

TERMS OF SETTLEMENT FOR RESOLUTION OF REPRESENTATIVE ACTION, AND REQUEST FOR COURT APPROVAL

A. Introductory Recitals; Identification of the Parties

1. YURALIS PENA (“Plaintiff”) was employed by NOJAN TALEBZADEH, MD, DMD, INC. dba SOUTH COUNTY ORAL MAXILLOFACIAL SURGERY CENTER, LLC and TALEBZADEH, MD, DMD, INC. dba EASTLAKE SURGERY CENTER (collectively, “Defendants”). After Plaintiff’s employment with Defendants ended, on June 21, 2020, Plaintiff, by and through her attorneys, filed a notice with the California Labor & Workforce Development Agency (“LWDA”) regarding allegations of wage-and-hour violations committed by Defendants, and seeking the right to pursue a representative action to recover penalties under the Private Attorneys General Act of 2004 (“PAGA”), Labor Code § 2698, *et seq.* Then, on August 25, 2020, Plaintiff filed a wage-and-hour PAGA representative lawsuit (“Complaint”), individually, on behalf of all other similarly aggrieved employees, and for real party in interest, the State of California (the “Representative Action”) against Defendants. Defendants filed an Answer to Plaintiff’s Complaint on October 28, 2020, generally and specifically denying the allegations in Plaintiff’s Complaint, and denying that they have, in whole or in part, any liability to Plaintiff; denying that a representative action is appropriate; and denying that they have, in whole or in part, any liability to any other persons in the alleged representative group. The Representative Action is pending in the Superior Court of the State of California, County of San Diego, Case No. 37-2020-00029759-CU-OE-CTL (the “Court”).

2. After service of the Representative Action, Plaintiff and Defendants (each individually referred to as a “Party,” or collectively, the “Parties”) engaged in extensive communications and an exchange of information toward settlement of the Representative Action. This included, among other information, data that Defendants prepared and provided to Plaintiff relating the Representative Action and potential represented employees. Pursuant to the Parties ongoing dialogue, the Parties have agreed in principle to a settlement as described in this “Terms of Settlement for Resolution of Representative Action, and Request for Court Approval” (“Agreement”). The Parties now desire to terminate the Representative Action and settle their respective differences, controversies, and misunderstandings, and have agreed to resolve the Representative Action on certain terms and conditions in this Agreement which must be reviewed and approved by the Court, and submitted to the LWDA (which has inherent authority to oppose this Agreement), as provided by California Labor Code Section 2699(l)(2).

3. The Parties' settlement of the Representative Action contemplates that Defendants will pay certain amounts for civil penalties and associated attorney's fees and costs to settle the claims of Plaintiff and others within the scope of Plaintiff's Complaint and the Representative Action as the "PAGA Group," further defined in Paragraph B.2., below, in exchange for releases of civil penalty claims and controversies by Plaintiff, the PAGA Group, and the State of California. This Agreement constitutes the terms and conditions upon which the Parties have agreed to settle, and for which they will seek Court and LWDA approval. The Parties acknowledge that each of them denies any wrongdoing whatsoever in connection with one another, and that this Agreement is made solely for the purpose of compromising disputed claims and avoiding the time, expense and uncertainty of litigation. It is expressly understood and agreed that nothing contained in this Agreement shall constitute or be treated as an admission of wrongdoing or liability on the part of Defendants.

B. The PAGA Group

1. Plaintiff's Representative Action generally includes causes of action to recover penalties alleged to be owed to herself and others similarly aggrieved, whom Plaintiff alleges from June 21, 2019 and continuing: (1) were not paid overtime compensation; (2) were not provided or paid for meal periods; (3) were not provided or paid for rest breaks; (4) were not paid for all hours worked; (5) were not paid for all vested vacation time upon termination; (6) were not paid all wages due upon termination; (7) were not paid timely for all wages earned during employment; and (8) were not provided legally compliant wage statements.

