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19

20 SUPERIOR COURT OF THE STATE OF CALIFORNIA

21 COUNTY OF LOS ANGELES, SPRING STREET COURTHOUSE

22 ARACELI RODRIGUEZ, as an individual,
and on behalf of all others similarly
23 situated,

24 Plaintiff,

25 v.

26 GARDENA HOSPITAL, L.P., a Limited
Partnership, and DOES 1 through 100,
27 inclusive,

28 Defendant.

Case No. BC705075
Assigned to: Hon. Amy D. Hogue
Dept.: 7

**AMENDED STIPULATION AND
SETTLEMENT OF CLASS ACTION
CLAIMS**

Complaint Filed: May 9, 2018

1 Subject to final approval by the Court, which counsel and parties agree to pursue and
2 recommend in good faith, Plaintiff Araceli Rodriguez, individually and on behalf of all
3 employees similarly situated, on the one hand, and Defendant Gardena Hospital, L.P.
4 (“Defendant” or “Gardena Hospital”), on the other, hereby agree to the following binding
5 settlement of the following case: Araceli Rodriguez v. Gardena Hospital, L.P., et al., Los
6 Angeles County Superior Court Case No. BC705075.

7 **I. DEFINED TERMS**

8 As used herein, the following terms are defined as:

9 “Action” means the action of Araceli Rodriguez v. Gardena Hospital, L.P., et al., Los
10 Angeles County Superior Court Case No. BC705075.

11 “Agreement,” “Settlement,” or “Stipulation” means this Stipulation and Settlement
12 Agreement of Class Action Claims.

13 “Attorney’s Fees and Cost Award” means the amount authorized by the Court to be paid
14 to Class Counsel for the services they have rendered and expenses they have incurred in
15 prosecuting the Action. Class Counsel shall request, and Defendant will not oppose, an award of
16 Attorneys’ Fees of up to Thirty-Three and One-Third percent (33 1/3%) or \$250,000 of the Gross
17 Settlement Amount, and of costs of up to \$25,000 of the Gross Settlement Amount. The
18 Attorney’s Fees and Cost Award shall be paid from the Qualified Settlement Fund. Class
19 Counsel will be issued IRS Form 1099 for the Fees and Cost Award.

20 “Claims” means all claims which were asserted, or could have been asserted, based on
21 the factual allegations in the Action.

22 “Class” and “Class Members” mean and refer to all hourly non-exempt employees of
23 Defendant who received wage statements that included overtime or doubletime wages during the
24 Class Period. As of the May 8, 2019 mediation, Defendant represented that the class includes
25 approximately 935 Settlement Class members through April 9, 2019. If the actual class size at
26 the end of the Class Period is ten percent (10%) or more greater than the 935 Settlement Class
27 members as represented by Defendant, the Gross Settlement Amount will increase on a pro-rata
28 basis equal to the increase in class size.

1 “Class Counsel” and “Plaintiff’s Counsel” mean Edward W. Choi and Paul M. Yi of Law
2 Offices of Choi & Associates, PC, Larry W. Lee of Diversity Law Group. and David Lee of
3 David Lee Law.

4 “Class List and Data Report” means a list of the names, most current mailing address and
5 telephone number, social security number, and the number of Wage Statements received by each
6 Class Member during the applicable Class Period. Defendant will diligently and in good faith
7 compile the Class List and Data Report from its records and provide it to the Settlement
8 Administrator and Class Counsel within twenty (20) calendar days of Preliminary Approval of
9 the Settlement. The Class List and Data Report shall be provided in a computer-readable format.
10 Social security numbers shall be redacted from the Class List and Data Report provided to Class
11 Counsel.

12 “Class Period” means the period from April 9, 2017 to April 30, 2019.

13 “Court” means the Superior Court for the State of California, for the County of Los
14 Angeles.

15 “Defendant” means and refers to Defendant Gardena Hospital, L.P.

16 “Defendant’s Counsel” means Richard J. Simmons, Derek R. Havel, and Melissa M.
17 Smith of Sheppard, Mullin, Richter, and Hampton, LLP.

18 “Effective Date” means the date by which the Settlement is finally approved, and the
19 Superior Court’s Final Judgment becomes final. For purposes of this paragraph, the Superior
20 Court’s Final Judgment “becomes final” upon the latter of: (i) if no objections are filed, then the
21 date that Notice of Entry of Judgment is served; (ii) if an objection is filed, the expiration date
22 of the time for the filing or noticing of any appeal from the Superior Court’s Judgment, assuming
23 no appeal is filed during that time; (iii) the date affirmance of an appeal of the Judgment
24 becomes final under the California Rules of Court; or (iv) the date of final dismissal of any
25 appeal from the Judgment or the final dismissal of any proceeding on review of any court of
26 appeal decision relating to the Judgment. In this regard, it is the intention of the Parties that the
27 Settlement shall not become final until the Court’s order approving the Settlement is completely
28

1 final, the Court has entered an appropriate judgment, and there is no further recourse by an
2 appellant or objector who seeks to contest the Settlement.

3 “Final Approval Hearing/Settlement Fairness Hearing” means the hearing at which the
4 Court considers whether to approve the Settlement and to enter the Final Judgment.

5 “Final Approval Order” means the order from this Court granting final approval of this
6 Settlement.

7 “Final Judgment” means the Court’s Final Judgment.

8 “General Release” means that Named Plaintiff, in her individual capacity and with
9 respect to their individual claims only, agrees to release the Released Parties from all claims,
10 demands, rights, liabilities and causes of action of every nature and description whatsoever,
11 known or unknown, asserted or that might have been asserted, whether in tort, contract, or for
12 violation of any state or federal statute, rule or regulation arising out of, relating to, or in
13 connection with any act or omission by or on the part of any of the Released Parties committed
14 or omitted prior to the execution hereof including a waiver of Civil Code §1542.

15 “Gross Settlement Amount” equals \$750,000. All payments associated with the
16 Settlement shall be paid from the Gross Settlement Amount, including all payments to
17 Participating Class Members, the Named Plaintiff, Class Counsel, the Labor and Workforce
18 Development Agency (“LWDA”), and the Settlement Administrator.

19 “Individual Settlement Payment” means the settlement amount for each individual
20 Participating Settlement Class Member resulting from the calculations set forth in paragraph
21 III.12 *infra*

22 “Named Plaintiff” means Plaintiff Araceli Rodriguez.

23 “Net Class Settlement Fund” refers to the funds that will be distributed to Participating
24 Settlement Class Members under this Stipulation after payment of any Attorneys’ Fees and Cost
25 Award, Incentive Awards, and Claims Administration Costs, and the \$30,000.00 payment to the
26 California Labor and Workforce Development Agency (“LWDA”) pursuant to the Private
27 Attorneys’ General Act (“PAGA”) allocation, which represents 75% of the \$40,000.00 PAGA
28 settlement portion from the Gross Settlement Amount. No portion of the “Net Class Settlement

1 Fund” shall revert to Defendant, and the entire “Net Class Settlement Fund”, after the deductions
2 authorized herein, shall be paid out to the Class Members who do not exclude themselves from
3 the Settlement.

4 “Notice” and “Notice to Class Members” means the Notice of Pendency of Class Action
5 Settlement to be sent to all Class Members which describes the Settlement, the procedure and
6 time period to submit an opt-out form or to object to the Settlement, and the date set for the Final
7 Approval Hearing. (See Attached Notice to Class Members as Exhibit A).

