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SUPERIOR COURT OF CALIFORNIA
COUNTY OF RIVERSIDE

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SUPERIOR COURT OF CALIFORNIA
COUNTY OF RIVERSIDE

JAMES LOZANO and LETICIA VEGA
LOPEZ, individually and on behalf of a
class of similarly situated individuals,

Plaintiffs,

v.

UNIVERSAL HEALTH SERVICES OF
RANCHO SPRINGS, INC. and
SOUTHWEST HEALTHCARE SYSTEM,
a business entity, form unknown, and
DOES 1 - 100, inclusive,

Defendants.

Case No. RIC1607778 [CLASS ACTION-
DESIGNATED COMPLEX]

[ASSIGNED FOR ALL PURPOSES TO THE
HON. SUNSHINE S. SYKES, DEPARTMENT
6]

DATE: 9-19-19

TIME: 8:30 A.M.

DEPT.: 6

**[PROPOSED] ORDER APPROVING THE
PAGA SETTLEMENT, AND DISMISSING
ALL CLAIMS ASSERTED IN THE
OPERATIVE COMPLAINT WITH
PREJUDICE**

Trial Date: Not Set
Complaint Filed: June 23, 2015

ORDER GRANTING APPROVAL OF PAGA SETTLEMENT

This matter having come before the Court on Plaintiff's Motion for Approval of PAGA Settlement, and determining that the Settlement is fair, adequate, reasonable, and otherwise being fully informed and good cause appearing therefor, it is hereby **ORDERED, ADJUDGED, AND DECREED AS FOLLOWS:**

1 1. This Order incorporates the Modified Stipulation of PAGA Representative Action
2 Settlement and Release, attached hereto as **Exhibit 1**. Unless otherwise provided herein, all
3 capitalized terms used herein shall have the same meaning as defined in the Settlement Agreement.
4 The Court has jurisdiction over the subject matter of this lawsuit and all matters relating thereto, and
5 over all parties to the Action.

6 2. The Court finds that the Settlement has been reached as a result of serious and non-
7 collusive, arm's-length negotiations. The Court has considered the nature of the claims, the procedural
8 history of this case including the appellate proceedings resulting in a decision by the California
9 Supreme Court, the amounts to be paid in settlement, the involvement of an experienced private
10 mediator to facilitate the Settlement, the allocation of settlement proceeds among the Affected
11 Employees, and the fact that a settlement represents a compromise of the Parties' respective positions
12 rather than the result of a finding of liability at trial. The Court hereby finds the Settlement involves
13 the resolution of a bona fide dispute, was entered into in good faith, and is fair, reasonable, and
14 adequate. The Court therefore approves the Settlement as set forth in the Settlement Agreement and
15 directs the Parties to effectuate the Settlement according to the terms outlined in the Settlement
16 Agreement.

17 3. As of the Effective Date, the Plaintiff and Affected Employees and the State of
18 California shall be bound by the Releases set forth in the Settlement Agreement. Specifically, upon
19 the Effective Date, Plaintiffs, all Affected Employees and the State of California will release and be
20 forever barred from pursuing against the Released Parties (as defined in the Settlement Agreement)
21 any PAGA claims that were actually alleged or that could have been alleged against the Released
22 Parties based on the facts stated in the original, amended and/or operative complaint(s), including all
23 PAGA claims for alleged violations of Labor Code sections 201, 202, 203, 204, 226, 226.7, 512,
24 1194.2, 1197, and 1197.1 and for any claim under the PAGA for: (a) failure to pay minimum wages;
25 (b) liquidated damages; (c) failure to pay overtime wages; (d) failure to pay wages due to unlawful
26 rounding; (d) failure to provide meal periods or compensation in lieu thereof; (e) failure to provide
27 rest breaks or compensation in lieu thereof; (f) failure to timely pay wages at termination of
28 employment; and (g) failure to provide accurate itemized wage statements. This release shall be

1 effective as to all of Plaintiff's PAGA claims for the period from May 2, 2015 through the date of this
2 Order approving the Settlement.

3 4. To the extent that the Settlement Agreement contains a 1542 Waiver, such waiver is
4 limited only to the PAGA Claims identified in paragraph 3, and does not extend to other claims not
5 identified.

6 5. Neither the Settlement nor any of the terms set forth in the Settlement Agreement are
7 admissions by Defendant, or any of the other Released Parties, of liability on any of the allegations
8 alleged in the Action, nor is this Order a finding of the validity of any claims in the Action, or of any
9 wrong doing by the Defendant, or any of the other Released Parties.

