

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is executed by and between St. Joseph Medical Center (hereinafter "Employer" or the "SJMC") and the Washington State Nurses Association (hereinafter "WSNA" and/or "the Union") (collectively, the "Parties").

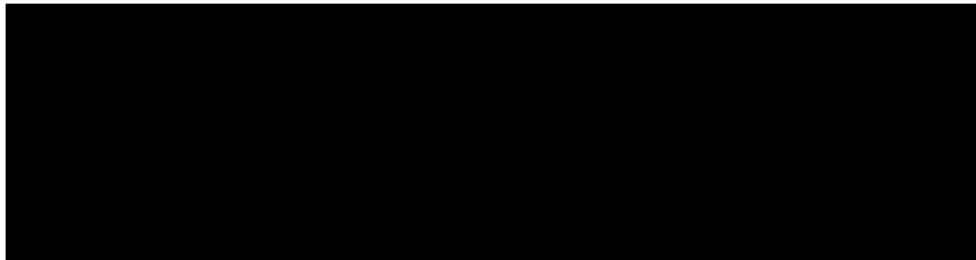
RECITALS

- A. The Union filed grievance 25-09-0233 (the "Grievance") on August 22, 2025, alleging that the Employer charged incorrect premiums to some Baylor Innovative Weekend Shift (IWS) nurses.
- B. The Parties have mutually agreed to terms of settlement.
- C. This document memorializes the Parties' agreed terms (the "Agreement").

NOW, THEREFORE, the parties agree as follows:

- 1. All IWS positions will be adjusted from .9 FTE to .8 FTE, preserving full-time benefit eligibility under SJMC's proposed .8 threshold and removing the unintended highly compensated tiering.
- 2. Baylor nurses shall not be classified as "highly compensated employees" or be required to pay higher rates for benefits than other full-time WSNA bargaining unit members for the 2027 plan year.
- 3. Baylor nurses will be eligible for 40 hours Paid Education Hours.
- 4. SJMC will make a lump sum payment in the amount of the additional premiums paid up to the settlement payment date.

The following individuals meet the definition of Eligible IWS Nurses: The IWS hourly rate remains unchanged. Nurses continue to receive full-time benefits.



- 5. Life insurance and LTD benefits will continue to be calculated according to carrier formulas.
- 6. Upon execution of the Agreement, the Union will withdraw and/or resolve the above referenced issue.
- 7. In consideration of the promises made in this Agreement, all parties, on behalf of themselves, their officers, agents, employees, successors and assigns, hereby release and discharge all other parties, including their officers, agents, employees, successors and assigns, and relinquish all rights, claims, and actions that they now have against each other arising from the Grievance.

8. Parties acknowledge that the receipt of consideration under this Agreement fully satisfies the Employer's compensation obligations arising from the herein referenced Grievance, including wages, penalties, fees, or any other monetary consideration, and is consideration for settlement of a good-faith dispute under applicable wage-hour law.
9. The parties acknowledge that this Agreement is a settlement of disputed claims and does not constitute an admission of liability by any party.
10. The Employer and the Union agree that this Settlement Agreement shall not constitute precedent governing the future course of conduct between the parties, nor shall this Settlement Agreement be cited as precedent in any forum for any purpose.
11. By entering into this Agreement, the Employer does not admit to any violation of the parties' collective bargaining agreement, or any provision of state or federal law.
12. The parties warrant that no promise or inducement has been offered except as set forth in this Agreement. Each party further acknowledges that this Agreement is executed without reliance upon any statement or representation by any other party or any of that party's representatives concerning the nature and extent of damages or legal liability.
13. This Agreement contains the entire agreement of the parties with regard to the matters set forth herein and shall be binding upon and inure to the benefit of the agents, administrators, personal representatives, heirs, successors and assigns of each. The Parties agree compliance with this Agreement is subject to grievance and arbitration processes as provided in the Parties' collective bargaining agreement.
14. Each party represents that he or she has had ample opportunity to consider this Agreement and enters into the Agreement voluntarily.
15. Each party will bear their own costs and attorneys' fees in connection with this matter.
16. This Agreement may be executed in counterparts.

Washington State Nurses Association

St. Joseph Medical Center

By Sara Frey 08/13/2026
Sara Frey (Date)
Nurse Representative

By Nathan Schoone 08/12/2026
Nathan Schoone (Date)
System Director, Employee and Labor
Relations

Cc: MaryAnn Mendez, Director, Human Resources