relevant employees executed 24-Hour work agreements (along with copies of each agreement).
14 Additionally, attorneys for both sides met with accounting experts on July 26, 2013, to review
15 Defendant's financial records. During that session, Royal disclosed cash flow summaries
16 covering 2007 through 2012, tax returns from 2007 through 2012, banking records for 2011 and
17 2012, and a cash flow summary for the first half of 2013. Defendant also made its accountant
18 available to answer questions posed by Plaintiffs' counsel and their retained financial expert.

19 7. This informal discovery has allowed both the Representative Plaintiffs and
20 Defendant to evaluate the legal and factual claims in this case and to conduct mediation and
21 settlement negotiations with an understanding of the issues in dispute. Counsel for the Parties
22 also had frank discussions regarding the strengths and weaknesses of the case, the facts as
23 discovered by the Parties, and potential damages that would result from a finding of liability.
24 Class Counsel made a thorough study of the legal principles applicable to the claims asserted
25 against Defendants.

26 8. Based upon Class Counsels' discovery, investigation, legal evaluation and taking
27 into account the sharply contested legal and factual issues involved, and assessment of the
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1 uncertainties of complex litigation and the relative benefits conferred upon the Settlement Class
2 pursuant to this Settlement Agreement, Class Counsel have concluded that a settlement with
3 Defendant on the terms set forth in this Settlement Agreement is fair, reasonable, adequate and in
4 the best interests of the Representative Plaintiffs and the Settlement Class.

5 9. Defendant has asserted defenses to the claims alleged in the Class Action and
6 expressly denies each of the claims asserted against Defendant and any and all liability arising
7 out of the conduct alleged in the Class Action. Defendant nevertheless desires to settle the Class
8 Action. Defendant has concluded that further defense of the Class Action would be protracted
9 and expensive. Substantial amounts of time, energy and resources of Defendant and its attorneys
10 have been and, unless this settlement is made, will continue to be devoted to the defense of the
11 claims asserted in the Class Action. Defendant has, therefore, agreed to settle in the manner and
12 upon the terms set forth in this Settlement Agreement in order to put to rest the claims as set
13 forth in the Class Action. The Parties specifically agree that the agreement of the Defendant to
14 settle this matter is not and cannot be construed as an admission of any wrongdoing whatsoever
15 by Defendant or the Released Parties against the Representative Plaintiffs and Settlement Class
16 Members, as alleged by the Class Action.

17 10. For purposes of settling this Class Action, the Parties stipulate and agree that the
18 requisites for establishing class certification with respect to the Settlement Class Members as
19 defined above, have been and are met. The Parties agree that evidence of this limited stipulation
20 for settlement purposes only will not be deemed admissible for any purpose in this or any other
21 proceeding.

22 11. NOW THEREFORE, IT IS HEREBY AGREED, BY AND BETWEEN the
23 undersigned, that the Class Action shall be settled, subject to the approval of the Court, pursuant
24 to the following terms and conditions:

25 **III. THE CLASS ACTION DEFINITIONS**

26 12. Class Definitions. For settlement purposes only, the Parties agree that the
27 following class may be certified in the Class Action, pursuant to California Code of Civil
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1 Procedure § 382: (1) the Class, defined as all individuals who are currently or were formerly
2 employed by Royal Ambulance, Inc. as Emergency Medical Technicians - Ambulance Drivers,
3 from May 24, 2008, through the date of preliminary approval of this Settlement Agreement,
4 including Representative Plaintiffs. The Class may be certified for the purpose of Representative
5 Plaintiffs and the Settlement Class Members' claims seeking unpaid wages (including but not
6 limited to overtime, minimum wages, and wages at an agreed rate), premiums, penalties for
7 missed meal and rest periods, waiting time penalties, claims related to wage statements and
8 record-keeping violations, civil penalties, injunctive relief forbidding destruction of records
9 pertaining to the class period, civil penalties pursuant to the Private Attorneys General Act of
10 2004 ("PAGA"), other injunctive and equitable relief, and reasonable attorneys' fees, costs, and
11 interest, based on a breach of contract and/or violation of Labor Code sections 201, 202, 203,
12 204, 226, 226.7, 510, 512, 558, 1182, 1182.12, 1194, 1197, and 2699, and/or Business and
13 Professions Code sections 17200 et seq., and Industrial Welfare Commission ("IWC") Wage
14 Order No. 9-2001(Cal. Code Regs., tit. 8, § 11090), as amended, as alleged in the Class Action.

15 13. Null and Void Absent Court Approval. If this Settlement Agreement and the
16 settlement terms it memorializes are not finally approved by the Court, the agreements for class
17 certification contained herein shall become null and void, and any Court order certifying such
18 classes shall be vacated without prejudice to the right of the Parties to seek or oppose
19 certification.

20 IV. RELEASES

21 14. Release by Representative Plaintiffs and Settlement Class Members Who Do Not
22 Opt Out of the Settlement Pursuant to Paragraph 20 of This Agreement. It is hereby agreed, by
23 and between the Representative Plaintiffs, Settlement Class Members who do not opt out of the
24 settlement pursuant to Paragraph 20 of this agreement and Defendant, through their respective
25 counsel of record, and subject to the approval of the Court, in consideration of the benefits
26 inuring to the Parties hereto, and without admission of any liability or wrongdoing whatsoever
27 by Defendant, that upon the Effective Date:
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a. Representative Plaintiffs and all Settlement Class Members who do not opt out of the settlement pursuant to Paragraph 20 of this agreement shall be deemed to have, and by operation of the Judgment entered by the Court shall have, expressly released and discharged the Released Parties from any and all Settled Claims.

b. Each Settlement Class Member (including the Representative Plaintiffs) shall be bound by all terms of the Settlement Agreement and the Order Granting Final Class Action Settlement Approval and the Judgment entered in this Action and shall be deemed to have jointly and severally discharged the Released Parties from any and all Settled Claims, as defined in paragraph 2(o), unless he or she timely opts out of the Settlement Agreement pursuant to Paragraph 20 of this agreement.

c. In addition to the Settled Claims, Representative Plaintiffs also agree that upon the Effective Date, they expressly release and waive any and all other claims, demands, rights, liabilities and causes of action they have or have ever had against the Released Parties, whether for economic damages, noneconomic damages, punitive damages, penalties, restitution, injunctive or declaratory relief, interest, attorneys' fees, costs or any other forms of monetary or non-monetary relief in any way arising out of or relating to any facts, transactions, events, policies, occurrences, acts, disclosures, statements, omissions or failures to act at any time on or before the Effective Date, including but not limited to any claims arising from or related to their employment with Defendant or, if applicable, the termination of that employment. This general release by Representative Plaintiffs shall become effective upon the Effective Date and includes all statutory claims, common law claims (including but not limited to those sounding in contract, tort and equity), and claims for compensation to the fullest extent permitted by law. In consideration for this Agreement and the consideration set forth herein, Representative Plaintiffs acknowledge that the releases herein includes potential claims and costs that may not be known or suspected to exist, and that Representative Plaintiffs hereby expressly and affirmatively waive, and relinquish any and all rights and benefits which they may otherwise have relating to the Settled Claims or any other released claims pursuant to this

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1 Paragraph 14.c pursuant to California Civil Code section 1542, and any similar law of any state
2 or territory of the United States. California Civil Code section 1542 provides:

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

7 **V. CLASS NOTICE, SETTLEMENT FAIRNESS HEARING, AND PAYMENT TO**
8 **SETTLEMENT CLASS MEMBERS**

9 15. Procedures. As part of this Settlement Agreement, the Parties agree to the
10 following procedures for requesting the Court's preliminary approval of the Settlement
11 Agreement, certifying the Settlement Class, notifying the Settlement Class, requesting final
12 Court approval of the Settlement Agreement and processing the Settlement Awards:

13 16. Preliminary Approval Hearing Date. Within thirty-five (35) days of execution of
14 this Settlement Agreement, the Representative Plaintiffs will file with the Court a Motion for
15 Preliminary Approval of Settlement and Provisional Certification of a Settlement Class.
16 Defendant has the right to review this motion, and approve the form of the motion at least five
17 (5) court days prior to filing.

18 17. Submission of Settlement Agreement. The Parties will jointly submit this
19 Settlement Agreement and supporting papers, which shall set forth the terms of this settlement
20 and will include proposed forms of all notices and other documents as attached hereto necessary
21 to implement the Settlement Agreement.

22 18. Request for Preliminary Approval Order. Solely for purposes of this Settlement
23 Agreement, the Parties will request the Court to enter a Preliminary Approval Order,
24 preliminarily approving the proposed settlement, certifying the Settlement Class for settlement
25 purposes only, and setting a date for the Settlement Fairness Hearing. The Preliminary Approval
26 Order shall provide for notice of the Settlement Agreement and related matters to be sent to the
27 Settlement Class as specified herein.
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1 19. Class Notice. Notice of the settlement shall be provided to the Settlement Class.
2 The Parties believe and agree that the proposed procedures for notice provide the best practicable
3 notice to the Settlement Class:

4 a. The Claims Administrator shall be responsible for preparing, printing and
5 mailing to all Settlement Class Members the Class Notice attached to this Settlement
6 Agreement as directed by the Court.

7 b. Within fifteen (15) days of preliminary approval of this settlement,
8 Defendant shall provide to the Claims Administrator the last-known addresses, telephone
9 numbers, and social security numbers of the Settlement Class Members.

10 c. In order to provide the best notice practicable, the Claims Administrator
11 will do the following before mailing the Class Notice: (1) run this class list through the United
12 States Postal Service’s National Change of Address database (“NCOA”); and (2) perform
13 address searches using public and proprietary electronic resources which collect their data from
14 various sources such as utility records, property tax records, motor vehicle registration records
15 (where allowed) and credit bureaus.