10 6. The Court finds that Plaintiff's Counsel has adequately represented the Plaintiff and
11 Affected Employees for purposes of entering into and implementing the Settlement.

12 7. Pursuant to the terms of the Settlement, the PAGA Penalties Fund of Sixty-Three
13 Thousand Five Hundred Dollars (\$63,500) plus any un-awarded Settlement Administration Costs, to
14 be allocated as follows, is hereby granted. Seventy-Five Percent (75%) of the PAGA Penalties Fund,
15 or Forty Seven Thousand Six Hundred Twenty Five Dollars (\$47,625) plus Seventy-Five Percent
16 (75%) of any un-awarded Settlement Administration Costs, will be paid to the LWDA, and the
17 remaining Twenty-Five Percent (25%), or Fifteen Thousand Eight Hundred Seventy Five Dollars
18 (\$15,875) plus Twenty-Five Percent (25%) of any un-awarded Settlement Administration Costs, will
19 be paid to all Affected Employees on a pro-rata basis (based on number of work weeks worked
20 between May 2, 2015 through the date of this Order approving the Settlement) to each such Affected
21 Employee.

22 8. Pursuant to the terms of the Settlement, Attorneys' Fees and Costs in the total amount
23 of Thirty-Three Thousand Dollars (\$33,000.00) as final payment for and complete satisfaction of any
24 and all attorneys' fees and expenses incurred by and/or owed to Plaintiff's Counsel is hereby granted.

25 9. Pursuant to the terms of the Settlement, third-party administration fees that are
26 necessary to administer the Settlement up to a maximum payment of Three Thousand Five Hundred
27 Dollars (\$3,500) is hereby granted.

1 10. Defendant will not be required to pay any additional amounts in connection with the
2 Settlement other than those amounts specifically set forth in the Settlement Agreement and this Order.

3 11. With respect to Plaintiff, any and all disputes and claims alleged in the Action and any
4 and all claims released in the Settlement Agreement, including the claims in the Action and any other
5 Released Claims as set forth in paragraphs 32 to 33 of the Settlement Agreement, are hereby dismissed
6 with prejudice.

7 12. The terms of the Settlement Agreement, and this Order, are binding on the Plaintiff and
8 the Affected Employees, as well as their heirs, executors, administrators, successors, and assigns, and
9 those terms shall have *res judicata* and other preclusive effect in all pending and future claims, lawsuits
10 or other proceedings maintained by or on behalf of any such persons, to the extent those claims,
11 lawsuits or other proceedings constitute Released Claims as set forth in the Settlement Agreement.

12 13. Neither this Order nor the Settlement Agreement (nor any other document referred to
13 herein, nor any action taken to carry out this Order) is, may be construed as, or may be used as, an
14 admission or concession by or against Defendant or the Released Parties of the validity of any claim
15 or actual or potential fault, wrongdoing, or liability. Entering into or carrying out the Settlement
16 Agreement, and any negotiations or proceedings related to it, shall not be considered as, or deemed
17 evidence of, an admission or concession as to Defendant's denials or defenses and shall not be offered
18 or received in evidence in any action or proceeding against any party hereto in any court,
19 administrative agency or other tribunal for any purpose whatsoever, except as evidence of the
20 Settlement or to enforce the provisions of this Order and the Settlement Agreement; provided,
21 however, that this Order and the Settlement Agreement may be filed in any action against or by
22 Defendant or the Released Parties to support a defense of *res judicata*, collateral estoppel, release,
23 waiver, good-faith settlement, judgment bar or reduction, full faith and credit, or any other theory of
24 claim preclusion, issue preclusion or similar defense or counterclaim.

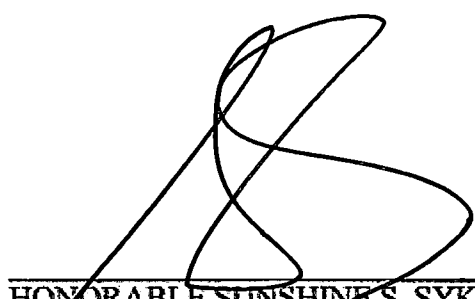
25 14. This dismissal does not extend to individual, non-representative claims.

26 15. The Court reserves exclusive and continuing jurisdiction over the lawsuit for the
27 purposes of supervising the implementation, enforcement, construction, administration, and
28 interpretation of the Settlement Agreement and this Order.

