

UNITED STATES DISTRICT COURT CENTRAL DISTRICT OF CALIFORNIA

Barbara Grady v. RCM Technologies, Inc.

Case No. 5:22-cv-00842-JLS-SHK

NOTICE OF CLASS ACTION SETTLEMENT

If you are or were employed by RCM as a non-exempt nurse assigned to COVID-19 testing and/or vaccination sites for San Bernardino County (including Arrowhead Regional Medical Center), or at K-12 schools for Los Angeles Unified School District (LAUSD), or Ginkgo Concentric (Ginkgo) in California at any time between March 1, 2020 and March 7, 2023, you are eligible to receive compensation from a class action settlement.

- A nurse who worked for RCM Technologies (USA), Inc. (“RCM” or “Defendant”) in an hourly, non-exempt position at various COVID-19 testing worksites in California filed a lawsuit alleging that she and other similarly situated nurses were denied off-duty meal periods and rest breaks, denied wages (including overtime wages) for all hours worked, while working for RCM, among other related claims.
- RCM denies the allegations, but the parties have reached a settlement that the Court has preliminarily approved on the ground that the settlement appears to be fair, reasonable, adequate, and in the best interests of the class members.
- *A court authorized this notice. This is not an advertisement. This is not a lawsuit against you. You are not being sued, but, your rights will be affected by this settlement.*

YOUR LEGAL RIGHTS & OPTIONS IN THIS SETTLEMENT	
DO NOTHING AND GET AN AUTOMATIC PAYMENT	If you received this Notice of Class Action Settlement, you will <u>automatically</u> receive your share of the settlement, unless you exclude yourself. You do <u>not</u> need to submit a claim form to receive your share of the Settlement. However, you will not be able to bring or pursue the same claims covered by this Settlement in another case.
EXCLUDE YOURSELF; GET NO PAYMENT; KEEP RIGHT TO SUE SEPARATELY	You can choose to exclude yourself from the Settlement. If you exclude yourself, you can pursue the same claims covered by this Settlement in another case. The deadline to submit a request for exclusion is January 27, 2025 .
OBJECT	If you so choose, you may object to this settlement. However, you must remain a Settlement Class Member to object to the Settlement. In other words, you cannot object to the Settlement if you also request to exclude yourself from the Settlement. The deadline to submit objections is January 27, 2025 .

Any questions? Read the entire notice and if you still have questions, please call 1-877-930-2751.

PLEASE READ THIS NOTICE CAREFULLY.

Your rights will be affected by this settlement.

1. *Why did I get this notice?*

You received this notice because RCM's business records indicate that you have worked for RCM in California at some point between March 1, 2020 and March 7, 2023 as a non-exempt nurse assigned to work at COVID-19 testing or vaccination sites for San Bernardino County (including Arrowhead Regional Medical Center), LAUSD or Ginkgo in California. All current and former RCM employees who fall within this category are known as Class Members.

2. *Why should I read this notice?*

This notice is to let you know that the parties in *Grady v. RCM Technologies, Inc.*, pending in the United States District Court for the Central District of California, as Case No. 5:22-cv-00842-JLS-SHK, have reached a class action settlement. Under applicable law, a class action settlement must be reviewed and approved by a judge. On November 13, 2024, Judge Josephine L. Staton preliminarily approved the terms of this proposed settlement and ordered this notice to be mailed to all class members. The Court will hold a Final Fairness Hearing on the proposed settlement on **February 21, 2025 at 10:30 a.m. PT**. This notice explains your rights to share in the settlement or to exclude yourself ("opt out").

3. *What is this case about?*

Plaintiff claims on behalf of herself and others similarly situated that RCM violated the California Labor Code by failing to provide off-duty meal and rest breaks, failing to pay regular and overtime wages for alleged off-the-clock work, failing to pay all wages due timely and upon termination, failing to maintain accurate employment records, and failing to provide accurate wage statements. Plaintiff also seeks to recover civil penalties under the Private Attorneys General Act ("PAGA"), Cal. Labor Code § 2698, *et seq.* RCM denies these allegations.