16 d. Within thirty (30) days of preliminary approval of this settlement, the
17 Claims Administrator shall send a copy of the Class Notice substantially in the form attached
18 hereto as Exhibit A, to all members of the Settlement Class via first-class mail, postage prepaid,
19 using the most current mailing address information available as set forth above.

20 e. Any Class Notice returned to the Claims Administrator as non-delivered
21 before the deadline set forth in the Implementation Schedule for Class Members to Opt-Out
22 shall be sent to the forwarding address affixed thereto. If no forwarding address is provided for
23 a Class Notice that is returned as non-delivered, then such Class Notices will be re-sent by the
24 Claims Administrator after the address is updated using the procedures described in Paragraph
25 19(c). The undelivered Class Notices will be re-sent within five (5) days after the Claims
26 Administrator receives notice that the Class Notice was undeliverable. The Claims
27 Administrator shall also call last-known telephone numbers (and telephone numbers updated
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1 through public and proprietary databases) of Settlement Class Members whose Class Notice is
2 returned as non-delivered to obtain their current addresses. For a period not to exceed sixty (60)
3 days from the date specified in the Implementation Schedule for the initial mailing of the Class
4 Notice, the Claims Administrator will continue to use reasonable efforts to obtain current
5 addresses for Settlement Class Members whose Class Notice are returned as non-deliverable.

6 f. The objection deadline shall not be extended *pro-rata* for members
7 of the Settlement Class whose original notices are re-mailed pursuant to Paragraph 19(e).

8 **20. Requests for Exclusion.** Any Settlement Class Member seeking to be excluded
9 from this Settlement (“Opt-Out”) may submit a request to opt out to the Claims Administrator
10 postmarked within thirty (30) days of the original mailing of the Class Notice Form by the
11 Claims Administrator. To be valid, the opt-out request must be signed by the Settlement Class
12 Member or his or her authorized representative, set forth the Settlement Class Member’s full
13 name, address, and telephone number, and be returned by mail to the Claims Administrator
14 postmarked within the Opt-Out Period. No Opt-Out request may be made on behalf of a group
15 of Settlement Class Members. The Opt-Out request must be sent by mail to the Claims
16 Administrator and must be timely postmarked as set forth above, except that the Claims
17 Administrator may, upon consultation with counsel for all Parties and good cause shown, extend
18 the due date for mailing the Opt-Out request. The postmark date of the mailing envelope shall be
19 the exclusive means used to determine whether a request for exclusion (Opt-Out) has been timely
20 submitted. Any Settlement Class Member who requests exclusion (opts out) of the settlement
21 will not be entitled to any Settlement Award and will not be bound by the Settlement Agreement
22 or have any right to object, appeal or comment thereon. Any opt-out request submitted after the
23 Opt-Out Period shall be null and void. The Claims Administrator shall provide the counsel for
24 the Parties with a list of opt-outs upon request at any time, and any Party may contact such opt-
25 out to encourage such person to rescind his or her opt-out request. The Claims Administrator
26 shall also simultaneously notify Class Counsel and Counsel for Defendant by mail, fax, and e-
27 mail of the number of timely opt-outs within fifteen (15) days after the close of the Opt-Out
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1 Period. A Settlement Class Member who opts out may rescind an opt-out request by sending a
2 written, signed request to rescind the opt-out request to the Claims Administrator at any time
3 before the entry of an Order granting Final Approval. Parties agree that if more than 10% of the
4 Settlement Class Members opt out of the settlement, Defendant shall have the right to cancel this
5 Agreement in its entirety upon thirty (30) days' notice to Class Counsel, counsel for Released
6 Parties, and the Court. Representative Plaintiffs shall not be allowed to Opt Out or object.

7 21. Objections. The Class Notice shall provide that those Settlement Class Members
8 who wish to object to this Settlement may object to the proposed settlement in writing and/or
9 may also appear at the Final Approval Hearing, at his or her own expense, if proper notice is
10 given to the Court of the intent to do so. All written objections, supporting papers and/or notices
11 of intent to appear at the Final Approval Hearing must (a) clearly identify the consolidated case
12 names and numbers: *Alexander Gurevich v. Royal Ambulance, Inc.*, Alameda County Superior
13 Court Case No. RG12631895 and *Kevin Dickens, Patrick Oppido, Spencer Stecz, Chris Hern,*
14 *and Philip Jones v. Royal Ambulance, Inc.*, Alameda County Superior Court Case No.
15 RG12639791, (b) be submitted to the Court either by mailing them to: Clerk of Court, Superior
16 Court of California, County of Alameda, Rene C. Davidson Alameda County Courthouse, 1225
17 Fallon Street, Oakland, California 94612, or by filing in person at any location of the Superior
18 Court, County of Alameda that includes a facility for civil filings, (c) also be served on the law
19 firms identified as counsel of record (to be listed in the Class Notice) by personal delivery,
20 facsimile transmission, or express mail, and (d) be filed or postmarked on or before nine (9)
21 court days before the Final Approval Hearing date to be set by the court. No Class Member
22 shall be entitled to be heard at the Final Approval Hearing (whether individually or through
23 counsel), or have their written objections considered, unless the Class Member complies with the
24 procedures set forth herein.

25 22. No Encouragement of Objections, Opt-Outs, or Appeals. At no time shall any of
26 the Parties or their counsel seek to solicit or otherwise encourage members of the Settlement
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1 Class to submit written objections or opt-outs to the settlement, or appeal from the Order and
2 Final Judgment.

3 23. Determination of Settlement Award Eligibility.

4 a. Provision of Employee Payroll Information to Claims Administrator and
5 Determination of Required Additional Payroll Tax and Administration Payments. Defendant,
6 through counsel, shall provide to the Claims Administrator a list of all individuals who are
7 currently or were formerly employed by Defendant as Emergency Medical Technicians -
8 Ambulance Drivers, from May 24, 2008, through the date of preliminary approval of this
9 Settlement Agreement, including Representative Plaintiffs, within fifteen (15) days after
10 preliminary approval. The list will also include the following data: (1) dates of active
11 employment; (2) aggregate earnings while employed by Defendant during the Class Period; (3)
12 whether the employee is a former employee and, if so, the last date of his or her employment;
13 (4) the employee's Social Security Number; and (5) the employee's last known address. The
14 Claims Administrator shall use this information to determine the estimated payments to each
15 Settlement Class Member under each of the three payment disbursements provided for under
16 Paragraph 31, below, and shall also notify the Defendant, through counsel, within fourteen (14)
17 days of receipt of the employee information, of the Defendant's estimated payroll tax and
18 contribution obligation for the three phases of the distribution, as well as any estimate for
19 administrative fees or charges to exceed \$10,000.

20 b. Supplemental Payment of Employer Payroll Contributions and/or
21 Reasonable Administration Fees. As set forth above, in addition to the Gross Settlement
22 Amount described above, Defendant shall be responsible for its "employer's share" of any
23 California or federal payroll and withholding taxes and contributions arising from any payments
24 to Settlement Class Members. Such amounts will be computed for each distribution phase by
25 the Claims Administrator based on the amounts paid to the Settlement Class Members. The
26 Claims Administrator shall provide to Defendant through counsel all information necessary for
27 Defendant to compute its "employer's share" of any tax obligations, and Defendant shall (either
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1 directly or through its attorneys, provide to the Claims Administrator (including any direct
2 deposits to the Qualified Settlement Fund) an amount sufficient to cover such expenses for each
3 phase of the distribution to the Claims Administrator.

4 c. Notification of Any Revised Calculations. The Claims Administrator shall
5 have a continuing obligation to notify the Parties, through counsel, should any change in
6 circumstances change the calculation of Defendant's obligation to pay the employer's share of
7 any payroll taxes and/or contributions or any increase in reasonable administration fees.

8 24. Interim Report by the Claims Administrator. No later than twenty (20) days prior
9 to the date of the Settlement Fairness Hearing, the Claims Administrator shall provide counsel
10 for the Parties with a declaration setting forth: (a) due diligence and proof of mailing of the
11 Class Notice; (b) the total number of Settlement Class Members who were sent the Class Notice;
12 and (c) the total number of Settlement Class Members who filed timely requests for exclusion or
13 objections to the settlement, along with the complete copies of all requests for exclusion and
14 objections received, including the postmark dates for each request for exclusion or objection.

15 25. Settlement Fairness Hearing. Ninety (90) days or later after the Class Notice is
16 mailed to Settlement Class Members, the Court shall conduct a Settlement Fairness Hearing to
17 determine final approval of the settlement along with the amounts properly payable for (i)
18 attorneys' fees and costs; (ii) the payments to Representative Plaintiffs for their time and effort in
19 bringing and prosecuting this matter, (iii) the costs of administration of the settlement, and (iv)
20 the amount withheld from the settlement amount for the payment of late claims or unanticipated
21 expenses. Upon final approval of the settlement by the Court at or after the Settlement Fairness
22 Hearing, the Parties shall present the Final Order and Judgment to the Court for its approval and
23 entry. After final approval, and after dismissal of the entire action with prejudice, the Court shall
24 have continuing jurisdiction for purposes of addressing (i) settlement administration and
25 enforcement matters; and (ii) such post-Final Order matters as may be appropriate under Court
26 rules or as set forth in this Settlement Agreement.

1 26. Implementation Schedule. The Representative Plaintiffs and Defendant agree that
2 the Implementation Schedule shall govern implementation of the Settlement Agreement, and that
3 the dates set forth in the Implementation Schedule shall only be continued based on (1) the
4 mutual consent of counsel for the Parties, (2) delays due to the Court’s schedule, or (3) by Order
5 of the Court.