1
2 **IT IS SO ORDERED.**

3
4 Dated: _____

9/19/19



HONORABLE SUNSHINE S. SYKES
JUDGE OF THE SUPERIOR COURT

EXHIBIT 1

STEPHEN M. HARRIS, ESQ.
stephen@smh-legal.com
LAW OFFICE OF STEPHEN M. HARRIS, P.C.
6320 Canoga Avenue, Suite 1500
Woodland Hills, CA 91367
Telephone: 818.924.3103
Facsimile: 818.924.3079

(Additional Counsel on Next Page)

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JAMES LOZANO AND LETICIA VEGA LOPEZ

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Attorneys for Defendants
UNIVERSAL HEALTH SERVICES OF RANCHO
SPRINGS, INC. and SOUTHWEST HEALTHCARE
SYSTEM

SUPERIOR COURT OF CALIFORNIA
COUNTY OF RIVERSIDE

JAMES LOZANO and LETICIA VEGA
LOPEZ, individually and on behalf of a
class of similarly situated individuals,

Plaintiffs,

v.

UNIVERSAL HEALTH SERVICES OF
RANCHO SPRINGS, INC. and
SOUTHWEST HEALTHCARE SYSTEM,
a business entity, form unknown, and
DOES 1 - 100, inclusive,

Defendants.

Case No. RIC1607778

ASSIGNED FOR ALL PURPOSES TO DEPT.
10 (FORMERLY JUDGE SHARON J.
WATERS)

**STIPULATION OF PAGA
REPRESENTATIVE ACTION
SETTLEMENT AND RELEASE**

Trial Date: Not Set
Complaint Filed: June 23, 2015

1 (ADDITIONAL COUNSEL)

2 ROBERT L. STARR, ESQ.

3 robert@starrlaw.com

4 THE LAW OFFICES OF ROBERT L. STARR, APC

5 23901 Calabasas Road, Suite 2072

6 Calabasas, CA 91302

7 Telephone: 818.225.9040

8 Facsimile: 818.225/9042

9 Attorneys for Plaintiffs

10 JAMES LOZANO AND LETICIA VEGA LOPEZ

1 **STIPULATION OF PAGA REPRESENTATIVE ACTION SETTLEMENT AND RELEASE**

2 This Stipulation of Private Attorneys General Act of 2004 ("PAGA") Representative Action Settlement
3 and Release ("Settlement" or "Settlement Agreement") is made and entered into by and between Plaintiffs
4 James Lozano ("Lozano") and Leticia Vega Lopez ("Lopez") (collectively, "Plaintiffs") and Defendants
5 Universal Health Services of Rancho Springs, Inc. and Southwest Healthcare Systems (collectively
6 "Defendants"), subject to the terms and conditions hereof and the approval of the Superior Court of the State of
7 California for the County of Riverside ("Court"). Plaintiffs enter into this Settlement Agreement on behalf of
8 themselves and all non-exempt respiratory therapists who worked for Defendants in California at any time
9 during the period from May 22, 2015 through the date the Court approves this Settlement and dismisses the
10 action in its entirety.

11 **A. Definitions**

12 1. "Action" means the case entitled *James Lozano and Leticia Vega Lopez, individually and on*
13 *behalf of a class of similarly situated individuals v. Universal Health Services of Rancho Springs, Inc. and*
14 *Southwest Healthcare System, a business entity, form unknown, and DOES 1 - 100, inclusive*, Case No.
15 RIC1607778, pending in the Superior Court of the State of California for the County of Riverside.

16 2. "Affected Employees" means Plaintiffs James Lozano and Leticia Vega Lopez, and all non-
17 exempt Respiratory Therapists who worked for Defendants in California at any time during the period from
18 May 22, 2015 through the date the Court approves this Settlement and dismisses the action in its entirety.

19 3. "Attorneys' Fees and Costs" means such award of fees and costs to be paid to Plaintiffs'
20 Counsel for the services they have rendered and will render to the Affected Employees in the Action, subject
21 to Court approval.

22 4. "Defendants' Counsel" means Littler Mendelson, P.C.

