

**SUPERIOR COURT FOR THE STATE OF WASHINGTON
IN AND FOR PIERCE COUNTY**

Knight, et al. v. MultiCare Health System
Pierce County Superior Court Case No. 22-2-04332-1

— NOTICE OF CLASS ACTION SETTLEMENT —

A court authorized this notice. This is not a solicitation from a lawyer.

TO: All hourly, non-exempt employees who (1) worked at any MultiCare facility other than Auburn Medical Center at any time between January 24, 2019 and October 30, 2023 and reported a missed meal period in Kronos, and/or (2) worked at any non-hospital MultiCare facility at least one shift longer than 10.5 hours between January 24, 2019 and April 23, 2022.

PLEASE READ THIS NOTICE. A settlement in a class action has been reached and you may be entitled to a payment from the settlement. You do not need to do anything to receive a payment so long as your contact information is correct.

- Former employees brought claims against MultiCare Health System (“MultiCare”) alleging that MultiCare: (1) failed to properly compensate employees for reported missed meal breaks, and (2) failed to provide second meal breaks on shifts longer than 10.5 hours before April 24, 2022.
- MultiCare denies any fault, wrongdoing, or liability. MultiCare agreed to this Settlement to avoid the risk and expense of further litigation.
- If you participate in this Settlement, you will be releasing and waiving any and all claims that were brought or could have been brought in this case for missed meal periods and any other alleged violations of WAC 296-126-092(1)-(3).
- To qualify for a share of the settlement fund, you must have worked at any MultiCare facility other than Auburn Medical Center at any time from January 24, 2019 to October 30, 2023 and reported a missed meal period in Kronos, and/or worked at any non-hospital MultiCare facility at least one shift longer than 10.5 hours between January 24, 2019 and April 23, 2022, and you must not exclude yourself from the class action.

Your Estimated Gross Settlement Award Before Taxes
<<EstAmnt>>

- **You do not need to do anything to be eligible to receive a share of the settlement payment.**

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	You will be eligible to get a payment for your share of the Settlement. (You may need to provide the Settlement Administrator with any updated contact information to ensure you receive a payment). You will give up rights relating to the legal claims in this case.
ASK TO BE EXCLUDED	Get no payment. This is the only option that allows you to ever be a part of any other lawsuit against MultiCare with respect to the legal claims in this case.
OBJECT	Write to the Court if you do not like the Settlement and explain why. If the Settlement is approved, you will still receive a payment and you will give up rights relating to the legal claims in this case.
GO TO A HEARING	Ask to speak in Court about the fairness of the Settlement. If the Settlement is approved, you will still receive a payment and you will give up rights relating to the legal claims in this case.

- These rights and options—and the deadlines to exercise them—are explained in this Notice.
- The Court in charge of this case still has to decide whether to grant its final approval of the Settlement. If the Court approves the Settlement, payments will be made after any appeals are resolved. Please be patient.

1. Why did I get this Notice?

The Court has allowed this Notice to be sent to you to inform you about the class action Settlement because you are a Class Member and to inform you of your options before the Court decides whether to grant its final approval of the Settlement. If the Court approves the Settlement, and after any appeals are resolved, payments will be made to Class Members who do not affirmatively request to be excluded from the Settlement.

This Notice explains the case, the class action Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

2. What is the Case about?

The Plaintiffs, former employees Shelly M. Knight, Douglas Zukowski, and Heather Faris claim that MultiCare violated Washington State meal break regulations by: (1) failing to properly compensate employees for missed meal breaks reported in Kronos and (2) failing to provide second meal breaks before April 24, 2022. MultiCare has denied the Plaintiffs’ claims.

The Honorable André M. Peñalver of Pierce County Superior Court is overseeing this class action. The lawsuit is known as *Knight, et al. v. MultiCare Health System*, Case No. 22-2-04332-1 (the “Case”).

3. What is a class action and who is involved?

In a class action lawsuit, one or more people called “Class Representatives” sue on behalf of other people whom they believe have similar claims. The people together are a “Class” or “Class Members.” The employees who sued, and who represent the Class, are called the Plaintiffs. The entity the Plaintiffs sue (in this case MultiCare) is called the Defendant. In a class action, one court resolves the issues for everyone in the Class.

4. Why is there a Settlement?

Although the Court has made rulings on certain motions filed by the parties, the Court has not made a ruling on the amount of damages to which Class Members are entitled and there has been no trial. Instead, both sides agreed to a Settlement. This allows the parties to avoid the risks and costs of a trial and appeals, and the people affected will be entitled to compensation. The Class Representatives and Class Counsel think the Settlement is best for everyone in the Classes.

5. How do I know whether I am part of the Settlement?

On August 25, 2023, the Pierce County Superior Court decided that everyone who fits the following description is a First Meal Period Class Member:

All hourly, non-exempt MultiCare employees who (1) have been employed at any MultiCare facility, including clinics and urgent care facilities, except for Auburn Medical Center, at any time since January 24, 2019, and (2) have reported a missed meal period in Kronos.