2. The Parties agree, for purposes of this Settlement Agreement only, that the "PAGA Period" for which the claims of the PAGA Group will be settled will be from June 21, 2019 to October 31, 2020. The Parties also specifically intend and agree that, subject to Court approval, this Settlement Agreement is by and between, and is specifically intended to bind and include, Plaintiff; Defendants; and each member of the "PAGA Group," limited to the thirteen (13) individuals identified on **Exhibit 1** hereto (the "PAGA Group List," which includes Plaintiff), who worked for Defendants during the PAGA Period and fall within the Plaintiff's definition of similarly aggrieved employees as alleged in Plaintiff's Complaint. The Parties further agree that this Agreement settles and resolves all civil penalty claims that Plaintiff and the PAGA Group and the LWDA have or may have against Defendants, which arose within the PAGA Period, as to all causes of action and requests for relief asserted in the Representative Action and all claims and requests for relief that could have been asserted in the Representative Action based on the facts alleged

in Plaintiff's Complaint.

C. Settlement Amount

1. In full and complete settlement of the Representative Action, and in exchange for the releases set forth below, Defendants will pay Forty-Seven Thousand Dollars (\$47,000.00) as a "Settlement Amount," without refund or reversion. As described below, the Settlement Amount shall be inclusive and in satisfaction of all requests for relief and payments to Plaintiff and the PAGA Group and the LWDA arising from and related to the Representative Action and Settlement, including but not limited to: all civil penalties and requests for relief and claims for civil penalties under the causes of action alleged in Plaintiff's Complaint; all attorney's fees; all of the costs and expenses of litigation of the Representative Action; PAGA civil penalties; and any and all other claims for relief alleged in the Complaint that are or may be alleged to be owed to the Plaintiff and/or the PAGA Group, and her or their representatives or agents. Other than Defendants' obligation to pay the Settlement Amount, Defendants have no other obligation to provide any measure of relief or payment, in cash, in kind, or otherwise, to the PAGA Group as a result of this Settlement.

2. The Settlement Amount will be paid by Defendants in accordance with the terms outlined in Paragraph D.2., below. If a payment due date, as outlined in Paragraph D.2., below, falls on a Saturday, Sunday or Court holiday, it shall be due on the next day that is not a Saturday, Sunday or Court holiday.

3. Under no circumstances shall Defendants' total obligation in this Agreement exceed the Settlement Amount.

D. Court Approval, Notice to LWDA, and Payment Terms

1. As provided below, this Agreement is conditional upon both: (a) final approval by the Court pursuant to California Labor Code Section 2699(l)(2), and (b) the LWDA (itself, or through the Office of the Labor Commissioner) taking no action to intervene or object to the Agreement.

1.A. Plaintiff and her counsel will timely seek approval of this Agreement from the Court. Defendants will not object to nor oppose efforts to obtain the Court's approval, so long as Plaintiff's and her counsel's efforts are consistent with the terms and conditions stated herein.

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1.B. As required by California Labor Code Section 2699(l)(2), Plaintiff and her counsel will submit a copy of this Agreement to the LWDA at the time it is filed with the Court, and provide Defendants with a Proof of Service. As required by California Labor Code Section 2699(l)(3), within 10 days after the Court's order and/or judgment approving the payment of civil penalties to the PAGA Group and to the LWDA, Plaintiff's counsel will serve such order and judgment to the LWDA, and provide Defendants with a Proof of Service.

1.C. This Agreement will become fully effective and enforceable only after: (a) the Court enters an order and judgment approving of this Agreement, and (b) sixty (60) calendar days have elapsed since the LWDA was served by Plaintiff's counsel with the Court's order and/or judgment approving the payment of civil penalties to the PAGA Group and to the LWDA, and the LWDA (itself, or through the Office of the Labor Commissioner) has taken no action to intervene, object to, or appeal the settlement as detailed in this Agreement; and (c) seventy (70) calendar days have elapsed since entry of the Court's order and/or judgment, and no other person or entity has filed a Notice of Appeal. At that time and those conditions having been met, this Agreement will become effective (the "Final Effective Date") and trigger Defendants' payment obligations, below.

