

Kane Moon (SBN 249834)
kane.moon@moonyanglaw.com
Allen Feghali (SBN 301080)
allen.feghali@moonyanglaw.com
Hyunjin Kim (SBN 345518)
hyunjin.kim@moonyanglaw.com
MOON & YANG, APC
1055 W. Seventh St., Suite 1880
Los Angeles, California 90017
Telephone: (213) 232-3128
Facsimile: (213) 232-3125

Attorneys for Plaintiff,
Kevin Rivera

Stacey E. James, Bar No. 185651
sjames@littler.com
Noah J. Woods, Bar No. 264823
nwoods@littler.com
LITTLER MENDELSON, P.C.
501 W. Broadway, Suite 900
San Diego, California 92101.3577
Telephone: 619.232.0441
Fax No.: 619.232.4302

Attorneys for Defendants,
UNIVERSAL HEALTH SERVICES OF RANCHO SPRINGS, INC.

**SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN DIEGO**

KEVIN RIVERA, individually, and on behalf of
all others similarly situated,

Plaintiff,

vs.

UNIVERSAL HEALTH SERVICES OF
RANCHO SPRINGS, INC., a California
corporation dba SOUTHWEST HEALTHCARE
SYSTEM dba INLAND VALLEY MEDICAL
CENTER; and DOES 1 through 10, inclusive,

Defendants

ELECTRONICALLY FILED
Superior Court of California,
County of San Diego

02/23/2023 at 02:11:00 PM
Clerk of the Superior Court
By Taylor Crandall, Deputy Clerk

Case No. 37-2021-00007411-CU-OE-CTL
[Honorable Richard S. Whitney, Dept. C-68]

**STIPULATION OF SETTLEMENT AND
~~[PROPOSED]~~ ORDER APPROVING
SETTLEMENT OF PLAINTIFF'S
CLAIMS FOR CIVIL PENALTIES
UNDER PAGA**

Action Filed: February 22, 2021
Trial Date: Not Set

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 0
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 0
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8

1. Pursuant to Labor Code section 2698 *et seq.* (the Private Attorneys General Act, or “PAGA”), by letter dated February 22, 2021, Plaintiff gave written notice to the Labor and Workforce Development Agency (“LWDA”) and Defendant of various provisions of the California Labor Code that Defendant allegedly violated, including the facts and theories to support the alleged violations. Specifically, Plaintiff alleged that Defendant had failed to compensate them and the PAGA Members for all hours worked, including regular and overtime hours worked, failed to provide the PAGA Members with legally mandated rest periods and meal breaks, failed to provide the PAGA Settlement Employees with accurate itemized wage statements, failed to reimburse them for business expenses they incurred, and failed timely pay all wages at termination. Attached hereto as **Exhibit A** is a true and correct copy of the notice letter Plaintiff sent to the LWDA. Plaintiff accompanied his LWDA notice with a fee in the amount of \$75.00.

3. Plaintiff, a former employee of Defendant, filed a class action on February 22, 2021 (the “Action”). On May 18, 2021, Plaintiff filed a first amended complaint adding a cause of action for civil penalties under PAGA.

1 4. The First Amended Complaint alleges civil penalties under PAGA for alleged
2 violations of California Labor Code sections 201, 202, 203, 204, 206, 210, 226, 226.3, 226.7,
3 510, 512, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 2800, and 2802. Defendant denied,
4 and continues to deny, all of the allegations made by Plaintiff or that they are liable for any of
5 the damages and/or civil penalties as alleged in the Action and/or the LWDA Notices.

6 5. Shortly after filing this action, Defendant provided Plaintiff with a copy of a signed
7 arbitration agreement, which Plaintiff's counsel determined was enforceable. Therefore, Plaintiff
8 requested, and this Court granted, dismissal of Plaintiff's class and individual claims so that
9 Plaintiff can proceed with his claim for civil penalties under PAGA.

10 6. The Parties recognize that the issues presented in the Action are likely only to be
11 resolved with extensive and costly pretrial and trial proceedings, and that further litigation
12 will cause inconvenience, distraction, disruption, delay, and expense disproportionate to the
13 maximum potential benefits to the PAGA Members and Plaintiff from continued litigation.

14 7. On October 11, 2022, the Parties participated in a full-day mediation with neutral
15 mediator Eve Wagner, Esq., an experienced wage and hour mediator. Prior to participating in
16 mediation, the Parties engaged in formal and informal discovery, including production of
17 documents and information. Prior to mediation, Defendant also provided time and pay data to
18 Plaintiff's counsel to evaluate the potential value of Plaintiff's civil penalty claims.
19 Thereafter, the Parties engaged in extensive, arms-length negotiations and reached a
20 settlement of the Action that is memorialized in the Agreement. During the mediation, the
21 Parties agreed to a settlement, which was negotiated in light of all known facts and
22 circumstances, including the difficulty of proving some of Plaintiff's claims, potential defenses
23 asserted by Defendant, the uncertainty associated with litigation, the risks of significant delay,
24 and numerous potential appellate issues. It was not easy for the Parties to reach this settlement,
25 which was possible with the skilled guidance and input of mediator, Eve Wagner. Attached
26 hereto as **Exhibit B** is the fully executed PAGA Settlement Agreement ("Settlement,"
27 "Settlement Agreement," or "Agreement") setting forth the terms of the settlement.
28

1 8. The Parties investigated the facts and law. Counsel for the Parties have further
2 investigated the applicable law as applied to the facts discovered regarding Plaintiff's claims,
3 the defenses thereto, and the Labor Code violations claimed by the Plaintiff. Based on their
4 own independent investigations and evaluations, Plaintiff and his counsel are of the opinion
5 that the settlement for the consideration and on the terms set forth in the PAGA Settlement
6 Agreement is fair, reasonable, and adequate and is in the best interests of the Plaintiff and the
7 PAGA Members in light of all known facts and circumstances and the risks inherent in
8 litigation, including the potential appellate issues. Further, Plaintiff's counsel believes that the
9 settlement amount entered into is in the best interests of the PAGA Members and that the
10 settlement for each PAGA Member is fair, reasonable, and adequate, given the inherent risk of
11 litigation.

12 9. The settlement in this action provides \$151,333.25 to the alleged aggrieved
13 employees and the LWDA in exchange for a release of claims under PAGA only.¹ The PAGA
14 Settlement Agreement provides, in pertinent part:

15 **"PAGA Claims"** means any claims for civil penalties that were actually
16 alleged or that could have been alleged against the Released Parties based on
17 the facts stated in the original, amended and/or operative complaint or LWDA
18 Letters, including PAGA claims for alleged violations of Labor Code sections
19 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 511, 512, 558, 1174, 1174.5,
20 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2800, 2802 and Wage Order 5, and
21 for any and all claims for civil penalties that arose during the PAGA Period
22 related to the following: (1) Any claims for unpaid compensation or
23 compensation at the incorrect rate (including but not limited to overtime pay,
24 double time pay, sick pay, reporting pay, etc.); (2) Any claims for failure to
provide meal periods in accordance with the California Labor Code and/or
applicable Wage Orders, including any claims regarding failure to pay premium
pay at the correct rate; (3) Any claim for failure to authorize and permit rest
periods in accordance with the applicable California Wage Orders or Labor
Code, including any claims regarding failure to pay premium pay at the correct

25 ¹ \$605,333.00 is the net amount available to the aggrieved employees and the LWDA
26 from the \$980,000.00 gross settlement amount following deduction for Plaintiff's attorney's fees
27 of \$326,667.00 (33 1/3% of the gross settlement amount), Plaintiff's counsel's actual litigation
28 costs not to exceed (\$20,000.00), third-party administration costs (not to exceed \$20,000.00), and
a payment to Plaintiff of \$8,000.00 in exchange for a general release. However, it is likely that
the net amount available to the Aggrieved Employees will be slightly higher due to the fact the
actual costs will be lower than the estimates.

rate; (4) Any claim for failure to provide reimbursements for business related expenses; (5) Any claim for failure to pay wages timely; and (6) Any claim for failure to provide all/ accurate information required to be on wage statements or to maintain records required by the labor code.

“Released Parties” means (i) Defendant; (ii) each of Defendant’s past, present and future parents, subsidiaries and affiliates including, without limitation any corporation, limited liability company, partnership, trust, foundation and non-profit entity which controls, is controlled by, or is under common control with Defendant including but not limited to UHS of Delaware, Inc. and Universal Health Services, Inc.; (iii) the past, present and future shareholders, directors, officers, agents, employees, attorneys, insurers, member, partners, managers, contractors, agents, consultants, representatives, administrators, fiduciaries, benefit plans, transferees, predecessors, successors and assigns of any of the foregoing; and (iv) any individual or entity which could be jointly liable with any of the foregoing.

“PAGA Period” means any time between December 28, 2019, through November 30, 2022.

The Parties estimate that there are approximately 104,513 pay periods during the PAGA Period.

10. Class Counsel submitted the proposed settlement to the LWDA before filing this Stipulation of Settlement. Attached as **Exhibit C** is a true and correct copy of the email from the LWDA confirming submission of the proposed settlement of PAGA claims.

11. The Parties request that the Court approve the arm’s length settlement reached between the Parties pertaining to penalties under PAGA, and the release of PAGA claims.

NOW THEREFORE, in return for the mutual commitments and consideration detailed in the PAGA Settlement Agreement attached hereto as **Exhibit B** the Parties stipulate as follows:

1. The Parties stipulate and jointly propose that the Court review and approve the terms contained in the Parties’ Settlement Agreement, attached as Exhibit B, in full.

2. The Settlement is fair, adequate, and reasonable, as it represents a reasoned compromise reached through arm’s-length negotiations and considers the risks, complexity, and expense of further litigation.

3. The settlement terms reached through mediation provide for a gross payment by Defendant of Nine Hundred and Eighty Thousand Dollars and No Cents (\$980,000.00; “Gross

Settlement Amount”). The Gross Settlement Amount, which shall cover distribution to the LWDA, distribution to Plaintiff and the alleged aggrieved employees, Plaintiff’s counsel’s costs and fees, and costs of administration of the settlement, as follows:

Description	Amount
Attorneys’ Fees (33 1/3% of gross settlement)	\$326,667.00
Costs (not to exceed amount)	\$20,000.00 ²
Payment to Plaintiff in exchange for 1542 Release	\$8,000.00
Costs of Third-Party Administration (not to exceed)	\$20,000.00 ³

4. Should the Court approve a lesser amount for attorneys’ fees, costs, payment to Plaintiff in exchange for the 1542 release, or costs of third-party administration, the difference shall be allocated as follows: 25% to the alleged aggrieved employees and 75% to the LWDA.

