

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND HEARING DATE FOR COURT APPROVAL

If you have been employed by Jeffrey Lee Galitz, M.D., A Professional Medical Corporation, dba Woundtech of California; Podicare Services, Inc.; and/or Wound Technology Network, Inc., you may be entitled to receive money from a class action settlement.

*The Los Angeles County Superior Court authorized this notice.
This is not a solicitation from a lawyer.*

THIS NOTICE MAY AFFECT YOUR RIGHTS. PLEASE READ IT CAREFULLY.

You are receiving this Notice because the Court has preliminarily approved a proposed settlement in a class action filed on behalf of all non-exempt employees of Defendants Jeffrey Lee Galitz, M.D., A Professional Medical Corporation dba Woundtech of California; Podicare Services, Inc.; and/or Wound Technology Network, Inc. (“Defendants”) who worked for Defendant in California from August 19, 2017 through July 19, 2022 (“Class Period”). A hearing to determine whether the settlement should receive the Court’s final approval will be held on September 13, 2023, at 10:00 a.m., in Department 9 of the Los Angeles County Superior Court, which is located at 312 N. Spring Street, Los Angeles, CA 90012.

This Notice explains the proposed settlement and provides an estimate of how much money you will receive as a settlement payment if you do not exclude yourself from the settlement. If you do not want to be part of the settlement class, then you must submit a Request for Exclusion (described in section 9, below) no later than June 19, 2023, otherwise you will be bound by the terms of the settlement, including the release of certain claims that you may have against Defendant, as described in section 8 of this Notice.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT ARE:

Option #1: Do Nothing and Receive Your Payment	If you do nothing and the Court grants final approval of the Settlement, you will automatically receive your share of the money from the Settlement and give up your right to sue Defendants for claims released by the Settlement, as further explained in section 8 below. Your estimated payment is in section 6 below.
Option #2: Opt Out or Exclude Yourself	If you do not want to participate in the Settlement, you may opt out. To opt out from the Settlement, you must submit a written request for exclusion to the Settlement Administrator, by June 19, 2023. See section 9(b) below for instructions on how to submit a valid request. If you opt out from the Settlement, you will not be able to object, appeal, or comment on the Settlement. Even if you opt out or exclude yourself from the Settlement, you will still receive a payment for your PAGA Employee Portion.
Option #3: Object	If you do not think the Settlement is fair and do not opt out, you may object to the Settlement. To do so, you should mail a written statement of objection to the Settlement Administrator, by June 19, 2023. See section 9(c) below for instructions on how to submit an objection. You cannot object if you have excluded yourself from the Settlement. If the court overrules your objection and grants final approval of the Settlement, you will be bound by the Settlement and its releases as stated in section 8 below. Regardless of whether you submit a written objection, however, the Court will hear your objection if you attend the final approval hearing and ask to speak regarding your objection. The final approval hearing is scheduled for September 13, 2023, at 10:00 a.m., in Department 9 of the Spring Street Courthouse for Los Angeles Superior Court located at 312 N. Spring Street, Los Angeles, CA 90012. More information about attending this hearing is set forth in section 10 below.

1. PURPOSE OF THIS NOTICE

The Court has ordered that this Notice be sent to you because you have been identified as a member of the class by Defendants’ records. The purpose of this notice is to provide you with information about the lawsuit and the proposed settlement and to advise you of your options.

2. PERSON ELIGIBLE TO RECEIVE A SETTLEMENT PAYMENT

The people eligible to receive a settlement payment are all individuals who were employed by Defendant Jeffrey Lee Galitz, MD, a Professional Corporation dba Woundtech of California and allegedly employed by Defendants Podicare Services, Inc. (“Podicare”) and Wound Technology Network, Inc. (“WTN”) in California as non-exempt employees at any time from August 19, 2017, through July 19, 2022. You are receiving this notice because, according to Defendants’ records, you are eligible to participate in the settlement.