2. Assuming this Agreement reaches the Final Effective Date, then Defendants will distribute the Settlement Amount within ten (10) business days of the Final Effective Date in compliance with the Court's order and/or judgment as follows:

2.A. First, Plaintiff and her counsel will seek Court approval for a payment of attorney's fees and reasonable litigation costs incurred in the Representative Action in an amount not exceeding Twenty-Five Thousand Dollars (\$25,000) from the Settlement Amount. Defendants will pay the amount of attorney's fees and costs as ordered by the Court from the Settlement Amount to Plaintiff's counsel in a single check payable to: The JAMI LAW FIRM P.C., 3525 Del Mar Heights Rd #941, San Diego, CA 92130. The allowance or disallowance by the Court of any such award of attorney's fees and costs is not conditional to this Settlement Agreement, and will be considered by the Court separately from its consideration of the fairness, reasonableness, adequacy and good faith of this settlement to the PAGA Group and LWDA. Should the Court award less to Plaintiff's counsel than requested, it shall not operate to terminate or cancel this Agreement nor increase Defendants' payment obligation, and the difference between the amount requested and the amount

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ultimately awarded (if less) will be allocated to the settlement fund to be distributed to the LWDA and the PAGA Group members as provided below.

2.B. Second, of the amount of money remaining in the Settlement Amount after the Court award as outlined in Paragraph D.2.A., above, the remainder, defined as the “PAGA Penalty Allocation,” shall be divided as 75% to the LWDA and 25% to the PAGA Group, as provided by Labor Code Section 2699(i) for the settlement of the PAGA claims as stated in Plaintiff’s Complaint. Payment to the LWDA in satisfaction of all PAGA civil penalties asserted in Plaintiff’s Complaint shall be paid to the State of California (LWDA). In accordance with the claims alleged in the Representative Action and based on the Parties settlement dialogue, payments to the PAGA Group members will be distributed as 1099 income to: (1) former employees of Defendants, who will be mailed a check by Defendants; (2) current employees of Defendants, who will be paid with their payroll checks. Defendants will provide a declaration to Plaintiff’s counsel attesting that they have issued payments to the Represented Employees in compliance with this paragraph within Thirty (30) calendar days after paying the Settlement Amount; within Seven (7) calendar days of receipt of such declaration, Plaintiff’s counsel will file and serve a Notice and Acknowledgement of Satisfaction of Judgment. The amounts allocated as 1099 penalties paid to each PAGA Group member shall be paid without deduction or offset to reflect payment of penalties, and other non-wage amounts, although Defendants may issue PAGA Group members an IRS Form 1099-Misc and/or IRS Form 1099-Int to reflect these payments for penalties and other non-wage amounts made. “Claim Share” means the portion of the settlement monies distributed to each PAGA Group member, which will be calculated by using the PAGA Group members’ “Pay Periods with Potential Wage Issues Implicated” as a percentage of all such pay periods worked by all PAGA Group members within the PAGA Period, and assigning each PAGA Group member a proportionate share of the total, all as shown on **Exhibit 1**. The amount for distribution to the PAGA Group shall be multiplied by each PAGA Group member’s percentage share, the result of which will be each PAGA Group member’s individual Claim Share, which shall be paid as 1099 penalty income.

2.C. The Parties jointly agree that the “Notice of Settlement of Representative Action and Payment of Settlement Share” (“Notice”), attached as **Exhibit 2**, will be distributed to the PAGA Group members at the time each PAGA Group member receives payment for their Claim Share of the Settlement Amount.

3. It is understood and agreed that this is a “no reversion” settlement; that is, Defendants will pay the Settlement Amount without further condition and without reimbursement of any amounts to Defendants, other than in the event this Agreement is not approved by the Court, approval is reversed on appeal, or is voided by the LWDA.