5. The Settlement Administrator shall establish a Qualified Settlement Fund pursuant to Section 468B(g) of the Internal Revenue Code for purposes of administering the Settlement. The Settlement Administrator shall furnish the Qualified Settlement Fund with its own Employer ID Number and calculate all settlement checks and withholdings required under law based on information that will be confidentially furnished by Defendant. There are no payroll deductions to be calculated under this Settlement, since no part of the Settlement will be classified as wages. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 7 days after the Effective Date. Within 10 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Service Awards, the Administration Expenses Payment, the PAGA Counsel Fees Payment, and the PAGA Counsel Litigation

² The Settlement authorizes reimbursement of actual costs not to exceed \$20,000, at this time, actual out of pocket costs, including the cost of submitting this stipulation total \$15,059.27. A true and correct copy of a ledger of counsel’s costs is attached hereto as **Exhibit D**.

³ A true and correct copy of the third-party administrator’s quote is attached hereto as **Exhibit E**.

1 Expenses Payment. Disbursements to PAGA Counsel shall not precede disbursement of
2 Individual PAGA Payments.

3 6. “Effective Date” of this Settlement means the date by which all of the following have
4 occurred: (1) the Court has entered the Final Order; and (2) the Court’s Final Order becomes
5 final and is no longer appealable. For purposes of this Agreement, “becomes final and is no
6 longer appealable” shall mean upon the later of: (i) the day after the last date by which a notice
7 of appeal to the applicable Court of Appeal of the approval order may be timely filed, and none is
8 filed; (ii) if an appeal is filed, and the appeal is finally disposed of by ruling, dismissal, denial, or
9 otherwise, the day after the last date for filing a request for further review of the order approving
10 the settlement passes, and no further review is requested; (iii) if an appeal is filed and there is a
11 final disposition by ruling, dismissal, denial, or otherwise by the Court of Appeal, and further
12 review of the order approving the Settlement is requested, the day after the review is finally
13 dismissed or denied with prejudice and/or no further review of the order can be requested.

14 7. “Final Order” means the final order entered in the Action in accordance with the terms
15 herein, where in the Court adopts and approves this Agreement (and the terms described herein)
16 under the specific terms requested and dismisses the case with prejudice. The Court may retain
17 jurisdiction over the enforcement, implementation, construction, administration, and
18 interpretation of the Agreement.

19 8. “PAGA Settlement Members” means all non-exempt employees employed by
20 Defendant in California during the PAGA Period.

21 9. “PAGA Period” means any time between December 28, 2019, to November 30,
22 2022.

23 10. Upon the Court’s approval of the Settlement Agreement, it is agreed that the entire
24 Action will be dismissed, with prejudice.

25 11. Upon the date of entry of an order by the Court in this Action approving this
26 Settlement, and payment of all funds due under this Settlement, the LWDA and PAGA
27 Members, including Plaintiff, fully release and forever discharge the Released Parties from
28 any and all PAGA Claims as defined in Exhibit B. As a result of this release, the PAGA

1 Settlement Members will be unable to bring a claim under, or recover in any other claim
2 brought under, the California Private Attorneys General Act, California Labor Code § 2698 et
3 seq., for any violations of the Released PAGA Claims that took place during the PAGA
4 Period.

5 12. Under California law, no notice to the alleged aggrieved employees is required for the
6 resolution of an action under PAGA. *See Arias v. Superior Court*, (2009) 46 Cal.4th 969, 977.
7 The Parties have nevertheless agreed to provide an explanatory letter to the alleged aggrieved
8 employees to accompany the PAGA penalty checks. Attached to the last page of the PAGA
9 Settlement Agreement, Exhibit B, is the proposed letter to the alleged aggrieved employees that
10 would accompany the checks.

11 13. If there is a conflict between the language of this Stipulation and the language of the
12 PAGA Settlement Agreement attached as Exhibit B, with the exception of the timing of the
13 settlement payment, the language of the PAGA Settlement Agreement shall control.

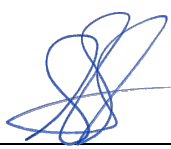
14 14. The Parties further expressly agree that the Court will retain jurisdiction under Code
15 of Civil Procedure section 664.6 to resolve any disputes arising from the settlement of the above-
16 described action.

17 **IT IS SO STIPULATED.**

18
19 Respectfully submitted,

20 DATE: 2/23/2023

MOON & YANG, APC

21
22
23 BY: 

Kane Moon
Allen Feghali
Hyunjin Kim
Attorneys For Plaintiff,

LITTLER MENDELSON P.C.

DATE: 02/21/2023

By: 
Stacey E. James
Noah J. Woods

Attorneys for Defendant

~~**[PROPOSED]**~~ **ORDER AND JUDGMENT**

Having considered the foregoing Stipulation, and good cause appearing therefore,

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

1. The Court, for purposes of this Final Order and Judgment, refers to all defined terms as set forth in the PAGA Settlement Agreement attached as **Exhibit B** to the foregoing Stipulation.

2. The Settlement is hereby accepted and approved;

3. Plaintiff and all PAGA Members shall have, by operation of this Final Order and Judgment, fully, finally, and forever released, relinquished, and discharged the Released Parties from all PAGA Claims for the PAGA Period as follows:

“PAGA Claims” means any claims for civil penalties that were actually alleged or that could have been alleged against the Released Parties based on the facts stated in the original, amended and/or operative complaint or LWDA Letters, including PAGA claims for alleged violations of Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 511, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2800, 2802 and Wage Order 5, and for any and all claims for civil penalties that arose during the PAGA Period related to the following: (1) Any claims for unpaid compensation or compensation at the incorrect rate (including but not limited to overtime pay, double time pay, sick pay, reporting pay, etc.); (2) Any claims for failure to provide meal periods in accordance with the California Labor Code and/or applicable Wage Orders, including any claims regarding failure to pay premium pay at the correct rate; (3) Any claim for failure to authorize and permit rest periods in accordance with the applicable California Wage Orders or Labor Code, including any claims regarding failure to pay premium pay at the correct rate; (4) Any claim for failure to provide reimbursements for business related expenses; (5) Any claim for failure to pay wages timely; and (6) Any claim for failure to provide all/ accurate information required to be on wage statements or to maintain records required by the labor code.

“Released Parties” means (i) Defendant; (ii) each of Defendant’s past, present and future parents, subsidiaries and affiliates including, without limitation any corporation, limited liability company, partnership, trust, foundation and non-profit entity which controls, is controlled by, or is under common control with Defendant including but not limited to UHS of Delaware, Inc. and Universal Health Services, Inc.; (iii) the past, present and future shareholders, directors, officers, agents, employees, attorneys, insurers, member, partners, managers, contractors, agents, consultants, representatives, administrators, fiduciaries, benefit plans, transferees, predecessors, successors and assigns of any of the

foregoing; and (iv) any individual or entity which could be jointly liable with any of the foregoing.

“PAGA Period” means any time between December 28, 2019, through November 30, 2022.

4. The Parties shall bear their own respective attorneys’ fees and costs, except as otherwise provided for in the Settlement and approved by the Court.

5. The Settlement is not an admission by Defendant, nor is this Order a finding of the validity of any allegations or of any wrongdoing by Defendant. Neither this Order, the Settlement, nor any document referred to herein, nor any action taken to carry out the Settlement, may be used as an admission of any fault, wrongdoing, omission, concession, or liability whatsoever by or against Defendant.

6. Defendant shall pay the PAGA Members, Plaintiff’s Counsel, the Labor and Workforce Development Agency (“LWDA”), and the Settlement Administrator pursuant to the terms of the Settlement:

- a. Actual administration costs of up to \$20,000.00, payable to the Settlement Administrator for administration of the Settlement;
- b. Attorneys’ fees to Plaintiff’s Counsel in the amount of \$326,667.00 (33 1/3%).
- c. Reimbursement for actual costs incurred by Plaintiff’s Counsel, not to exceed \$20,000.00;
- d. \$8,000 to Plaintiff Kevin Rivera in exchange for a general release with Civil Code section 1542 waiver;
- e. The remaining amount to the PAGA Fund, which shall be allocated as set forth in Labor Code § 2699(d), with 75% allocated to the LWDA, and the remaining 25% to the PAGA Settlement Members on a pro-rata basis. The Administrator will cancel all checks that remain uncashed 180 days from the mailing date and forward such amounts to the California State Controller’s Office in the names of the PAGA Settlement Members who did not cash their check.

1 7. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to
2 the Administrator no later than 7 days after the Effective Date. Effective Date means the date
3 when both of the following things have occurred: (a) the Court has entered the Final Order, and
4 (b) the Court's Judgment approving the PAGA Settlement becomes final and is no longer
5 appealable.⁴ The Court hereby confirms Moon & Yang, APC, as PAGA Counsel.

6 8. The Court finds that the fees requested by Plaintiff's Counsel of one-third (33 1/3%)
7 of the total settlement amount are reasonable, and the costs requested of up to \$20,000.00 are
8 reasonable and necessary for the prosecution of this action. The Court hereby awards attorney's
9 fees in the amount of \$326,667.00 and costs up to \$20,000.00 to Plaintiff's Counsel for their
10 attorney's fees and costs. The payment of fees and costs to Plaintiff's Counsel shall be made in
11 accordance with the terms of the Settlement.

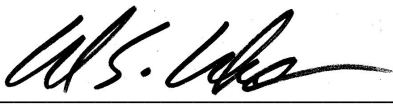
12 9. The Court approves of the proposed letter attached to the PAGA Settlement
13 Agreement as Exhibit B to be sent to PAGA Settlement Members along with their respective
14 settlement check.

15 10. This action is dismissed with prejudice.

16 11. Plaintiff shall submit a copy of this Order and Judgment to the LWDA within ten
17 calendar days after entry of the Order and Judgment.

18 12. This Court shall retain jurisdiction, pursuant to C.C.P. section 664.6, over this action,
19 the Parties, and the PAGA Settlement Members to the fullest extent necessary to interpret,
20 enforce, and effectuate the terms and intent of the Settlement and this Order and Judgment.

21 DATED: 2/27/2023
22 _____



Honorable Richard S. Whitney
Judge of the San Diego Superior Court

23
24
25 ⁴ "Becomes final and is no longer appealable" shall mean upon the later of: (i) the day after the last date by
26 which a notice of appeal to the applicable Court of Appeal of the approval order may be timely filed, and none is
27 filed; (ii) if an appeal is filed, and the appeal is finally disposed of by ruling, dismissal, denial, or otherwise, the day
28 after the last date for filing a request for further review of the order approving the settlement passes, and no further
review is requested; (iii) if an appeal is filed and there is a final disposition by ruling, dismissal, denial, or otherwise
by the Court of Appeal, and further review of the order approving the Settlement is requested, the day after the
review is finally dismissed or denied with prejudice and/or no further review of the order can be requested.