4. *Who are the parties in this case?*

Barbara Grady is the Plaintiff and Class Representative. RCM Technologies (USA), Inc. (erroneously named as RCM Technologies, Inc.) is the Defendant.

5. *Why did RCM enter into the settlement?*

RCM entered into the settlement as a compromise in order to finally, fully and completely resolve the dispute and avoid protracted litigation. RCM denies the allegations in the case, and is not giving up its right to defend itself against any of the allegations involved in the lawsuit if this settlement fails for any reason.

6. *How much is the settlement and how will it be allocated?*

The Total Settlement Amount is **\$1,658,410**, which will be allocated approximately as follows: (1) \$1,025,206.75 to the Net Settlement Amount to be distributed to participating Class Members and PAGA Employees; (2) \$124,380.75 to the California Labor Workforce Development Agency for its statutory share of the claims for civil penalties under PAGA; (3) \$5,000 to Plaintiff Barbara Grady for the class representative service payment; (4) up to \$414,602.50 for Class Counsel's attorney's fees and up to \$50,000 in costs; and (5) an estimated \$39,220 for the Settlement Administrator's costs. Defendant will pay its share of applicable employer-side payroll taxes on the wage portion of the settlement separately from the Total Settlement Amount, and its own attorney's fees and costs.

Individual Class Settlement Payments from the Net Settlement Amount. The amount that you will receive from the Net Settlement Amount will be based on the number of shifts you worked at COVID-19 testing

and vaccination sites at San Bernardino County (including Arrowhead Medical Center), LAUSD, or Ginkgo in California between March 1, 2020 and March 7, 2023 (the “Class Period”), as compared to other participating Class Members, as shown by RCM’s records. The distribution formula is based on number of Adjusted Workshifts after applying a multiplier for each client to account for different shift lengths and other relevant client-specific facts and circumstances, and is set forth in the Settlement Agreement, which you can access by visiting www.GradyClassActionSettlement.com, checking the court case file (see Paragraph 19 below), or contacting Class Counsel (see Paragraph 14 below). **YOU DO NOT NEED TO SUBMIT A CLAIM FORM IN ORDER TO RECEIVE YOUR SHARE OF THE SETTLEMENT.**

Individual PAGA Payment from the PAGA Fund. “PAGA” refers to the Private Attorneys General Act, Cal. Labor Code §2698, *et seq.* For purposes of this Settlement, “PAGA Employees” means the subset of Class Members who worked as nurses for RCM assigned to the above-specified client sites between July 22, 2020 and March 7, 2023 (PAGA Period). As required by law, 75% of the PAGA Fund (\$124,380.75) will be distributed to the California Labor and Workforce Development Agency (“LWDA”) as civil penalties and the remaining 25% of the PAGA Fund (\$41,460.25) will be distributed to the PAGA Employees on a pro rata basis based on the number of pay periods worked during the PAGA Period. PAGA Employees cannot exclude themselves from the Individual PAGA Payment portion of the Settlement. If the Court approves the Settlement and you fall within the definition of PAGA Employee, you will receive an Individual PAGA Payment (which will be considered miscellaneous income reported on an IRS Form 1099, without withholdings).

7. How much will I receive from the settlement?

RCM’s business records indicate that you worked the following shifts during the Class Period (March 1, 2020 to March 7, 2023):

Client Assignment	# Shifts	Adjustment	# Adjusted Shifts
Ginkgo Concentric	«Ginkgo Shifts»	* 1.0	«Adjusted Ginkgo Shifts»
Los Angeles Unified School District	«LAUSD Shifts»	* 1.5	«Adjusted LAUSD Shifts»
San Bernardino County	«SBC Shifts»	* 1.5	«Adjusted SBC Shifts»
Total Adjusted Shifts:			«Total Adjusted Shifts»

Based on the formula in the Settlement Agreement, you have «Total Adjusted Shifts» Adjusted Workshifts. If you do not opt out of this Settlement, you will automatically be mailed a check for your share of the settlement payment based on the number of your Adjusted Workshifts. Your settlement share is estimated to be \$«Settlement Share». In addition, you will automatically be paid an estimated \$«PAGA Payment» Individual PAGA payment based on RCM’s business records indicating that you worked «PAGA Workweeks» weeks during the PAGA Period (July 22, 2020 to March 7, 2023), whether you participate or opt out.