4. Defendants’ owners, officers, directors and management will not, in any way, make any efforts to dissuade PAGA Group members from participating in the Settlement. As to the PAGA Group members who make inquiries directly to Defendants about the settlement, Defendants will instruct its management and supervisory employees to generally respond as follows:

The company has agreed to settle claims for civil penalties related to issues of how certain employees were compensated since June 2019. These claims are disputed, and the settlement does not mean that the company has admitted it has done anything improper. If you have any questions about the nature of the case or the settlement, you may contact the Plaintiff’s lawyers via email at alex@mashirilawfirm.com and/or tamim@jamilaw.com.

5. Neither Party has made, nor are making any representations to the other Party concerning the taxable status of the exchange of consideration described in this Agreement. Further, each of the Parties acknowledge and agree that no such representations have been made, and that they have not relied on any such potential representations. The Parties understand and agree that Plaintiff and the PAGA Group members is/are and will remain solely responsible for the payment of any taxes, attorney’s fees, deficiencies, levies, penalties, fines, fees, assessments and interest (collectively, “Tax Consequences”) with respect to the exchange of consideration described in this Agreement, and will not seek to impose responsibility for any Tax Consequences on Defendants. To that end, Plaintiff and the PAGA Group members agree to hold harmless and indemnify Defendants from and against any and all Tax Consequences that may be imposed against either Party by any taxing authority or any court as a result of the payments made in Paragraphs D.2, above.

6. In the event the Parties’ settlement is not approved by the Court, is reversed on appeal, or is voided by the LWDA, then Defendants shall have no obligation to make payment to any person or party, or the LWDA. If this Agreement is voided by the LWDA, not approved by the Court or approval is reversed on appeal, it shall have no force or effect and no Party shall be bound by its terms except to the extent: (a) the Court reserves any authority to issue any appropriate orders when denying approval; and/or (b) there are any terms and conditions in this Agreement specifically stated to survive the Agreement being

voided or not approved, and which control in such an event.

7. The Parties agree that the Superior Court of the State of California, County of San Diego, and the Judge who approves this Settlement Agreement (or any other Judge as may in the future be assigned the case) shall retain jurisdiction over the Representative Action and this Agreement in order to enforce its terms and conditions, and to resolve any dispute regarding this Agreement. To the extent otherwise provided by law, and subject to Court approval following approval of settlement and any exhaustion of appeals, this Agreement is intended to be enforceable pursuant to Code of Civil Procedure Section 664.6.

E. Releases of Settled Claims

1. This Agreement is intended to fully and finally settle and resolve all civil penalty claims alleged by and between Plaintiff, the PAGA Group, the LWDA, and Defendants, encompassing the claims and causes of action asserted in Plaintiff's Representative Action within the PAGA Period, including but not limited to all claims for attorney's fees and costs arising from and related to those claims (collectively, the "PAGA Group Claims"). Specifically, the released PAGA Group Claims means and includes: any and all liabilities, demands, claims, causes of action, complaints and obligations for civil penalties which are alleged in Plaintiff's Complaint, which arose during the PAGA Period, as well as any and all derivative liabilities, demands, claims, causes of action, complaints and obligations for civil penalties which arose during the PAGA Period that could have been alleged in the Representative Action based on the facts and claims alleged therein, whether any of these claims are known or unknown, suspected or unanticipated, and which any of the PAGA Group members or LWDA has, or had, during the PAGA Period against Defendants, only excluding any rights that as a matter of law cannot be waived by this Agreement.