EXHIBIT A

MOON & YANG, APC

ATTORNEYS AT LAW
WWW.MOONYANGLAW.COM

1055 W. SEVENTH ST., SUITE 1880
LOS ANGELES, CALIFORNIA 90017
TELEPHONE: (213) 232-3128
FACSIMILE: (213) 232-3125

Kane Moon, Esq.
Kane.Moon@moonyanglaw.com

February 22, 2021

VIA ONLINE SUBMISSION

Labor & Workforce Development Agency
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612

VIA CERTIFIED MAIL

Universal Health Services of Rancho Springs, Inc.
Southwest Healthcare System
Inland Valley Medical Center
36485 Inland Valley Drive
Wildomar, CA 92595

Notice of Labor Code Violations and PAGA Penalties

Re: ***Kevin Rivera v. Universal Healthcare Systems of Rancho Springs, Inc. dba Southwest Healthcare System dba Inland Valley Medical Center***

To Whom It May Concern:

Please be advised that my office has been retained by Kevin Rivera ("Plaintiff") to pursue a Labor Code Private Attorney General Act (PAGA) representative action (Cal. Lab. Code §§ 2699, *et seq.*) against his former employer, Kevin Rivera v. Universal Healthcare Systems of Rancho Springs, Inc. dba Southwest Healthcare System dba Inland Valley Medical Center ("Defendant"). The purpose of this letter is to comply with PAGA and set forth the facts and theories of California Labor Code violations which we allege Defendant engaged in with respect to Plaintiff and all of Defendant's aggrieved employees.

Plaintiff wishes to pursue a PAGA representative action on behalf of himself as an aggrieved employee, on behalf of the State of California, and on behalf of all other current and former aggrieved employees who worked for Defendant in California as an hourly paid, non-exempt employee at any time within the applicable statutory period (hereafter, the "Aggrieved Employees").

Plaintiff and the Aggrieved Employees of Defendant suffered the Labor Code violations described below.

Factual Background Regarding Plaintiff's Employment with Defendant

Defendant owns and operates an industry, business, and establishment within the State of California, including San Diego County. As such, Defendant is subject to the California Labor Code and the Wage Orders issued by the Industrial Welfare Commission ("IWC").

Plaintiff worked for Defendant as a materials handler from approximately March 2018 to May 2020, primarily in San Diego County. Defendant classified Plaintiff as non-exempt from overtime. During the time period that Plaintiff was employed by Defendant, Plaintiff typically worked 4 days per week, and in excess of 8 hours each workday.

Throughout Plaintiff's employment, Defendant committed numerous labor code violations under state law. As discussed below, Plaintiff's experience working for Defendant was typical and illustrative.

Failure to Pay for All Hours Worked, Including Overtime

Under California law, an employer must pay for all hours worked by an employee. "Hours worked" is the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In addition, Labor Code § 510 provides that employees in California shall not be employed more than eight (8) hours in any workday or forty (40) hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

Labor Code §§ 1194 and 1198 also provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, Labor Code § 1198 states that the employment of an employee for longer hours than those fixed by the Industrial Welfare Commission is unlawful.

Throughout the time period involved in this case, Defendant maintained a policy and practice of failing to pay Plaintiff and the Aggrieved Employees for all hours worked (including minimum wages, straight time wages and overtime wages). Defendant regularly used a system of time rounding in a manner that resulted, over a period of time, in failing to compensate Plaintiff and the Aggrieved Employees properly for all the time they have actually worked, even though the realities of Defendant's operations are such that it is possible, practical, and feasible to count and pay for work time to the minute. Accordingly, Defendant frequently paid Plaintiff and the

Aggrieved Employees less than all their work time. Some of this unpaid work also should have been paid at the overtime rate. In doing so, Defendant also failed to maintain accurate records of the hours Plaintiff and the Aggrieved Employees worked.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, 1197.1, and 2699(f)(2) for failing to pay for all hours worked, including overtime.

Failure to Provide Meal Periods

Under California law, employers have an affirmative obligation to relieve employees of all duty in order to take their first 30-minute, duty-free meal periods no later than the start of sixth hour of work in a workday, and to allow employees to take their second 30-minute, duty-free meal period no later than the start of the eleventh hour of work in the workday. Further, employees are entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s).

Despite these legal requirements, Defendant wrongfully failed to provide Plaintiff and the Aggrieved Employees with legally compliant meal periods. Defendant regularly required Plaintiff and the Aggrieved Employees to work in excess of five consecutive hours a day without providing a 30-minute, continuous and uninterrupted, duty-free meal period for every five hours of work, or without compensating Plaintiff and the Aggrieved Employees for meal periods that were not provided by the end of the fifth hour of work or tenth hour of work. Defendant did not adequately inform Plaintiff and the Aggrieved Employees of their right to take a meal period by the end of the fifth hour of work, or, for shifts greater than 10 hours, by the end of the tenth hour of work. Moreover, Defendant did not have adequate written policies or practices providing meal periods for Plaintiff and the Aggrieved Employees, nor did Defendant have adequate policies or practices regarding the timing of meal periods. Defendant also did not have adequate policies or practices to verify whether Plaintiff and the Aggrieved Employees were taking their required meal periods. Accordingly, Defendant's policy and practice was to not provide meal periods to Plaintiff and the Aggrieved Employees in compliance with California law.

Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not provided with all required meal period(s). Defendant, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional wages to which they were entitled for meal periods and that were not provided.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, and 2699(f)(2) for failing to provide meal periods and pay meal period premium wages.

Failure to Authorize and Permit Rest Periods

Employers are required by California law to authorize and permit breaks of 10 uninterrupted minutes for each four hours of work or major fraction of four hours (i.e. more than two hours). Thus, for example, if an employee's work time is 6 hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself a violation of California's rest break laws.

Defendant, however, wrongfully failed to authorize and permit Plaintiff and the Aggrieved Employees to take timely and duty-free rest periods. Defendant regularly required Plaintiff and the Aggrieved Employees to work in excess of four consecutive hours a day without Defendant authorizing and permitting them to take a 10 minute, continuous and uninterrupted, rest period for every four hours of work (or major fraction of four hours), or without compensating Plaintiff and the Aggrieved Employees for rest periods that were not authorized or permitted. Defendant did not adequately inform Plaintiff and the Aggrieved Employees of their right to take a rest period. Moreover, Defendant did not have adequate policies or practices permitting or authorizing rest periods for Plaintiff and the Aggrieved Employees, nor did Defendant have adequate policies or practices regarding the timing of rest periods. Defendant also did not have adequate policies or practices to verify whether Plaintiff and the Aggrieved Employees were taking their required rest periods. Further, Defendant did not maintain accurate records of employee work periods, and therefore Defendant cannot demonstrate that Plaintiff and the Aggrieved Employees took rest periods during the middle of each work period. Accordingly, Defendant's policy and practice was for Plaintiff and the Aggrieved Employees to work through rest periods and to not authorize or permit them to take any rest periods.

Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not authorized and permitted to take all required rest period(s). Defendant, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional wages to which they were entitled for rest periods and that they were not authorized and permitted to take.

As a result, Defendant are liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, and 2699(f)(2) for failing to authorize and permit rest periods and pay rest period premium wages.

Failure to Maintain Accurate Records of Hours Worked and Meal Periods

Plaintiff seeks penalties under Labor Code § 1174(d). Pursuant to Labor Code § 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable IWC Order § 7(A)(3), every employer shall keep time records

showing when the employee begins and ends each work period. Meal periods and total hours worked daily shall also be recorded.

Defendant, however, failed to maintain accurate records of hours worked and all meal periods taken or missed by Plaintiff and the Aggrieved Employees.

Defendant's failure to provide and maintain records required by the Labor Code IWC Wage Orders deprived Plaintiff and the Aggrieved Employees the ability to know, understand and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Defendant's records. Therefore, Plaintiff and the Aggrieved Employees had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Defendant. As a direct result, Plaintiff and the Aggrieved Employees have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorney's fees in seeking to compel Defendant to fully perform its obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of Defendant's knowing failure to comply with the Labor Code and applicable IWC Wage Orders, Plaintiff and the Aggrieved Employees have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 1174.5 for failing to maintain accurate records of hours worked and meal periods.

Failure to Reimburse and Indemnify Expenses

California Labor Code § 2802 requires employers to reimburse employees for their necessary expenditures and losses incurred in direct consequence of the discharge of their duties or of their obedience to directions of the employer.

Throughout the statutory period, Defendant wrongfully required Plaintiff and the Aggrieved Employees to pay expenses that they incurred in direct discharge of their duties for Defendant without reimbursement, which included the use of their personal vehicles to travel between hospitals during work hours and for work-related purposes. Plaintiff and the Aggrieved Employees incurred these substantial expenses as a direct result of performing their job duties for Defendant, and Defendant has failed to indemnify Plaintiff and the Aggrieved Employees for these employment-related expenses.

Failure to Timely Pay All Wages at Termination

Labor Code §§ 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an

employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

Within the applicable statute of limitations, the employment of Plaintiff and many other Aggrieved Employees ended, i.e. was terminated by quitting or discharge, and the employment of others will be. However, during the relevant time period, Defendant failed, and continues to fail to pay Plaintiff and terminated Aggrieved Employees, without abatement, all wages required to be paid by Labor Code sections 201 and 202 either at the time of discharge, or within seventy-two (72) hours of their leaving Defendant's employ. These unpaid wages include wages for unpaid work time (including minimum and straight time wages), missed meal periods, and missed rest periods.

Defendant's conduct violates Labor Code §§ 201 and 202. Labor Code § 203 provides that if an employer willfully fails to pay wages owed, in accordance with sections 201 and 202, then the wages of the employee shall continue as a penalty wage from the due date, and at the same rate until paid or until an action is commenced; but the wages shall not continue for more than thirty (30) days.

Accordingly, Plaintiff and the Aggrieved Employees are entitled to recover from Defendant their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up to 30 days maximum pursuant to Labor Code § 203.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to timely pay all wages at termination.

Failure to Furnish Accurate Itemized Wage Statements

Labor Code § 226(a) provides that every employer shall furnish each of his or her employees an accurate itemized wage statement in writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. An employee is presumed to suffer an injury if this information is missing. (Lab. Code § 226(e)(2)(B)(iii).)

The statute further provides: “An employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars (\$4,000), and is entitled to an award of costs and reasonable attorney’s fees.” (Lab. Code § 226(e)(1).)

Defendant intentionally and willfully failed to provide employees with complete and accurate wage statements. The deficiencies include, among other things, the failure to correctly identify hourly rates, the failure to correctly list gross wages earned, and the failure to list the true net wages earned, including wages for meal periods that were not provided in accordance with California law, wages for rest periods that were not authorized and permitted to take in accordance with California law, and correct wages earned for all hours worked.

As a result of Defendant violating Labor Code § 226, Plaintiff and similarly Aggrieved Employees suffered injury and damage to their statutorily protected rights.

Accordingly, Plaintiff and similarly Aggrieved Employees are entitled to recover from Defendant the greater of their actual damages caused by Defendant’s failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding \$4,000 dollars per employee.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 226.3 for failing to furnish accurate itemized wage statements.