3. DESCRIPTION OF THE ACTION

A former employee of Defendant filed a class action against Defendants in the Los Angeles Superior Court. The case is called *Mary Beth Hughes v. Jeffrey Lee Galitz, MD, A Professional Medical Corporation, a California corporation*, Case No. 21STCV30732 (the “Action”). The Action alleges that Plaintiff and other non-exempt employees of Defendants were incorrectly classified as exempt employees and as a result, were not paid overtime, were not paid for non-productive time, were not paid for all work they performed, were not provided compliant meal breaks and paid rest breaks, were not provided with accurate wage statements, were not reimbursed for all of their necessary expenditures, and were not paid all wages owed at separation. Based on these facts and others, Plaintiff’s Second Amended Complaint alleges causes of action for: (1) failure to pay overtime; (2) failure to pay for non-productive time; (3) failure to pay wages for all work performed; (4) failure to provide compliant meal breaks and paid rest breaks; (5) inaccurate wage

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statements; (6) failure to reimburse necessary expenditures; (7) violation of the Unfair Practices Act; (8) failure to pay all wages owed at termination; and (9) recovery of civil penalties under PAGA.

Defendants deny all of Plaintiff's allegations and deny any wrongdoing. Among other things, Defendants contend that all employees have been properly compensated and that Defendants complied with all applicable California labor laws.

The Court has made no ruling on the merits of the alleged claims or the defenses asserted by Defendants. The Court has preliminarily approved the proposed settlement. The Court will decide whether to give final approval to the settlement at a hearing scheduled for September 13, 2023, at 10:00 a.m. (the "Final Approval Hearing").

4. WHO ARE THE ATTORNEYS REPRESENTING THE PARTIES?

Attorneys representing Plaintiff and the class ("Class Counsel") are:

Aaron C. Gundzik	Daniel M. Holzman
Rebecca Gundzik	Caskey & Holzman
Gundzik Gundzik Heeger LLP	24025 Park Sorrento, Ste. 400
14011 Ventura Blvd., Suite 206E	Calabasas, CA 91302
Sherman Oaks, CA 91423	Telephone: (818) 657-1070
Telephone: (818) 290-7461	Facsimile: (818) 297-1775
Facsimile: (818) 918-2316	

Attorneys representing Defendants are:

Lonnie D. Giamela
Fisher & Phillips LLP
444 South Flower Street, Suite 1500
Los Angeles, CA 90071
Telephone: (213) 330-4454
Facsimile: (213) 330-4501

5. THE TERMS OF THE PROPOSED SETTLEMENT

The following is a summary of the settlement. The specific and complete terms of the proposed Settlement are stated in the First Amended Stipulation of Class Action and PAGA Settlement ("Settlement Agreement"), a copy of which is filed with the Court. You can obtain a copy of the Settlement Agreement from Class Counsel (see contact information in Section 4 above) or review it on the following website: <https://www.phoenixclassaction.com/hughes-v-jeffrey-lee-galitz-md/>.

Defendant has agreed to pay \$1,675,000 to settle any and all obligations for the claims alleged in the lawsuit. This amount is called the Gross Settlement Amount. As discussed below, the Gross Settlement Amount will be used to cover all payments to the settlement class, settlement administration costs, attorneys' fees and costs, service and release award to the Plaintiff, and funds owed to the state of California in settlement of penalties. All of these payments will be deducted from the Gross Settlement Amount. The remaining amount (called the Net Settlement Amount) will be distributed to class members who do not timely submit Requests for Exclusion, as discussed below.

(a) **Attorneys' Fees and Costs:** Class Counsel has worked on this matter without compensation and have advanced funds to pay for expenses necessary to prosecute the Action. Accordingly, under the settlement, Class Counsel may request an amount not to exceed \$558,333, which is one-third of the Gross Settlement Amount, to compensate them for their work on the case, plus their reasonable costs and expenses incurred in the litigation not to exceed \$40,000. Subject to court approval, the attorneys' fees and costs will be deducted from the Gross Settlement Amount.