2. Upon the date the Agreement is approved by the Court and becomes effective, as provided in Paragraph F.2., below, in and for the valuable consideration as provided in this Agreement, and based on the foregoing, all PAGA Group members, including Plaintiff, and the LWDA, all agree for themselves, and their spouses, heirs, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, personal representatives, successors-in-interest, principals, agents, representatives, employees, attorneys, successors and assigns, and other persons or entities acting on their behalf, that they forever discharge, waive, and release Defendants, their past, present, and future parents, affiliates, subsidiaries, divisions, predecessors, successors, partners, joint venturers, affiliated organizations, insurers, past, present and future officers, directors, trustees, agents, employees, attorneys, contractors, representatives, partners, joint

venturers, benefit plans, divisions, units, branches and other persons or entities acting on Defendants' behalf, from any and all claims, demands, obligations, actions, causes of action for civil penalties, which are alleged in Plaintiff's Representative Action which arose during the PAGA Period as well as any and all derivative liabilities, demands, claims, causes of action, complaints and obligations for civil penalties which arose during the PAGA Period which could have been alleged in the Representative Action based on the facts and claims alleged in the Representative Action, whether any of these claims are known or unknown, suspected or unanticipated, which any of the PAGA Group members has, or had, during the PAGA Period against Defendants. Nothing in this Settlement Agreement shall affect any unemployment insurance or workers' compensation insurance claims, individual wage claims, or other claims or rights of any PAGA Group member not arising from the PAGA Group Claims within the PAGA Period. It is understood and agreed between the Parties that the above waiver and release of claims is a material term of, and inducement for Defendants to enter into this Agreement.

3. Except as provided elsewhere in this Agreement as to rights and remedies caused by a breach of this Agreement, it is understood and agreed this Agreement, if approved and not voided by the LWDA shall act as a full and final accord and satisfaction, and as a bar to all PAGA Group Claims by any PAGA Group members and the LWDA that arose during the PAGA Period, regardless of whether such claims are now known. The Parties expressly state that California Labor Code Section 206.5 does not preclude Plaintiff's and the PAGA Group members' waivers of claims in this Settlement Agreement (which section provides in pertinent part as follows: "No employer shall require the execution of any release of any claim or right on account of wages due or to become due, or made as an advance on wages to be earned, unless payment of such wages has been made.")). The Parties further acknowledge they understand and agree to waive the provisions with Section 1542 of the California Civil Code, which provides as follows:

CERTAIN CLAIMS NOT AFFECTED BY GENERAL RELEASE.

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Plaintiff, herself, and on behalf of the PAGA Group members and the LWDA,

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expressly waives and relinquishes any and all rights and benefits which they may have under, or which may be conferred upon them by the provisions of, Section 1542 of the California Civil Code, as well as under any other similar state or federal statute, to the fullest extent they may lawfully waive such rights or benefits pertaining to the released claims. Such waivers inure as against any and all claims released by PAGA Group members and the LWDA in this Agreement.

F. Other Terms of Settlement

1. The purpose of this Settlement Agreement is to accomplish the compromise and settlement of disputed and contested claims and to avoid the cost of litigation. Nothing in this Agreement shall be construed as an admission of any violation of any federal or California statute or wage regulation or of any other non-compliance with or violation of law, statute or regulation by any Party. In particular, but without limiting the generality of the foregoing, nothing about this Settlement shall be offered or construed as an admission of liability, wrongdoing, impropriety, responsibility, or fault whatsoever by Defendants, who expressly deny any liability, wrongdoing, impropriety, responsibility, or fault whatsoever.

2. This Agreement shall be effective upon the Court entry of an order granting approval of this Agreement, and so long as the LWDA does not intervene, object, or seek to void the Agreement.

3. The Parties agree not to make or issue any statements that would tend to disparage the other related to the Representative Action or the settlement thereof. Plaintiff's counsel will not issue any press releases publicizing the Agreement and will not identify Defendants in any marketing material or on their websites. Plaintiff's counsel may report the name of the Plaintiff in the case and general terms of the settlement on their web-site or in marketing material—without any mention of the Defendants—but otherwise agree not to publish details with any media outlet. If contacted by any media outlet, Plaintiff's counsel will only refer the media outlet to the appropriate court files or records.

