

**SUPERIOR COURT OF CALIFORNIA, COUNTY OF ALAMEDA  
(Case Number RG 07318416)**

*A court authorized this notice. This is not a solicitation.  
This is not a lawsuit against you and you are not being sued.  
However, your legal rights are affected whether you act or don't act.*

**NOTICE OF PENDENCY OF CLASS ACTION, PROPOSED SETTLEMENT,  
YOUR RIGHTS, AND OPTIONS FOR YOU TO CONSIDER**

**If you were employed by Kaiser Foundation Health Plan, Inc. in California, and worked in the job titles of Staffing Consultant, Senior Staffing Consultant, Recruiter, Senior Recruiter, Geographic Recruiter, Recruiter Area Recruitment Team, or Expert Recruitment Consultant at any time between July 2, 2003 and November 1, 2007, THEN YOU MAY RECEIVE MONEY FROM A CLASS ACTION SETTLEMENT IF THE COURT APPROVES THE SETTLEMENT DESCRIBED HEREIN AND YOU FOLLOW THE CLAIMS PROCEDURE EXPLAINED BELOW.**

**NOTE: YOU ARE ENTITLED TO FILE A CLAIM IN THIS LAWSUIT EVEN IF YOU PREVIOUSLY OPTED OUT OF THE CLASS WHEN IT WAS CERTIFIED IN LATE 2008.**

**TO CLAIM YOUR SHARE OF THE SETTLEMENT: YOU MUST SIGN & MAIL THE ENCLOSED GREEN CLAIM FORM POSTMARKED ON OR BEFORE THE DEADLINE, NOVEMBER 5, 2009, TO RECEIVE YOUR SHARE OF THE SETTLEMENT. THE AMOUNT PROJECTED AS THE MINIMUM SHARE OF THE SETTLEMENT YOU WILL RECEIVE IS SET FORTH ON THE GREEN CLAIM FORM AND IN SECTION IX BELOW.**

*NOTE: YOUR DECISION TO PARTICIPATE OR NOT PARTICIPATE IN THIS SETTLEMENT WILL HAVE NO DIRECT OR INDIRECT IMPACT ON ANY SEVERANCE AGREEMENT ENTERED INTO OR OFFERED TO ANY SETTLEMENT CLASS MEMBER BY KAISER FOUNDATION HEALTH PLAN, INC.*

***PLEASE READ THIS NOTICE CAREFULLY.***

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## **I. What is the purpose of this notice?**

The purpose of this notice is to let you know that there is a class action lawsuit pending in the Superior Court of California, County of Alameda, that you may be a member of the Class in this lawsuit, AND THAT YOU MAY BE ENTITLED TO A PAYMENT AS PART OF THE SETTLEMENT OF THIS LAWSUIT. This action was filed by Teresa Tate and Audrey Lighter against Kaiser Foundation Health Plan, Inc. ("Kaiser" or "Defendant") in Alameda Superior Court, Case No. RG 07318416 ("the lawsuit"). The lawsuit alleges that Kaiser failed to pay employees overtime compensation as required by law.

There was mediation on July 16, 2009, after which the parties to the lawsuit agreed to settle the matter. On August 25, 2009, in Department 17 of the Superior Court of California, County of Alameda, the Court approved the parties' motion for a court order that does the following:

- 1.) conditionally certifies the Class Action for settlement purposes only;
- 2.) grants preliminary Court approval of the proposed Settlement;
- 3.) grants Court approval of this notice, which includes setting a schedule and procedure for filing claim forms and exclusion notices; and
- 4.) schedules a Final Fairness Determination Hearing for final Court approval of the Settlement for November 24, 2009, 3:00 p.m. in Department 17 of the Superior Court of California, County of Alameda, located at 1221 Oak Street, Oakland, California 94612.

## **II. Why do Plaintiffs seek Settlement approval?**

Plaintiffs seek approval of the Settlement because they have reached a proposed Settlement with Defendant that they believe to be fair, reasonable, adequate and in the best interests of the members of the Class and all parties.

## **III. What is the Defendant's position on Settlement?**

Defendant views this Settlement as a compromise. It is not admitting to the allegations in the case. Defendant denies that any of its practices at issue in these lawsuits were or are unlawful and reserves the right to object to all claims if the Settlement fails for any reason. The Court file has the settlement documents with more information on the lawsuits.

## **IV. Why did I get this notice?**

You received this notice because Kaiser's records identify you as a member of the Settlement Class. You may submit the enclosed green Claim Form to get money from this Settlement if (1) you worked for Kaiser in California; and (2) you worked in the job titles of Staffing Consultant, Senior Staffing Consultant, Recruiter, Senior Recruiter, Geographic Recruiter, Recruiter Area Recruitment Team, or Expert Recruitment Consultant at any time between July 2, 2003 and November 1, 2007.