8 “Opt-Out/Objection Deadline Date” means the date, forty-five (45) calendar days after
9 the date the Notice is mailed, on or before which a Class Member’s written objection or opt-out
10 must be submitted in order to object or exclude themselves from the Settlement.

11 “PAGA Payment” means Defendant’s payment of \$30,000.00 to the LWDA, to be paid
12 from the Gross Settlement Amount. This LWDA payment represents 75% of the \$40,000.00
13 PAGA portion of the settlement. This PAGA Payment is made pursuant to California Labor
14 Code §2699(i).

15 “Participating Settlement Class Member” means a Class Member who has not opted out
16 of the Settlement.

17 “Parties” means Defendant, the Named Plaintiff, and the Participating Settlement Class
18 Members.

19 “Preliminary Approval Order” means the Order issued by the Court preliminarily
20 approving the terms of the Settlement set forth in this Stipulation.

21 “Qualified Settlement Fund” shall be the fund established by the Settlement
22 Administrator pursuant to Internal Revenue Code Section 1.468B-1, and funded by Defendant
23 within thirty (30) days after the Effective Date. This amount equals \$750,000.00, and includes
24 all settlement payments, costs, attorneys’ fees, claims administration costs, PAGA payments,
25 LWDA payments, and incentive awards.

26 “Released Parties” means Defendant Gardena Hospital, L.P., and their past, present, or
27 future parents, subsidiaries and affiliated companies, and their past, present, or future officers,
28

1 directors, employees, partners, joint employers, members, shareholders and agents, and any other
2 successors, assigns or legal representatives.

3 “Released Claims” is defined as follows: Upon the full funding of the Qualified
4 Settlement Fund, the Participating Settlement Class Members shall fully and finally release and
5 discharge the Released Parties, during the Class Period, of all applicable California wage and
6 hour claims, rights, demands, liabilities and causes of action which were brought or could have
7 been brought in the Action against Defendant based on the factual allegations of the Action,
8 including all claims for improper or inaccurate wage statements; penalties, including, but not
9 limited to, pay-stub penalties; and attorneys’ fees and expenses. The Released Claims include all
10 such claims arising under the California Labor Code related to the factual allegations of the
11 Action, including, but not limited to, sections 226, 226.3, and 2698 *et seq.* This release excludes
12 the release of claims not permitted by law.

13 “Service Award” means the amount that the Court authorizes to be paid to the Named
14 Plaintiff over and above her Individual Settlement Payment, in recognition of her efforts in
15 assisting with the prosecution of the Action on behalf of the Class Members and in return for
16 executing a General Release of all Claims against Defendant. Named Plaintiff will request a
17 Service Award of \$7,500.00. Named Plaintiff will be issued an IRS Form 1099 in connection
18 with her Service Award.

19 “Settlement Administrator” means Phoenix Settlement Administrators.

20 “Settlement Administration Costs” means all costs incurred in administering the
21 Settlement.

22 “Wage Statements” means any wage statements received by Class Members that included
23 overtime or doubletime wages during the Class Period. As of the May 8, 2019 mediation,
24 Defendant represented that the total number of Wage Statements issued to the Class through
25 April 9, 2019 was 27,809.

1 **II. RECITALS**

2 This Stipulation is made by the Named Plaintiff on behalf of herself and each of the other
3 Class Members, on the one hand, and Defendant, on the other hand, in this Action, and is subject
4 to the approval of the Court.

5 **A. INVESTIGATION IN THE CLASS ACTION**

6 The Parties have conducted significant investigation of the facts and law during the
7 prosecution of the Action. Such discovery and investigation includes: propounding and
8 responding to written discovery, production of documents, detailed information and payroll data
9 relevant to Named Plaintiff’s claims; and, the analysis by the Parties of the class-wide data to
10 investigate the merits of Named Plaintiff’s claims and the potential liability. Furthermore, there
11 have been numerous conferences between representatives of the Parties. Counsel for the Parties
12 have investigated the law as applied to the facts discovered regarding the alleged claims of
13 Named Plaintiff and potential defenses thereto, and the potential damages claimed by Named
14 Plaintiff including the review of hundreds of pages of payroll, time records, and other records
15 produced by Defendant to Class Counsel for the purposes of litigation and mediation.

16 Counsel for the Parties engaged in extensive discussions about the strengths and
17 weaknesses of the claims and defenses. The Parties attended a full-day mediation before an
18 experienced and well-regarded mediator, Jeffrey Krivis, on May 8, 2019. The mediation was not
19 successful, but thereafter, the Parties continued to negotiate and ultimately reached a negotiated
20 resolution through Mr. Krivis.

21 **B. BENEFITS OF SETTLEMENT TO PARTICIPATING CLASS MEMBERS**

22 Named Plaintiff and Plaintiff’s Counsel recognize the expense and length of continued
23 proceedings necessary to litigate their disputes through trial and through any possible appeals.
24 Named Plaintiff has also taken into account the uncertainty and risk of the outcome of further
25 litigation, and the difficulties and delays inherent in such litigation. Named Plaintiff and
26 Plaintiff’s Counsel are also aware of the burdens of proof necessary to establish liability for the
27 claims asserted in the Action, both generally and in response to Defendant’s defenses thereto.
28 Named Plaintiff and Plaintiff’s Counsel have also taken into account the extensive settlement

1 negotiations conducted. Named Plaintiff and Plaintiff's Counsel have also taken into account
2 Defendant's agreement to enter into a settlement that confers substantial relief upon the
3 Participating Class Members. Based on the foregoing, Named Plaintiff and Plaintiff's Counsel
4 have determined that the Settlement set forth in this Agreement is a fair, adequate and a
5 reasonable settlement, and is in the best interests of the Class.

6 **C. DEFENDANT'S REASONS FOR SETTLEMENT**

7 Defendant has concluded that any further defense of this litigation would be protracted
8 and expensive for all Parties. Substantial amounts of time, energy and resources of Defendant
9 have been spent and, unless this Settlement is made, will continue to be devoted to the defense of
10 the Claims asserted by the Classes. Defendant has also taken into account the risks of further
11 litigation in reaching its decision to enter into this Settlement. Defendant has, therefore, agreed
12 to settle in the manner and upon the terms set forth in this Agreement to put to rest the Claims as
13 set forth in the Action.

14 Defendant denies and continue to deny each of the claims in Plaintiff's Complaint and
15 contentions alleged by Named Plaintiff and the Class in the Action. Defendant has repeatedly
16 asserted and continues to assert defenses thereto, and has expressly denied and continues to deny
17 any wrongdoing or legal liability arising out of any of the facts or conduct alleged in the Action.

18 **D. NAMED PLAINTIFF'S CLAIMS**

19 Plaintiff has claimed and continues to claim that the Released Claims have merit and give
20 rise to liability on the part of Defendant. This Agreement is a compromise of disputed claims.
21 Nothing contained in this Agreement and no documents referred to herein and no action taken to
22 carry out this Agreement may be construed or used as an admission by or against the Named
23 Plaintiff or Class Counsel as to the merits or lack thereof of the Claims asserted.

24 **III. STIPULATION AND AGREEMENT**

25 ***NOW, THEREFORE, IT IS HEREBY STIPULATED***, by and among the Named
26 Plaintiff on behalf of the Class Members on the one hand, and Defendant, on the other hand, and
27 subject to the approval of the Court, that the Action is hereby being compromised and settled
28 subject to the following terms and conditions:

1 1. Full Investigation. Named Plaintiff and Plaintiff’s Counsel have fully
2 investigated the factual and legal bases for the causes of action asserted in the Action.