As part of the Settlement, Pierce County Superior Court has decided that everyone who fits that description and worked between January 24, 2019 and October 30, 2023 is a First Meal Period Class Member for purposes of the Settlement.

The Pierce County Superior Court also decided that everyone who fits the following description is a Second Meal Period Class Member:

All hourly, non-exempt MultiCare employees who were employed at any non-hospital MultiCare facilities and who worked at least one shift longer than 10.5 hours at any time between January 24, 2019 and April 23, 2022.

If you fit either or both of the above descriptions, you are a Settlement Class Member. If approved, the settlement will cover all Settlement Class Members who have not excluded themselves from the Case. If you are a Settlement Class Member, you do not exclude yourself from the settlement, and the Settlement Administrator has your correct address, you will be eligible to receive money pursuant to the settlement.

6. What claims are covered by the Settlement?

The Settlement will resolve any and all meal period claims, whether known or unknown, that were brought or that could have been brought in the Case any and all claims for missed meal periods and any other alleged violations of WAC 296-126-092(1)-(3), or any current or future interpretation of or theory arising from the meal period provisions of that regulation, whether known or unknown, that were brought or that could have been brought in the Case through April 1, 2024.

The Settlement specifically resolves any alleged failure to properly compensate First Meal Period Class Members for reported missed meal periods through April 1, 2024 and any alleged failure to provide second meal periods for shifts longer than 10.5 hours to Second Meal Period Class Members through April 23, 2022.

7. What are the basic terms of the Settlement?

Subject to Court approval, the essential terms of the Settlement are as follows:

MultiCare will pay a total of \$39,000,000, apportioned as follows:

- **Class Fund:** At least \$27,040,000 (minus the reserve fund described below), which will be available for the payment of Settlement Awards to Class Members.
- **Service Awards:** \$15,000 each to Plaintiffs and Class Representatives Shelly M. Knight, Douglas Zukowski, and Heather Faris as service awards in recognition of their efforts in prosecuting the Case.
- **Settlement Administration Expenses Award:** Up to \$95,000 to the Settlement Administrator for the processing of the Settlement, including the expenses of providing settlement notice to Class Members, handling the settlement administration process, processing payments to Class Members, and handling tax reporting requirements.
- **Attorneys' Fees and Costs Award:** Class Counsel will request up to 30% of the Settlement Amount for the attorneys' fees award and up to \$120,000 for actual litigation costs incurred in representing Plaintiffs and the Classes.

- **Reserve Fund:** The Settlement Administrator will maintain a reserve fund of up to \$300,000 from the Class Fund to pay any claims for which MultiCare did not provide accurate Settlement Class Member data or for any Settlement Class Members who were inadvertently left off the initial lists produced by MultiCare.

Monetary Relief: The amount available to the Settlement Class Members is intended to compensate for the meal break violations alleged in the Case.

Distribution of Class Fund: Each Class Member who does not submit a valid and timely request for exclusion will automatically receive a settlement payment. The Class Fund will be allocated to individual Class Members pro rata based on individual damages calculated by Class Counsel with assistance of their expert if needed. The calculations of damages for the First Meal Period Class will be based on each individual Class Member’s number of reported missed meal breaks and their hourly rate at the time of the reported missed meal break, as determined through MultiCare’s timekeeping, attestation, and payroll data produced in this case through March 23, 2024. The calculations of damages for the Second Meal Period Class will be based on each Individual Second Meal Period Class Member’s number of shifts over 10.5 hours and their hourly rate at the time of the respective shift, as determined through MultiCare’s timekeeping, attestation, and payroll data produced in this case through April 23, 2022. Individual settlement awards will be calculated by dividing each Class Member’s calculated damages by the total aggregate damages for all Class Members and then multiplying the resulting ratio by the amounts in the Class Fund. Checks will be mailed to Class Members by the Settlement Administrator. If any checks have not been negotiated within one hundred twenty (120) days after distribution, the funds from those checks will be sent in the corresponding Class Member’s name to the Unclaimed Property Fund for the State of Washington pursuant to the Unclaimed Property Act (RCW 63.29 et seq). MultiCare will not receive funds from any uncashed checks.

Tax Treatment of Settlement Awards: One Third (33-1/3%) of each Class Member’s settlement award will be treated as wages and subject to normal tax withholding and shall be reported to the taxing authorities and the Class Member on an IRS Form W-2. Two-Thirds (66-2/3%) of each Class Member’s settlement award will be treated as non-wages (exemplary damages and prejudgment interest) on which there will be no tax withholding and for which an IRS Form 1099-MISC (marked “Other Income”) shall be issued to the taxing authorities and the Class Member.