Action for Civil Penalties Under PAGA

In light of the above, Plaintiff alleges that Defendant violated the following provisions of the Labor Code with respect to the Aggrieved Employees:

1. Labor Code § 204, 510, 1194, 1197, and 1198 by failing to pay for all hours worked, including minimum wages, straight time wages and overtime wages;
2. Labor Code § 226.7, 512 and applicable Wage Orders by failing to provide meal periods;
3. Labor Code § 226.7 and applicable Wage Orders by failing to authorize and permit rest periods;
4. Labor Code § 1174.5 and applicable Wage Orders by failing to maintain accurate records of hours worked and meal periods taken or missed;
5. Labor Code § 2802 by failing to reimburse and indemnify employees for expenses and losses in the direct consequence and discharge of their duties;

6. Labor Code §§ 201 to 203 by willfully failing to pay all wages owed at termination;
7. Labor Code § 226 by failing to provide accurate itemized wage statements; and
8. Labor Code § 204 by failing to pay all earned wages two times per month.

Therefore, on behalf of all Aggrieved Employees, Plaintiff seeks applicable penalties related to the violations alleged above pursuant to the PAGA. These include, but are not limited to, penalties under Labor Code §§ 210, 226.3, 558, 1174.5, 1197.1, 2802, and 2699(f)(2).

Plaintiff has placed Defendant on notice by mailing a certified copy of this correspondence to its corporate address, as indicated on the first page.

Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

Sincerely,

MOON & YANG, APC



Kane Moon
Attorney at Law

EXHIBIT B

JOINT STIPULATION OF PAGA SETTLEMENT

IT IS HEREBY STIPULATED AND AGREED by and between Plaintiff Kevin Rivera ("Plaintiff"), for himself and on behalf of the State of California and all PAGA Settlement Members, on the one hand, and Defendant Universal Health Services of Rancho Springs, Inc. dba Southwest Healthcare System ("Defendant"), on the other (collectively, the "Parties"), subject to the approval of the Court in accordance with California Labor Code § 2699(1)(2), that the settlement of pending civil action between the Parties shall be effectuated in accordance with the terms and conditions stated herein.

The Parties agree that the Action (defined in Section I) shall be settled, resolved, and concluded without any admission of fault or liability for the consideration set forth herein, including, but not limited to, a release of claims by Plaintiff and PAGA Settlement Members.

I. DEFINITIONS

Unless otherwise defined herein, the following terms used in this Agreement shall have the meanings ascribed to them as set forth below:

- (a) "Action" means the civil action captioned *Rivera v. Universal Health Services of Rancho Springs, Inc.*, pending in the Superior Court of California in the County of San Diego, Case No. 37-2021-00007411-CU-OE-CTL.
- (b) "Agreement" or "Settlement" means this Joint Stipulation of PAGA Settlement.
- (c) "Approval Date" means the date the Court grants approval of this Agreement and dismisses the Action with prejudice by signing and filing the Final Order.
- (d) "Complaint" means the amended complaint to be filed in the Action in connection with the application for approval of this Agreement, whether by separate stipulation or otherwise in furtherance of the terms herein, which will encompass the PAGA claims to be released under this Agreement and be deemed filed as part of the entry of the Final Order.
- (e) "Court" means the Superior Court for the State of California, County of San Diego.
- (f) "Defendant" means Universal Health Services of Rancho Springs, Inc.
- (g) "Defense Counsel" or "Counsel for Defendant" means:

LITTLER MENDELSON, PC
STACEY E. JAMES, Bar No. 185651
sjames@littler.com
NOAH J. WOODS, Bar No. 264823
nwoods@littler.com
501 W. Broadway, Suite 900
San Diego, CA 92101
Telephone: 619.232.0441
Facsimile: 619.232.4302

(h) "Effective Date" means the date by which all of the following have occurred:

- (1) the Court has entered the Final Order; and
 - (2) the Court's Final Order becomes final and is no longer appealable. For purposes of this Agreement, "becomes final and is no longer appealable" shall mean upon the later of: (i) the day after the last date by which a notice of appeal to the applicable Court of Appeal of the approval order may be timely filed, and none is filed; (ii) if an appeal is filed, and the appeal is finally disposed of by ruling, dismissal, denial, or otherwise, the day after the last date for filing a request for further review of the order approving the settlement passes, and no further review is requested; or (iii) if an appeal is filed and there is a final disposition by ruling, dismissal, denial, or otherwise by the Court of Appeal, and further review of the order approving the Settlement is requested, the day after the review is finally dismissed or denied with prejudice and/or no further review of the order can be requested.
- (i) "Final Order" means the final order entered in the Action in accordance with the terms herein, where in the Court adopts and approves this Agreement (and the terms described herein) under the specific terms requested and dismisses the case with prejudice. The Court may retain jurisdiction over the enforcement, implementation, construction, administration, and interpretation of the Agreement.
- (j) "Gross Settlement Amount" means Nine Hundred Eighty Thousand Dollars and Zero Cents (\$980,000.00) to be paid by Defendant, with no reversion to Defendant, as set forth in this Agreement to fully and finally settle, resolve, and conclude the Action.
- (k) "LWDA" means the State of California Labor and Workforce Development Agency.
- (l) "Named Plaintiff" or "Plaintiff" means Kevin Rivera.
- (m) "PAGA" means the Private Attorneys General Act of 2004, codified at California Labor Code § 2698, *et seq.*
- (n) "PAGA Claims" means any claims for civil penalties that were actually alleged or that could have been alleged against the Released Parties based on the facts stated in the original, amended and/or operative complaint or LWDA Letters, including PAGA claims for alleged violations of Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 511, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2800, 2802 and Wage Order 5, and for any and all claims for civil penalties that arose during the PAGA Period related to the following: (1) Any claims for unpaid compensation or compensation at the incorrect rate (including but not limited to overtime pay, double time pay, sick pay, reporting pay, etc.); (2) Any claims for failure to provide meal periods in accordance with the California Labor Code and/or applicable Wage Orders, including any claims regarding failure to pay premium pay at the correct rate; (3) Any claim for failure to authorize and permit rest periods in accordance with the applicable California Wage Orders or Labor Code, including any claims regarding failure to pay premium pay at the correct rate; (4) Any claim for failure to provide reimbursements for business related expenses; (5) Any

claim for failure to pay wages timely; and (6) Any claim for failure to provide all/ accurate information required to be on wage statements or to maintain records required by the labor code.

- (o) "PAGA Employee Payment" means the portion of the Gross Settlement Amount that shall be paid to each PAGA Settlement Member without a claims process requirement and in accordance with the terms of this Agreement.
- (p) "PAGA Period" means any time between December 28, 2019, through the date this Agreement is approved by the Court and all claims are dismissed with prejudice, or November 30, 2022, whichever is sooner.
- (q) "PAGA Settlement Members" means all non-exempt employees employed by Defendant in California during the PAGA Period.
- (r) "Plaintiffs' Counsel" means the following collectively:

MOON & YANG, APC
Kane Moon (SBN 249834)
Allen Feghali (SBN 301080)
Enzo Nabiev (SBN 332118)
1055 W. Seventh St., Suite 1880
Los Angeles, California 90017
Telephone: (213) 232-3128
Facsimile: (213) 232-3125

- (s) "Plaintiff's Enhancement Award" means a payment of Eight Thousand Dollars and Zero Cents (\$8,000.00) to Plaintiff in recognition for the time spent and services provided in connection with the Action and in exchange for a general release of claims described in Section IV(A), below. Plaintiff's Enhancement Award will be payable and deducted from the Gross Settlement Amount.
- (t) "Released Parties" means: (i) Defendant; (ii) each of Defendant's past, present and future parents, subsidiaries and affiliates including, without limitation any corporation, limited liability company, partnership, trust, foundation and non-profit entity which controls, is controlled by, or is under common control with Defendant including but not limited to UHS of Delaware, Inc. and Universal Health Services, Inc.; (iii) the past, present and future shareholders, directors, officers, agents, employees, attorneys, insurers, member, partners, managers, contractors, agents, consultants, representatives, administrators, fiduciaries, benefit plans, transferees, predecessors, successors and assigns of any of the foregoing; and (iv) any individual or entity which could be jointly liable with any of the foregoing.

II. APPROVAL AND IMPLEMENTATION OF SETTLEMENT

A. Cooperation

The Parties will cooperate in seeking approval of the terms described in this Agreement. The Parties further agree to fully cooperate in the drafting and/or filing of any further documents or filings reasonably necessary to be prepared or filed, including responding to challenges by any

third parties, and shall take all steps that may be requested by the Court relating to the approval and implementation of this Agreement.

B. Court Approval

Because the Action alleges claims arising under PAGA, this Agreement requires approval by the Court. *See* Cal. Lab. Code § 2699(1)(2). This Agreement is expressly contingent upon the Court's approval of this Agreement and the terms and material conditions herein (including, but not limited to, issuance of the Final Order in a form agreed to by the Parties and entry of the Final Order in accordance therewith).

The Parties agree to seek amendment of the Action to include the PAGA Claims that will be released pursuant to this Agreement, including all claims arising out of the allegations made in this Action, in *Broadnax v. Universal Health Services of Rancho Springs, Inc.*, pending in the Superior Court of California in the County of Riverside, Case No. CVRI2100518, in *Noriega v. Universal Health Services of Rancho Springs, Inc.*, pending in the Superior Court of California in the County of Riverside, Case No. CVRI2104686, and in the LWDA Letters dated December 28, 2020, February 22, 2021, October 12, 2021. The Parties will file a joint stipulation for Plaintiff to file an Amended Complaint to add any PAGA Claims released pursuant to this Agreement that were not originally encompassed in the original complaint. The draft of the Amended Complaint shall be approved by the Parties prior to their filing. Plaintiff shall also submit an amended PAGA notice to the Labor and Workforce Development Agency (LWDA) to add any PAGA Claims released pursuant to this Agreement that were not originally encompassed in Plaintiff's original LWDA letter. Thereafter, Plaintiff will file a single motion or application for an order approving this Agreement.

If the Court does not grant the request for approval and enter the Final Order under the specific terms requested, the Parties agree to meet and confer to address the Court's concerns and determine whether resolution of the Action can be obtained in a manner consistent with the Court's concerns. If for any reason, the settlement is not approved, Plaintiff will agree to withdraw the Amended Complaint filed in connection with this settlement.

C. Gross Settlement Amount Payment Procedures

1. Gross Settlement Amount

Defendant agrees to pay the Gross Settlement Amount in exchange for the releases, obligations, and promises set forth in this Agreement (and subject to the terms and conditions herein). If the Court approves an allocation less than the amounts provided under subsections (1)(a) through (1)(c), below, the difference between the requested amounts and approved amounts will revert to the PAGA Penalty Fund. Defendant will not oppose the following allocation of the Gross Settlement Amount:

(a) Attorneys' Fees and Costs

Plaintiff's Counsel may apply to the Court for an award of attorneys' fees of up to one-third (1/3) of the Gross Settlement Amount ("Fee Amount") or Three Hundred and Twenty-Six Thousand Six Hundred and Sixty-Seven Dollars and No Cents (\$326,667.00) and up to Twenty Thousand

Dollars and No Cents (\$20,000.00) in costs (“Litigation Costs”) pursuant to PAGA, which provides for the recovery of attorneys’ fees and costs.