3 2. Release As To All Participating Settlement Class Members. As of the date of the
4 Final Approval Order in this Action, the Participating Settlement Class Members, including the
5 Named Plaintiff, release the Released Parties from the Released Claims.

6 3. General Release By Named Plaintiff Only. In addition to the releases made by the
7 Participating Settlement Class Members as set forth in Paragraph 2 hereof, Named Plaintiff, in
8 her individual capacity and with respect to their individual claims only, agrees to release the
9 Released Parties from all claims, demands, rights, liabilities and causes of action of every nature
10 and description whatsoever, known or unknown, asserted or that might have been asserted,
11 whether in tort, contract, or for violation of any state or federal statute, rule or regulation arising
12 out of, relating to, or in connection with any act or omission by or on the part of any of the
13 Released Parties committed or omitted prior to the execution hereof including a waiver of Civil
14 Code §1542.

15 The General Release includes any unknown Claims that Named Plaintiff does not know
16 or suspects to exist in her favor at the time of the General Release, which, if known by her, might
17 have affected their settlement with, and release of, the Released Parties or might have affected
18 her decision not to object to this Settlement or the General Release.

19 With respect to the General Release, Named Plaintiff stipulates and agrees that, upon the
20 execution of this Agreement, Named Plaintiff shall be deemed to have expressly waived and
21 relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of
22 Section 1542 of the California Civil Code, or any other similar provision under federal or state
23 law as to the generally released claims, which provides:

24 **A general release does not extend to claims that the creditor or**
25 **releasing party does not know or suspect to exist in his or her**
26 **favor at the time of executing the release and that, if known by**
27 **him or her, would have materially affected his or her**
28 **settlement with the debtor or released party.**

29 Named Plaintiff may hereafter discover facts in addition to or different from those she
30 now knows or believes to be true with respect to the subject matter of the General Release.

1 Nonetheless, Named Plaintiff has, fully, finally, and forever settled and released any and all of
2 the claims released pursuant to the General Release whether known or unknown, suspected or
3 unsuspected, contingent or non-contingent, which now exist, or heretofore have existed upon any
4 theory of law or equity now existing or coming into existence in the future, including, but not
5 limited to, conduct that is negligent, intentional, with or without malice, or a breach of any duty,
6 law or rule, without regard to the subsequent discovery or existence of such different or
7 additional facts.

8 4. Service Award. Subject to Court approval, in exchange for the release of all
9 Released Claims and for her time and effort in bringing and prosecuting this matter, Named
10 Plaintiff shall be paid up to a maximum total of \$7,500.00. This payment is expressly made for
11 her time and effort and in return for a General Release of all employment claims of Named
12 Plaintiff against Defendant. This time and effort payment shall be paid to the Named Plaintiff by
13 the Claims Administrator no later than thirty (30) calendar days after the Effective Date. The
14 Service Award shall be made solely from the Qualified Settlement Fund. The Parties agree that
15 a decision by the Court to award Named Plaintiff an amount less than the amount stated above
16 shall not be a basis for the Named Plaintiff and Class Counsel to void this Stipulation. The
17 Settlement Administrator shall issue a Form 1099 – MISC, Box 3 for the incentive payment.
18 Any amount awarded for service payments to the Named Plaintiff less than the amounts stated
19 above will result in the non-awarded funds being part of the Net Class Settlement Fund available
20 for distribution to the Participating Settlement Class Members. The Named Plaintiff shall be
21 solely and legally responsible to pay any and all applicable taxes on this payment and shall hold
22 harmless Defendant from any claim or liability for taxes, penalties, or interest arising as a result
23 of the Service Award. The Service Award shall be in addition to the Named Plaintiff’s share of
24 the Net Class Settlement Fund as a Participating Settlement Class Member.

25 5. Tax Liability. Defendant makes no representations as to the tax treatment or legal
26 effect of the payments called for hereunder, and Named Plaintiff is not relying on any statement
27 or representation by Defendant in this regard. Plaintiff understands and agrees that Plaintiff will
28

1 be solely responsible for the payment of any taxes and penalties assessed on her individual
2 enhancement and general release payment described herein.

3 6. CIRCULAR 230 DISCLAIMER. EACH PARTY TO THIS AGREEMENT
4 (FOR PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH
5 PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN
6 “OTHER PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS
7 AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR
8 AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS
9 INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE
10 CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN
11 THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230
12 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS
13 RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND
14 TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH
15 THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON
16 THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR
17 TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY
18 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY
19 OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
20 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
21 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY
22 OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES (REGARDLESS OF
23 WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
24 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
25 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
26 AGREEMENT.

27 7. Creation of the Qualified Settlement Fund and Administration of the Settlement.
28 Within thirty (30) calendar days after the Effective Date, Defendant shall deliver the Gross

1 Settlement Amount as required by this Stipulation, into the Qualified Settlement Fund created by
2 the Settlement Administrator. All payments that Defendant is required to make pursuant to the
3 Settlement Agreement shall be made from this Fund. Payments from the Qualified Settlement
4 Fund shall be made for: (1) Service Award to the Named Plaintiff, as specified in this Agreement
5 and approved by the Court; (2) Attorneys' Fees and Cost Award paid to Class Counsel, as
6 specified in this Agreement and approved by the Court; (3) the Settlement Administration Costs;
7 and (4) the amount allocated to be paid to the LWDA as PAGA penalties. The balance
8 remaining shall constitute the Net Class Settlement Fund from which Individual Settlement
9 Payments shall be made to the Participating Settlement Class Members. The Administrator shall
10 calculate and make all payments on Defendant's behalf, including any required tax payments,
11 and shall be responsible for any reporting obligations on the same. In the event this Settlement
12 does not become final for any reason, as set forth at Section III, Paragraph 19 of the Agreement
13 (Nullification of Settlement Agreement), then the Gross Settlement Amount, along with any
14 interest accrued, shall be returned to Defendant immediately within seven (7) calendar days,
15 except that any fees already incurred by the Settlement Administrator shall be paid in equal parts
16 by Named Plaintiff and Defendant.

17 8. Attorneys' Fees and Cost Award. Defendant agrees not to oppose or impede any
18 application or motion by Class Counsel for attorneys' fees not in excess of 33 1/3% percent or
19 \$250,000 of the Gross Settlement Amount and costs not to exceed \$25,000.00. Any amount
20 awarded for attorneys' fees and costs to Class Counsel less than the requested amounts will
21 result in the non-awarded amounts to be part of the Net Settlement Fund, available for
22 distribution to Participating Class Members. So long as there are no objections, Class Counsel
23 shall be paid any Court-approved fees and costs no later than forty (40) calendar days after the
24 Effective Date. Class Counsel shall be solely and legally responsible to pay all applicable taxes
25 on the payment made pursuant to this Paragraph. Forms 1099 – MISC, Box 14 shall be provided
26 to Class Counsel for the payments made pursuant to this Paragraph.