6 **VI. SETTLEMENT FUNDS, SETTLEMENT AWARD CALCULATION, AND**
7 **SETTLEMENT PAYMENTS**

8 27. Defendant will pay a total of \$650,000 as the Gross Settlement Amount, to be
9 paid over a two year period in three installments: (a) \$450,000; (b) \$100,000; and (c) \$100,000).
10 Settlement disbursements by the Settlement Administrator will be made in the order of priority
11 and amounts set forth below, with the understanding that some Settlement Awards will be paid to
12 each of the Settlement Class Members following each of the three installments.

13 28. Gross Settlement Amount.

14 a. Initial Deposit. Within ten (10) business days of preliminary approval,
15 and subject to the conditions specified in this Settlement Agreement, Defendant shall cause to
16 be delivered to the attorneys’ trust accounts \$450,000 as the first of three installments of the
17 Gross Settlement Amount of \$650,000. The funds from the first installment of the Gross
18 Settlement Amount will be transferred to the Claims Administrator when the Claims
19 Administrator is ready to receive the funds, but no sooner than ten (10) business days after
20 preliminary approval. Upon receipt by the Claims Administrator, the available funds from the
21 first installment of the Gross Settlement Amount shall be transferred immediately into a
22 “Qualified Settlement Fund” as defined by, and pursuant to, Internal Revenue Code Section
23 1.468B-1. Within five (5) days of execution of this Settlement Agreement, Defendant shall
24 execute an election statement provided by the Claims Administrator which shall be affixed to
25 the initial tax return of the Qualified Settlement Fund in order to establish the start date of the
26 Qualified Settlement Fund.

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b. Second Deposit. No later than one year after Defendant delivers the Initial Deposit of the Gross Settlement Amount to the attorneys’ trust accounts, the Defendant shall deliver \$100,000 as the second of three installments of the Gross Settlement Amount of \$650,000. The funds from the second installment of the Gross Settlement Amount will be transferred to the Claims Administrator within ten (10) business days. Upon receipt by the Claims Administrator, the available funds from the second installment of the Gross Settlement Amount shall be transferred immediately into the “Qualified Settlement Fund” previously established to facilitate this Settlement.

c. Third Deposit. No later than two years after Defendant delivers the Initial Deposit of the Gross Settlement Amount to the attorneys’ trust accounts, the Defendant shall deliver \$100,000 as the third and final of three installments of the Gross Settlement Amount of \$650,000. The funds from the third installment of the Gross Settlement Amount will be transferred to the Claims Administrator within ten (10) business days of receipt by the attorneys’ trust fund. Upon receipt by the Claims Administrator, the available funds from the third and final installment of the Gross Settlement Amount shall be transferred immediately into the “Qualified Settlement Fund” previously established to facilitate this Settlement. No Party shall have any further obligation or liability for any payment under this Agreement to Representative Plaintiffs or to the Settlement Class Members who do not opt out of the settlement pursuant to Paragraph 20 of this agreement.

d. Disbursement by Claims Administrator. All disbursements shall be made from the Qualified Settlement Fund account. The Claims Administrator shall be the only entity authorized to make withdrawals or payments from the Qualified Settlement Fund account. The Claims Administrator shall have the obligation to return the entire Qualified Settlement Fund (including all income and/or interest generated by the Qualified Settlement Fund) to Defendant at Defendant’s election, less any amount for payment for work done by the Claims Administrator, in the event of failure of settlement or in the event that this Settlement

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1 Agreement: (i) does not receive final approval of the Court; (ii) is modified or reversed on
2 appeal; or (iii) is otherwise rendered null and void.

3 e. Interest. The interest on the funds deposited by Defendant will inure
4 *pro rata* to the party to whom the underlying funds are ultimately paid out.

5 29. Order of Payments. Before any Settlement Awards are paid to Settlement Class
6 Members, the Claims Administrator shall make payments from the Qualified Settlement Fund
7 pursuant to Paragraph 30, below, for (a) the payment of \$7,500 (representing the state of
8 California's share of \$10,000 to settle claims pursuant to the California Private Attorney
9 General's Act (Cal. Labor Code § 2698 et seq.)) to the California Labor Workforce Development
10 Agency; (b) the enhancements to the Representative Plaintiffs for their efforts in bringing and
11 prosecuting this matter; (c) the costs to Class Counsel awarded by the Court; and (d) the initial
12 costs of administration of this settlement by the Claims Administrator up to a maximum of
13 \$10,000, with all such amounts approved by the Court. These payments shall be made out of the
14 Initial Deposit of the Gross Settlement Amount. The attorneys' fees of Class Counsel approved
15 by the Court shall be paid in up to three separate payments on a pro-rata basis, with each
16 payment based on the relationship of the amount of each installment payment made by
17 Defendant to the total amount of the Gross Settlement Amount pursuant to Paragraph 28(a-c).
18 Once the payments designated above have been made, the balance remaining shall constitute the
19 Net Settlement Amount from which Payment Awards shall be calculated.

20 30. Representative Plaintiffs, Class Counsel, Costs of Administration, PAGA
21 Penalties and Hold-Back Fund. Subject to Court approval and for purposes of effectuating this
22 Settlement Agreement, the following amounts shall be paid by the Claims Administrator from
23 the Gross Settlement Amount:

24 a. Enhancement Payment for Representative Plaintiffs. Subject to Court
25 approval, an enhancement fund in the total amount of \$32,000, including \$10,000 each for
26 Alexander Gurevich and Kevin Dickens, and \$3,000 each for Patrick Oppido, Spencer Stecz,
27 Chris Hern, and Philip Jones, will be set aside for the Representative Plaintiffs for their efforts
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1 in bringing and prosecuting this matter. The Qualified Settlement Fund shall issue a Form 1099
2 for this payment. Defendant and its attorneys agree not to oppose any request by Class Counsel
3 for an enhancement payment in the amount of \$32,000 for the Representative Plaintiffs.

4 b. Class Counsel.

5 (i) Subject to Court approval, the reasonable attorneys' fees requested
6 by Class Counsel shall not exceed 33.33% of the Gross Settlement Amount, or \$216,666.67.
7 These amounts will compensate Class Counsel for work already performed in this case and all
8 of the work remaining to be performed in this case, including but not limited to documenting
9 the Settlement Agreement, securing Court approval of the Settlement Agreement, making sure
10 that the Settlement Agreement is fairly administered and implemented and obtaining dismissal
11 of the action. Class Counsel's costs of suit are estimated to be \$25,000. Said fees and costs are
12 included in the Gross Settlement Amount.

13 (ii) Defendant and its attorneys agree not to oppose any application or
14 motion by Class Counsel for attorneys' fees and costs up to those amounts, so long as any such
15 application or motion is consistent with the provisions of this Settlement Agreement, and Class
16 Counsel agrees not to petition the Court for any additional payments for fees, costs or interest.

17 (iii) The Claims Administrator shall pay the Class Counsel's costs set
18 forth above in Paragraph 30(c) from the Qualified Settlement Fund on the first business day
19 following the Effective Date. The Claims Administrator will receive instruction from Class
20 Counsel as to how such payment of costs shall be made between Class Counsel.

21 (iv) The Claims Administrator shall pay the Class Counsel's attorneys'
22 fees set forth above in Paragraph 30(b)(i) from the Qualified Settlement Fund on a pro-rata
23 basis, with each payment based on the relationship of the amount of each installment payment
24 made by Defendant to the total amount of the Gross Settlement Amount pursuant to Paragraph
25 28(a-c). To the extent that the Claims Administrator incurs any additional administration costs
26 due to any dispute between Class Counsel regarding the distribution of Class Counsel's
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1 attorneys' fees such additional administrative costs shall be borne solely by Class Counsel, who
2 shall be billed directly for such costs by the Claims Administrator.

3 (v) The Class Counsel's attorneys' fees and costs approved by the
4 Court shall constitute full satisfaction of Released Parties' obligations to pay amounts to any
5 person, attorney or law firm for attorneys' fees, expenses or costs in the Class Action incurred
6 on behalf of the Representative Plaintiffs and/or the Settlement Class, and shall relieve
7 Released Parties from any other claims or liability to any other attorney or law firm for any
8 attorneys' fees, expenses and/or costs to which any of them may claim to be entitled on behalf
9 of the Representative Plaintiffs and/or the Settlement Class.

10 (vi) A Form 1099 shall be provided to Class Counsel for the payments
11 made to Class Counsel. Class Counsel shall be solely and legally responsible to pay any and all
12 applicable taxes on the payments made to Class Counsel. Class Counsel agrees to indemnify
13 and hold harmless Released Parties and the Qualified Settlement Fund from any claim or
14 liability for taxes, penalties or interest for which Class Counsel is responsible as a result of the
15 payment or any allocation of the payment made to Class Counsel.

16 c. Costs of Administration. Except as expressly set forth in Paragraph
17 30(b)(iv), above, neither the Settlement Class nor Class Counsel shall have any responsibility or
18 liability with respect to any administration costs incurred in connection with the administration
19 of, and the distribution from, the Net Settlement Amount. Up to \$10,000 of fees, costs,
20 expenses and other claims administration by the Claims Administrator shall be paid from the
21 Gross Settlement Amount as set forth in this Settlement Agreement. Defendant shall pay for
22 any additional reasonable administration fees, costs, and expenses over \$10,000, subject, in
23 Defendant's discretion, to their prior approval by the Court. The Claims Administrator shall, no
24 later than five (5) business days after the Representative Plaintiffs file their Motion for
25 Preliminary Approval of Settlement, provide the Court and counsel for the Parties with an
26 estimate of such costs of administration. Twenty (20) business days prior to the Settlement
27 Fairness Hearing, the Claims Administrator shall provide the Court and counsel for the Parties
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1 with a statement detailing the costs of administration. The Parties agree to cooperate in the
2 settlement administration process and to make all reasonable efforts to control and minimize the
3 costs and expenses incurred in the administration of the settlement.