23 5. "Effective Date" of the Settlement means the date the Court's Order granting approval of this
24 Settlement, and dismissing all claims asserted in the operative complaint with prejudice becomes final and is
25 no longer appealable. For purposes of this Settlement, "becomes final and is no longer appealable" shall mean
26 upon the later of: (i) the day after the last date by which a notice of appeal to the applicable Court of Appeal of
27 the order approving this PAGA Settlement may be timely filed (i.e., 61 days from entry), and none is filed; (ii)
28 if an appeal is filed, and the appeal is finally disposed of by ruling, dismissal, denial, or otherwise, the day after

1 the last date for filing a request for further review of the order approving this Settlement passes, and no further
2 review is requested; or (iii) if an appeal is filed and there is a final disposition by ruling, dismissal, denial, or
3 otherwise by the Court of Appeal, and further review of the order approving this PAGA Settlement is requested,
4 the day after the review is finally dismissed or denied with prejudice and/or no further review of the order can
5 be requested.

6 6. "Individual Settlement Payment" means the portion of the PAGA Penalties Fund allocated to
7 each Affected Employee.

8 7. "Maximum Settlement Amount" means the amount of One Hundred Thousand Dollars
9 (\$100,000) that Defendants would pay if the Court approves this Settlement and the Effective Date occurs. The
10 Maximum Settlement Amount will be used to pay: (a) the PAGA Penalties Fund to the California Labor and
11 Workforce Development Agency ("LWDA") and Affected Employees; (b) the award of Attorneys' Fees and
12 Costs to Plaintiffs' Counsel; and (c) Settlement Administration Costs.

13 8. "Mediator" means Francis J. Ortman III.

14 9. "Notice" means the form of notice that will be sent to each Affected Employee accompanying
15 their Individual Settlement Payments, which should be substantially in the form attached hereto as Exhibit A.

16 10. "PAGA Penalties Fund" means the amount from the Maximum Settlement Amount which
17 shall be allocated to pay all applicable penalties under PAGA to the LWDA, as well as the Individual Settlement
18 Payments allocated to each Affected Employee.

19 11. "Plaintiffs' Counsel" means Law Office of Stephen M. Harris, P.C. and The Law Offices of
20 Robert L. Starr, APC.

21 12. "Released Claims" means any PAGA claims that were actually alleged or that could have been
22 alleged against the Released Parties based on the facts stated in the original, amended and/or operative
23 complaint(s), including all PAGA claims for alleged violations of Labor Code sections 201, 202, 203, 204,
24 226, 226.7, 512, 1194.2, 1197, and 1197.1 and for any claim under the PAGA for: (a) failure to pay minimum
25 wages; (b) liquidated damages; (c) failure to pay overtime wages; (d) failure to pay wages due to unlawful
26 rounding; (d) failure to provide meal periods or compensation in lieu thereof; (e) failure to provide rest breaks
27 or compensation in lieu thereof; (f) failure to timely pay wages at termination of employment; and (g) failure
28 to provide accurate itemized wage statements. This release shall be effective as to all of Plaintiff's PAGA

1 claims for the period from May 2, 2015 through the date of this Order approving the Settlement..

2 13. "Released Parties" means Defendants and their subsidiaries, affiliates, parents, and attorneys,
3 and their respective successors and predecessors in interest, all of their respective officers, directors, employees,
4 administrators, fiduciaries, trustees, beneficiaries and agents, and each of their past, present and future officers,
5 directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants,
6 insurers and reinsurers.

7 14. "Settlement" means the terms and conditions set forth in this Settlement Agreement.

8 15. "Settlement Administrator" means Simpluris, Inc., subject to Court approval.

9 16. "Settlement Administration Costs" means the amount from the Maximum Settlement Amount
10 which shall be allocated to the Settlement Administrator for services rendered in administering the Settlement,
11 not to exceed Three Thousand Five Hundred Dollars (\$3,500.00), subject to Court approval.

12 17. "Settlement Period" means the period from May 22, 2015 through approval of the settlement
13 agreement by the Court

14 18. "Settlement Approval" means the settlement approval order that will be entered by the Court,
15 which should be substantially in the form attached hereto as Exhibit B.

16 19. "1542 Waiver" means an express waiver, to the fullest extent permitted by law, of the
17 provisions, rights and benefits of Section 1542 of the California Civil Code, or any other similar provision under
18 federal or state law, which Section provides:

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

22 This waiver is limited only to the PAGA Claims identified in paragraph 12, and does not extend
23 to other claims not identified.