27 9. Settlement Administrator. The Settlement Administrator shall be paid for the
28 costs of administration of the settlement from the Gross Settlement Amount. The estimate of

1 such costs of administration for the disbursement of the Gross Settlement Amount is \$15,000.
2 Any amount awarded for costs of administration to the Settlement Administrator less than
3 \$15,000 will result in the non-awarded amount to be part of the Net Settlement Fund, available
4 for distribution to Participating Class Members. This estimate includes the required tax reporting
5 on the settlement amounts, including the issuing of 1099 forms. The Administrator shall be
6 responsible for all tax reporting requirements. Sixteen (16) court days prior to the Final
7 Approval Hearing, the Settlement Administrator shall provide the Court and all counsel for the
8 Parties with a statement detailing the costs of administration of the Gross Settlement Amount. A
9 Form 1099 – MISC, Box 7 shall be issued to the Settlement Administrator. The Settlement
10 Administrator will also cooperate with Class Counsel’s requests for data relating to information
11 relating to the Settlement benefits payable to class members, opt-outs, objections, or other data
12 necessary to support Final Settlement Approval. This shall include declaration testimony by a
13 representative of the Settlement Administrator.

14 10. Preliminary Approval Hearing. As part of this Settlement, the Parties agree to the
15 following procedures for obtaining preliminary Court approval of the Settlement, notifying Class
16 Members, obtaining final Court approval of the Settlement, and processing the Individual
17 Settlement Payments:

18 a. The Parties stipulate to class certification of the Class for purposes
19 of settlement only. If the Court does not grant either preliminary or final approval of this
20 Settlement, the Parties stipulate that class certification will be revoked.

21 b. Named Plaintiff shall request a hearing before the Court to request
22 preliminary approval of the Settlement and to request the entry of the Preliminary
23 Approval Order.

24 c. In conjunction with this hearing, Named Plaintiff will submit this
25 Stipulation and Settlement of Class Action Agreement, which sets forth the terms of this
26 Settlement Agreement, and will include proposed forms of all notices and other
27 documents as attached hereto necessary to implement the Settlement. The Order shall
28

1 provide for Notice of the Settlement and related matters to be sent to Class Members as
2 specified herein.

3
4 11. Settlement Administration/Management. The Individual Settlement Payments
5 shall be managed and administered as follows:

6 a. Defendant shall have no obligation to segregate the funds to be
7 used for the Gross Settlement Amount from its other assets. Defendant will retain
8 exclusive authority over, and responsibility for, the funds comprising the Gross
9 Settlement Amount until such time as payment is due (30 calendar Days after the
10 Effective Date).

11 b. Phoenix Settlement Administrator, or such other entity upon whom
12 the Parties mutually agree, shall be retained to serve as Settlement Administrator. The
13 parties each represent they do not have any financial interest in the Settlement
14 Administrator or otherwise have a relationship with the Settlement Administrator that
15 could create a conflict of interest.

16 c. Defendant shall provide the Settlement Administrator and Class
17 Counsel only, the Class List and Data Report, as described in paragraph I *supra*, within
18 twenty (20) business days of Preliminary Approval of the settlement. Social Security
19 Numbers shall be redacted from the Class List and Data Report provided to Class
20 Counsel.

21 d. Within ten (10) days of receipt of the Class List and Data Report,
22 the Settlement Administrator shall mail the Notices, to each Class Member in accordance
23 with paragraph 12 *infra*.

24 e. No later than Sixteen (16) court days prior to the Final Approval
25 Hearing the Settlement Administrator shall provide Defendant and Class Counsel a report
26 showing: (i) the names and number of Class Members who have objected to the
27 Settlement; (ii) the names and number of the Class Members who have not timely filed
28 valid requests for exclusion; (iii) the names and number of Class Members who filed

1 valid and timely requests for exclusion from the settlement; and (iv) the names of,
2 number of, and amount owed to each Participating Settlement Class Member.

3 f. The Parties agree to cooperate in the settlement administration
4 process and to make all reasonable efforts to control and minimize the costs and expenses
5 incurred in administration of the Settlement.

6 g. The Settlement Administrator shall be responsible for: printing
7 and mailing the Notices to Class Members as directed by the Court; receiving and
8 reporting the opt-outs and objections submitted by Class Members; mailing Individual
9 Settlement Payments to Participating Settlement Class Members; and other tasks as the
10 Parties mutually agree or the Court orders the Settlement Administrator to perform. The
11 Settlement Administrator shall keep Defendant, Defendant's Counsel and Class Counsel
12 timely apprised of the performance of all Settlement Administrator responsibilities.

13 h. The Settlement Administrator, on Defendant's behalf, shall have
14 the authority and obligation to make payments, credits and disbursements, including
15 payments and credits in the manner set forth herein, to Participating Settlement Class
16 Members calculated in accordance with the methodology set out in this Agreement and
17 orders of the Court, and the Settlement Administrator shall furnish counsel with the
18 procedures it has in place to ensure that all payments to be made shall be made to the
19 parties entitled to said payments.

20 i. Any tax return filing required by this Agreement shall be made by
21 the Settlement Administrator. Any expenses incurred in connection with such filing shall
22 be a cost of administration of the Settlement.

23 j. No person shall have any claim against Defendant or Defendant's
24 Counsel, the Named Plaintiff, Class Members, the Class, Class Counsel or the Settlement
25 Administrator based on distributions and payments made in accordance with this
26 Agreement.
27
28

1 12. Calculation of Individual Settlement Amount. To determine the Individual
2 Settlement Payment for each Participating Settlement Class Members, the Settlement
3 Administrator will:

- 4
- 5 a) Divide the number of Wage Statements received by the Participating Settlement Class
6 Member by the total number of Wage Statements received by all Participating
7 Settlement Class Members during the Class Period. The resulting percentage shall be
8 applied to the Net Settlement Fund to determine the Individual Settlement Payment
9 for that Participating Settlement Class Member.
- 10 b) For taxation purposes, the Individual Settlement Payment to each Participating
11 Settlement Class Member shall be allocated one-hundred percent (100%) to penalties
12 and interest, to be reported on a 1099 form. No withholding shall be made on the
13 Individual Settlement Payment..
- 14 c) The Settlement Administrator shall determine the eligibility for, and the amounts of,
15 any Individual Settlement Payments under the terms of this Settlement Agreement.
- 16 d) . The Settlement Administrator will issue a second check and IRS Form 1099 for the
17 remaining interest and penalty component.
- 18 e) Only Participating Settlement Class Members shall be entitled to Individual
19 Settlement Payments.
- 20 f) The Settlement Administrator shall be responsible for issuing the payments and for
21 federal and state tax reporting obligations.

22 13. Notice to Class Members. Notice of the Settlement shall be provided to all Class
23 Members using the following procedures:

- 24 a. Notice By First-Class Mail. Within ten (10) days after receipt of
25 the Class List and Data, the Settlement Administrator shall mail the Notices to the Class
26 Members via first-class regular U.S. mail. Prior to mailing, the Settlement Administrator
27 will perform a search based on the National Change of Address Database information to
28 update and correct for any known or identifiable address changes. If a new address is

1 obtained by way of a returned Notice Packet, then the Settlement Administrator shall
2 promptly forward the original Notice Packet to the updated address via first-class regular
3 U.S. mail indicating on the original Notice Packet the date of such re-mailing.

4 b. Opt-Out/Objection Deadline Date: Class Members will have forty-
5 five (45) days from the mailing of the Notices to opt-out, or object to the settlement.

6 c. Procedure For Undeliverable Notices. Any Notices returned to the
7 Settlement Administrator as non-delivered on or before the Opt-Out/Objection Deadline
8 Date shall be sent to the forwarding address affixed thereto within five (5) court days. If
9 no forwarding address is provided, then the Settlement Administrator shall promptly
10 attempt to determine a correct address using a single skip-trace, computer or other search
11 using the name, address and/or Social Security number of the individual involved, and
12 shall then perform a single re-mailing within five (5) court days. In the event the
13 procedures in this paragraph are followed and the intended recipient of a Notice still does
14 not receive the Notice, the Class Member shall be bound by all terms of the Settlement
15 and any Final Judgment entered by the Court if the Settlement is approved by the Court.