4. The Parties agree, on behalf of each of them and their respective principals, agents, representatives, employees, attorneys, successors and assigns that they will abide by this Agreement, which terms are meant to be contractual, and further agree they will do such acts and prepare, execute and deliver such documents as may be required in order to carry out the purposes and intent of this Agreement.

5. The purpose of this Agreement is to accomplish the compromise and settlement

of disputed and contested claims for civil penalties and to avoid the cost of litigation. Nothing in this Agreement shall be construed as an admission of any violation of any federal or California statute or wage regulation or of any other non-compliance with or violation of law, statute or regulation by any Party.

6. This Agreement constitutes the complete and entire written settlement and compromise and release by and among the Parties regarding Plaintiff's Complaint, and constitutes the complete expression of the terms of the Agreement for which Court approval will be sought, and notice to the LWDA will be given. All previous agreements, representations and negotiations regarding the matters resolved are superseded.

7. Each of the Parties acknowledges no other person, nor any attorney of any other person, has made any promise, representation or warranty whatsoever, express or implied, not contained in this Agreement, concerning the subject matter hereof, to induce any Party to execute or authorize the execution of this Agreement, and each Party acknowledges he or it has not executed or authorized the execution this Agreement in reliance upon any such promise, representation or warranty not contained herein.

8. Each individual signing this Agreement warrants he/she/it has been given, and has received and accepted, authority to sign and execute the documents on behalf of the Party for whom it is indicated he/she/it has signed, and further, has been given, and received and accepted, authority to enter into a binding agreement on behalf of such Party, with respect to the matters contained in this Agreement.

9. The terms of this Agreement can only be amended or modified in writing, signed by duly authorized representatives of all of the Parties, stating such modification or amendment is intended. Any such modifications and/or amendments are subject to Court approval and the right of the LWDA to object or intervene.

10. If any provision of this Agreement is found to be illegal or unenforceable, then any such provision shall be deemed stricken and the remaining provisions shall, nevertheless, remain in full force and effect. In the event of a breach, this Settlement Agreement may be specifically enforced.

11. Waiver of any one breach of any provision of this Agreement shall not be deemed a waiver of any other breach of any provision of this Agreement.

12. Each of the Parties and their counsel have reviewed and revised this Agreement,

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and the normal rule of construction to the effect that any ambiguities in an agreement are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement. Each of the Parties represents and warrants the attorney approving this Agreement as to form on his or her or its behalf is the attorney employed by him or it to represent him or it with respect to this Agreement, and all matters related to them, and he or it has been fully advised by said attorneys with respect to her or its rights and obligations as to the execution of this Agreement. The Parties declare they know and understand the contents of this Agreement, and they have executed the same voluntarily.

13. Each of the Parties shall be responsible for her or its own attorney's fees, costs and other legal expenses incurred in connection with the Representative Action and this Agreement, and all related matters, except: as otherwise specifically provided in this Settlement Agreement; in the event any Party defaults in any duty or obligation required by this Agreement; or in the event any proceeding arises regarding the enforcement or interpretation of this Agreement, in which such events the prevailing Party(ies) shall be entitled to collect reasonable attorney's fees and costs.

14. All Parties executing this Agreement agree that any signatures by fax, electronic signatures, and/or copies of signatures shall be deemed valid and binding. This Agreement may also be executed in counterparts.

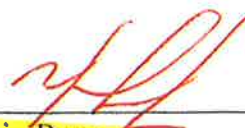
16. Time is of the essence in this Agreement.

17. By their signatures below, Plaintiff's counsel is entering into this Agreement on behalf of the Plaintiff and on behalf of the individual PAGA Group members and the LWDA, all subject to the Court's and LWDA's approval of the Agreement.