If you disagree with whether you are a current or former employee, or the number of your Adjusted Workshifts during the Class Period, or the number of weeks you worked during PAGA Period, as summarized in the prior paragraph, please contact the Settlement Administrator at Grady v. RCM Technologies, c/o JND Legal Administration, P.O. Box 91125, Seattle, WA 98111, Tel: 1-877-930-2751, Fax: 1-877-605-4536, Email: info@GradyClassActionSettlement.com, no later than **January 27, 2025**, and provide your dates of employment with RCM and the total number of shifts and weeks that you believe you worked as a non-exempt hourly paid nurse for RCM in California and were assigned to COVID-19 testing or vaccination sites for San Bernardino County (including Arrowhead Regional Medical Center), LAUSD, or Ginkgo during the Class Period and PAGA Period. You will need to submit supporting documentation. For a dispute to be valid, it must be in writing and contain: (i) your full name, signature or e-signature, address, telephone number, and the last four digits of your Social Security number; (ii) the dates of employment, number of Workweeks and/or number of shifts you contend is correct; and (iii) any evidence supporting your contention. An e-signature is acceptable for disputes that are submitted electronically. The dates of employment and shift information identified in RCM's records are presumed correct, unless you prove otherwise to the Settlement Administrator by credible evidence. All Disputes will be resolved and decided by the Settlement Administrator, with consultation with Defense Counsel and Class Counsel as appropriate.

8. How will my settlement payment be taxed?

Individual Settlement Awards to Class Members will be taxed as follows: one-third (33%) of the award will be taxed as alleged unpaid wages subject to all applicable tax withholdings, for which IRS Form W-2 will be issued; one-third (33%) will be taxed as alleged unpaid interest for which the appropriate IRS Form 1099 will be issued; and one-third (33%) will be taxed as alleged unpaid penalties for which IRS Form 1099-MISC will be issued. Individual PAGA Awards paid to the PAGA Employees will be taxed as alleged unpaid civil penalties for which an IRS Form 1099-MISC shall be issued. The Settlement Administrator will issue W-2 and 1099 forms, to the extent required by law. You should speak with an accountant or other tax professional about any tax implications of your Settlement checks.

9. What rights will I give up to stay in the class and get compensation?

Everyone who participates in the settlement will fully and finally release and discharge the Released Parties from all liability for the Released Claims from March 1, 2020 to March 7, 2023. "Released Parties" means RCM and its affiliated companies, owners, parents, members, subsidiaries, related companies and business concerns, past and present, including successors and predecessors, and each of them, as well as each of their clients for whom Class Members performed services, insurers, partners, trustees, directors, shareholders, officers, agents, attorneys, servants and employees, past and present, and each of them. "Released Claims" means all claims under state or local law, whether statutory, common law, or administrative law, whether in law or equity, for the claims that were pled in the Complaint, based on or arising out of the factual allegations therein, during the Class Period, including claims for failure to pay minimum and overtime wages, failure to authorize and permit required rest breaks and provide required meal periods, failure to maintain accurate employment records, failure to timely pay wages during employment and upon separation, and failure to furnish accurate, itemized wage statements, as well as claims for alleged violation of California's Unfair Competition Law, Cal. Bus. & Professions Code §§ 17200, *et seq.*, and claims seeking civil penalties under the Private Attorneys General Act, Cal. Labor Code §2698, *et seq.*

This means that if you do not exclude yourself from the Settlement pursuant to the procedures explained in Section 11 below, you will release the Released Claims described in the preceding paragraph that may have against RCM and the Released Parties during the period of time March 1, 2020 to March 7, 2023.

In addition, if you are a PAGA Employee (as defined in Paragraph 6 above), you will release all PAGA Claims that were actually alleged or could have been alleged based upon the facts set forth in the Complaint in this action by the named Plaintiff on behalf of the State of California, herself, and the PAGA Employees.

10. Is there a trial date set for this class action?

No, currently, there is no trial date. If the settlement is not approved by the Court, the parties may proceed to trial.