4 d. PAGA Penalties. The Claims Administrator will pay to the California
5 Labor and Workforce Development Agency (“LWDA”), in accordance with California Labor
6 Code section 2699(i), in connection with the releases provided in this Settlement under the
7 Private Attorneys General Act of 2004 (“PAGA”), California Labor Code section 2698 et seq.,
8 the amount of Seven Thousand, Five Hundred Dollars exactly (\$7,500), representing the state of
9 California’s 75% share of \$10,000 to settle claims pursuant to PAGA. The remaining \$2,500 of
10 the PAGA penalties shall be included for distribution to the Settlement Class Members as part
11 of the “Net Settlement Amount.”

12 31. Settlement Awards to Settlement Class Members. The Net Settlement (including
13 the amount based on the Second and Third payments) shall be allocated as follows: (a) 45%
14 wages (Wage Fund); (b) 15% waiting time penalties (Waiting Time Penalty Fund); and (c) 40%
15 other penalties and interest (Other Penalty and Interest Fund). The Claims Administrator shall
16 make up to three separate distributions of Settlement Awards to the Settlement Class Members
17 who do not opt out of the Settlement Pursuant to Paragraph 20. The first distribution shall be
18 made within thirty (30) days of the Effective Date of the Settlement, and shall be based on the
19 amount of the Net Settlement Amount available for distribution at that time. If Defendant has
20 not made the Second and/or Third Deposits of the Gross Settlement Amount by then, the Claims
21 Administrator will make a second, and if necessary, a third, distribution of Settlement Awards to
22 the Settlement Class within fourteen (14) days of receiving each subsequent \$100,000 deposit
23 from the Defendant.

24 a. The Claims Administrator will calculate an award for each Settlement
25 Class Member for each distribution phase as follows:

26 (i) The Claims Administrator shall determine the total gross amount of
27 earnings during the Class Period for each Class Member. The Claims Administrator will then
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1 determine the amount of aggregate gross earnings during the Class Period for Settlement Class
2 Members no longer employed and all Settlement Class Members still employed.

3 (ii) First, the Claims Administrator will divide the amount of gross earnings
4 earned by each Settlement Class Member no longer employed during the Class Period by the
5 aggregate amount of gross earnings for all Class members no longer employed during the Class
6 Period, and multiply that number by the Waiting Time Penalty Fund available for distribution.
7 The resulting amounts shall be paid to each of the Settlement Class Members no longer
8 employed only and shall not be subject to payroll taxes or contributions. Second, the Claims
9 Administrator will divide the amount of gross earnings earned by each Settlement Class
10 Member during the Class Period by the aggregate amount of gross earnings for all Settlement
11 Class members during the Class Period, and multiply that number by the Other Penalty and
12 Interest Fund available for distribution. The resulting amounts shall be paid to each of the
13 Settlement Class Members and shall not be subject to payroll taxes or contributions. Third, the
14 Claims Administrator will divide the amount of gross earnings earned by each Settlement Class
15 Member during the Class Period by the aggregate amount of gross earnings for all Settlement
16 Class members during the Class Period, and multiply that number by the Wage Fund available
17 for distribution. The resulting amounts shall be paid to each of the Settlement Class Members
18 and shall be subject to payroll taxes and contributions.

19 b. For each distribution of Settlement Award payments, on each portion of
20 the Settlement Award which is paid from the Wage Fund, the Claims Administrator shall
21 effectuate federal and applicable state income and employment tax withholding for each
22 Settlement Class Member as required by law, and shall also pay the employer's share of all
23 required state and federal payroll taxes and contributions. The back pay portion of Settlement
24 Awards to the Settlement Class Members will be treated as wages subject to W-2 reporting and,
25 therefore, normal payroll taxes and withholdings will be deducted by the Claims Administrator
26 pursuant to state and federal law and remitted to the appropriate governmental authorities. The
27 Employer's share of the payroll taxes and contributions shall not be paid out of the Net
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1 Settlement but instead shall be paid out of additional contributions from the Defendant as set
2 forth in Paragraph 23(b), above. Amounts withheld (or deposited by Defendant to cover its
3 share of the payroll taxes and contributions) from payments to Settlement Class Members from
4 the Wage Fund will be remitted by the Claims Administrator from the Net Settlement Fund (as
5 supplemented by the Defendant's separate deposits of funds sufficient to cover Defendant's
6 share of the payroll taxes and contributions) to the appropriate governmental authorities. Any
7 portion of a Settlement Award paid from the Waiting Time Penalty Fund and/or the Other
8 Penalty and Interest Fund shall be treated by all parties as non-wage penalties and prejudgment
9 interest, to be reported to the Settlement Class Members on an IRS Form 1099, and shall not be
10 subject to FICA, FUTA, or other payroll withholding taxes or contributions. Defendant and
11 Released Parties shall cooperate with the Claims Administrator to provide payroll tax
12 information to the Claims Administrator as shall be necessary to accomplish the income and
13 employment tax withholding on the wage portion of each Settlement Award, and the Form 1099
14 reporting for the non-wage portion of each Settlement Award.

15 c. The Claims Administrator shall provide Class Counsel with the
16 approximate Settlement Award to each Settlement Class Member at least twenty (20) business
17 days before the Settlement Fairness Hearing.

18 d. The Parties may seek review of a determination of the Claims
19 Administrator by the Court after the Parties confer in good faith in an effort to resolve any
20 disagreement.

21 e. All checks for Settlement Awards shall remain valid and negotiable for
22 one hundred and eighty (180) days from the date of their issuance and may thereafter
23 automatically be canceled if not cashed by a Settlement Class Member within that time, at
24 which time the Settlement Class Member's right to recover any Settlement Award will be
25 deemed void and of no further force and effect. All funds from checks not cashed shall be
26 donated to one or more *cy pres* recipients benefiting California employees mutually agreed
27 upon by the Parties. The Claims Administrator will include with the checks a letter stating that
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1 the check must be cashed or deposited within one hundred and eighty (180) days or it will be
2 cancelled.

3 f. Other than the Defendant employer's share of payroll taxes and
4 contributions associated with wage payments to Settlement Class Members, the aggregate
5 amount of the Settlement Awards to Settlement Class Members, including all applicable
6 employee payroll taxes per paragraph 31(b), shall not under any circumstances exceed the Net
7 Settlement Amount. Other than to the Representative Plaintiffs as set forth herein, Released
8 Parties shall have no obligation to pay any amounts to Settlement Class Members in excess of
9 approved claims for Settlement Awards as calculated in accordance with this Settlement
10 Agreement.

11 32. Remainder of Unclaimed Net Settlement Amounts and Treatment. Any portion of
12 the Net Settlement Amount that is not claimed by Settlement Class Members shall be paid to a
13 Cy Pres recipient mutually agreed upon by the parties.

14 33. Completion of and Report on Settlement Administration. The Claims
15 Administrator shall keep counsel for the Parties apprised of all distributions from the Net
16 Settlement Amount. Administration of the settlement shall be completed on or before the date
17 specified in the Implementation Schedule. Upon completion of administration of the settlement,
18 the Claims Administrator shall provide written certification of such completion and provide
19 proof of payment to the Court and counsel for the Parties. The Claims Administrator also shall
20 furnish counsel for the Parties with a report showing the names, amounts and dates of each
21 payment.

22 34. Date of Initial Distribution. In no event shall there be any distribution from the
23 Net Settlement Amount to the Representative Plaintiffs or any Settlement Class Member until
24 after the Effective Date.

25 35. No Claim Based Upon Distributions or Payments in Accordance with this
26 Settlement Agreement. No person shall have any claim against Defendant or any of the Released
27 Parties, the Representative Plaintiffs, the Settlement Class, Class Counsel or the Claims
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1 Administrator based on distributions or payments made in accordance with this Settlement
2 Agreement.

3 **VII. DISPUTE RESOLUTION**

4 36. Except as otherwise set forth herein, all disputes concerning the interpretation,
5 calculation or payment of Settlement Awards, or other disputes regarding compliance with this
6 Settlement Agreement shall be resolved as follows:

7 a. If the Representative Plaintiffs or Class Counsel, on behalf of the
8 Representative Plaintiffs or any Settlement Class Member, or Defendant at any time believe that
9 the other party has breached or acted contrary to the Settlement Agreement, that Party shall
10 notify the other Party in writing of the alleged violation.

11 b. Upon receiving notice of the alleged violation or dispute, the responding
12 party shall have ten (10) days to correct the alleged violation and/or respond to the initiating
13 party with the reasons why the party disputes all or part of the allegation.

14 c. If the response does not address the alleged violation to the initiating
15 Party's satisfaction, the Parties shall negotiate in good faith for up to ten (10) days to resolve
16 their differences.

17 d. If the Parties are unable to resolve their differences after twenty (20) days,
18 either party may file an appropriate motion for enforcement with the Court.

19 **VIII. FAILURE OF SETTLEMENT; APPELLATE REVIEW**

20 37. Failure of Settlement. In the event that the Settlement Agreement does not
21 become final for any reason, this Settlement Agreement shall be null and void and any order
22 entered by the Court in furtherance of this settlement shall be treated as void *ab initio*. In such a
23 case, the Parties shall return to the *status quo* as if the Parties had not entered into this Settlement
24 Agreement. In addition, in such event, the Settlement Agreement and all negotiations, Court
25 orders and proceedings relating thereto shall be without prejudice to the rights of any and all
26 Parties. Furthermore, all evidence relating to the Settlement Agreement and all negotiations
27 shall not be admissible or discoverable in the Class Action or otherwise. In addition, any funds
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1 used or to be used to pay Settlement Awards, the enhancement payment to the Representative
2 Plaintiffs, and attorneys' fees and costs to Class Counsel shall be returned to their respective
3 status as of the date and time immediately prior to the execution of this Settlement Agreement,
4 and the parties shall proceed in all respects as if this Settlement Agreement had not been
5 executed. The Claims Administrator will be paid out of the Gross Settlement Fund for its costs
6 through the date it is notified that the settlement will not proceed.