(b) **Service and Release Award:** The Plaintiff is requesting a service and release award of \$10,000 in addition to the amount she will receive as a member of the class, to compensate her for undergoing the burden and expense of prosecuting the action and for the broader release of claims she is required to provide to Defendants. Subject to court approval, the service and release award will be deducted from the Gross Settlement Amount.

(c) **Settlement Administration Costs:** The Settlement Administrator, Phoenix Settlement Administrators, has advised the parties that the settlement administration costs will not exceed \$6,750. Subject to court approval, the settlement administration costs will be deducted from the Gross Settlement Amount.

(d) **Payment of Penalties:** A total of \$50,000 of the Gross Settlement Amount will be allocated to settle allegations that Defendant owes penalties to the state for alleged violations of the California Labor Code. Of this amount, \$37,500 (75%) will be paid to the California Labor & Workforce Development Agency ("LWDA"). Subject to court approval, the \$37,500 payment to the LWDA will also be deducted from the Gross Settlement Amount. The other 25%, which is \$12,500, will be distributed to class members who worked for Defendants in California at any time between August 19, 2020, and July 19, 2022, based upon the number of pay periods such class members worked during the forgoing time period.

(e) **Payments to Settlement Class Members:** The remainder of the Gross Settlement Amount (called the Net Settlement Amount) will be distributed to class members who do not exclude themselves from the settlement (called Settlement Class Members). The amount of each Settlement Class Member's share of the Net Settlement Amount will be calculated by dividing the total number of qualifying workdays worked by the Class Member during the Class Period by the total number of qualifying workdays worked by all Settlement Class Members during the Class Period and multiplying that fraction by the Net Settlement Amount. A qualifying workday is a full or partial day that a class member worked for Defendant during the Class Period.

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6. WHAT YOU WILL RECEIVE UNDER THE SETTLEMENT

According to Defendant's records, you worked a total of ___ qualifying workdays during the Class Period. Under the settlement, you will receive approximately \$ _____. This amount may increase or decrease based on various factors, including the number of class members who submit Requests for Exclusion, the amounts approved by the Court for attorneys' fees and costs, settlement administration costs, the service and release award to Plaintiff, and disputes by other class members regarding their qualifying workdays during the Class Period. You also worked ___ qualifying workweeks during the PAGA Period, and based thereon, you will receive an additional amount of approximately \$ ___, which is your share of the PAGA Settlement. **To receive your settlement payment, you do not need to do anything. You will receive a settlement payment unless you exclude yourself from the settlement.**

You can contest the number of qualifying workdays attributed to you in Section 6 above. To do so, you must provide the Settlement Administrator with a written explanation of your position. The statement must also include your full name, current address and telephone number, and must identify this case (*Mary Beth Hughes v. Jeffrey Lee Galitz, MD, A Professional Medical Corporation, a California corporation*, Case No. 21STCV30732). **You must provide written documentation supporting the number of workdays you believe that you worked; otherwise, the number listed above will be presumed correct.** You must postmark your written statement no later than June 19, 2023. The Settlement Administrator will consider the documentation you submit and will communicate with you and the parties as necessary regarding the dispute to determine whether an adjustment is warranted before making a final determination regarding your settlement payment. The Settlement Administrator will mail you its final determination.

7. PAYMENT SCHEDULE

The Settlement Administrator will send out settlement checks to class members after the settlement is finally approved by the Court. You will have 180 days after the Settlement Administrator mails your settlement check to cash it; otherwise, the check will be voided and the amount of your settlement payment will be sent to the California State Controller as unclaimed property in your name and you will need to contact that agency to obtain your funds. For tax purposes, twenty percent (20%) of your settlement payment shall be attributed to wages and reported on a W-2 form; eighty percent (80%) will be attributed to interest, penalties and reimbursement of expenses. The amount of interest, penalties and reimbursements will be reported on an IRS Form 1099. Nothing in this Notice should be construed as providing you with tax advice. You should consult with your tax advisor concerning the tax consequences of the payment you receive.