11. How do I exclude myself from this Settlement (opt-out)?

To exclude yourself from the Settlement, you must send a letter by U.S. mail, facsimile or email clearly saying that you have read this notice and want to be excluded from the Settlement Class in *Grady v. RCM Technologies, Inc.*, Case No. 5:22-cv-00842-JLS-SHK. To be timely and valid, any exclusion request must be postmarked, faxed, or emailed no later than **January 27, 2025**, to: Grady v. RCM Technologies, c/o JND Legal Administration, P.O. Box 91125, Seattle, WA 98111, Tel: 1-877-930-2751, Fax: 1-877-605-4536, Email: info@GradyClassActionSettlement.com.

You cannot exclude yourself on the phone. Additionally, for a Request for Exclusion from the Settlement to be valid, it must be (i) in writing and signed or e-signed by you; (ii) contain your name, address, telephone number, and the last four digits of your Social Security number; (iii) clearly state that you do not wish to be included in the Settlement; (iv) be returned by e-mail, fax, or mail to the Settlement Administrator at the specific email address, mailing address, and/or facsimile number provided above; and (v) be e-mailed, faxed, or postmarked on or before **January 27, 2025**. An e-signature is acceptable for a Request for Exclusion that is submitted electronically.

The date of the e-mail, fax, or postmark on the return mailing envelope will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. A Class Member who does not request exclusion from the Settlement will be deemed a Participating Class Member and will be bound by all terms of the Settlement, if the Settlement is granted final approval by the Court. Any Class Member who validly requests to be excluded from the Settlement will no longer be a member of the Settlement Class and will not have any right to object, appeal, or comment on the Settlement, but will remain as PAGA Member(s), and will receive an Individual PAGA Payment for the PAGA Released Claims if he or she is a PAGA Member.

If you submit a valid and timely request to be excluded, you will not be legally bound by anything that happens in this lawsuit. However, you also will not get any payments or benefits from the Settlement, and you will not be able to object to the Settlement.

12. Can I object to the Settlement?

If you are a Participating Settlement Class Member, you can tell the Court that you object to the Settlement, and/or Plaintiff's application for attorneys' fees and costs or Service Award, and think the Court should not approve them. You can also tell the Court that you like the Settlement, and that it should be approved. The Court will consider your views. You can't ask the Court to order a different settlement; the Court can only approve or reject this Settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. If that is what you want to happen, you must object.

To be valid, an objection must (a) be in writing; (b) be signed or e-signed by the Class Member making the objection; (c) be returned by e-mail, fax, or mail to the Settlement Administrator at the specific address, e-mail and/or facsimile number listed in Section 11 above; (d) clearly state that the Class Member objects to the settlement and all grounds for the objection; (e) be emailed, faxed, or postmarked on or before

January 27, 2025, and (f) include the objector's full name, signature, address, telephone number, and the last four digits of his/her Social Security number. The date of the e-mail, fax, or postmark on the return mailing envelope will be the exclusive means to determine whether a Notice of Objection has been timely submitted. An e-signature is acceptable for an objection that is submitted electronically.

If you do not submit a written objection to the proposed Settlement or the application of Class Counsel for attorneys' fees and costs, or the application by the named Plaintiff for a Service Award, in accordance with the deadline and procedure set forth above, you will waive your right to be heard at the Final Approval Hearing and to appeal from any order or judgment of the Court concerning the matter. However, the Court in its discretion may allow a Participating Class Member to still object by appearing at the Final Approval Hearing, regardless of whether such Participating Class Member submits a written objection. Nonetheless, to preserve your right to be heard at the Final Approval Hearing and to appeal from any order or judgment of the Court concerning this matter, you must submit a written objection to the Settlement Administrator that is postmarked on or before **January 27, 2025**, as provided above.

13. What is the difference between Objecting and excluding myself?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you stay in the Settlement Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement Class and the Settlement. If you exclude yourself, you have no basis to object because the case no longer affects you. If you submit both an objection and a request for exclusion, the request for exclusion will be deemed controlling.