(b) *Enhancement Award*

Plaintiff may apply for an award of up to Eight Thousand Dollars and Zero Cents (\$8,000.00) for Plaintiff’s Enhancement Awards to be paid from the Gross Settlement Amount.

(c) *Settlement Administration Costs*

All expenses associated with the administration of the Settlement shall be paid from the Gross Settlement Amount, but shall not exceed Twenty Thousand Dollars (\$20,000.00) (“Administration Costs”). The Parties agree to retain Simpluris, Inc. (“Settlement Administrator”) to administer the Settlement.

(d) *PAGA Penalty Fund*

The total sum available for distribution of PAGA penalties (“PAGA Penalty Fund”) shall be calculated by deducting the court approved amount for Attorney’s Fees and Costs, Plaintiff’s Enhancement Award, and Settlement Administration Costs from the Gross Settlement Amount (this will yield the “PAGA Penalty Fund”). Seventy-five percent (75%) of the PAGA Penalty Fund shall be distributed to the LWDA (“LWDA Payment”) and the remaining twenty-five percent (25%) shall be distributed to the PAGA Settlement Members on a pro rata basis.

The amount of each PAGA Settlement Member’s PAGA Employee Payment shall be calculated based on a formula that takes into account the number of pay periods that he or she worked while employed by Defendant during the PAGA Period (“Qualifying Pay Periods”). The amount remaining after allocating the LWDA Payment from the PAGA Penalty Fund (i.e., 25% of the PAGA Penalty Fund) will first be divided by the total number of Qualifying Pay Periods for all PAGA Settlement Members during the PAGA Period to calculate the “Pay Period Multiplier.” Then, each PAGA Settlement Member’s number of Qualifying Pay Periods will be multiplied by the Pay Period Multiplier to calculate the PAGA Employee Payment.

2. Pro-Rata Increase to Gross Settlement Amount

The Gross Settlement Amount was negotiated based on an estimated 104,513 pay periods worked by PAGA Settlement Members through September 30, 2022. If the number of PAGA pay periods exceeds 104,513 by more than 10%, Defendant shall have the sole option to: (i) increase the Gross Settlement Amount proportionally per additional pay period (i.e., if there was a 20% increase in the number of pay periods worked, Defendant would agree to increase the Gross Settlement Amount by 10%); or (ii) end the PAGA Period as of the date that the number of Qualifying Pay Periods worked reaches 10% above estimated amounts.

3. Funding and Distribution Process

Within seven (7) days after the Effective Date, Defendant will remit payment of the Gross Settlement Amount to the Settlement Administrator.

Within seven (7) days after the Effective Date, Defendant shall also provide the Settlement Administrator with a list of PAGA Settlement Members and their names, employee identification numbers, social security numbers, last known mailing addresses, and number of Qualifying Pay Periods and/or dates of employment. The contact information is being provided confidentially to the Settlement Administrator only, and the Settlement Administrator shall treat the information as private and confidential and take all necessary precautions to maintain the confidentiality of contact information of the PAGA Settlement Members. This information is to be used only to carry out the Settlement Administrator's duties as specified in this Settlement.

Within ten (10) business days of receipt of the Gross Settlement Amount, the Settlement Administrator will disburse PAGA Employee Payments via U.S. Mail to each PAGA Settlement Member to the last known physical address on file with Defendant in its regularly maintained records. Prior to this disbursement, the Settlement Administrator shall run a skip trace for every separated PAGA Settlement Member. The Settlement Administrator shall include a letter, an example of which is attached as Exhibit A to this Agreement and subject to Court approval, along with the PAGA Employee Payments. The mailing procedures described in this paragraph shall be conclusive evidence of payment of the PAGA Employee Payments and shall satisfy any and all due process requirements. All PAGA Employee Payments that are not claimed within 180 days of mailing shall be sent to the State Controller Unclaimed Property Fund with an identification of the amount of unclaimed funds attributable to each PAGA Settlement Member.

Within ten (10) business days of receipt of the Gross Settlement Amount, the Settlement Administrator shall send a check for the LWDA Payment to the LWDA.

Within ten (10) business days of receipt of the Gross Settlement Amount, the Settlement Administrator will disburse from the Gross Settlement Amount by either check or wire transfer the following: (1) the Fee Amount to Plaintiff's Counsel; (2) Litigation Costs to Plaintiff's Counsel in accordance with actual expenses incurred; and (3) Plaintiff's Enhancement Award payable by check, in his name, and delivered to his counsel's office.

4. No Additional Contribution by Defendant

Except as provided in Section II(C)(2), Defendant's monetary obligation under this Agreement is limited to the Gross Settlement Amount to fully and finally settle and resolve the Action. Notwithstanding the above, in the event that this Agreement is voided or nullified, in whole or in part, however it may occur, or the Settlement of the Action is barred by operation of law, or invalidated, or ordered not to be carried out by a Court of competent jurisdiction, Defendant will cease to have any obligation to pay any portion of the Gross Settlement Amount to anyone under the terms of this Agreement.

In the event this Settlement is nullified or voided as provided above: (i) this Settlement shall be considered null and void, (ii) neither this Settlement nor any of the related negotiations or proceedings shall have any force or effect and no Party shall be bound by any of its terms, and (iii) all Parties to this Settlement shall stand in the same position, without prejudice, as if the Settlement had been neither entered into nor filed with the Court.

5. Characterization of Settlement Payments

The PAGA Employee Payments constitute payment for penalties, shall be reported on an IRS Form 1099 (to the extent required by law), and will not be subject to local, state or federal tax withholdings.

Plaintiff's Enhancement Award shall be reported on an IRS Form 1099, and will not be subject to local, state or federal tax withholdings.

The Settlement Administrator, and not Defendant, will issue the appropriate tax forms for all payments issued under this Settlement.

Plaintiff and each PAGA Settlement Member will be responsible for paying all applicable state, local, and federal income taxes on all amounts received pursuant to this Settlement, and they shall not seek any indemnification from the Released Parties in this regard.

Plaintiff's Counsel and Defendant's Counsel do not intend this Settlement Agreement to constitute legal or tax advice regarding any federal, state or local tax issue. To the extent that this Settlement Agreement, or any of its Exhibits, are interpreted to contain or constitute advice regarding any federal, state or local tax issue, such advice is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding any tax liability or penalties. The tax issues for Plaintiff and each PAGA Settlement Employee are unique to him or her, and Plaintiff and each PAGA Settlement Employee are advised to obtain tax advice from their own tax advisor with respect to any payments resulting from this Settlement.

III. RELEASE AND AGREEMENT BY PLAINTIFF

As of the Effective Date, Plaintiff agrees to forever release, absolve and discharge Released Parties and Released Parties' officers, agents, directors, supervisors, employees, former employees, representatives, attorneys, divisions, subsidiaries, parents, affiliates, partners, limited partners and successors, and all persons acting by, through, under, or in concert with any of them from any and all claims, demands, liens, agreements, contracts, covenants, actions, suits, causes of action, grievances, wages, vacation payments, severance payments, obligations, commissions, overtime payments, meal and rest period premiums, debts, profit sharing claims, expenses, damages, judgments, orders and liabilities of whatever kind or nature in state or federal law, equity or otherwise, whether known or unknown to Plaintiff, which Plaintiff now owns or holds or has at any time owned or held as against the Released Parties, or any of them, including specifically but not exclusively and without limiting the generality of the foregoing, any and all Claims known or unknown, suspected or unsuspected: (1) arising out of or related to Plaintiff's employment with Defendant or termination of that employment; or (2) arising out of or in any way connected with any claim, loss, damage or injury whatsoever, known or unknown, suspected or unsuspected, resulting from any act or omission by or on the part of the Released Parties, or any of them, committed or omitted on or before the date the Settlement Agreement is executed by Plaintiffs. This release includes all Claims arising under any and all laws, statutes, orders, regulations, or any other claim of right(s), including without limitation, any claim under the laws of the United States of America and the State of California, including but not limited to the California Constitution, the California Labor Code (including, but not limited to, Labor Code sections 500 through 558), the Private Attorneys' General Act, and the Industrial Welfare Commission Wage Orders. Plaintiff also specifically agrees and acknowledges Plaintiff is waiving any right to recovery based on state

or federal age, sex, race, color, national origin, marital status, religion, veteran status, disability, sexual orientation, medical condition or other anti-discrimination laws, including, without limitation, Title VII of the Civil Rights Act of 1964, the Equal Pay Act, the Americans with Disabilities Act, the Employee Retirement Income Security Act, the Worker Adjustment and Retraining Notification Act, the California Fair Employment and Housing Act (Cal. Government Code § 12900, et seq.), the California Family Rights Act (Cal. Government Code § 12945.1, et seq.), and all other state laws and local ordinances, all as amended, whether such claim be based upon an action filed by Plaintiff or by a governmental agency. Notwithstanding the foregoing, Plaintiff does not release any claim that cannot be released by private agreement.

It is the intention of both Plaintiff and Defendant in executing this instrument that it will be effective as a bar to each and every Claim specified in the Settlement Agreement. In furtherance of this intention, Plaintiff hereby expressly waives any and all rights and benefits conferred upon Plaintiff by the provisions of Section 1542 of the California Civil Code, and expressly consents that the Settlement Agreement will be given full force and effect according to each and all of its express terms and provisions, including those relating to unknown and unsuspected Claims, if any, as well as those relating to any other Claims hereinabove specified. Section 1542 provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT 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.

Having been so apprised, Plaintiff nevertheless hereby voluntarily elects to and does waive the rights described in Civil Code Section 1542, and elects to assume all risks for Claims that now exist in his favor, known or unknown

Nothing in this Agreement is intended to waive claims that may arise after Plaintiff signs this Agreement or which cannot be released by private agreement. In addition, nothing in this Agreement including but not limited to the indemnification, release of claims, confidentiality, non-disparagement, voluntary assistance, and covenant not to sue provisions, (1) shall be construed to prevent the disclosure of factual information related to any acts of sexual assault, sexual harassment, workplace harassment or discrimination based on sex, failure to prevent an act of workplace harassment or discrimination based on sex, or act of retaliation against a person for reporting harassment or discrimination related to the Lawsuit or waives Plaintiff's right to testify in an administrative, legislative, or judicial proceeding concerning alleged criminal conduct or alleged sexual harassment on the part of the Defendant, or on the part of the agents or employees of the Defendant, when Plaintiff has been required or requested to attend such a proceeding pursuant to a court order, subpoena, or written request from an administrative agency or the legislature, (2) prevents Plaintiff from communicating with, filing a charge or complaint with, or from participating in an investigation or proceeding conducted by the Equal Employment Opportunity Commission, National Labor Relations Board, the Securities and Exchange Commission, or any other any federal, state or local agency charged with the enforcement of any laws, including providing documents or any other information, or (3) limits Plaintiff from exercising rights under Section 7 of the NLRA to engage in protected, concerted activity with other

employees, although by signing this Agreement Plaintiff is waiving rights to individual relief (including backpay, frontpay, reinstatement or other legal or equitable relief) in any charge, complaint, or lawsuit or other proceeding brought by Plaintiff or on Plaintiff's behalf by any third party, except for any right Plaintiff may have to receive a payment or an award from a government agency (and not the Defendant) for information provided to the government agency or otherwise where prohibited.