7 38. Impact of Appellate Review. In the event an appeal is filed from any of the
8 Court's Orders, or any other appellate review is sought prior to the Effective Date, administration
9 of the settlement shall be stayed pending final resolution of the appeal or other appellate review,
10 except that the Claims Administrator will be paid out of the Gross Settlement Fund for its costs
11 through the date it is notified that the settlement has been stayed by appellate review.

12 IX. MISCELLANEOUS

13 39. Until such time as the Motion for Preliminary Approval of Settlement is filed with
14 the Court, Representative Plaintiffs agree to maintain the fact of, terms of and amount paid
15 pursuant to this Agreement as confidential. This means that Representative Plaintiffs and their
16 counsel shall do their utmost to ensure that the fact of, terms of and amount paid pursuant to this
17 Agreement are kept strictly confidential until the filing of such Motion. Until the filing of such
18 Motion, it is not a violation of this confidentiality provision for Representative Plaintiffs or their
19 attorneys to say that the Action has been "resolved" or "dismissed." Nothing in this provision
20 shall prevent Class Counsel from communicating with the Settlement Class Members about the
21 Settlement Agreement.

22 40. The Parties agree to diligently prepare and execute this Settlement Agreement and
23 the Motion for Preliminary Approval of Settlement.

24 41. Various Proceedings Stayed. The Parties agree to hold all proceedings in the
25 Class Action, except such proceedings as may be necessary to implement and complete the
26 Settlement Agreement, in abeyance pending the Settlement Fairness Hearing to be conducted by
27 the Court.
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1 42. Defense Fees and Costs. Each Released Party's own attorneys' fees and legal
2 costs and expenses incurred in the Class Action shall be borne by that Released Parties' separate
3 funds and not from the Gross Settlement Amount.

4 43. Amendment or Waiver Only in Writing. This Settlement Agreement may be
5 amended or modified only by a written instrument signed by counsel for all Parties or their
6 successors-in-interest. No rights hereunder may be waived except in writing.

7 44. Entire Agreement. This Settlement Agreement and any attached Exhibits
8 constitute the entire agreement between the Parties relating to the Settlement and transaction
9 contemplated thereby. All prior or contemporaneous agreements, understandings and
10 statements, whether oral or written, and whether by a party or its counsel, are merged herein.
11 No oral or written representations, warranties or inducements have been made to any party
12 concerning this Settlement Agreement or its Exhibits other than the representations, warranties
13 and covenants contained and memorialized in such documents.

14 45. Authorization to Execute Agreement and Effectuate Settlement and Agreement to
15 Cooperate. Counsel for all Parties warrant and represent that they are expressly authorized by
16 the Parties whom they represent to negotiate this Settlement Agreement and to take all
17 appropriate action required or permitted to be taken by such Parties pursuant to this Settlement
18 Agreement to effectuate the terms hereof, and to execute any other documents required to
19 effectuate the terms of this Settlement Agreement. The Parties and their respective counsel will
20 cooperate with each other and use their best efforts to effect the implementation of the
21 Settlement Agreement. In the event the Parties are unable to reach agreement on the form or
22 content of any document needed to implement the Settlement Agreement, or other dispute
23 regarding the interpretation or implementation of the Settlement Agreement or on any
24 supplemental provisions that may become necessary to effectuate the terms of this Settlement
25 Agreement, or on the form and content of the preliminary approval papers, the Parties must seek
26 the assistance of Mark Rudy, Esq. to resolve any such issues. Mr. Rudy's resolution regarding
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1 any such disputes regarding the Settlement Agreement and the preliminary approval papers is
2 binding on all parties.

3 46. Binding Upon Successors and Assigns. This Settlement Agreement shall be
4 binding upon, and inure to the benefit of, the successors or assigns of the Released Parties and
5 the Parties, as previously defined.

6 47. No Prior Assignment. The Parties hereto represent, covenant, and warrant that
7 they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
8 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action,
9 cause of action or rights herein released and discharged except as set forth herein.

10 48. Governing Law. All terms of this Settlement Agreement and the Exhibits hereto
11 shall be governed by and interpreted according to the laws of the State of California.

12 49. Counterparts. This Settlement Agreement may be executed in one or more
13 counterparts and served by facsimile. All executed copies of this Settlement Agreement, and
14 photocopies thereof (including facsimile and/or emailed copies of the signature pages), shall
15 have the same force and effect and shall be as legally binding and enforceable as the original.

16 50. Exhibits. The terms of this Settlement Agreement include the terms set forth in
17 the attached Exhibits, which are incorporated by this reference as though fully set forth herein.
18 The Exhibits to this Settlement Agreement are an integral part of the Settlement Agreement.
19 Unless specifically provided otherwise in the Exhibits to this Settlement Agreement, in the event
20 of any conflict between the Settlement Agreement and the Exhibits, the terms of the Settlement
21 Agreement shall control.

22 51. Construction. The Parties believe the terms of the settlement as set forth in this
23 Settlement Agreement are a fair, adequate and reasonable settlement of this Class Action and
24 have arrived at this Settlement Agreement in arms-length negotiations and with the assistance of
25 a professional mediator, taking into account all relevant factors, present and potential. This
26 Settlement Agreement has been drafted jointly by counsel for the Parties. Hence, in any
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1 construction or interpretation of this Settlement Agreement, the same shall not be construed
2 against any of the Parties.

3 52. Retention of Jurisdiction. The Court shall retain jurisdiction with respect to the
4 interpretation, implementation and enforcement of the terms of this Settlement Agreement and
5 all orders and judgments entered in connection therewith, and the Parties and their counsel hereto
6 submit to the jurisdiction of the Court for purposes of interpreting, implementing and enforcing
7 the settlement embodied in this Agreement and all orders and judgments entered in connection
8 therewith.

9 53. Agreement of Representative Plaintiffs. The Representative Plaintiffs agree not
10 to object to or appeal any of the terms of this Settlement Agreement.

11 54. No Injunctive or Prospective Relief. As part of this Settlement Agreement,
12 Released Parties shall not be required to enter into any consent decree, nor shall Released Parties
13 be required to agree to any provision for injunctive or prospective relief.

14 55. No Signature Required by Settlement Class Members on Settlement Agreement.
15 Because the Settlement Class Members are so numerous, it is impossible or impractical to have
16 each one execute this Settlement Agreement. The Class Notice, Exhibit A hereto, will advise all
17 Settlement Class Members of the binding nature of the release and such shall have the same
18 force and effect as if this Settlement Agreement were executed by each Settlement Class
19 Member.

20 56. Titles and Captions of No Force. Paragraph titles or captions contained herein are
21 inserted as a matter of convenience and for reference, and in no way define, limit, extend, or
22 describe the scope of this Settlement Agreement or any of its provisions. Each term of this
23 Settlement Agreement is contractual and not merely a recital.

24 57. Mutual Full Cooperation. The Parties agree to fully cooperate with each other to
25 accomplish the terms of this Settlement Agreement, including but not limited to, executing such
26 documents and taking such other action as may reasonably be necessary to implement the terms
27 of this Settlement Agreement.
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58. Invalid Without Court Approval. This Settlement Agreement is subject to approval by the Court. In the event it is not approved, it shall be deemed null and void, of no force and effect, and of no probative value, and the Parties hereto represent, warrant, and covenant that it will not be used or referred to for any purpose whatsoever.

Dated: 4/9/15

[Signature]
ALEXANDER GUREVICH
Plaintiff

Dated: _____

KEVIN DICKENS
Plaintiff

Dated: _____

PATRICK OPPIDO
Plaintiff

Dated: _____

SPENCER STECZ
Plaintiff

Dated: _____

CHRIS HERN
Plaintiff

Dated: _____

PHILIP JONES
Plaintiff

Dated: _____

ARBOGAST LAW

By: _____
David M. Arbogast
11400 W. Olympic Blvd., 2nd Floor
Los Angeles, CA 90064
Tel.: (310) 477-7200
Fax: (310) 943-0416
Attorneys for Plaintiff Alexander Gurevich
and the Proposed Settlement Class

Dated: _____

SMOGER & ASSOCIATES
By: _____
Gerson H. Smoger
Steven M. Bronson
350 Tenth Avenue, 10th Floor

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58. Invalid Without Court Approval. This Settlement Agreement is subject to approval by the Court. In the event it is not approved, it shall be deemed null and void, of no force and effect, and of no probative value, and the Parties hereto represent, warrant, and covenant that it will not be used or referred to for any purpose whatsoever.

Dated: _____

ALEXANDER GUREVICH
Plaintiff

Dated: 4-8-15



KEVIN DICKENS
Plaintiff

Dated: _____

PATRICK OPPIDO
Plaintiff

Dated: _____

SPENCER STECZ
Plaintiff

Dated: _____

CHRIS HERN
Plaintiff

Dated: _____

PHILIP JONES
Plaintiff

Dated: _____

ARBOGAST LAW

By: _____

David M. Arbogast
11400 W. Olympic Blvd., 2nd Floor
Los Angeles, CA 90064
Tel.: (310) 477-7200
Fax: (310) 943-0416
Attorneys for Plaintiff Alexander Gurevich
and the Proposed Settlement Class

Dated: _____

SMOGER & ASSOCIATES

By: _____

Gerson H. Smoger
Steven M. Bronson
350 Tenth Avenue, 10th Floor

Sedgwick

58. Invalid Without Court Approval. This Settlement Agreement is subject to approval by the Court. In the event it is not approved, it shall be deemed null and void, of no force and effect, and of no probative value, and the Parties hereto represent, warrant, and covenant that it will not be used or referred to for any purpose whatsoever.