24 **B. Procedures for Obtaining Settlement Approval and Notifying the LWDA**

25 20. Plaintiffs' Counsel will request a hearing before the Court to seek approval of the Settlement
26 on a mutually available date as soon as reasonably practicable. In conjunction with such hearing, Plaintiffs'
27 Counsel will present this Settlement Agreement to the Court and will request that the Court issue a Settlement
28 Approval order approving and incorporating by reference the terms and conditions of the Settlement

1 Agreement.

2 21. Defendants agree not to oppose Plaintiffs' motion for Settlement Approval unless the motion
3 is inconsistent with the terms set forth in this Settlement Agreement.

4 22. Plaintiffs shall provide the requisite notice of this Settlement to the LWDA at the same time
5 that they request Settlement Approval from the Court.

6 **C. Settlement Administrator**

7 23. The Parties will retain Simpluris, Inc. as the third-party Settlement Administrator to administer
8 this Settlement. The Settlement Administrator will be responsible for establishing a qualified settlement fund
9 ("QSF") and issuing payments and appropriate tax forms to Affected Employees, the LWDA, and Plaintiffs'
10 Counsel.

11 **D. Distribution of Settlement Proceeds**

12 24. The Settlement shall have three components: (a) the PAGA Penalties Fund; (b) Attorneys'
13 Fees and Costs; and (c) Settlement Administration Costs. All of these components are included in the
14 Maximum Settlement Amount. All amounts to be paid by Defendants shall be paid to the QSF, which shall be
15 administered by the Settlement Administrator. All amounts to be paid to anyone pursuant to this Settlement
16 Agreement shall be paid out of the QSF.

- 17 a. **PAGA Penalties Fund.** The Parties agree that Defendants will pay a total of Sixty Three
18 Thousand Five Hundred Dollars (\$63,500), plus any un-awarded Settlement Administration
19 Costs, to Affected Employees and the LWDA in full satisfaction of all claims for PAGA civil
20 penalties under the California Labor Code, Wage Orders, regulations, and/or other provisions
21 of law alleged to have been violated in the original, amended and/or operative complaint(s)
22 with respect to Affected Employees. Pursuant to PAGA, Seventy-Five Percent (75%) of the
23 PAGA Penalties Fund, or Forty Seven Thousand Six Hundred Twenty Five Dollars (\$47,625)
24 plus Seventy-Five Percent (75%) of any un-awarded Settlement Administration Costs, will be
25 paid to the LWDA, and the remaining Twenty-Five Percent (25%), or Fifteen Thousand Eight
26 Hundred Seventy Five Dollars (\$15,875) plus Twenty-Five Percent (25%) of any un-awarded
27 Settlement Administration Costs, will be paid to all Affected Employees on a pro-rata basis
28 (based on number of work weeks worked) to each such Affected Employee.

1 b. Attorneys' Fees and Costs. In full satisfaction of all claims Plaintiffs may have for attorneys'
2 fees, litigation costs, and expenses arising out of the Action, the Parties agree that Defendants
3 will pay Plaintiffs' Counsel a total of Thirty Three Thousand Dollars (\$33,000), which is thirty
4 three percent (33%) of the Maximum Settlement Amount, in Attorneys' Fees and Costs.
5 Defendants agree not to oppose Plaintiffs' application for Attorneys' Fees and Costs not to
6 exceed this sum. The Attorneys' Fees and Costs to be awarded to Plaintiffs are subject to the
7 approval of the Court and will be paid only from the Maximum Settlement Amount. Any
8 portion of the Attorneys' Fees and Costs not awarded to Plaintiffs' Counsel will be retained by
9 Defendants.

10 c. Settlement Administration Costs. Defendants shall pay for third-party administration fees that
11 are necessary to administer the Settlement up to a maximum payment of Three Thousand Five
12 Hundred Dollars (\$3,500). Any Settlement Administration Costs not awarded by the Court
13 will be added to the PAGA Penalties Fund.

14 **E. Distribution of Settlement Proceeds**

15 25. List of Affected Employees. Within sixty (60) calendar days after the Effective Date,
16 Defendants will provide the Settlement Administrator a complete list of all Affected Employees ("Affected
17 Employee List"). The Affected Employee List will include each Affected Employees' full name; most recent
18 mailing address on file; Social Security number, and weeks worked.