IV. LIMITATIONS ON USE OF THIS SETTLEMENT AGREEMENT

A. No Admission

Defendant disputes that Plaintiff or any PAGA Settlement Member is entitled to any additional wages other than those already paid and/or any penalties, disputes the allegations and each and every cause of action in the Action, and disputes that the Action may be maintained on a representative basis. This Agreement is entered into solely for the purpose of compromising highly disputed claims. This Agreement and the payment of the Gross Settlement Amount and other consideration recited herein represent the compromise of disputed claims. Nothing in this Agreement is intended as or may be construed as an admission of liability, unlawful conduct, or wrongdoing by Defendant (and/or any of the Released Parties), and Defendant and the Released Parties deny any such liability or wrongdoing.

B. Non-Evidentiary Use

Except for purposes of effectuating the terms of this Agreement and/or to establish that a PAGA Settlement Member has resolved any of his/her claims released through this Agreement, and regardless of whether the Final Order is entered, neither this Agreement nor any of its terms (including, but not limited to, the payment of the Gross Settlement Amount) nor the Settlement itself will be construed as, offered, or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to the Released Parties, including but not limited to, evidence of a presumption, concession, indication, or admission of any liability, fault, wrongdoing, omission, concession, or damage.

C. Non-Publication

Other than in proceedings with the Court necessary to effectuate approval of this Agreement, the Parties and their respective attorneys agree that they will not issue any media or press release, initiate any contact with the media or the press, respond to any media or press inquiry or have any communications with the media or the press about the fact, amount or terms of this Agreement. The Parties and their attorneys will not state on their websites, social media, any other marketing materials, or legal publications that Defendant engaged in any act contrary to California law, disparage the Parties, or otherwise identify the Parties in such publications. The Parties acknowledge that the actual damages likely to result from a breach of this paragraph are difficult to ascertain or prove in the event of a breach. Therefore, in the event of a breach of this paragraph by Plaintiff, the Parties intend that the payment of liquidated damages in the amount of Eight Hundred Dollars and Zero Cents (\$800.00) or 10% of Plaintiffs' Enhancement Award approved by the Court would serve to reasonably compensate Defendant for Defendant's actual damages sustained, and not as a penalty, due to any breach of this paragraph by Plaintiff.

D. Nullification

If (a) the Court should for any reason fail to approve this Settlement consistent with the terms in this Agreement, (b) the Court should for any reason fail to enter the Final Order, or (c) the Final Order is reversed, modified, or declared or rendered void, then this Agreement may be deemed voidable and unenforceable as to Plaintiffs and Defendant, at the option of either party, provided however that they first engage in good faith cooperative efforts as required by Sections II(A-B). In the event either of the Parties exercises the option to void this Agreement, (i) neither this Agreement nor any of the related negotiations or proceedings shall be of any force or effect; (ii) the Parties shall stand in the same position they were in on October 11, 2022, without prejudice to either of the Parties; and (iii) Defendant will not have any obligation to pay any portion of the Gross Settlement Amount under the terms of this Agreement.

V. RELEASE OF PAGA CLAIMS BY NAMED PLAINTIFF AND PAGA SETTLEMENT MEMBERS

As of the Effective Date, all PAGA Settlement Members release the Released Parties from the PAGA Claims. This release shall be effective as to all PAGA Claims for the period from December 28, 2019 through the date the Court approves this Settlement and dismisses the action in its entirety or November 30, 2022, whichever is earlier

It is the intent of the Parties that the Settlement Approval order entered by the Court shall have full res judicata effect and be final and binding upon PAGA Settlement Members regarding the PAGA Claims.

VI. MISCELLANEOUS PROVISIONS

A. Notice of Settlement to LWDA

Plaintiffs will provide notice of this Settlement to the LWDA, pursuant to Labor Code § 2699(1)(2) no later than the same day the motion for Settlement approval is filed with the Court for approval. A copy of the Final Order will be submitted to the LWDA within 10 days after entry of the Final Order, pursuant to California Labor Code § 2699(1)(3).

B. Voluntariness

This Agreement is executed voluntarily and without duress or undue influence on the part of or on behalf of any of the Parties, or of any other person, firm, or entity.

C. Amendments

The terms and provisions of this Agreement may be amended or modified only by an express written agreement that is signed by the Plaintiffs and an authorized representative of Defendant.

D. Assignment

None of the rights, commitments, or obligations recognized under this Agreement may be assigned by either of the Parties, PAGA Settlement Member, the State of California, Plaintiff's Counsel, or

Defense Counsel without the express written consent of the Parties. Plaintiff expressly warrants that he has not transferred to any person or entity any right, cause of action, or claim released by this Agreement.

E. Governing Law

This Agreement shall be governed, construed, and interpreted, and the rights of the Parties shall be determined, in accordance with the laws of the State of California, irrespective of the State of California's choice of law principles.

F. Entire Agreement

This Agreement contains the entire understanding of the Parties hereto with respect to the subject matter contained herein. There are no restrictions, promises, representations, warranties, covenants, or undertakings governing the subject matter of this Agreement other than those expressly set forth or referred to herein. This Agreement supersedes all prior agreements and understandings among the Parties hereto with respect to the subject matter hereof, including, without limitation, the Memorandum of Understanding executed by the Parties.

G. Authorization to Enter Into Settlement Agreement.

Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement.

H. Waiver of Compliance

A waiver or failure to insist upon strict compliance with any representation, warranty, covenant, agreement, or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

I. Counterparts

This Agreement, and any amendments hereto, may be executed in any number of counterparts, and any Party and/or its/his respective counsel hereto may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original and all of said counterparts taken together shall constitute but one and the same instrument. A fax or PDF signature on this Agreement shall be as valid as an original signature.

J. Meet and Confer Regarding Dispute(s)

Should any dispute(s) arise among the Parties or their respective counsel regarding the

implementation or interpretation of this Agreement, Plaintiff's Counsel and Defense Counsel shall meet and confer in an attempt to resolve such disputes prior to submitting disputes to the Court.

K. Invalidity of Any Provision.

Before declaring any provision of this Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

L. Agreement Binding on Successors

This Agreement shall bind and inure to the benefit of the Parties hereto and to their respective successors, assigns, legatees, heirs, and personal representatives.

M. Cooperation in Drafting

The Parties have cooperated in the negotiation and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party, or the Party's counsel, was the drafter or participated in the drafting of this Agreement.

N. Fair Settlement

The Parties believe that this Agreement reflects a fair, reasonable, and adequate settlement of the Actions and have arrived at this Agreement through arms' length negotiation, taking into account all relevant factors, current and potential, and is consistent with public policy, and fully complies with applicable provisions of law.

O. Headings

The descriptive heading of any section or paragraph of this Agreement is for convenience of reference only, does not constitute a part of this Agreement, and shall not be considered in interpreting this Agreement.

P. Continuing Jurisdiction

The Parties agree that upon entry of the Final Order pursuant to the terms of this Agreement, this Agreement shall be enforceable by the Court pursuant to Code of Civil Procedure § 664.6. The Court shall retain exclusive and continuing equity jurisdiction of the Actions, over the Parties, and the PAGA Settlement Members to the fullest extent to interpret, enforce, and effectuate the terms, conditions, intents, and obligations of the Agreement.

Q. No Reliance on Representations

The Parties have made such investigation of the facts and the law pertaining to the matters described herein and to this Agreement as they deem necessary, and have not relied, and do not rely, on any statement, promise, or representation of fact or law, made by any of the other Parties, or any of their agents, employees, attorneys, or representatives, with regard to any of their rights or asserted rights, or with regard to the advisability of making and executing this Agreement, or

with respect to any such matters.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date set forth below.

Dated: 01-26-2025, 2022


KEVIN RIVERA
Plaintiff and PAGA Representative

Dated: January 30, 2023, 2022

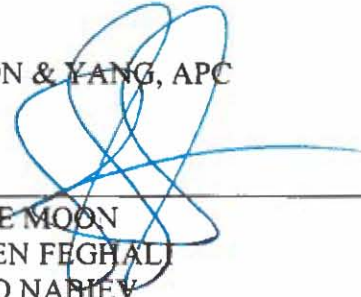
UHS OF RANCHO SPRINGS, INC.

By 
Jared Giles, its Chief Executive
officer

APPROVED AS TO FORM AND
ATTORNEY OBLIGATIONS ONLY

Dated: Jan. 10, 2023, 2022

MOON & YANG, APC

By 
KANE MOON
ALLEN FEHALI
ENZO NABIEV
Attorneys for Plaintiff Kevin Rivera

Dated: January 17, 2023 ~~x 2022~~

LITTLER MENDELSON

By 
STACEY E. JAMES
NOAH WOODS
Attorneys for Defendant UHS of Rancho
Springs, Inc.

EXHIBIT A

EXHIBIT A

<<DATE>>

<<FIRST_NAME>> <<LAST_NAME>>

<<ADDRESS 1>>

<<ADDRESS 2>>

NOTICE OF SETTLEMENT

Rivera v. UHS of Rancho Springs, Inc. dba Southwest Healthcare System

Enclosed is your payment from the settlement of the lawsuit entitled *Rivera v. UHS of Rancho Springs, Inc. dba Southwest Healthcare System* (San Diego Superior Court Case No. 37-2021-00007411-CU-OE-CTL). The lawsuit was filed against the named defendant pursuant to the California Private Attorneys General Act of 2004, codified at California Labor Code § 2698, *et seq.* (called “PAGA”). The lawsuit was brought on behalf of the State of California and all non-exempt employees who worked for defendant in California at any time between December 28, 2019, and [insert end date] (“Relevant Period”). You have been identified as one of the employees on whose behalf the lawsuit was filed.