14. Who are the attorneys representing the class?

The attorneys representing the named Plaintiff and the Class Members who participate in the Settlement are: SCHNEIDER WALLACE COTTRELL KONECKY LLP, Joshua Konecky, CA Bar No. 182897, 2000 Powell Street, Suite 1400, Emeryville, CA 94608. Phone: 415-421-7100; Fax: 415-421-7105; jkonecky@schneiderwallace.com.

15. How will the attorneys representing the settlement class be paid?

Class Counsel will ask the Court for attorneys' fees of up to 25% of the total settlement amount, as specified in Section 6 above. Class Counsel will also seek reimbursement from the Settlement Fund of actual expenses they incurred in pursuing the lawsuit, such as costs for filing fees, service of process costs, and mediation fees. Class Counsel will file an application to the Court no later than **December 26, 2024** setting forth the attorneys' fees and expenses they will be seeking from the total settlement amount for their work on behalf of the Class Members. You can obtain a copy of Class Counsel's application for attorneys' fees and expenses after **December 26, 2024** by visiting www.GradyClassActionSettlement.com, checking the court case file (see Paragraph 19 below), or contacting Class Counsel at 415-421-7100.

16. Will there be a service award?

The Settlement also provides that the Class Representative Plaintiff may apply for Service Awards of up to \$5,000 in recognition for the time, effort and risks she took in bringing the case on behalf of the Class. The Court may award less than this amount. Plaintiff will file an application to the Court no later than December 26, 2024 that discusses the basis of the request for this Service Award. You can obtain a copy of this application after **December 26, 2024** by checking the court case file (see Paragraph 19 below), visiting www.GradyClassActionSettlement.com, or by contacting Class Counsel at 415-421-7100.

17. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval hearing on **February 21, 2025, at 10:30 a.m. PT** in Courtroom 8A, on the 8th Floor of the United States District Court for the Central District of California, 350 W. First Street, Los Angeles, CA 90012. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Judge may listen to people who have previously asked in writing to speak at the hearing. The Judge may also decide how much to pay Class Counsel or whether to approve the requested Service Award for the named Plaintiff. After the hearing, the Court will decide whether to approve the Settlement. We do not know how long it will take for the Court to make its decision.

You do not have to come to the hearing. Class Counsel will answer questions that the Judge may have. But you are welcome to come at your own expense. You also may enter an appearance through an attorney if desired and have the attorney appear at the Final Approval hearing. If you submit an objection, you do not have to come to court to talk about it. As long as you submitted it on time and in accordance with the instructions in Section 12 of this Notice, the Court will consider it. You may pay your own lawyer to attend the hearing, but it is not necessary.

If you do not exclude yourself, you may ask the Court's permission to speak at the hearing about the Settlement, the application for attorneys' fees and costs, and/or the application for a service award. To do so, please send a letter saying that it is your intention to appear at the Final Approval Hearing in *Grady v. RCM Technologies, Inc.*, Case No. 5:22-cv-00842-JLS-SHK. The letter should state the position you intend to present at the hearing, state the identities of all attorneys who will represent you (if any), and include your full name, address, telephone number, and signature. To preserve your right to object to the Settlement and appeal and judgment, however, you must submit a timely, written objection to the Settlement Administrator in accordance with the procedures described in Section 12 above. To be timely, it must be postmarked, faxed or emailed to the addresses provided in Section 12 no later than **January 27, 2025**. Additionally, you cannot speak at the hearing if you exclude yourself from the Class.

18. What if I need additional information?

For a more detailed statement of the matters involved in the Action and the Class Settlement, you may refer to the pleadings, the Joint Stipulation of Settlement of Class Action, and other papers filed in this action. The case file may be inspected at the Office of the Court Clerk, United States District Court, Central District of California, located at the Edward R. Roybal Federal Building & U.S. Courthouse, 255 East Temple Street, Room 180, Los Angeles, CA 90012, during the Court's normal business hours. You may inspect the case file for both cases online using the Public Access to Court Electronic Records system ("PACER"), at <https://pacer.uscourts.gov/>. All inquiries by Class Members about this settlement should be directed to: info@GradyClassActionSettlement.com. Refer to the Grady v. RCM Class Action Settlement.

PLEASE DO NOT CALL THE COURT.