8. RELEASE OF CLAIMS

A. Release by Class Members who do not exclude themselves from the Settlement.

Unless you submit a valid Request for Exclusion (described below in Section 9), you will release Defendants Jeffrey Lee Galitz, M.D., a Professional Medical Corporation dba Woundtech of California; Podicare Services, Inc.; and Wound Technology Network, Inc., as well as Defendants' current and former agents, officers, employees, directors, owners, subsidiaries, affiliates, parent companies, insurers, attorneys, shareholders, investors, related management companies and any other related parties from all wage-and-hour claims asserted in the Action or that arise from the facts alleged in the Complaint, including claims for: (1) violation of Labor Code section 510; (2) failure to pay for nonproductive time and rest breaks in violation of Labor Code section 226.2; (3) failure to pay wages for all work performed in violation of Labor Code sections 204 and 1197; (4) unpaid meal and rest period premiums in violation of Labor Code section 226.7(c); (5) non-compliant wage statements in violation of Labor Code section 226(a); (6) unreimbursed business expenses in violation of Labor Code section 2802; (7) final wages not timely paid in violation of Labor Code sections 201 and 202; and (8) violation of California Business & Profession Code Sections 17200, *et seq.*, in relation to the forgoing Labor Code violations and violations of Labor Code sections 246, 247.5 and 2810.5. This release shall also include releases for claims under California Labor Code sections: 201-204, 226, 226.7, 510, 512, 1174, 1174.5, 1182.12, 1194, 1197, 1198, 2802, and 2810.5 arising from the facts alleged in the Complaint. The time period of this release is from August 19, 2017, through July 19, 2022.

B. Release by Class Members who worked for Defendant During the PAGA Period.

All claims for California Labor Code violations under PAGA that are alleged in Plaintiff's August 19, 2021 letter to the Labor Workforce Development Agency ("LWDA") LWDA and/or in the Complaint, specifically for: (1) failure to pay overtime in violation of Labor Code section 510; (2) failure to pay for nonproductive time and rest breaks in violation of Labor Code section 226.2; (3) failure to pay wages for all work performed in violation of Labor Code sections 204 and 1197; (4) failure to provide meal and rest breaks and failure to pay wage premiums for such violations in violation of Labor Code section 226.7 and 512; (5) non-compliant wage statements in violation of Labor Code section 226(a); (6) unreimbursed business expenses in violation of Labor Code section 2802; (7) failure to maintain time records in violation of Labor Code section 1174(d); (8) final wages not timely paid in violation of Labor Code sections 201 and 202; and (9) failure to provide sick leave and notice thereof, in violation of Labor Code sections 246, 247.5 and 2810.5. The time period of this release shall be from August 19, 2017, through July 19, 2022. You cannot exclude yourself from this release.

9. YOUR OPTIONS

As a member of the settlement class you have three options. Each option will affect your rights, which you should understand before making your decision. Your rights regarding each option, and the procedure you must follow to select each option, are explained below:

(a) **You Can Do Nothing.**

If you do nothing, you will remain a member of the settlement class and will receive a settlement payment. You will also be bound by the release of claims set forth in Section 8 above. The payment will remain valid and negotiable for one hundred eighty (180) days from the date of the issuance. This deadline to cash the payment check shall not be extended for you absent Court Order.

(b) You Can Exclude Yourself from the Settlement Class.