16 d. At least Sixteen (16) court days prior to the Final Approval
17 Hearing the Settlement Administrator shall provide Defendant and Class Counsel a report
18 showing: (i) the names and number of Class Members objecting to the settlement; (ii) the
19 names and number of the Participating Settlement Class Members; (iii) the names and
20 number of Class Members opting out of the settlement; and (iv) the amount owed to each
21 Participating Settlement Class Member.

22 14. Procedure for Objecting To or Opting Out Of The Class Action Settlement. The
23 Class Members shall submit objections to and opt-out of the Settlement, using the following
24 procedures:

25 a. Procedure for Objecting. The Notices shall provide that those
26 Class Members who wish to object to the Settlement must mail a written statement of
27 objection (“Notice of Objection”) to the Settlement Administrator, Class Counsel and
28 Defendant’s Counsel no later than the Opt-Out/Objection Deadline Date. The postmark

1 date of the mailing shall be deemed the exclusive means for determining that a Notice of
2 Objection is timely. The Notice of Objection must contain a statement of the Class
3 Member's objections, and any legal briefs, papers or memoranda the objecting Class
4 Member proposes to submit to the Court. Class Members who fail to make written
5 objections in the manner specified above shall be deemed to have waived any objections
6 and shall be foreclosed from making any objection (whether by appeal or otherwise) to
7 the Settlement Agreement. No later than Sixteen (16) court days before the Settlement
8 Fairness Hearing, the Settlement Administrator shall provide counsel for the Parties with
9 complete copies of all objections received, including the postmark dates for each
10 objection. Class Members will also have the right to appear and be heard orally at the
11 Final Approval hearing, without submitting a written objection.

12 b. Procedure for Opting Out. The Notices to Class Members shall
13 provide that those Class Members who wish to opt-out of the Settlement must mail a
14 written signed request for exclusion expressing his or her desire to opt-out from the
15 settlement, and any such statement shall include the name (and former names, if any),
16 current address, telephone number, and the last four (4) digits of Social Security number
17 of the Class Member and state that "I wish to opt-out from this Settlement". Any Class
18 Member who wishes to request exclusion from the Settlement must submit a request to be
19 excluded from the Settlement to the Settlement Administrator postmarked no later than
20 the Opt-Out/Objection Deadline Date. Any Class Member who submits a valid and
21 timely request for exclusion form shall no longer be a member of the Class, shall be
22 barred from participating in this Settlement, shall be barred from objecting to this
23 Settlement, and shall receive no benefit from this Settlement.

24 c. No Solicitation of Settlement Objections or Opt-Outs. The Parties
25 agree to use their best efforts to carry out the terms of this Settlement. At no time shall
26 any of the Parties or their counsel seek to solicit or otherwise encourage or influence
27 Class Members to submit written objections to the Settlement, submit written objections
28

1 to or requests for exclusion from of the Settlement, or to appeal from the Order and Final
2 Judgment.

3 15. Procedure for Dispute of Wage Statements.

4 a. If a Class Member disputes the number of Wage Statements that is
5 the basis for their settlement figure provided in the notice, then the Class Member must
6 submit supporting documentation with his/her dispute. The Settlement Administrator
7 will forward the dispute to counsel for Plaintiff and Defendant, and Defendant will
8 investigate the dispute. The Settlement Administrator will decide the dispute, and will
9 provide the Class Member with the results of the investigation. Failure of the Class
10 Member to submit documentation to support his/her dispute, will result in the Class
11 Member being paid pursuant to Defendant's records.

12 16. Procedure for Payment of Individual Settlement Payments:

13 a. All Participating Settlement Class Members will receive an
14 Individual Settlement Payment distributed through the Settlement Administrator from the
15 Qualified Settlement Fund.

16 b. Individual Settlement Payments for Participating Settlement Class
17 Members shall be paid pursuant to the settlement formula set forth herein, and shall be
18 mailed within forty (40) calendar days after the Effective Date.

19 c. Should any question arise regarding the determination of eligibility
20 for, or the amounts of, any Individual Settlement Payment under the terms of this
21 Agreement, Class Counsel and Defendant's Counsel shall meet and confer in an attempt
22 to reach agreement. If they cannot agree, the Settlement Administrator shall make the
23 final determination, and that determination shall be conclusive, final and binding on all
24 Parties, including all Participating Settlement Class Members.

25 d. If a check sent to a valid and timely Participating Settlement Class
26 Member is returned with a forwarding address provided by the Postal Service, it shall be
27 re-mailed to the forwarding address provided. If a check is returned as undeliverable by
28 the Postal Service or is otherwise designated by the Postal Service as having been sent to

1 an invalid address, and the Participating Settlement Class Member did not provide the
2 Settlement Administrator with additional address information after the mailing of the
3 check, the Settlement Administrator shall provide such information to Class Counsel to
4 locate such class members.

5 e. To the extent any Participating Settlement Class Member fails to
6 cash a settlement check within 180 days of issuance, the uncashed funds, including
7 interest accrued in the QSF, will escheat to the State Controller to be deposited in the
8 Unclaimed Property Fund, in the name of the Participating Settlement Class Member

9 17. Certification By Settlement Administrator. Upon completion of administration of
10 the distributions, the Settlement Administrator shall provide written certification of such
11 completion to the Court and counsel for all Parties.

12 18. Final Settlement Approval Hearing and Entry of Final Judgment. Upon
13 expiration of the Opt-Out/Objection Deadline Date, with the Court's permission, a Final Fairness
14 Hearing shall be conducted to determine final approval of the Settlement along with the amount
15 properly payable for (i) reasonable attorneys' fees and costs, (ii) any Service Awards, and
16 (iii) cost of administration. The Final Fairness Hearing shall not be held earlier than fifteen (15)
17 calendar days from Opt-Out/Objection Deadline Date. Upon final approval of the Settlement by
18 the Court the Parties shall present the Final Judgment to the Court for its approval. After entry
19 of the Final Judgment, the Court shall have continuing jurisdiction solely for purposes of
20 addressing: (i) the interpretation and enforcement of the terms of the Settlement, (ii) Settlement
21 administration matters, and (iii) such post-Final Judgment matters as may be appropriate under
22 court rules or as set forth in this Agreement.

23 19. Nullification of Settlement Agreement. In the event that five percent (5%) or
24 more Class Members opt-out of the Settlement, Defendant, in its sole discretion, may exercise its
25 option of nullifying the Agreement. In order to exercise this option, Defendant must notify Class
26 Counsel in writing within twenty (20) business days of learning from the Administrator that the
27 number of opt-outs equals five percent (5%) or more. If the option is exercised, this Settlement
28 Agreement shall be null and void, and any order or judgment entered by the Court in furtherance

1 of this Settlement shall be treated as void from the beginning, and the Stipulations and Recitals
2 contained herein shall be of no force or effect, and shall not be treated as an admission by any
3 parties or their Counsel. In such a case, the Parties and any funds to be awarded under this
4 Settlement shall be returned to their respective statuses as of the date and time immediately prior
5 to the execution of this Agreement (along with any accrued interest), and the Parties shall
6 proceed in all respects as if this Settlement Agreement had not been executed, except that any
7 fees already incurred by the Settlement Administrator shall be paid by Defendant. In addition, in
8 the event: (i) the Court does not enter the Final Approval Order specified herein; (ii) the Court
9 does not finally approve the Settlement as provided herein; (iii) the Court does not enter a Final
10 Judgment as provided herein, which becomes final as a result of the occurrence of the Effective
11 Date; or (iv) the Settlement does not become final for any other reason, this Settlement
12 Agreement shall be null and void, and any order or judgment entered by the Court in furtherance
13 of this Settlement shall be treated as void from the beginning, and the Stipulations and Recitals
14 contained herein shall be of no force or effect, and shall not be treated as an admission by any
15 parties or their Counsel. In such a case, the Parties and any funds to be awarded under this
16 Settlement shall be returned to their respective statuses as of the date and time immediately prior
17 to the execution of this Agreement (along with any accrued interest), and the Parties shall
18 proceed in all respects as if this Settlement Agreement had not been executed, except that any
19 fees already incurred by the Settlement Administrator shall be paid in equal parts by Named
20 Plaintiff and Defendant.