Dated: _____
ALEXANDER GUREVICH
Plaintiff

Dated: _____
KEVIN DICKENS
Plaintiff

04/08/15
Dated: _____

PATRICK OPPIDO
Plaintiff

Dated: _____
SPENCER STECZ
Plaintiff

Dated: _____
CHRIS HERN
Plaintiff

Dated: _____
PHILIP JONES
Plaintiff

Dated: _____
ARBOGAST LAW
By:
David M. Arbogast
11400 W. Olympic Blvd., 2nd Floor
Los Angeles, CA 90064
Tel.: (310) 477-7200
Fax: (310) 943-0416
Attorneys for Plaintiff Alexander Gurevich
and the Proposed Settlement Class

Dated: _____
SMOGER & ASSOCIATES
By:
Gerson H. Smoger
Steven M. Bronson
350 Tenth Avenue, 10th Floor

Sedgwick

San Diego, CA 92101
Telephone: 619-344-2580
Facsimile: 619-568-3365
Attorneys for Plaintiff Alexander Gurevich
and the Proposed Settlement Class

Dated: _____
ARTHUR R. SIEGEL, ESQ.

By:
Arthur R. Siegel
351 California Street, 7th Floor
San Francisco, CA 94104
Telephone: (415) 395-9335
Facsimile: (415) 395-9615
Attorneys for Plaintiffs Kevin Dickens,
Patrick Oppido, Spencer Stecz, Chris Hern,
Phillip Jones and the Proposed Settlement

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Dated: _____
ALEXANDER GUREVICH
Plaintiff

Dated: _____
KEVIN DICKENS
Plaintiff

Dated: _____
PATRICK OPPIDO
Plaintiff

Dated: 04/09/2015

SPENCER STECZ
Plaintiff

Dated: _____
CHRIS HERN
Plaintiff

Dated: _____
PHILIP JONES
Plaintiff

Dated: _____
ARBOGAST LAW

By: _____
David M. Arbogast
11400 W. Olympic Blvd., 2nd Floor
Los Angeles, CA 90064
Tel.: (310) 477-7200
Fax: (310) 943-0416
Attorneys for Plaintiff Alexander Gurevich
and the Proposed Settlement Class

Dated: _____
SMOGER & ASSOCIATES
By: _____
Gerson H. Smoger
Steven M. Bronson
350 Tenth Avenue, 10th Floor

Sedgwick

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Dated: _____
ALEXANDER GUREVICH
Plaintiff

Dated: _____
KEVIN DICKENS
Plaintiff

Dated: _____
PATRICK OPPIDO
Plaintiff

Dated: _____
SPENCER STECZ
Plaintiff

Dated: 4/8/15

CHRIS HERN
Plaintiff

Dated: _____
PHILIP JONES
Plaintiff

Dated: _____
ARBOGAST LAW

By: _____
David M. Arbogast
11400 W. Olympic Blvd., 2nd Floor
Los Angeles, CA 90064
Tel.: (310) 477-7200
Fax: (310) 943-0416
Attorneys for Plaintiff Alexander Gurevich
and the Proposed Settlement Class

Dated: _____
SMOGER & ASSOCIATES
By: _____
Gerson H. Smoger
Steven M. Bronson
350 Tenth Avenue, 10th Floor

David Gurevich

1 58. Invalid Without Court Approval. This Settlement Agreement is subject to
2 approval by the Court. In the event it is not approved, it shall be deemed null and void, of no
3 force and effect, and of no probative value, and the Parties hereto represent, warrant, and
4 covenant that it will not be used or referred to for any purpose whatsoever.

5 Dated: _____

6 ALEXANDER GUREVICH
7 Plaintiff

8 Dated: _____

9 KEVIN DICKENS
10 Plaintiff

11 Dated: _____

12 PATRICK OPPIDO
13 Plaintiff

14 Dated: _____

15 SPENCER STECZ
16 Plaintiff

17 Dated: _____

18 CHRIS HERN
19 Plaintiff

20 Dated: 4/9/15

21 PHILIP JONES
22 Plaintiff

23 Dated: _____

24 ARBOGAST LAW

25 By: _____
26 David M. Arbogast
27 11400 W. Olympic Blvd., 2nd Floor
28 Los Angeles, CA 90064
Tel.: (310) 477-7200
Fax: (310) 943-0416
Attorneys for Plaintiff Alexander Gurevich
and the Proposed Settlement Class

29 Dated: _____

30 SMOGER & ASSOCIATES

31 By: _____
32 Gerson H. Smoger
33 Steven M. Bronson
34 350 Tenth Avenue, 10th Floor

Sedgwick

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Dated: _____
ALEXANDER GUREVICH
Plaintiff

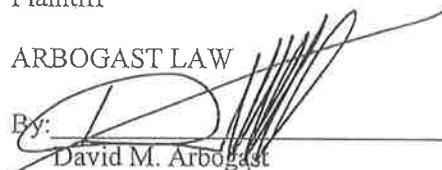
Dated: _____
KEVIN DICKENS
Plaintiff

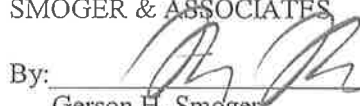
Dated: _____
PATRICK OPPIDO
Plaintiff

Dated: _____
SPENCER STECZ
Plaintiff

Dated: _____
CHRIS HERN
Plaintiff

Dated: _____
PHILIP JONES
Plaintiff

Dated: April 9, 2015
ARBOGAST LAW
By: 
David M. Arbogast
11400 W. Olympic Blvd., 2nd Floor
Los Angeles, CA 90064
Tel.: (310) 477-7200
Fax: (310) 943-0416
Attorneys for Plaintiff Alexander Gurevich
and the Proposed Settlement Class

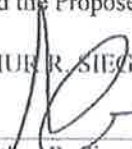
Dated: _____
SMOGER & ASSOCIATES
By: 
Gerson H. Smoger
Steven M. Bronson
350 Tenth Avenue, 10th Floor

Sedgwick

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San Diego, CA 92101
Telephone: 619-344-2580
Facsimile: 619-568-3365
Attorneys for Plaintiff Alexander Gurevich
and the Proposed Settlement Class

Dated: 4/7/15

ARTHUR R. SIEGEL, ESQ.
By: 

Arthur R. Siegel
351 California Street, 7th Floor
San Francisco, CA 94104
Telephone: (415) 395-9335
Facsimile: (415) 395-9615
Attorneys for Plaintiffs Kevin Dickens,
Patrick Oppido, Spencer Stecz, Chris Hern,
Phillip Jones and the Proposed Settlement
Class

Dated: 4-8-15

JARET & JARET
By: 

Robert S. Jaret
Phillip A. Jaret
1016 Lincoln Avenue
San Rafael, CA 94901
Telephone: (415) 455-1010
Facsimile: (415) 455-1050
Attorneys for Plaintiffs Kevin Dickens,
Patrick Oppido, Spencer Stecz, Chris Hern,
Phillip Jones and the Proposed Settlement
Class

Dated: _____

ROYAL AMBULANCE, INC.
By: _____

Steve Grau
Chief Executive Officer

Dated: _____

SEDGWICK LLP
By: _____

James S. Brown
Denise Trani-Morris
Marc A. Koonin
Attorneys for Defendant,
Royal Ambulance, Inc.

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San Diego, CA 92101
Telephone: 619-344-2580
Facsimile: 619-568-3365
Attorneys for Plaintiff Alexander Gurevich
and the Proposed Settlement Class

Dated: _____

ARTHUR R. SIEGEL, ESQ.

By: _____

Arthur R. Siegel
351 California Street, 7th Floor
San Francisco, CA 94104
Telephone: (415) 395-9335
Facsimile: (415) 395-9615
Attorneys for Plaintiffs Kevin Dickens,
Patrick Oppido, Spencer Stecz, Chris Hern,
Phillip Jones and the Proposed Settlement
Class

Dated: _____


JARET & JARET

By: _____

Robert S. Jaret
Phillip A. Jaret
1016 Lincoln Avenue
San Rafael, CA 94901
Telephone: (415) 455-1010
Facsimile: (415) 455-1050
Attorneys for Plaintiffs Kevin Dickens,
Patrick Oppido, Spencer Stecz, Chris Hern,
Phillip Jones and the Proposed Settlement
Class

Dated: 4/7/15

ROYAL AMBULANCE, INC.

By:  _____

Steve Grau
Chief Executive Officer

Dated: _____

SEDGWICK LLP

By: _____

James S. Brown
Denise Trani-Morris
Marc A. Koonin
Attorneys for Defendant,
Royal Ambulance, Inc.

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San Diego, CA 92101
Telephone: 619-344-2580
Facsimile: 619-568-3365
Attorneys for Plaintiff Alexander Gurevich
and the Proposed Settlement Class

Dated: _____

ARTHUR R. SIEGEL, ESQ.

By: _____
Arthur R. Siegel
351 California Street, 7th Floor
San Francisco, CA 94104
Telephone: (415) 395-9335
Facsimile: (415) 395-9615
Attorneys for Plaintiffs Kevin Dickens,
Patrick Oppido, Spencer Stecz, Chris Hern,
Phillip Jones and the Proposed Settlement
Class

Dated: _____

JARET & JARET

By: _____
Robert S. Jaret
Phillip A. Jaret
1016 Lincoln Avenue
San Rafael, CA 94901
Telephone: (415) 455-1010
Facsimile: (415) 455-1050
Attorneys for Plaintiffs Kevin Dickens,
Patrick Oppido, Spencer Stecz, Chris Hern,
Phillip Jones and the Proposed Settlement
Class

Dated: _____

ROYAL AMBULANCE, INC.