If you do not want to remain a member of the settlement class, you can request exclusion (i.e., opt out) by sending the Settlement Administrator a written Request for Exclusion at the address specified in Section 11 below. The deadline to postmark a Request for Exclusion is June 19, 2023. A Request for Exclusion is a written statement that unambiguously requests exclusion from the settlement class. The Request for Exclusion must include the case name and number (*Mary Beth Hughes v. Jeffrey Lee Galitz, MD, A Professional Medical Corporation, a California corporation*, Case No. 21STCV30732), your name, current address and telephone number, and the last four digits of your social security number (for verification purposes). You must also sign the Request for Exclusion. You should keep a copy of your Request for Exclusion. Moreover, to demonstrate receipt by the Settlement Administrator, you may elect to send your Request for Exclusion via certified mail. Requests for Exclusion that do not include all required information, or that are not postmarked on or before June 19, 2023, will not be valid.

If you submit a valid and timely Request for Exclusion, you will not be bound by the settlement or the release of claims in Section 8(a) above; however, you will not receive any money under the settlement. You will also be barred from objecting to this settlement. By opting out of the settlement class, you will retain whatever rights or claims you may have against Defendant.

If you do not submit a timely and valid Request for Exclusion from the settlement class by the deadline specified above, then you will be bound by all terms and conditions of the settlement, including the Release of Claims, if it is approved by the Court and by the judgment, and you will receive a settlement payment.

Please note, you may not exclude yourself from the PAGA Settlement.

(c) You Can Object to the Settlement.

If you do not submit a Request for Exclusion from the settlement, you may object to the settlement by sending your written objections to the Settlement Administrator at the address specified in Section 11 below. The deadline to postmark your objections is June 19, 2023. Only class members who have not requested exclusion may object to the settlement.

Your objection must state the basis of your objection and include any papers and briefs in support of your position. Your objection must be signed and must contain your current address and telephone number (or that of your attorney) and refer to this case (*Mary Beth Hughes v. Jeffrey Lee Galitz, MD, A Professional Medical Corporation, a California corporation*, Case No. 21STCV30732).

If you object to the settlement and if the Court approves the settlement notwithstanding your objections, you will be bound by the terms of the settlement and be deemed to have released all of the Released Claims as set forth in Section 8(a) above, and you will not be permitted to file a Request for Exclusion.

10. FINAL APPROVAL HEARING ON PROPOSED SETTLEMENT

The Final Approval Hearing on the fairness and adequacy of the proposed settlement, the plan of distribution, the service and release awards to the Plaintiff, and Class Counsel's request for attorneys' fees and costs, and other issues will be held on September 13, 2023, at 10:00 a.m., in Department 9 of the Los Angeles County Superior Court, 312 N. Spring Street, Los Angeles, CA 90012. The Final Approval Hearing may be continued to another date without further notice. If you plan to attend the Final Approval Hearing, it is recommended that you contact the Settlement Administrator to confirm the date and time.

11. NON-RETALIATION

Defendant will not retaliate or take any adverse action against a class member for participating in the settlement.

12. ADDITIONAL INFORMATION AND COURTHOUSE SOCIAL DISTANCING INFORMATION.

This Notice only summarizes the lawsuit and settlement. For more information, you may inspect the Court file at the Los Angeles County Superior Court, 312 N. Spring Street, Los Angeles, CA 90012, subject to the social distancing procedures in place at the Courthouse. You may also review the settlement agreement and other documents on-line at <https://www.phoenixclassaction.com/hughes-v-jeffrey-lee-galitz-md/> or you may contact the Settlement Administrator as follows:

Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863
(800) 523-5773
(949) 209-2503

notice@phoenixclassaction.com

<https://www.phoenixclassaction.com/hughes-v-jeffrey-lee-galitz-md/>

You may also contact Class Counsel at the address and telephone number provided in Section 4 above. If your address changes or is different from the address on the envelope enclosing this Notice, please promptly notify the settlement administrator.

If you are planning to come to the Final Approval Hearing, effective Monday, April 4, 2022, face masks are strongly recommended inside all Los Angeles County courthouses in alignment with Los Angeles County Department of Public Health guidance.

PLEASE DO NOT CALL OR WRITE THE COURT ABOUT THIS NOTICE

FOR MORE INFORMATION CALL 1-800-523-5773.