21 20. Publicity. Neither the Named Plaintiff, nor Plaintiff's Counsel shall issue any
22 press release related in any way to the Settlement. From and after preliminary approval of the
23 settlement, the Class Members (including the Named Plaintiff and Class Counsel) may: (1) as
24 required by law; (2) as required under the terms of the Settlement; or (3) as required under
25 counsel's duties and responsibilities as Class Counsel, comment regarding the specific terms of
26 the Settlement. In response to inquiries from the press, Named Plaintiff and Class Counsel agree
27 to limit their statements regarding the terms of the Settlement, whether oral, written or electronic
28 (including the world wide web), to say the Class Action has been resolved and that the Named

1 Plaintiff and Class Counsel are satisfied with the settlement terms. Nothing herein is intended to
2 interfere with Class Counsel's duties and obligations to faithfully discharge their duties as Class
3 Counsel, including but not limited to answering questions from Class Members. Nothing herein
4 shall preclude Class Counsel from encouraging Class Members to participate in the settlement,
5 and Class Counsel shall be allowed to publicize the terms of the Settlement for this purpose,
6 including on Class Counsel's web site or a web site devoted to the Settlement, at Class Counsel's
7 expense.

8 21. Dispute Resolution. Except as otherwise set forth herein, all disputes concerning
9 the interpretation, calculation or payment of settlement claims, or other disputes regarding
10 compliance with this Agreement shall be resolved as follows:

11 a. If the Named Plaintiff or Class Counsel, on behalf of the Named
12 Plaintiff or any Participating Settlement Class Member, or Defendant at any time believe
13 that the other Party has breached or acted contrary to the Agreement, that Party shall
14 notify the other Party in writing of the alleged violation.

15 b. Upon receiving notice of the alleged violation or dispute, the
16 responding Party shall have ten (10) calendar days to correct the alleged violation and/or
17 respond to the initiating Party with the reasons why the party disputes all or part of the
18 allegation.

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

22 d. If Class Counsel and Defendant are unable to resolve their
23 differences after twenty (20) calendar days, either Party may file an appropriate motion
24 for enforcement with the Court. The briefing of such motion should be in letter brief
25 form and shall not exceed five (5) single-spaced pages (excluding exhibits).

26 e. Reasonable attorneys' fees and costs for work done in resolving
27 a dispute under this Section may be recovered by any party that prevails under the
28 standards set forth within the meaning of applicable law.

1 22. No Retaliation. Defendant shall not take any adverse action against any Class
2 Member, including the Named Plaintiff, because of the Action or because of the existence of,
3 and/or participation in, the Settlement, or because they choose to benefit from the Settlement or
4 to object to the Settlement. Defendant shall not take action to discourage Class Members from
5 participating in the Settlement. Notice to the Class Members will include a statement that
6 Defendant will not retaliate against Class Members for participating in the Settlement.

7 23. Exhibits and Headings. The terms of this Agreement include the terms set forth
8 in attached Exhibit A which is incorporated by this reference as though fully set forth herein.
9 Any exhibits to this Agreement are an integral part of the Settlement. The descriptive headings
10 of any paragraphs or sections of this Agreement are inserted for convenience of reference only
11 and do not constitute a part of this Agreement.

12 24. Interim Stay of Proceedings. The Parties agree to the Court staying and holding
13 all proceedings in the Action, except such proceedings necessary to implement and complete the
14 Settlement, in abeyance pending the Settlement Hearing to be conducted by the Court.

15 25. Amendment or Modification. This Agreement may be amended or modified only
16 by a written instrument signed by counsel for all Parties or their successors-in-interest.

17 26. Entire Agreement. This Agreement and any attached exhibits constitute the entire
18 agreement among these Parties, and no oral or written representations, warranties or inducements
19 have been made to any Party concerning this Agreement or its exhibits other than the
20 representations, warranties and covenants contained and memorialized in such documents.

21 27. Authorization to Enter Into Settlement Agreement. Counsel for all Parties
22 warrant and represent they are expressly authorized by the Parties whom they represent to
23 negotiate this Agreement and to take all appropriate action required or permitted to be taken by
24 such Parties pursuant to this Agreement to effectuate its terms, and to execute any other
25 documents required to effectuate the terms of this Agreement. The Parties and their counsel will
26 cooperate with each other and use their best efforts to affect the implementation of the
27 Settlement. In the event the Parties are unable to reach agreement on the form or content of any
28 document needed to implement the Settlement, or on any supplemental provisions that may

1 become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance
2 of the Court to resolve such disagreement. The persons signing this Agreement on behalf of
3 Defendant represent and warrant that they are authorized to sign this Agreement on behalf of
4 Defendant.

5 28. Binding on Successors and Assigns. This Agreement shall be binding upon, and
6 inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

7 29. California Law Governs. All terms of this Agreement and the exhibits hereto
8 shall be governed by and interpreted according to the laws of the State of California.

9 30. Counterparts. This Agreement may be executed in one or more counterparts. All
10 executed counterparts and each of them shall be deemed to be one and the same instrument
11 provided that counsel for the Parties to this Agreement shall exchange among themselves
12 original signed counterparts.

13 31. This Settlement Is Fair, Adequate and Reasonable. The Parties believe this
14 Settlement is a fair, adequate and reasonable settlement of this Action and have arrived at this
15 Settlement after extensive arms-length negotiations, taking into account all relevant factors,
16 present and potential and the extensive investigation that has occurred.

17 32. Jurisdiction of the Court. The Court shall retain jurisdiction with respect to the
18 interpretation, implementation and enforcement of the terms of this Agreement and all orders and
19 judgments entered in connection therewith, and the Parties and their counsel hereto submit to the
20 jurisdiction of the Court for purposes of interpreting, implementing and enforcing the settlement
21 embodied in this Agreement and all orders and judgments entered in connection therewith. The
22 prevailing party to any such enforcement action shall be entitled to recover its reasonable
23 attorneys' fees and costs incurred in connection with such enforcement.

24 33. Cooperation and Drafting. Each of the Parties has cooperated in the drafting and
25 preparation of this Agreement. Hence, in any construction made to this Agreement, the same
26 shall not be construed against any of the Parties.

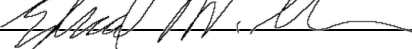
27 34. Invalidity of Any Provision. Before declaring any provision of this Agreement
28 invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible

1 consistent with applicable precedents so as to define all provisions of this Agreement valid and
2 enforceable.