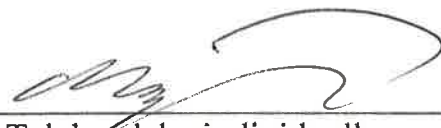
18. This Agreement will survive the entry of the final judgment approving the settlement of the Representative Action and releasing the claims of all PAGA Group members.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the dates indicated below:

Dated: 5.14.2021

By: 
Yuralis Pena

Dated: 5/17/21

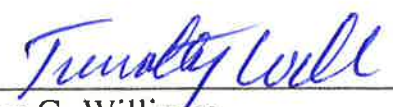
By: 
Nojan Talebzadeh, individually, and on behalf of
NOJAN TALEBZADEH, MD, DMD, INC. dba
SOUTH COUNTY ORAL MAXILLOFACIAL
SURGERY CENTER, LLC and TALEBZADEH,
MD, DMD, INC. dba EASTLAKE SURGERY
CENTER

Approved as to Form:

Dated: 5-14-2021

By: 
Alex Asil Mashiri, Esq.
Mashiri Law Firm
Tamim Jami, Esq.
The Jami Law Firm P.C.
Attorneys for Plaintiff YURALIS PENA

Dated: 5/21/21

By: 
Timothy G. Williams
Berger, Williams & Reynolds, LLP
Attorneys for Defendants NOJAN TALEBZADEH,
MD, DMD, INC. dba SOUTH COUNTY ORAL
MAXILLOFACIAL SURGERY CENTER, LLC
and TALEBZADEH, MD, DMD, INC. dba
EASTLAKE SURGERY CENTER

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EXHIBIT 1 TO
TERMS OF SETTLEMENT FOR RESOLUTION OF REPRESENTATIVE ACTION
AND REQUEST FOR COURT APPROVAL
(Pena v. South County Oral)

First Name	Last Name	Total Pay Periods Worked	Pay Periods with Potential Wage Issues Implicated	Percentage of Total
Alysaa D	Charles	8	5	3.6765%
Araceli	Davizon	10	1	0.7353%
Bianeth	GonzaleZ	32	26	19.1176%
Diana B	Carrillo	30	25	18.3824%
GUADALUPE	LUCERO	32	4	2.9412%
JANARLENE	CELENDRO	30	0	0.0000%
JESSICA	CORONADO	19	2	1.4706%
Marisol	Palacios	15	0	0.0000%
Melissa I	GonzaleZ	4	4	2.9412%
NADIA	GOMEZ	26	7	5.1471%
Patricia M	Bautista	32	28	20.5882%
Viridiana	Dominguez	30	24	17.6471%
Yuralis	Pena	22	10	7.3529%
		290	136	100%

EXHIBIT 2 TO
TERMS OF SETTLEMENT FOR RESOLUTION OF REPRESENTATIVE ACTION
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(Pena v. South County Oral)

YURALIS PENA, an individual, for the real party in interest, the State of California,

Plaintiff,

V.

SOUTH COUNTY ORAL MAXILLOFACIAL
SURGERY; EASTLAKE SURGERY CENTER; and
DOES 1 through 50,

Defendants.

Case No.: 37-2020-00029759-CU-OE-CTL

Assigned for All Purposes:

Judge: Hon. Gregory W. Pollack

Dept.: C-71

NOTICE OF SETTLEMENT OF REPRESENTATIVE ACTION AND PAYMENT OF SETTLEMENT SHARE

ATTENTION:

**YOU ARE RECEIVING MONEY FROM THE SETTLEMENT OF THIS LAWSUIT.
THIS CASE IS NOT AGAINST YOU.**

Why Should I Read this Notice?

A lawsuit under the Private Attorneys General Act was filed to recover certain civil penalties for non-exempt employees who worked for South County Oral Maxillofacial Surgery and/or Eastlake Surgery Center (“Defendants”) on and after June 21, 2019 in the State of California. The lawsuit has settled for all claims that exist through October 31, 2020. You are receiving this “Notice of Settlement of Representative Action” (“Notice”) to explain the money that is being paid to you with this Notice.

What Is the Case About?