## **V. Who are the parties in this class action?**

Teresa Tate and Audrey Lighter, current and former employees of Kaiser, are the Plaintiffs who brought the action on behalf of themselves and on behalf of all similarly situated former and current Kaiser employees.

Kaiser is the Defendant.

## **VI. Who are the Attorneys for Parties?**

### **Counsel for Plaintiffs**

Robin G. Workman  
Daniel H. Qualls  
QUALLS & WORKMAN, LLP  
244 California Street, Suite 410  
San Francisco, CA 94111  
Phone: (415) 782-3660

### **Counsel for Defendant**

Thomas R. Kaufman  
**SEYFARTH SHAW LLP**  
2029 Century Park East, Suite 3500  
Los Angeles, CA 90067-3021  
Phone: (310) 277-7200

Kari Erickson Levine  
**SEYFARTH SHAW LLP**  
560 Mission Street, 31st Floor  
San Francisco, CA 94105  
Phone: (415) 397-2823

## **VII. What is the proposed Settlement?**

Defendant agreed to pay a maximum Settlement Amount of \$4,000,000 to all current or former employees of Defendant who, at any time between July 2, 2003 and November 1, 2007, worked in California in the job titles of Staffing Consultant, Senior Staffing Consultant, Recruiter, Senior Recruiter, Geographic Recruiter, Recruiter Area Recruitment Team, or Expert Recruitment Consultant. This sum includes payment of expenses and fees of the Claims Administrator which are anticipated to be no more than \$25,000; an enhancement of \$25,000 to class representative Tate and an enhancement of \$25,000 to class representative Lighter for the initiation of the lawsuit, efforts in assisting counsel and risks undertaken for costs in the event they were unsuccessful; and attorneys' fees of up to one-third of the Settlement Amount and \$200,000 in litigation costs. All of these amounts must be approved by the Court.

The following is a summary of the Settlement provisions. The specific and complete terms of the proposed Settlement are stated in the Stipulation of Settlement and Release Between Plaintiffs and Defendant, ("Settlement Agreement"), a copy of which is filed with the Clerk of the Court and can be accessed at <http://apps.alameda.courts.ca.gov/domainweb/html/index.html>. From this screen, you can click on the Complex Litigation hyperlink. Then you can click on the Department 17 tab at the top of the screen. Then a case list will appear, and you can click on Tate VS Kaiser Permanente to access the electronic case file. You may also type the case number, **RG 07318416**, **directly into the Case Summary link**. Information about the case can also be obtained at class counsel's website, <http://www.qualls-workman.com/casesAndClients/classActions.html>.

**Settlement Payment.** Defendant has agreed to pay all valid and timely claims through the Claims Administrator in accordance with the terms of the Settlement Agreement, after Final Approval of the Class Action Settlement. These settlement payments will be distributed approximately fifteen (15) days after the effective date of the Final Approval, provided there is no appeal of the Court's Final Approval of the Class Action Settlement.

After the deduction of the Court-approved expenses from the Settlement Amount, the remaining sum (“Net Fund Value”), estimated to be approximately \$2.4 million, will be available to pay each member of the Settlement Class who submits a valid and timely Claim Form (“Qualified Claimant”) his or her allocated share of the Net settlement amount.

Each Qualified Claimant’s allocation of the Net Fund Value will be determined by a point-based system. Because of material differences in how the job was performed, the parties negotiated a settlement agreement that pays a larger amount of money per workweek for Settlement Class Members employed before January 1, 2005, and for employees in the position of Geographic Recruiter/Recruitment Area Recruitment Team as compared to the position of Expert Recruitment Consultant. Each employee will be assigned a point total and the employee’s share of the Settlement will be based on the proportion of that employee’s points as compared to the points of all Settlement Class Members. Points will be allocated as follows:

- 1) The Net Fund Value will be distributed proportionally on a point basis.
- 2) All Settlement Class Members shall receive 8 points for each workweek they worked between the beginning of the Class Period and January 1, 2005.
- 3) All Settlement Class Members shall receive 4 points for each workweek they worked as a Recruiter, Recruiter Area Recruitment Team, or Geographic Recruiter between January 1, 2005 and November 1, 2007.
- 4) All Settlement Class Members shall receive 1 point for each workweek they worked as a Senior Recruiter or Expert Recruitment Consultant between January 1, 2005 and November 1, 2007.
- 5) All Settlement Class Members shall receive 0 points for any work performed after November 1, 2007.

#### **VIII. What are my rights with regard to this matter?**

If you fit the description of a Settlement Class Member as set forth in this notice, you have four options. Each option has its own consequences, which you should understand before making your decision. Your rights regarding each option, and the procedure you must follow to select each option, follow.