By: _____
Steve Grau
Chief Executive Officer

Dated: April 7, 2015

SEDGWICK LLP

By: James S. Brown
James S. Brown
Denise Trani-Morris
Marc A. Koonin
Attorneys for Defendant,
Royal Ambulance, Inc.

Sedgwick

Exhibit A

YOU MAY BE ENTITLED TO RECEIVE MONEY FROM A CLASS ACTION SETTLEMENT FOR HAVING WORKED FOR ROYAL AMBULANCE, INC. IN CALIFORNIA, AS A RESULT OF A CONSOLIDATED CLASS ACTION PENDING IN SUPERIOR COURT:

Alexander Gurevich v. Royal Ambulance, Inc.,
Alameda County Superior Court Case No. RG12631895

and

Kevin Dickens, Patrick Oppido, Spencer Stecz, Chris Hern, and Philip Jones v. Royal Ambulance, Inc., Alameda County Superior Court Case No. RG12639791,

YOU ARE NOT BEING SUED, AND THIS LAWSUIT IS NOT AGAINST YOU.

ROYAL AMBULANCE, INC. HAS AGREED TO THIS SETTLEMENT.

YOUR RIGHTS MAY BE AFFECTED – PLEASE READ THIS NOTICE IMMEDIATELY!

ATTENTION: A judge has granted Preliminary Approval to a settlement of the above-captioned consolidated class action lawsuits (“Action”) against Royal Ambulance, Inc. If you were employed by Royal Ambulance, Inc. (“Royal”) as an Emergency Medical Technician - Ambulance Driver between May 24, 2008, and April 10, 2015 then you are a “Class Member” and may be eligible to receive money from the Settlement of the Action.

PLEASE READ THIS NOTICE CAREFULLY. This Notice relates to the Settlement of the Action. If you are a Class Member, it contains important information affecting your rights to participate in the Settlement as further described below. This notice advises you of the terms of the Settlement and your rights and options under it.

A settlement has been reached in these Consolidated Class Actions.

These are the steps you may take in response, as explained in detail below:

You can exclude yourself from the Settlement: If you do not want a Settlement Award and do not want to be bound by the proposed Settlement’s terms, you may do so by making a timely written Request for Exclusion.

You can object to the Settlement: You may object to the proposed settlement in writing. You may also appear at the Final Approval Hearing

You can do nothing and receive a Settlement Award: If you do nothing, you will be bound by the proposed Settlement terms and you will receive a Settlement Award.

What is this proposed Settlement about?

The Action is a combination of two separate class action lawsuits which were filed separately against Royal, both of which have been consolidated by the Court for joint resolution. Alexander Gurevich filed the original Class Action Complaint on May 24, 2012. Kevin Dickens, Patrick Oppido, Spencer Stecz, Chris Hern, and Philip Jones filed the second Class Action Complaint on July 18, 2012. Together, Alexander Gurevich, Kevin Dickens, Patrick Oppido, Spencer Stecz, Chris Hern, and Philip Jones are designated as the "Class Representatives. The Court ordered them to file a single class action complaint in the Action, and they did so. That Consolidated Class Action Complaint alleges that the Royal failed properly to pay overtime, provide meal and rest periods, pay minimum wage, pay contractual straight time wages, pay wages in a timely manner to terminated employees, provide compliant wage statements, keep required payroll records, and in these ways engaged in unfair competition and also owe civil penalties to the extent that these other allegations also violated the Private Attorneys General Act of 2004 ("PAGA") ("Claims"). The Action was brought as a putative class action and sought damages, penalties, and restitution, as well as interest, attorneys' fees, and costs. The Action has been vigorously litigated since it was filed. Additionally, the parties participated in a mediation conducted by a professional mediator. At the conclusion of the mediation, the parties reached an agreement to settle the Action.

Under the proposed Settlement, Royal agrees to make payments to Class Members who do not opt out of the settlement. These payments will be based on the pro rata compensation earned by each Settlement Class Member during the Class Period compared to the total compensation earned by all Settlement Class Members during the Class Period. Royal also agrees to pay the Settlement Administration Costs, an Enhancement payment to the Class Representatives, and Class Counsel's attorneys' fees and costs up to an amount described below, subject to court approval. Royal's maximum total obligation under the proposed Settlement is \$650,000, to be paid over a two year period in three separate installments of: (1) \$450,000; (2) \$100,000; and (3) \$100,000.

The proposed Settlement is not an admission of liability by Royal. Throughout this case, Royal has denied any liability or wrongdoing, or that any compensable injury arose out of any of the matters alleged in the Action. Royal contends that it has complied with all California and federal laws regarding those matters.

Class Counsel believes that the proposed Settlement is in the best interests of the Class Members. Further proceedings would be very expensive and take a long time. Moreover, no one can predict the precise outcome of the disputed issues in this case. Therefore, Class Counsel believes that the proposed Settlement is fair, reasonable, and adequate for the Class Members.

Summary of the proposed Settlement

Royal has agreed to pay \$650,000, to be paid over a two year period in three separate installments of: (1) \$450,000; (2) \$100,000; and (3) \$100,000 ("Gross Settlement Amount") to resolve all claims that were or could have been asserted in the Action and for your release of claims described below. The second installment will be delivered to the Claims Administrator for distribution not more than one year after the first installment is delivered, and the third installment will be delivered to the Claims Administrator for payment not more than two years after the first installment is delivered. If finally approved by the Court, the proposed Settlement will distribute money as follows:

Settlement Awards to Class Members: To all Class Members who do not exclude themselves from the settlement as described below ("Settlement Class Members"), Royal will make payments

according to the following formula from the Net Settlement Amount, which is the amount of settlement funds remaining after other approved payments have been made from the Gross Settlement Amount:

The Net Settlement Amount will be calculated and distributed in three payments. The Net Settlement funds shall be allocated as follows: (a) 45% wages (Wage Fund); (b) 15% waiting time penalties (Waiting Time Penalty Fund); and (c) 40% other penalties and interest (Other Penalty and Interest Fund). The Claims Administrator shall make up to three separate distributions of Settlement Awards to the Settlement Class Members who do not opt out of the Settlement. The first distribution shall be made within thirty (30) days of the Effective Date of the Settlement, and shall be based on the amount of the Net Settlement Amount available for distribution at that time. The Claims Administrator will make a second, and if necessary, a third, distribution of Settlement Awards to the Settlement Class within fourteen (14) days of receiving each subsequent \$100,000 deposit from the Royal.

The Claims Administrator will calculate an award for each Settlement Class Member for each distribution phase as follows:

The Claims Administrator shall determine the total gross amount of earnings during the Class Period for each Class Member. The Claims Administrator will then determine the amount of aggregate gross earnings during the Class Period for Settlement Class Members no longer employed and all Settlement Class Members still employed.

First, the Claims Administrator will divide the amount of gross earnings earned by each Settlement Class Member no longer employed during the Class Period by the aggregate amount of gross earnings for all Class members no longer employed during the Class Period, and multiply that number by the Waiting Time Penalty Fund available for distribution. The resulting amounts shall be paid to each of the Settlement Class Members no longer employed only and shall not be subject to payroll withholding taxes. Second, the Claims Administrator will divide the amount of gross earnings earned by each Settlement Class Member during the Class Period by the aggregate amount of gross earnings for all Settlement Class members during the Class Period, and multiply that number by the Other Penalty and Interest Fund available for distribution. The resulting amounts shall be paid to each of the Settlement Class Members and shall not be subject to payroll withholding taxes. Third, the Claims Administrator will divide the amount of gross earnings earned by each Settlement Class Member during the Class Period by the aggregate amount of gross earnings for all Settlement Class members during the Class Period, and multiply that number by the Wage Fund available for distribution. The resulting amounts shall be paid to each of the Settlement Class Members and shall be subject to payroll withholding taxes.

Settlement Awards shall be subject to applicable withholding taxes, but Royal's share of any applicable payroll taxes and any applicable employer payroll contributions shall be paid by Royal separately from the Gross Settlement Amount. "Net Settlement Amount" means the Gross Settlement Amount less the following amounts: (i) Enhancement payments to the Representative Plaintiffs; (ii) the payment of attorneys' fees to Class counsel, not to exceed one third (33.33%) of the Gross Settlement Amount; (iii) Class Counsel's litigation expenses estimated at \$25,000; (iv) up to \$10,000 for the costs of the settlement administration, including the Claims Administrator's cost; and (v) the payment of \$7,500 (representing the state of California's share of \$10,000 to settle claims pursuant to the California Private Attorney General's Act (Cal. Labor Code § 2698 et seq.) to the California Labor Workforce

Development Agency. (The remaining \$2,500 of this \$10,000 is the Settlement Class Members' share and will be included in the Net Settlement Amount.)

Royal shall also pay separately from the Gross Settlement Amount any reasonable amount of settlement administration fees beyond the \$10,000 to be paid from the Gross Settlement Amount, except that, to the extent that the Claims Administrator incurs any additional administration costs due to any dispute between Class Counsel regarding the distribution of Class Counsel's attorneys' fees, Class Counsel shall pay for such administrative costs, which Class Counsel will pay directly to the Claims Administrator and not from the Gross Settlement Amount or the Net Settlement Amount.

Fee and Expense Award to Class Counsel: Upon approval by the Court, Royal will pay attorneys' fees and out-of-pocket costs/expenses to Class Counsel (Gerson H. Smoger and Steven M. Bronson of Smoger & Associates, David M. Arbogast of Arbogast Law, A Professional Corporation, Arthur R. Siegel, and Robert S. Jaret and Phillip A. Jaret of Jaret & Jaret). The proposed Settlement permits Class Counsel to request up to 33.33% of the Gross Settlement Amount (\$216,666.67) as their fees for prosecuting this case and expenses estimated at \$25,000 for reimbursement of their out-of-pocket costs/expenses incurred in the Action. You are not personally responsible for any of Class Counsel's attorneys' fees or costs/expenses.