Yuralis Pena (“Ms. Pena”) worked for South County Oral Maxillofacial Surgery and/or Eastlake Surgery Center (“Defendants”) from 2019 to 2020. On June 21, 2020, Ms. Pena and her lawyers sent a notice to the California Labor & Workforce Development Agency asserting that she and other employees were owed civil penalties as a result of certain of the Defendants’ wage practices, pursuant to the Private Attorneys General Act, California Labor Code Section 2698, *et seq.*

On August 25, 2020, Ms. Pena and her lawyers filed this lawsuit as a representative action in the San Diego County Superior Court. In general, Ms. Pena's lawsuit claims that she and other employees who worked for Defendants on and after June 21, 2019 were not paid correctly for time worked. Representative actions like this are lawsuits where one or more individuals, acting as a representative for the State of California, files a lawsuit on behalf of a group of employees in the State of California to recover civil penalties for everyone in the group and the State of California without the need for individual lawsuits.

Defendants deny that they did anything wrong, but in response to the lawsuit made various changes to their payroll practices in October 2020. Defendants deny all of Ms. Pena's claims, and also deny that Ms. Pena's case should proceed, or include other individuals in her case.

Ms. Pena and her lawyers, and Defendants and their lawyers, have investigated Ms. Pena's claims and agreed on a way to settle the claims in the lawsuit for Ms. Pena and other employees who are within the scope of her lawsuit

in the State of California. You are part of that group. Defendants are not admitting any fault or liability by settling the lawsuit.

Who is Being Paid from this Settlement?

For settlement purposes, the period of time involved is June 21, 2019 to October 31, 2020 (“the Settlement Period”). Individuals who worked as non-exempt employees of Defendants during the Settlement Period (“covered employees”) are included in the settlement and are being paid money. Each covered employee’s settlement payment is based on how many weeks in the Settlement Period employees worked over *certain* hours in a day and/or at *both* offices (“Settlement Weeks”). There are 13 employees who qualify for payment, including you and Ms. Pena.

The Settlement.

The Judge in the lawsuit has approved of, and the California Labor & Workforce Development Agency has not objected or intervened in the settlement. The settlement requires the Defendants to pay a total of \$47,000.00. Of that amount, approximately [Amount 1] will be used directly to pay the 13 employees; [Amount 2] will be paid to the State of California; and [Amount 3] will be used to pay the lawyers for Ms. Pena for their work and the costs they incurred to pursue the lawsuit. You are bound by all of the terms of the settlement agreement between Ms. Pena and the Defendants, which includes a release of all claims for civil penalties in the lawsuit and which will prevent you from suing Defendants for the matters settled in the lawsuit.

Each of the 13 covered employees will be paid a *pro rata* share of the [Amount 1] based on how many Settlement Weeks apply to each person. **You are being paid for [redacted] Settlement Weeks and in the Settlement Period, which is a total of \$ [redacted].** Everyone’s payment is different. You do not have to tell anyone about your settlement share or discuss this with anyone else. If you are a former employee of Defendants, the check for your settlement is included in the mailing of this Notice. If you are a current employee of Defendants, you will be receiving your settlement share with your next paycheck.

Nothing in this Notice is intended to be tax advice. The lawyers in this case cannot provide you with any tax advice and you should consult your tax advisor for any questions about tax issues pertaining to the settlement and your claim share. If you want a complete statement and the details of the scope of all claims being released, please refer to the settlement agreement, a copy of which can be obtained from Ms. Pena’s counsel or the court website:

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The law prohibits retaliation by an employer against any person who participates in or assists in the litigation of a lawsuit of this nature. Defendants will not retaliate against you in any way for participating in the settlement, and in fact Defendants *encourage* you to accept your settlement share.

Complete pleadings and other papers filed with the Court are available for inspection at the office of the Clerk of the Court in San Diego, California, as well as on the Court’s website. Please do not call or write the Clerk of the Court for information about this case; inquiries must be made in person at the Clerk of the Court’s office or by accessing documents via the internet. **DO NOT CONTACT THE JUDGE ABOUT THIS CASE.**