As part of the settlement, you will be releasing claims for civil penalties that arose during the Relevant Period related to the following: alleged violations of Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 511, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2800, 2802 and Wage Order 5, and for any and all claims for civil penalties that arose during the PAGA Period related to the following: (1) Any claims for unpaid compensation or compensation at the incorrect rate (including but not limited to overtime pay, double time pay, sick pay, reporting pay, etc.); (2) Any claims for failure to provide meal periods in accordance with the California Labor Code and/or applicable Wage Orders, including any claims regarding failure to pay premium pay at the correct rate; (3) Any claim for failure to authorize and permit rest periods in accordance with the applicable California Wage Orders or Labor Code, including any claims regarding failure to pay premium pay at the correct rate; (4) Any claim for failure to provide reimbursements for business related expenses; (5) Any claim for failure to pay wages timely; and (6) Any claim for failure to provide all/ accurate information required to be on wage statements or to maintain records required by the labor code. Nothing in the settlement agreement releases any claims for wages that an employee might have against the employer.

You have 180 days to cash the settlement check and will receive a Form 1099 for the check. Checks remaining un-cashed for more than 180 days after issuance will become void and the outstanding balance will be tendered to the State Controller Unclaimed Property Fund.

Even if you fail to cash the enclosed check, you will still be deemed to have waived all claims arising from the Lawsuit, including all claims set forth in the release of claims described above.

EXHIBIT C

Hyunjin Kim

From: DIR PAGA Unit <lwdadonotreply@dir.ca.gov>
Sent: Monday, January 30, 2023 3:14 PM
To: Hyunjin Kim
Subject: Thank you for your Proposed Settlement Submission

01/30/2023 03:13:50 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

EXHIBIT D

Activities Export

01/24/2023
4:00 PM

Date	Type	Description	Matter	User	Qty	Rate (\$)	Non-billable (\$)	Billable (\$)
10/24/2022	\$	Berger Consulting ● Unbilled	01212-Rivera Rivera v. Southwest Healthcare Systems (ED)	Seung Yang	1.00	\$2,475.00	-	\$2,475.00
10/03/2022	\$	Additional mediation fee (p) ● Unbilled	01212-Rivera Rivera v. Southwest Healthcare Systems (ED)	Seung Yang	1.00	\$4,750.00	-	\$4,750.00
02/04/2022	\$	One Legal ● Unbilled	01212-Rivera Rivera v. Southwest Healthcare Systems (ED)	Seung Yang	1.00	\$12.35	-	\$12.35
11/29/2021	\$	Mediation fee (p) ● Unbilled	01212-Rivera Rivera v. Southwest Healthcare Systems (ED)	Seung Yang	1.00	\$5,200.00	-	\$5,200.00
09/24/2021	\$	One Legal ● Unbilled	01212-Rivera Rivera v. Southwest Healthcare Systems (ED)	Seung Yang	1.00	\$12.05	-	\$12.05
06/04/2021	\$	One Legal ● Unbilled	01212-Rivera Rivera v. Southwest Healthcare Systems (ED)	Seung Yang	1.00	\$11.12	-	\$11.12
05/28/2021	\$	One Legal ● Unbilled	01212-Rivera Rivera v. Southwest Healthcare Systems (ED)	Seung Yang	1.00	\$36.40	-	\$36.40
05/28/2021	\$	One Legal ● Unbilled	01212-Rivera Rivera v. Southwest Healthcare Systems (ED)	Seung Yang	1.00	\$17.01	-	\$17.01
05/20/2021	\$	One Legal ● Unbilled	01212-Rivera Rivera v. Southwest Healthcare Systems (ED)	Seung Yang	1.00	\$42.09	-	\$42.09
						\$0.00		\$15,059.27
						0.00h		0.00h

Activities Export

01/24/2023
4:00 PM

Date	Type	Description	Matter	User	Qty	Rate (\$)	Non-billable (\$)	Billable (\$)
04/15/2021	\$	One Legal ● Unbilled	01212-Rivera Rivera v. Southwest Healthcare Systems (ED)	Seung Yang	1.00	\$31.71	-	\$31.71
04/12/2021	\$	One Legal ● Unbilled	01212-Rivera Rivera v. Southwest Healthcare Systems (ED)	Seung Yang	1.00	\$35.93	-	\$35.93
03/15/2021	\$	Ace ● Unbilled	01212-Rivera Rivera v. Southwest Healthcare Systems (ED)	Seung Yang	1.00	\$42.95	-	\$42.95
03/04/2021	\$	Ace ● Unbilled	01212-Rivera Rivera v. Southwest Healthcare Systems (ED)	Seung Yang	1.00	\$74.50	-	\$74.50
03/02/2021	\$	Admin fee ● Unbilled	01212-Rivera Rivera v. Southwest Healthcare Systems (ED)	Seung Yang	1.00	\$750.00	-	\$750.00
03/02/2021	\$	One Legal - Complaint fee ● Unbilled	01212-Rivera Rivera v. Southwest Healthcare Systems (ED)	Seung Yang	1.00	\$1,493.16	-	\$1,493.16
03/02/2021	\$	LWDA ● Unbilled	01212-Rivera Rivera v. Southwest Healthcare Systems (ED)	Seung Yang	1.00	\$75.00	-	\$75.00
						\$0.00		\$15,059.27
						0.00h		0.00h

EXHIBIT E



3194-C Airport Loop Drive
Costa Mesa, CA 92626
800-779-2104 www.simpluris.com

Estimate #:	15377	Prepared By:	Mike Sutherland
Estimate Date:	11/10/2022	Direct Dial #	321-223-5067
		Email:	msutherland@simpluris.com

Plaintiff Attorney

Attorney/Client: Enzo Nabiev Allen Feghali, Esq. Kane Moon
Firm: **MOON & YANG, APC**
Email: [<enzo.nabiev@moonyanglaw.com>](mailto:enzo.nabiev@moonyanglaw.com)

Defense Attorney

Attorney/Client:
Firm:
Email:

Case Name: Rivera v. Universal Health Services: Settlement

Anticipated Total Cost	\$16,193
Capped Fee*	\$16,000

Terms:

1) Capped Fees assume that Simpluris will receive data in a Single Excel file with no substantial change in class size or response rate.

Total Possible Class Size:	2,759	Undeliverable Rate:	10%
Response Rate:	1%	Call Rate:	5%
Mailing Document Language:	English/Spanish	Fund Distribution:	Simpluris
Reminder Postcard:	No	Redistribution:	No
Unclaimed Funds:	Cy Pres/TBD	State(s):	Single
		Tax Years	One

Case Setup

Data Compilation - Develop Case Specific Response Tracking - Error Reports

Category	Unit Value	# of Units	Total
Project Manager - Case Setup, Static Website	\$125.00	6	\$750.00
Court Certified Translation	\$0.25	3000	\$750.00
Database Manager - Initial Data Analysis	\$140.00	6	\$840.00
Total			\$2,340.00

Notification

Notice Packet: 4/5 pg Notice, BRM Pre paid - Double Sided - English

Category	Unit Value	# of Units	Total
Mail Notice Packet	\$0.70	2,759	\$1,931.30
Postage	\$0.53	2,759	\$1,462.27
NCOA/CASS/LACS Priot to Mailing	\$0.03	2,759	\$82.77
Skip Trace RUM	\$1.00	276	\$275.90
Undeliverable Processing	\$0.25	276	\$68.98
Remail Notice Packet	\$1.00	235	\$234.52
Remail Postage	\$0.53	235	\$124.29
Mailing Supervisor	\$50.00	1	\$50.00
Total			\$4,230.02

Call Center

Establish Case Specific Toll Free Number

Category	Unit Value	# of Units	Total
Customer Service Reps/Call Center Support	\$75.00	3	\$225.00
800 # Charges	\$0.10	180	\$18.00
Total			\$225.00



3194-C Airport Loop Drive
Costa Mesa, CA 92626
800-779-2104 www.simpluris.com

Administration

Process Mail, Opt-Outs or Objections

Category	Unit Value	# of Units	Total
Database Manager	\$125.00	2	\$250.00
Dispute/Deficiencies - Send One Cure Letter	\$3.50	3	\$9.66
Opt Out Processing	\$3.50	28	\$96.57
Data Entry	\$50.00	1	\$50.00
Project Manager	\$125.00	2	\$250.00
Weekly Reporting to Counsel	WAIVED	12 Wks of Reporting	\$0.00
Total			\$656.22

Distribution

Setup a Disbursement Account.

Print & Mail Checks to Class Members: W2's / 1099's - File Reports with Appropriate Federal & State Taxing Authorities

Account Management & Reconciliation

Category	Unit Value	# of Units	Total
Disbursement Data Preparation	\$140.00	4	\$560.00
Disbursement Manager - Data Validation	\$75.00	1	\$75.00
Setup Banking Account/QSF	\$750.00	1	\$750.00
Print & Mail Check	\$1.00	2,759	\$2,759.00
Postage	\$0.53	2,759	\$1,462.27
Process Returned Checks	\$0.50	28	\$13.80
Skip Trace Search Undeliverable Checks	\$5.00	28	\$137.95
Remail Checks (Includes Postage)	\$4.00	28	\$110.36
Individual Federal/State Tax Reporting	\$350.00	1	\$350.00
QSF Reporting/Declaration	\$300.00	1	\$300.00
QSF Annual Tax Preparation Fee	\$1,350.00	1	\$1,350.00
Reissuing Checks/Mailing	\$3.00	41	\$124.16
Postage	\$0.58	41	\$24.00
Disbursement Manager	\$125.00	3	\$375.00
Total			\$8,391.53



3194-C Airport Loop Drive
Costa Mesa, CA 92626
800-779-2104 www.simpluris.com

Case Wrap Up

Send Final Reports to Counsel

Category	Unit Value	# of Units	Total
Data Manager-Final Reporting	\$125.00	1	\$125.00
Clerical-Clean Up Any Misc	\$50.00	2	\$100.00
Project Manager-Wrap-up Final Issues	\$125.00	1	\$125.00
Total			\$350.00

Postage \$3,048.83 **Total Case Costs** **\$16,192.78**

All administration services to be provided by Simpluris to Client, are provided subject to the following terms and conditions:

1. **Services.** Simpluris agrees to provide Client those services set forth in the Bid (the "Services") to which these terms and conditions are attached and which has been provided to Client. As compensation for such Services, Client agrees to pay the fees for Services outlined in the Bid. However, Client such fees for Services are estimated based on the requirements provided by Client and actual fees charged by Simpluris may be greater or less than such estimate and Client will be responsible for the payment of all such fees.
2. **Billing and Payment.** Simpluris will invoice Client on a regular basis unless a specific timeframe is otherwise set forth in the Bid. Client shall pay all invoices within 30 days of receipt. Amounts unpaid after thirty (30) days are subject to a service charge at the rate of 1.5% per month or, if less, the highest rate permitted by law. Services are not provided on a contingency basis and Client shall remain liable to Simpluris for all fees for the Services, regardless of any court decisions, and/or actions by the parties, including disapproval or withdrawal of a settlement.
3. **Retention of Documents.** Unless directed otherwise in writing by the Client, Simpluris will destroy all undeliverable mail (except for undeliverable checks) on the date that it is processed and retained in Simpluris' system. Simpluris will maintain records to establish that the subject mail is undeliverable. Simpluris will retain undeliverable checks until the Qualified Settlement Fund is closed. Simpluris will also retain all other class member and putative class member correspondence (including without limitation, claims forms and opt out forms) for one year after final distribution of funds or benefits, or until the date that the disposition of the case is no longer subject to appeal or review, whichever is later. Lastly, Simpluris will retain bank & tax documents for such period of time as it determines is required to maintain compliance with various federal and state requirements.
4. **Limitation of Liability; Disclaimer of Warranties.** Simpluris warrants that it will perform the Services diligently, with competence and reasonable care. Simpluris' only obligation will be to correct any non-conformance with the foregoing warranty. In no event will Simpluris be liable for any lost profits/opportunities, business interruption or delay or, special, consequential, or incidental damages incurred by Client relating to the performance of the Services, regardless of whether Client's claim is for breach of contract, tort (including negligence and strict liability) or otherwise. Under no circumstances will Simpluris be liable to Client for any claims, losses, costs, penalties, fines, judgment or damages, including court costs and reasonable attorney's fees (collectively, "Losses"), whether direct or indirect, arising out of, related to, or in connection with Services in an amount in excess of the total fees charged or chargeable to Client for the particular portion of the Services affected by Simpluris' omission or error. THE WARRANTIES SET FORTH IN THIS SECTION ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE.
5. **Force Majeure.** To the extent performance by Simpluris of any of its obligations hereunder is substantially prevented by reason of any act of God or because of any other matter beyond Simpluris' reasonable control, then such performance shall be excused and this Agreement, at Simpluris' option, be deemed suspended during the continuation of such condition and for a reasonable time thereafter.
6. **Rights in Data.** Client agrees that it will not obtain, nor does Simpluris convey, any rights of ownership in the programs, system data, or materials provided or used by Simpluris in the performance of the Services.
7. **Electronic Communications.** During the provision of the Services the parties may wish to communicate electronically with each other at a business e-mail address. However, the electronic transmission of information cannot be guaranteed to be secure or error free and such information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete or otherwise be adversely affected or unsafe to use. Accordingly, each party agrees to use commercially reasonable procedures to check for the then most commonly known viruses and to check the integrity of data before sending information to the other electronically, but each party recognizes that such procedures cannot be a guarantee that transmissions will be virus free. It remains the responsibility of the party receiving an electronic communication from the other to carry out a virus check on any attachments before launching any documents whether received on disk or otherwise.
8. **Notice.** Any notice required or permitted hereunder shall be in writing and shall be delivered personally, by, or sent by registered mail, postage prepaid, or overnight courier and shall be deemed given when so delivered personally, or, if mailed, five days after the date of deposit in United States mail, or, if sent by courier, one business day after delivery to such courier service. Notice should be addressed to an officer or principal of Client and Simpluris, as the case may be.
9. **Waiver.** Failure or delay on the part of a party to exercise any right, power or privilege hereunder shall not operate as a waiver thereof or any of other subject, right, power or privilege.
10. **Termination.** Client may terminate the Services at anytime upon 30 days prior written notice to Simpluris. Termination of Services shall in no event relieve Client of its obligation make any payments due and payable to Simpluris in respect of Services rendered up to the effective date of Termination. Simpluris may terminate this Agreement (i) for any reason upon no less than 90 days prior written notice to the Client; or (ii) upon 15 calendar days' prior written notice, if the Client is not current in payment of fees.
11. **Jurisdiction.** The parties hereto irrevocably and unconditionally submit to the jurisdiction of the Court of the applicable case for purposes of any suit, action or proceeding to enforce any provision of, or based on any right arising out of, this Agreement. The parties hereto hereby irrevocably and unconditionally waive any objection to the laying of venue of any such suit, action or proceeding in such Court.
12. **Survival.** Any remedies for breach of this Agreement, this Section and the following Sections will survive any expiration or termination of this Agreement: Section 4 - Limitation of Liability; Disclaimer of Warranties, Section 6 - Rights in Data, and Section 12- Jurisdiction, 14 -Confidentiality, and Section 15 - Indemnification.
13. **Entire Agreement.** These Terms and Conditions and the proposal embody the entire agreement between the parties with respect to the subject matter hereof, and cancels and supersedes all prior negotiations, representations, and agreements related thereto, either written or oral, except to the extent they are expressly incorporated herein. No changes in, additions to, or waivers of, the terms and conditions set forth herein will be binding upon any party, unless approved in writing by such party's authorized representative.
14. **Confidentiality.** Simpluris maintains reasonable and appropriate safeguards to protect the confidentiality and security of data provided by Client to Simpluris in connection with the Services. If, pursuant to a court order or other proceeding, a third party requests that Simpluris to disclose any confidential data provided by or for Client, Simpluris will promptly notify the Client unless prohibited by applicable law. Client will then have the option to provide Simpluris with qualified legal representation at Client's expense to defend against such request. If, pursuant to a court order, Simpluris is required to disclose data, produce documents, or otherwise act in contravention of the obligation to maintain confidentiality set forth in these terms and conditions, Simpluris will not be liable for breach of said obligation.
15. **Indemnification.** Client will indemnify and hold Simpluris (and the officers, employees, affiliates and agents harmless against any Losses incurred by Simpluris, arising out of, in connection with, or related to (i) any breach of the terms by Client; (ii) the processing and handling of any payment by Simpluris in accordance with Client's instructions, including without limitation, the imposition of any stop payment or void payment on any check or the wrongful dishonor of a check by Simpluris pursuant to Client's instructions.
16. **Severability.** If any term or condition or provisions of this Agreement shall be held to be invalid, illegal, unenforceable or in conflict with the law of any jurisdiction, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.
17. **Database Administration.** Simpluris' database administration for Client assumes that Client will provide complete data that includes all information required to send notifications and calculate and mail settlement payments. Data must be provided in a complete, consistent, standardized electronic format. Simpluris' standardized format is Microsoft Excel, however, Simpluris may accept other formats at its discretion. Further developments or enhancements to non-standardized data will be billed to Client by Simpluris on a time and materials basis according to Simpluris' Standard Rates.

Simpluris Security Summary – White Paper

Simpluris is committed to the security and overall protection of not only our data and information but our client's data and information, as well. As a demonstration of our commitment, we maintain SOC 2 Certification which requires strict adherence to policies and procedures surrounding information security, including processing and storage of confidential customer data. Simpluris supports a comprehensive, written Information Security Program that complies with all applicable laws and regulations (e.g. HIPAA, Gramm-Leach-Bliley Act, MA 201 CMR 17.00) and is designed to (a) ensure the security, privacy and confidentiality of Client and Class Member Information, (b) protect against any reasonably anticipated threats or hazards to the security or integrity of Client or Class Member Information, and (c) protect against unauthorized access to, use, deletion, or modification of Class Member Information. Simpluris has designated specific employees to be responsible for the administration of its Information Security Program. Also, Simpluris regularly and routinely monitors, tests, and updates our Information Security Program.

Simpluris uses Client and Class Member Information only for the purposes for which its' clients provide it, as described in any Agreements or Court Orders governing the provision of Simpluris' services in any particular case. Simpluris maintains a process for identifying, assessing, and mitigating the risks to Class Member Information in each relevant area of Simpluris' operations. At Simpluris, we continuously evaluate the effectiveness of the safeguards for controlling these risks to data and bank accounts. Simpluris restricts access to Class Member Information only to those employees, agents, or subcontractors who need to know the information to perform their jobs. Simpluris performs background checks of all its employees that will have access to Sensitive Personal Information, including a review of their references, employment eligibility, education, and criminal history to ensure they do not pose a risk to the security of Client or Class Member Information.

Simpluris adheres to the following industry best practices to safeguard its systems which process, store or transmit Client and Class Member Information:

- Identity and Access Management;
- Complex passwords are routinely and regularly changed;
- Role-based access control systems to limit individual employee access to network applications and systems based on their particular job role and function;
- Data Loss Prevention and Intrusion Prevention System software at multiple layers to prevent from internal and external threats of data leaks, malicious activity, and policy violations
- Encryption of Class Member Information if transmitted over public or wireless networks (e.g., via email, FTP, the Internet, etc.);
- Implementation of a Secure File Transfer system (using SSL encryption) for transmitting documents back and forth to clients;
- Encryption of servers, portable media, laptops, desktops, smartphones, mobile devices, and new technologies that store Class Member Information;
- Complex password authentication for remote access to Company's networks;
- Upon hire and annually after that, training of all employees with access to Class Member Information, (including any agents, and subcontractors with access to Class Member Information) about their obligations to implement the Information Security Program;
- Strict disciplinary measures for employees who violate the Information Security Program;
- Preventing terminated employees from accessing Class Member Information;
- Appropriately configured and updated firewall, antivirus, and spyware software;
- Prompt application of vendor-recommended security patches and updates to systems and other applications to avoid any adverse impact on Class Member Information;
- Separation of Duties;
- Infrastructure and Physical Security;
- Business Continuity Planning;
- Disaster Recovery Planning

1 **PROOF OF SERVICE**

2 STATE OF CALIFORNIA)
3) ss
4 COUNTY OF LOS ANGELES)

5 I am employed in the county of Los Angeles, State of California. I am over the age of 18
6 and not a party to the within action; my business address is 1055 West Seventh Street, Suite
7 1880, Los Angeles, California 90017. On February 23, 2023, I served the foregoing document
8 described as:

9 **STIPULATION OF SETTLEMENT AND [PROPOSED] ORDER APPROVING**
10 **SETTLEMENT OF PLAINTIFF'S CLAIMS FOR CIVIL PENALTIES UNDER PAGA**

11 X by placing ____ the original X a true copy thereof enclosed in sealed envelope(s)
12 addressed as follows:

13 Stacey E. James, Bar No. 185651
14 sjames@littler.com

15 Noah J. Woods, Bar No. 264823
16 nwoods@littler.com

17 **LITTLER MENDELSON, P.C.**

18 501 W. Broadway, Suite 900 San Diego, California 92101.3577

19 Telephone: 619.232.0441

20 Fax No.: 619.232.4302

21 *Attorneys for Defendants UNIVERSAL HEALTH SERVICES OF RANCHO SPRINGS, INC.*

22 [✓] **BY U.S. MAIL:** I deposited such envelope in the mail at Los Angeles, California. The
23 envelope was mailed with postage thereon fully prepaid. I am "readily familiar" with the
24 firm's practice of collection and processing correspondence for mailing. Under that
25 practice it would be deposited with U.S. postal service on that same day with postage
26 thereon fully prepaid at Los Angeles, California in the ordinary course of business. I am
27 aware that on motion of the party served, service is presumed invalid if postal
28 cancellation date or postage meter date is more than one day after date of deposit for
mailing in affidavit.

29 X (State) I declare under penalty of perjury under the laws of the State of California
30 that the above is true and correct.

31 Executed on February 23, 2023, at Los Angeles, California.

32 Janelle Jickain

33 Name

34 
35 Signature