19 26. Funding of the Settlement. Within sixty (60) calendar days after the Effective Date, Defendants
20 will deposit the PAGA Penalties Fund, Attorneys' Fees and Costs, and Settlement Administration Costs into
21 the QSF to be established by the Settlement Administrator. Within twenty-five (25) business days after the
22 Effective Date, the Settlement Administrator will issue payments to: (a) Affected Employees; (b) the LWDA;
23 (c) Plaintiffs' Counsel; and (d) itself. The Settlement Administrator, and not Defendants, will issue the
24 appropriate tax forms for all payments issued under this Settlement.

25 27. Settlement Payments to Affected Employees. The Settlement Administrator will issue each
26 Affected Employee a check for his or her share of the PAGA Penalties Fund along with an explanatory Notice.
27 Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address
28 Database for information to update and correct for any known or identifiable address changes. Any checks

1 returned as non-deliverable on or before the check cashing deadline will be sent promptly via regular First Class
2 U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement
3 Administrator will promptly attempt to determine the correct address using a skip trace, or other search using
4 the name, address or Social Security number of the Affected Employee involved, and will then perform a single
5 re-mailing. Individual Settlement Payment checks will remain negotiable for 180 calendar days, and Affected
6 Employees will have 180 calendar days from the date of the mailing to cash their Individual Settlement Payment
7 checks. If an Affected Employee's check is returned to the Settlement Administrator with a forwarding address
8 provided by the United States Postal Service, the Settlement Administrator will promptly resend the check to
9 that Affected Employee to that address, but this re-mailing will not extend the 180-day period to cash a check.

10 28. Failure to cash Individual Settlement Payment checks within 180 calendar days of mailing will
11 result in Affected Employees forfeiting their right to share in the settlement proceeds. Funds represented by
12 Individual Settlement Payment checks returned as undeliverable and those Individual Settlement Payment
13 checks remaining un-cashed for more than 180 days after issuance will be tendered to The Public Justice
14 Foundation within fourteen (14) calendar days from the date on which Affected Employees' checks become
15 void.

16 29. No advance notice of the Settlement will be mailed to Affected Employees, nor will Affected
17 Employees be given an opportunity to exclude themselves from the Settlement or to object to the Settlement.

18 30. All Individual Settlement Payments to Affected Employees will be treated as civil penalties
19 and thus miscellaneous income for which an IRS Form 1099 will be issued.

20 31. No person shall have any claim against Defendants, Defendants' Counsel, Plaintiffs, the
21 Affected Employees, or Plaintiffs' Counsel based on mailings, distributions, and payments made in accordance
22 with this Settlement.

23 **F. Release by Affected Employees**

24 32. As of the Effective Date, Plaintiffs, the State of California and all Affected Employees release
25 the Released Parties from the Released Claims. The Released Claims include a 1542 Waiver, limited to the
26 Released Claims. The Affected Employees' Released Claims shall be effective as to all claims set forth herein
27 for the period from May 22, 2015 through the date the Court approves this Settlement and dismisses the action
28 in its entirety.

1 33. Affected Employees may discover facts in addition to those they now know or believe to be
2 true with respect to the subject matter of the Affected Employees' Released Claims, but upon the Effective
3 Date, Affected Employees shall be deemed to have, and by operation of the Settlement Approval order shall
4 have, fully, finally, and forever settled and released any and all of the Affected Employees' Released Claims,
5 without regard to the subsequent discovery or existence of such different or additional facts. Affected
6 Employees agree not to sue or otherwise make a claim against any of the Released Parties that seeks recovery
7 for any of the Affected Employees' Released Claims. It is the intent of the Parties that the Settlement Approval
8 order entered by the Court shall have full *res judicata* effect and be final and binding upon Affected Employees
9 regarding the Affected Employees' Released Claims.

10 **G. Additional Settlement Terms and Conditions**

11 34. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
12 Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this
13 Settlement after arm's-length negotiations by experienced counsel with the assistance of the Mediator. The
14 Parties further acknowledge that they are each represented by competent counsel and that they have had an
15 opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement.

16 35. Denial of Liability. The Parties expressly recognize that the making of this Settlement
17 Agreement does not in any way constitute an admission or concession of liability, culpability, negligence or
18 wrongdoing on the part of Defendants or any of the other Released Parties. The Parties hereto have entered
19 into this Settlement with the intention of avoiding further disputes and litigation with the attendant risk,
20 inconvenience and expenses. Nothing in this Settlement, nor any action taken in implementation thereof, nor
21 any statements, discussions or communications, nor any materials prepared, exchanged, issued or used during
22 the course of this Action, is intended by the Parties to, nor will any of the foregoing constitute, be introduced,
23 be used or be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum
24 or proceeding, as evidence of any violation of any federal, state, or local law, statute, ordinance, regulation, rule
25 or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this Settlement
26 Agreement may be used in any proceeding in the Court that has as its purpose the interpretation,
27 implementation, or enforcement of the Settlement or any orders or judgments of the Court entered into in
28 connection therewith.