##### **A. Option One. Participate as a Settlement Class Member.**

To get money from the Settlement you **must** complete the enclosed green “CLAIM FORM,” **sign it**, and return it to the Claims Administrator, Rust Consulting, at the address provided below, **postmarked on or before November 5, 2009.**

***It is strongly recommended that you retain proof of your timely mailing until receipt of your settlement payment.***

Class Counsel, appointed and approved by the Court for settlement purposes only, will represent you. The Claims Administrator will process the Claim Form and send you a check at a later date. **If you fail to timely return a completed and signed Claim Form, you will not receive any money from the Settlement and you will not be permitted to assert any claims based on the allegations in the class action.**

**B. Option Two. Exclude yourself from (“opt out” of) the Settlement.**

If you do not wish to participate in or be bound by the Settlement, you must mail to the Claims Administrator, Rust Consulting, at the address provided below, the enclosed Request for Exclusion from Class Action Settlement (“Request for Exclusion”), **postmarked on or before November 5, 2009**. The Request for Exclusion must be signed and dated, with the last four digits of your Social Security number inserted.

If you request exclusion, you will not receive any money from the Settlement, nor will you be considered to have released your claims alleged in the lawsuit. If you request exclusion from the Class Action Settlement, you may not pursue any recovery under the Class Action Settlement. You may, however, pursue other remedies separate and apart from the Class Action Settlement that may be available to you.

Do NOT return both a Claim Form and a Request for Exclusion. Should you do so, you will be deemed to have made a claim and your Request for Exclusion will be deemed invalid.

**C. Option Three. You May Object to the Settlement.**

If you are a Settlement Class Member, and you do not exclude yourself from the Settlement Class (opt out), you may object to the Settlement before final approval of the Settlement by the Court. If you choose to object to the Settlement, you may enter an appearance *in propria persona* (meaning you choose to represent yourself), or through an attorney that you hire and pay for yourself.

In order to object to the Settlement, or any portion of it, you must file and serve any such written objection on or before **November 5, 2009**. Objections must be timely filed in the Superior Court for the State of California, County of Alameda, located at 1221 Oak Street, Oakland, California 94612, and timely served on the attorneys for Plaintiffs and the attorneys for Defendant, to be considered by the Court. If you intend to object to the Settlement, but wish to receive your share of the Settlement proceeds, ***you must timely return the enclosed Claim Form as indicated herein.*** If the Court approves the Settlement despite any objections and you have not returned the enclosed Claim Form, you will NOT receive your share of the Settlement proceeds.

**D. Option Four. Do nothing.**

If you are a Settlement Class Member, and you do not file a claim and do not exclude yourself from the Settlement Class, you will be bound by the Settlement, receive none of the Settlement proceeds, and be barred from separately pursuing the claims released by the Settlement.

The judgment will bind all Settlement Class Members who do not request exclusion. Any member who does not request exclusion may, if the member so desires, enter an appearance through his or her own lawyer.

**IX. How much money will I get if I make a proper claim and do not request exclusion?**

As mentioned above, Defendant has agreed to pay a maximum gross Settlement Amount of \$4,000,000 in consideration for this Settlement and a release of all claims asserted in the lawsuit by the Settlement Class against it as more particularly described in the enclosed Claim Form, Paragraph 4. The distribution formula is set forth in Section VII and the number of workweeks you worked and your anticipated minimum share of the Settlement are set forth in the Claim Form enclosed with this notice. In the event the Court approves less than the full amount requested for attorneys’ fees, or attorneys’ costs or the enhancement, then the amount not awarded will be added to the Settlement Amount.

Based on the Settlement formula and Kaiser's records you should receive at least \$ <<est\_award>>. To the extent that Settlement Class Members fail to make claims, the unclaimed portion of the Net Fund Value will be redistributed proportionally among Settlement Class Members who made claims, increasing your settlement share.

**X. Additional important information**

You will get your share of the Settlement proceeds only if you return a signed and dated Claim Form **postmarked on or before November 5, 2009**. It is your responsibility to **ensure that the Claims Administrator has received** your timely Claim Form. You may contact the Claims Administrator at the toll-free number listed at the bottom of each page to confirm it has been timely received. It also is your responsibility to **keep a current address on file** with the Claims Administrator to ensure that you receive your settlement payment should the Court order final approval of the Settlement.

**XI. Who can I contact if I have further questions?**

The Court-appointed Administrator for this Class Action Settlement is as follows:

*Tate/Lighter v. Kaiser Claims Administrator  
c/o Rust Consulting, Inc.  
P.O. Box 9308  
Minneapolis, MN 55440-9308  
T: (866) 478-3383*

If you have questions, you may call the Claims Administrator, toll-free at (866) 478-3383. Ask about the *Tate/Lighter* Class Settlement. You may also call any of the attorneys for Plaintiffs listed in Section VI above. **PLEASE DO NOT CALL THE COURT.**