3 35. Named Plaintiff's Waiver of Right to Object. The Named Plaintiff waives any
4 right to object to this Agreement, and by signing this Agreement are bound by the terms herein.
5
6

7 Dated: 1/27/2021


LAW OFFICES OF CHOI & ASSOCIATES, PC

8 By:  _____

9 Edward W. Choi, Esq.
10 Paul M. Yi, Esq.
11 Attorneys for Plaintiff and Class

12 Dated: January 27, 2021

DIVERSITY LAW GROUP

13 By:  _____

14 Larry W. Lee, Esq.
15 Attorneys for Plaintiff and Class

16 Dated: January 27, 2021

DAVID LEE LAW

17 By:  _____

18 David Lee, Esq.
19 Attorneys for Plaintiff and Class

20 Dated: January 26, 2021

SHEPPARD-MULLIN RICHTER & HAMPTON LLP

21 By:  _____

22 Richard J. Simmons, Esq.
23 Derek R. Havel, Esq.
24 Melissa M. Smith, Esq.
25 Attorney for Defendant
26
27
28

EXHIBIT A

*SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES*

Rodriguez v. Gardena Hospital, L.P., et al., Case No. BC 705075 (“the Action”)

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND
FAIRNESS HEARING**

Read this notice carefully. If you worked as an hourly non-exempt employee for Gardena Hospital at some point during the time period of April 9, 2017 through April 9, 2019 and received wage statements that included overtime wages, your legal rights may be affected.

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

- Records indicate that you are a Class Member in the Action.
- The parties have reached a settlement of all issues in the Action to avoid the costs of litigation. As a Class Member, you now have a choice to make that could affect your legal rights.

YOUR LEGAL RIGHTS AND OPTIONS:

Do Nothing **You will receive settlement funds in exchange for giving up certain rights.**

If you do not opt out of the settlement, you will automatically receive a share of the settlement proceeds. If the settlement is granted final approval by the Court, you will be bound by the settlement and you will have released the claims set forth in the release.

Opt Out **You will not receive any portion of the settlement proceeds.**

You will no longer be a member of the Class and will be barred from participating in or objecting to the settlement. You will not release the claims as set forth in this Notice.

Object If you do not opt out, you also have the right to object to the settlement.

Your options are more fully explained in this notice. The deadline to submit an objection or to opt-out is **[45 days after mailing date]**.

1. Why did I receive this notice?
--

You are a Class Member in the above-mentioned class action and are entitled to share in the settlement funds. You are not being sued. However, your rights may be affected by the legal

proceedings in this action. This Notice informs you of your right to share in the settlement and your ability to object to the settlement.

The Parties to the litigation signed a Stipulation and Settlement of Class Action Claims (the “Agreement”) that fully sets forth the details of the settlement, and you may obtain a copy of the Agreement from either the Court or Class Counsel (identified below). Details concerning where to get additional information, including a copy of the Agreement, are provided at the end of this Notice. The proposed Agreement has been submitted to the Court, and has received preliminary approval. You have received this Notice because records indicate that you are a Class Member in the above-mentioned class action. The Court must approve the terms of the settlement described below as fair and reasonable to the class. The settlement will affect all members of the class. You may get money from the class action settlement, but only if you do not opt-out as indicated below.

2. What is the case about?

On May 9, 2018, Plaintiff Araceli Rodriguez (“Plaintiff”) filed a putative class action complaint against Defendant Gardena Hospital, L.P. (“Defendant”) entitled *Rodriguez v. Gardena Hospital, L.P.*, Los Angeles County Superior Court Case No. BC705075. Plaintiff’s Complaint alleged (1) Violation of Labor Code §§510, 558, 1194, 1197 and 1197.1; (2) Violation of Labor Code §226 regarding record keeping and (3) Violation of Business and Professions Code §17200, *et seq.*. On or about July 11, 2018, Plaintiff filed a First Amended Complaint adding a cause of action for violation of Labor Code §§2698, *et seq.* (“PAGA”) and dismissing the first and third cause of action. Thus, the operative First Amended Complaint is a pure Labor Code §226 class claim along with a PAGA claim predicated on violation of Labor Code §226 (“Operative Complaint”). Plaintiff’s Operative Complaint alleges that Defendant issued improper wage statements pursuant to the California Labor Code §226.

Defendant strongly denies all allegations in the Action and contends that it fully complied with the law. Defendant has entered into this settlement to avoid the costs and expense of litigation.

The class for purposes of this settlement consists of all hourly non-exempt employees of Defendant who received wage statements that included overtime wages from April 9, 2017 to April 9, 2019 (“Class Period”).

You have received this Notice because records indicate that you are a Class Member fitting into the class definition.

3. What Are My Options?

You may do nothing or opt-out. You also have a right to object to the settlement if you do not opt out. The option you choose affects whether you receive settlement monies and whether you give up certain rights.

a. What happens if I do nothing?

If you do nothing, you will receive a settlement payment and you will release all claims that are released pursuant to the terms of the Settlement Agreement.

b. How do I Opt-Out?

If you do not want to be a member of the Class or participate in this settlement, you must take the following steps:

(1) You must mail a written signed statement expressing your desire to opt-out from the settlement no later than **[45 days after mailing]** to the Settlement Administrator c/o **[Phoenix Settlement Administrators, P.O. Box _____]**.

(2) The written statement **MUST** include: (i) your name (and former names, if any); (ii) your current address and telephone number; (iii) the last four digits of your Social Security number; and (iv) the statement “I wish to opt-out from this Settlement.”

The written opt-out must be postmarked by **[45 days after mailing]**. If you have satisfied the requirements set forth above, you will no longer be a member of the Class, you will be barred from participating in the settlement or objecting to the settlement, and you will receive no benefit from this settlement, but will retain your own rights to assert against RMH.

d. How do I object to the settlement?

If you are satisfied with the proposed settlement, you do not need to appear at the hearing at which the Court will consider final approval of the settlement. However, if you object to the proposed settlement you must take **one** of the following steps:

(1) You must mail a written statement of the objection stating the basis for the objection no later than **[45 days after mailing]** to all of the following: (i) the RMH Settlement Administrator c/o **[Phoenix Settlement Administrators]**. The written statement **MUST** include: (i) a statement of your objections; and (ii) any other papers which you propose to submit to the Court, including any legal briefs or memoranda. You may appear personally at the final approval hearing, or through your own counsel, paid for at your expense; OR

(2) Appear at the final approval hearing to address the Court at the Final Approval Hearing scheduled for **[INSERT DATE AND TIME]** in Department 7 of the Los Angeles County Superior Court, located at 312 N. Spring St., Los Angeles, CA 90012. Class Members may appear virtually or in person following the Court’s mandatory use of facial coverings and social distancing requirements. Any changes of the Final Approval Hearing Date/Time will be posted on the Settlement Administrator’s website **[INSERT WEBSITE ADDRESS]**.

Class Members who fail to make objections in the manner specified above shall be deemed to have waived any objections and shall be foreclosed from making any objections to the Agreement, or any aspect of the proposed settlement, including, without limitation, the fairness, reasonableness or adequacy of the proposed settlement, or any award of attorneys’ fees or reimbursement of costs and expenses.

4. How is my individual settlement amount calculated?

a. Summary of settlement

The maximum sum that Defendant will pay in connection with the settlement is Seven-Hundred Fifty Thousand Dollars (\$750,000.00) ("Gross Settlement Amount").