1 36. No Credit Toward Benefit Plans. Payments to Affected Employees as referenced herein will
2 not be utilized to calculate any additional benefits under any benefit plans to which any Affected Employee
3 may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase
4 plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention
5 that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Affected
6 Employee may be entitled under any benefit plans.

7 37. No Tax Advice: Plaintiffs' Counsel and Defendant's Counsel do not intend this Settlement
8 Agreement to constitute legal or tax advice regarding any federal, state or local tax issue. To the extent that this
9 Settlement Agreement, or any of its Exhibits, are interpreted to contain or constitute advice regarding any
10 federal, state or local tax issue, such advice is not intended or written to be used, and cannot be used, by any
11 person for the purpose of avoiding any tax liability or penalties. The tax issues for Plaintiffs and each Affected
12 Employee are unique to him or her, and Plaintiffs and each Affected Employee are advised to obtain tax advice
13 from his or her own tax advisor with respect to any payments resulting from this Settlement.

14 38. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant that they
15 have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber
16 to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released
17 and discharged.

18 39. Nullification of Settlement Agreement. In the event that: (i) the Court does not approve the
19 Settlement as provided herein; or (ii) the Settlement does not become final for any other reason, then this
20 Settlement Agreement, and any documents generated to bring it into effect, will be null and void, and the Parties
21 will be returned to their original respective positions.

22 40. Judgment and Continued Jurisdiction. After entry of the Settlement Approval order, the Court
23 will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of
24 the terms of the Settlement, (ii) settlement administration matters, and (iii) such post-approval matters as may
25 be appropriate under court rules or as set forth in this Settlement.

26 41. Entire Agreement. This Settlement Agreement, including the Exhibits attached hereto,
27 constitutes the entirety of the Parties' settlement terms. All prior or contemporaneous agreements,
28 understandings, representations and statements, whether oral or written and whether by a Party of such Party's

1 legal counsel, including the Memorandum of Understanding between the Parties, are merged herein.

2 42. Confidentiality. Plaintiffs and Plaintiffs' Counsel agree to discuss the terms of this Settlement
3 only in settlement papers submitted to the Court or at the hearing on Plaintiffs' request for Settlement Approval.
4 Plaintiffs and Plaintiffs' Counsel agree to keep the terms of this Settlement completely confidential. Plaintiffs
5 and Plaintiffs' Counsel agree not to otherwise publicize this Settlement, including, but not limited to, issuing
6 press releases, posting summaries, or otherwise speaking to the press regarding the terms of this Settlement. If
7 Plaintiffs or Plaintiffs' Counsel are contacted by members of the press, they will respond only that the matter
8 was amicably resolved.

9 43. Amendment or Modification. This Settlement Agreement may be amended or modified only
10 by a written instrument, signed by either the Parties or their successors-in-interest or counsel for all Parties.

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

20 45. Binding on Successors and Assigns. This Settlement Agreement will be binding upon, and
21 inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

22 46. California Law Governs. All terms of this Settlement Agreement and the Exhibits attached
23 hereto will be governed by and interpreted according to the laws of the State of California, regardless of its
24 conflict of laws.

25 47. Execution and Counterparts. This Settlement Agreement is subject only to the execution of all
26 Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed
27 counterparts and each of them, including facsimile and scanned copies of the signature page, will be deemed to
28 be one and the same instrument.

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

4 49. Captions. The captions and section and paragraph numbers in this Settlement Agreement are
5 inserted for the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the
6 provisions of this Settlement Agreement.

7 50. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement or
8 failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a
9 further waiver by such Party of the same or any other condition, covenant, right or remedy.

10 51. Enforcement Action. In the event that one or more of the Parties institutes any legal action or
11 other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare
12 rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from
13 the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in
14 connection with any enforcement actions.

15 52. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
16 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed more
17 strictly against one Party merely by virtue of the fact that it may have been prepared by counsel for one of the
18 Parties, it being recognized that, because of the arm's-length negotiations between the Parties, all Parties have
19 contributed to the preparation of this Settlement Agreement.