Release of Claims: Upon final approval by the Court, each Class Member will irrevocably release all of the Released Claims against MultiCare. The Released Claims include any and all claims for missed meal periods and any other alleged violations of WAC 296-126-092(1)-(3), or any current or future interpretation of or theory arising from the meal period provisions of that regulation, whether known or unknown, that were brought or that could have been brought in the Case relating to meal periods through April 1, 2024 and all associated claims for damages, injuries, liquidated damages, exemplary damages, attorneys’ fees, costs and interest arising from those claims, whether founded on state, federal or local law.

This Release requires you to waive and precludes you from bringing any meal break claims against Defendant MultiCare Health System, or anyone associated with MultiCare, for the period through April 1, 2024.

Dismissal of Action: Upon final approval, the Court will enter a judgment of dismissal of the Case with prejudice but shall retain jurisdiction to enforce the terms of the settlement agreement.

8. How can I get a payment?

To get a payment, you don’t need to do anything. As long as you did not submit a written request to be excluded from the case, you are a Class Member and will be entitled to payment.

9. When would I get my payment?

The Court will hold a hearing on August 30, 2024 to decide whether to grant its final approval of the Settlement. If the Pierce County Superior Court approves the settlement and there are objections, the parties will then have to wait to see whether there is an appeal. This will take at least thirty (30) days and, if there is an appeal, can take up to a year or more to resolve. In the event of an appeal, information regarding the appeal’s progress will be made available at www.cptgroupcaseinfo.com/MultiCareSettlement.

10. Do I have a lawyer in this case?

The Court has decided that lawyers from the law firms of Entente Law PLLC and Frank Freed Subit & Thomas LLP are qualified to represent you and all Class Members. These lawyers are called “Class Counsel.” You will not be charged for these lawyers. If you want to be represented by our own lawyer, you may hire one at your own expense.

11. How will the lawyers be paid?

As indicated above, Class Counsel will seek payment of their attorneys’ fees in an amount of up to 30% of the Settlement Amount as well as their litigation costs in an amount up to \$120,000, each of which must be approved by the Court as part of the final approval of this Settlement. Class Counsel have been working on this case for more than two years and have not received any fees or reimbursements for the costs of the lawsuit.

12. How do I exclude myself from the Settlement?

If you fit the definition of a Settlement Class Member and want to exclude yourself from the Settlement, you must request exclusion in writing by August 2, 2024. You may be excluded as a member of the class by submitting a written request stating, “I request that I be excluded from the Class in the case of *Knight, et al. v. MultiCare Health System*, Pierce County Superior Court Case No. 22-2-04332-1.” The request must include your name, address, and signature. You must mail a copy of the letter to the Settlement Administrator at the following address postmarked no later than August 2, 2024:

Knight, et al v. MultiCare Health System
c/o CPT Group Inc.
50 Corporate Park
Irvine, CA 92606
Tel.: (888)-544-6264/ Fax: (949) 419-3446
Email: MultiCareSettlement@cptgroup.com
Website: www.cptgroupcaseinfo.com/MultiCareSettlement

13. If I don’t like the Settlement, how do I tell the Court?

If you have not excluded yourself from the Class Action, and do not like the Settlement, you can object. You must do so in writing, and you must state the reasons why you think the Court should not approve the Settlement. If you object, be sure to include your name, address, and telephone number, the name of the Case (*Knight, et al. v. MultiCare Health System*, Pierce County Superior Court Case No. 22-2-04332-1), the reasons you object to the Settlement, and a signature. You must mail a copy of the objection to the following address **postmarked no later than August 2, 2024**:

Class Counsel
James B. Pizl
Entente Law PLLC
Marc C. Cote
Frank Freed Subit & Thomas LLP
315 39TH Ave SW Ste 14
Puyallup, WA 98373

MultiCare’s Counsel
Timothy J. O’Connell & Christopher T. Wall
Stoel Rives LLP
600 University Street, Suite 3600
Seattle, WA 98101

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

The Court will hold a Fairness Hearing at 9:00 a.m. on August 30, 2024, at the Pierce County Superior Court, Department 23, Room 531, 930 Tacoma Avenue South, Tacoma, WA 98402.

If there are objections, the Court will consider them. Judge Peñalver will listen to people who have asked to speak at the hearing. At the hearing, the Court will decide whether to finally approve the Settlement.

15. Do I have to come to the hearing?

No. Class Counsel will answer any questions Judge Peñalver may have, but you are welcome to attend at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you properly and timely submitted any written objection, the Court will consider it. You may also pay your own lawyer to attend.

16. What happens if I do nothing at all?

If you do nothing, you will be entitled to a share of the Settlement. You will also be bound by the terms of the Settlement, including the Release of Claims described in Sections 6 and 7, above.

17. Are there more details about the Settlement?

This Notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by www.cptgroupcaseinfo.com/MultiCareSettlement, which has a copy of the Settlement Agreement posted. Plaintiffs' motion for final approval of the settlement agreement, including Class Counsel's request for attorneys' fees, costs, Settlement Administration Expenses, and Service Awards for the named Plaintiffs will be available for you to review on July 19, 2024 at www.cptgroupcaseinfo.com/MultiCareSettlement.