Other Costs: The Settlement provides for \$32,000 total in Enhancement payments to the Class Representatives, including \$10,000 each for Alexander Gurevich and Kevin Dickens, and \$3,000 each for Patrick Oppido, Spencer Stecz, Chris Hern, and Philip Jones. The proposed Settlement further provides for payment estimated to be \$10,000 to the Settlement Administrator, Desmond, Marcello & Amster, for its services in mailing the Class Notice and processing Settlement Awards. The Settlement also provides for a payment of \$7,500 (representing the state of California's share of \$10,000 to settle claims pursuant to the California Private Attorney General's Act (Cal. Labor Code § 2698 et seq.) to the California Labor Workforce Development Agency. (The remaining \$2,500 of this \$10,000 is the Settlement Class Members' share and will be included in the Net Settlement Amount.)

Unclaimed Portion of Net Settlement Amount: Any remaining unclaimed portion of the Net Settlement Amount after administration of the Settlement has been completed shall be paid to [insert name of charitable organization] as a charitable donation, or *cy pres* award.

What are my rights and options?

1. **You can exclude yourself from the Settlement:** If you do not want a Settlement Award and do not want to be bound by any of the proposed Settlement's terms, you must make a timely written Request for Exclusion. Your Request for Exclusion must contain your name, address, telephone number and last four digits of your Social Security Number; must be signed and dated by you, and must state the following:

I wish to be excluded from the Settlement in the consolidated cases of *Alexander Gurevich v. Royal Ambulance, Inc.*, Alameda County Superior Court Case No. RG12631895, and *Kevin Dickens, Patrick Oppido, Spencer Stecz, Chris Hern, and Philip Jones v. Royal Ambulance, Inc.*, Alameda County Superior Court Case No. RG12639791.

Your Request for Exclusion must be mailed to the Settlement Administrator at the following address and must be postmarked by [DATE — 30 days from mailing Class Notice]. You should not request exclusion if you wish to receive money from the Settlement.

Settlement Administrator Address:

Alexander Gurevich v. Royal Ambulance, Inc.
c/o Angeion Group
1801 Market Street, Suite 660
Philadelphia, Pennsylvania 19103

2. You can object to the Settlement:

You may object to the proposed settlement in writing. You may also appear at the Final Approval Hearing, either in person or through an attorney at your own expense, provided you notify the Court of your intent to do so. All written objections, supporting papers and/or notices of intent to appear at the Final Approval Hearing must (a) clearly identify the consolidated case names and numbers: *Alexander Gurevich v. Royal Ambulance, Inc.*, Alameda County Superior Court Case No. RG12631895 and *Kevin Dickens, Patrick Oppido, Spencer Stecz, Chris Hern, and Philip Jones v. Royal Ambulance, Inc.*, Alameda County Superior Court Case No. RG12639791, (b) be submitted to the Court either by mailing the to: Clerk of Court, Superior Court of California, County of Alameda, Rene C. Davidson Alameda County Courthouse, 1225 Fallon Street, Oakland, California 94612, or by filing in person at any location of the Superior Court, County of Alameda that includes a facility for civil filings, (c) also be served on the law firms identified below by personal delivery, facsimile transmission, or mail, and (d) be filed or postmarked on or before [nine (9) court days before the Final Approval Hearing], 2014.

You must serve copies of your written objection to the following attorneys:

ATTORNEYS FOR PLAINTIFF
ALEXANDER GUREVICH AND THE
CLASS MEMBERS

GERSON H. SMOGER
STEVEN M. BRONSON
SMOGER & ASSOCIATES
350 Tenth Avenue, 10th Floor
San Diego, CA 92101
Telephone: 619-344-2580
Facsimile: 619-568-3365

DAVID M. ARBOGAST
ARBOGAST LAW PC
8117 W Manchester Ave., Suite 530
Playa Del Rey, CA 90293
Telephone.: (310) 477-7200
Facsimile: (310) 943-0416

ATTORNEYS FOR KEVIN DICKENS,
PATRICK OPPIDO, SPENCER STECZ, CHRIS
HERN, PHILLIP JONES AND THE CLASS
MEMBERS

ARTHUR R. SIEGEL
351 California Street, 7th Floor
San Francisco, CA 94104
Telephone: (415) 395-9335

ATTORNEYS FOR DEFENDANT
ROYAL AMBULANCE, INC.

JAMES S. BROWN
DENISE TRANI-MORRIS
MARC A. KOONIN
SEDGWICK LLP
333 Bush Street, 30th Floor
San Francisco, CA 94104-2834
Telephone: 415.781.7900
Facsimile: 415.781.2635

Facsimile: (415) 434-0513

ROBERT S. JARET
PHILLIP A. JARET
JARET & JARET
1016 Lincoln Avenue
San Rafael, CA 94901
Telephone: (415) 455-1010
Facsimile: (415) 455-1050

Your objection and notice of intention to appear at the Final Approval Hearing must be postmarked or filed with the Court and mailed to or otherwise served on the above Counsel no later than nine court days before the final approval hearing. You may object to the Settlement only if you do NOT submit a Request for Exclusion.

3. **You can do nothing:** You can do nothing. If you do nothing, you will be bound by the proposed Settlement terms and you will receive a Settlement Award.

What claims am I releasing by participating in the Settlement?

In exchange for the consideration and covenants undertaken by Royal as a result of the proposed Settlement, the Settlement Class Members will expressly release, waive and discharge, and are deemed to have released, waived and discharged, all Settled Claims against all Released Parties.

“Settled Claims” means any and all liabilities, demands, claims, causes of action, complaints and obligations of whatever kind or nature that were or reasonably could have been asserted or alleged, and/or any cause of action for (or attempt to recover) statutory or civil penalties that was or could reasonably have been alleged, and/or which derive from the allegations contained in or that reasonably could have arisen out of the same facts asserted or alleged by or on behalf of Representative Plaintiffs and the Settlement Class Members based on the allegations contained in the Action against the Released Parties by or on behalf of such Settlement Class Members or successors or assigns of any of them (whether directly, indirectly, representatively, derivatively or in any other capacity), accruing any time prior to [date of entry of the Preliminary Approval Order] **to the fullest extent permitted by law.** The Settled Claims include but are not limited to claims seeking unpaid wages (including but not limited to overtime, minimum wages, and wages at an agreed rate under the Fair Labor Standards Act and/or California law), premiums, penalties for missed meal and rest periods, waiting time penalties, claims related to wage statements and record-keeping violations, civil penalties, injunctive relief forbidding destruction of records pertaining to the class period, civil penalties pursuant to the Private Attorneys General Act of 2004 (“PAGA”), other injunctive and equitable relief, and reasonable attorneys’ fees, costs, and interest, based on a breach of contract and/or violation of Labor Code sections 201, 202, 203, 204, 226, 226.7, 510, 512, 558, 1182, 1182.12, 1194, 1197, and 2699, and/or Business and Professions Code sections 17200 et seq., and Industrial Welfare Commission (“IWC”) Wage Order No. 9-2001(Cal. Code Regs., tit. 8, § 11090), as amended, as alleged in the Action.

“Released Parties” means (i) Royal Ambulance, Inc.; (ii) past or present subsidiaries, divisions, parents, predecessors, successors, affiliates or assigns of Royal Ambulance, Inc.; and (iii) any past or present members, shareholders, officers, agents, employees, advisors, insurers, re-insurers, attorneys, or representatives of Royal Ambulance, Inc., including but not limited to Steve Grau, Eve Grau, and Leon Botoshansky.

All Settlement Class Members intend and are deemed to intend that this Settlement shall be effective as a bar to any and all Released Claims.

When is the next Court hearing?

A Final Approval Hearing will be held before the Honorable Wynne Carvill in Department 21 of the Superior Court of the State of California for the County of Alameda, located at 1221 Oak Street, Oakland, California 94612, on _____, 2014 at __: __.m. to determine whether the Settlement is fair, reasonable and adequate. Judge Carvill will be asked to approve the plan for distributing the Settlement Awards, Class Counsel's Fee and Expense Award, the Enhancement payments for the Class Representatives, and payment to the Settlement Administrator. A motion for final approval of these items should be on file with the Court no later than _____, 2014 and will be available for review after that date. This hearing may be continued without further notice to Class Members. It is not necessary for you to appear at this hearing for your objections, if you have timely made them, to be considered.

What if I need more information?

For the precise terms and conditions of the Settlement, you should consult the detailed Agreement and the Preliminary Approval Order, which is also on file with the Court. Capitalized terms in this Notice have the same meaning they are given in the Joint Stipulation and Settlement Agreement ("Agreement") on file with the Court in the Action. If you have any questions, you can contact the Settlement Administrator at ___ - ___ - ____ You can also contact Class Counsel listed above.

The pleadings and other records in this litigation, including the Settlement Agreement, may be examined online on the Alameda County Superior Court's website, known as 'DomainWeb,' at

<https://publicrecords.alameda.courts.ca.gov/PRS/>

After arriving at the website, click the 'Search By Case Number' link, then enter RG12631895 as the case number and click 'SEARCH.' Images of every document filed in the case may be viewed through the 'Register of Actions' at a minimal charge.

You may also view images of every document filed in the case free of charge by using one of the computer terminal kiosks available at each court location that has a facility for civil filings.

PLEASE DO NOT TELEPHONE THE COURT OR DEFENDANT'S COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS!

Additional information and key documents relating to the Action and the Settlement can also be accessed at the following Internet site maintained by [plaintiff's counsel / the claims administrator]:

<http://www.xxx.com>

BY ORDER OF THE SUPERIOR COURT
OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ALAMEDA