20 53. Representation By Counsel. The Parties acknowledge that they have been represented by
21 counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that this
22 Settlement Agreement has been executed with the consent and advice of counsel, and reviewed in full.

23 54. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good faith
24 and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement
25 Agreement.

26 55. Binding Agreement. The Parties warrant that they understand and have full authority to enter
27 into this Settlement, and further intend that this Settlement Agreement will be fully enforceable and binding on
28 all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms,

1 notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

2 56. Stay. The Parties shall ask the Court to stay this Action pending Settlement Approval and
3 issuance of an order. The Parties further requests that the Court order that no Affected Employee may prosecute
4 any of the claims alleged in the Action on behalf of Defendant's employees employed between May 22, 2015
5 and the date the Court approves this Settlement and dismisses the action in its entirety.

6 **PLEASE READ CAREFULLY. THIS AGREEMENT CONTAINS A
7 GENERAL RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS.**

8 **PLAINTIFFS ACKNOWLEDGE AND AGREE THAT THEY HAVE BEEN ADVISED THAT
9 THIS AGREEMENT IS A BINDING AND LEGAL DOCUMENT. PLAINTIFFS FURTHER
10 AGREE THAT THEY HAVE BEEN ADVISED TO SEEK LEGAL ADVICE REGARDING
11 ALL ITS ASPECTS, AND THAT IN EXECUTING THIS AGREEMENT PLAINTIFFS HAVE
12 ACTED VOLUNTARILY AND HAVE NOT RELIED UPON ANY REPRESENTATION
13 MADE BY THE DEFENDANTS OR ANY OF ITS EMPLOYEES OR REPRESENTATIVES
14 REGARDING THIS AGREEMENT'S SUBJECT MATTER AND/OR EFFECT.
15 PLAINTIFFS HAVE READ AND FULLY UNDERSTAND THIS AGREEMENT AND
16 VOLUNTARILY AGREE TO ITS TERMS.**

17 **AGREED AND UNDERSTOOD:**

18 **PLAINTIFFS**

19 Dated: 9-10-19

20 
Plaintiff JAMES LOZANO

21 Dated: _____

22 Plaintiff LETICIA VEGA LOPEZ

23 **DEFENDANTS**

24 Dated: _____

25 UNIVERSAL HEALTH SERVICES OF RANCHO
26 SPRINGS, INC.

27 By: _____

28 Dated: _____

SOUTHWEST HEALTHCARE SYSTEM

By: _____

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15 **PLAINTIFFS HAVE READ AND FULLY UNDERSTAND THIS AGREEMENT AND**
16 **VOLUNTARILY AGREE TO ITS TERMS.**

17 **AGREED AND UNDERSTOOD:**

18 **PLAINTIFFS**

19 Dated: _____

20 Plaintiff JAMES LOZANO

21 Dated: 9/10/19

22 Plaintiff LETICIA VEGA LOPEZ

23 **DEFENDANTS**

24 Dated: _____

25 UNIVERSAL HEALTH SERVICES OF RANCHO
26 SPRINGS, INC.

27 By: _____

28 Dated: _____

SOUTHWEST HEALTHCARE SYSTEM

By: _____

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17 **AGREED AND UNDERSTOOD:**

18 **PLAINTIFFS**

19 Dated: _____

20 Plaintiff JAMES LOZANO

21 Dated: _____

22 Plaintiff LETICIA VEGA LOPEZ

23 **DEFENDANTS**

24 Dated: 09.13.2019

25 Bradley D. Neet

26 UNIVERSAL HEALTH SERVICES OF RANCHO
27 SPRINGS, INC.

28 By: Bradley D. Neet

Dated: 09.13.2019

Bradley D. Neet

SOUTHWEST HEALTHCARE SYSTEM

By: Bradley D. Neet

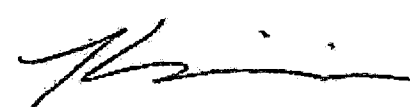
1 APPROVED AS TO FORM AND PARAGRAPH 42:

2
3
4 Dated: 9-13-19


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Attorneys for Plaintiffs
JAMES LOZANO and LETICIA VEGA LOPEZ

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6
7 APPROVED AS TO FORM:

8
9 Dated: 9-13-19


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SPRINGS, INC. and SOUTHWEST HEALTHCARE
SYSTEM

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SERVICE LIST

Lozano, et.al. v. United Health Services of Rancho Springs, Inc., et.al.
Case No. RIC1607778

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