Your individual settlement award will be based on dividing your wage statements received that included overtime wages during the Class Period by the total wage statements received by all Participating Class Members that included overtime wages during the Class Period. Your estimated settlement amount is _____. If you have a dispute regarding the total number of wage statements, you must submit your dispute no later than 45 days after mailing by the Settlement Administrator.

For taxation purposes, the Individual Settlement Payment to each Participating Settlement Class Member shall be allocated one-hundred percent (100%) to penalties and interest, to be reported on a 1099 form.

The Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual Settlement Payments under the terms of this Settlement Agreement. Only those Class Members who do not opt out will participate in the Settlement.

b. Will the Named Plaintiff receive any additional payment?

Yes. The Court will also be asked to award a service payment (also called an enhancement) to Plaintiff Araceli Rodriguez in the amount of \$7,500.00. The service award will be paid from the Gross Settlement Amount, which will reduce any payment made to you as a Participating Settlement Class Member. This service payment is sought to compensate the Named Plaintiff for her efforts in assisting with the prosecution of the Action on behalf of the Class Members and in return for executing a General Release of all Claims against Released Parties. The actual amount awarded will be determined by the Court to ensure that the service payment amount is reasonable.

c. How will the attorneys for the class be paid?

You do not need to pay any portion of either Class Counsel or Defendant's attorneys' fees and costs. All payments to Class Counsel for attorneys' fees and costs will be deducted from the Gross Settlement Amount, which will reduce any payment made to you as a Participating Settlement Class Member. Class Counsel will apply to the court for approval of their attorneys' fees and costs at the hearing scheduled for [INSERT DATE AND TIME]. Class Counsel will ask for attorneys' fees not in excess of \$250,000, or thirty-three and one-third percent (33 1/3%) and costs not in excess of \$20,000.00 of the Gross Settlement Amount. Further, the Settlement Administrator's costs are estimated to be \$15,000.00. The actual amount awarded will be determined by the Court to ensure that the amount of attorneys' fees and costs and administrator's costs are reasonable.

5. What are the rights at issue in this lawsuit?

The settlement relates to the time that you worked for Defendant as an hourly non-exempt employee. References to "Released Parties" means Defendant Gardena Hospital, L.P., and its past, present, or future parents, subsidiaries and affiliated corporations, and their past, present, or future officers, directors, employees, partners, joint employers, members, shareholders and agents, and any other successors, assigns or legal representatives. If the proposed Settlement is approved, all Class Members will have released the "Released Parties" from the "Released Claims" as defined below and will be permanently barred from suing or otherwise making a claim against any of the Released Parties that is in any way related to the Released Claims. This is more completely set forth as follows:

Upon the full funding of the Qualified Settlement Fund, the Participating Settlement Class Members shall fully and finally release and discharge the Released Parties, during the Class Period, of all applicable California wage and hour claims, rights, demands, liabilities and causes of action which were brought or could have been brought in the Action against Defendant based on the factual allegations of the Action, including all claims for improper or inaccurate wage statements; penalties, including, but not limited to, pay-stub penalties; and attorneys' fees and expenses. The Released Claims include all such claims arising under the California Labor Code related to the factual allegations of the Action, including, but not limited to, sections 226, 226.3, and 2698 *et seq.* This release excludes the release of claims not permitted by law.

6. Will I be subject to discipline based on whether I participate in the settlement?

No. Your decision as to whether or not to participate in the settlement will in no way affect your employment with Defendant. Defendant is prohibited from retaliating in any way based on your decision whether or not to participate in the settlement.

7. Where can I get additional information?

This Notice only summarizes this lawsuit, the Settlement, and related matters. For more information, you may inspect the Court files at the Clerk's Office for the Los Angeles County Superior Court, located at 312 N. Spring St., Los Angeles, CA 90012, from 9:00 a.m. to 4:30 p.m., Monday through Friday or visit the Settlement Administrator's website at [INSERT WEBSITE ADDRESS]. Further, you may also contact Class Counsel as follows:

Larry W. Lee, Esq. DIVERSITY LAW GROUP 515 S. Figueroa St., Ste 1250 Los Angeles, CA 90071 Telephone: (213) 488-6555	Edward W. Choi, Esq. Law Offices of Choi & Associate, P.C. 515 S. Figueroa St., Ste 1250 Los Angeles, CA 90071 Tel: (213) 381-1515	David Lee, Esq. DAVID LEE LAW 515 S. Flower St., Ste 1900 Los Angeles, CA 90071 Telephone: (213) 236-3536
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Facsimile; (213) 488-6554	Fax: (213) 465-4885	Facsimile; (866) 658-4722
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8. Payment of Settlement Share

The court must finally approve the settlement at the hearing on [INSERT DATE AND TIME], before settlement checks are mailed to participating class members. Notice of any change of the Final Approval Hearing date will be provided on the Settlement Administrator’s website [INSERT WEBSITE ADDRESS]

Assuming the court grants final approval of the class action settlement, and assuming there are no appeals, checks should be mailed to those who do not opt out, approximately 90 days after the final approval hearing. Notice of the final judgment will be available on the Settlement Administrator’s website [INSERT WEBSITE ADDRESS]

If you have moved, or your check is returned as undeliverable and/or the check you are mailed is not cashed after issuance, then the funds in the amount of your settlement share will escheat (be paid) to the California State Controller to be deposited in the Unclaimed Property Fund in the name of the Class Member. The State Controller’s office and can be contacted through <http://www.sco.ca.gov/> or by calling: (800) 992-4647. “Escheat” essentially means that the funds will be turned over to the State of California, unclaimed property fund, through the State Controller’s office, and will remain in the fund until the property is claimed by the individual. You may also contact the Settlement Administrator as follows:

**[Phoenix Settlement Administrators
P.O. Box _____
Tustin, CA _____]**

DO **NOT** TELEPHONE OR CONTACT THE COURT FOR INFORMATION REGARDING THIS SETTLEMENT.

PROOF OF SERVICE

I am employed in the County of Los Angeles; I am over the age of 18 years and not a party to the within action; my business address is 515 S. Figueroa St., Suite 1250, Los Angeles, CA 90071.

On January 27, 2021, I served the foregoing document(s) described as: **AMENDED STIPULATION AND SETTLEMENT OF CLASS ACTION CLAIMS**, on the interested parties in this action by placing a true copy thereof, in a sealed envelope(s) addressed as follows:

Richard J. Simmons
Derek R. Havel
Melissa M. Smith
Sheppard, Mullin, Richter & Hampton
333 South Hope Street, 43rd Floor
Los Angeles, CA 90071-1448

David Lee
DAVID LEE LAW
515 S. Flower Street, Suite 3600
Los Angeles, California 90071

Larry W. Lee
Diversity Law Group
515 S. Figueroa St., Suite 1250
Los Angeles, CA 90071

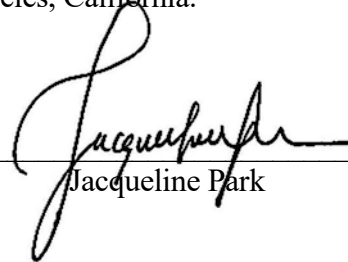
 X **BY ELECTRONIC SERVICE**

I caused such document to be uploaded to CaseAnywhere to be served on the offices of the addressees.

 x **(State)** I declare under penalty of perjury that the foregoing is true and correct.

 (Federal) I declare under penalty of perjury that the foregoing is true and correct, and that I am employed in the office of a member of the bar of this Court at whose direction the service was made.

Executed on January 27, 2021, at Los Angeles, California.



Jacqueline Park