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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN BERNARDINO

LAUREN NESTOR, and SANDRA
GUADALUPE ORTEGA, as aggrieved
employees, and on behalf of all other
aggrieved employees under the Labor Code
Private Attorneys' General Act of 2004,

Plaintiffs,

v.

REDLANDS COMMUNITY HOSPITAL, a
California corporation; and DOES 1 through
100, inclusive,

Defendant.

CASE NO.: CIVSB2327089

[Assigned to the Hon. Wilfred J. Schneider,
Jr. in Dept. S32]

PAGA SETTLEMENT AGREEMENT

Action Filed: October 27, 2023

Trial Date: None set

1 This PAGA Settlement Agreement (“Settlement,” “Agreement” or “Settlement
2 Agreement”) is made by and between Plaintiffs Lauren Nestor and Sandra Guadalupe Ortega
3 (collectively, “Plaintiffs”), individually and on behalf of the Aggrieved Employees; and
4 defendant Redlands Community Hospital (“Defendant”). The Agreement refers to Plaintiffs and
5 Defendant collectively as “Parties,” or individually as “Party.”

6 **1. DEFINITIONS**

7 **1.1. “Action”** means *Lauren Nestor, et al. v. Redlands Community Hospital*, Case No.
8 Case No. CIVSB2327089 initiated on October 27, 2023, in the Superior Court of the State of
9 California, County of San Bernardino.

10 **1.2. “Administrator”** means ILYM Group, Inc., the neutral entity the Parties have
11 agreed to appoint to administer the Settlement.

12 **1.3. “Administration Expenses Payment”** means the amount the Administrator will
13 be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in
14 accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection
15 with approval of this Settlement.

16 **1.4. “Aggrieved Employee”** means all current and former non-exempt employees of
17 Defendant in the State of California who worked for Defendant at any time during the PAGA
18 Period.

19 **1.5. “Aggrieved Employee Data”** means Aggrieved Employee identifying
20 information in Defendant’s possession including the Aggrieved Employee’s name, last-known
21 mailing address, Social Security number, and hire date, termination date (as applicable) and re-
22 hire date (as applicable).

23 **1.6. “Aggrieved Employee Address Search”** means the Administrator’s
24 investigation and search for current Aggrieved Employees’ mailing addresses using all
25 reasonably available sources, methods and means, including, but not limited to, the National

1 Change of Address database, skip traces and direct contact by the Administrator with Aggrieved
2 Employees.

3 **1.7. “Approval Order”** means the Court Order Granting Approval of PAGA
4 Settlement.

5 **1.8. “Court”** means the Superior Court of California, County of San Bernardino.

6 **1.9. “Defendant”** means the named Defendant, Redlands Community Hospital.

7 **1.10. “Defense Counsel”** means Derek R. Havel and Emily A. Papania of Sheppard,
8 Mullin, Richter & Hampton, LLP.

9 **1.11. “Effective Date”** means the date by when both of the following have occurred:
10 (a) the Court enters a Judgment on its Order Approving the PAGA Settlement and (b) the
11 Judgment is final. The Judgment is final as of the latest of the following occurrences: (i) if no
12 objections to the settlement are filed, no third party intervenes, and the LWDA does not comment
13 on the settlement, the day the Court enters Judgment; (ii) if any objection to the Settlement is
14 filed, any party intervenes, or the LWDA comments on the settlement, but no appeal of the
15 Judgment is filed, the day after the deadline for filing a notice of appeal from the Judgment; (iii)
16 if there is an appeal of the Court’s Judgment, the latest of the date the Judgment is affirmed on
17 appeal and a remittitur is issued, the date of dismissal of such appeal, or the expiration of the time
18 to file a petition for writ of certiorari to the California Supreme Court; or (iv) if a petition for writ
19 of certiorari to the California Supreme Court is filed, the date of denial of the petition for writ of
20 certiorari, or the date the Judgment is affirmed in the event the petition is granted.

21 **1.12. “Gross Settlement Amount”** means One Million One Hundred Thousand
22 Dollars and Zero Cents (\$1,100,000.00), which is the total amount Defendant agrees to pay under
23 the settlement, except as provided in Paragraph 8.1 below. The Gross Settlement Amount will be
24 used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees
25

1 Payment, PAGA Counsel Litigation Expenses Payment and the Administrator's Expenses
2 Payment.

3 **1.13. "Individual PAGA Payment"** means the Aggrieved Employee's pro rata share
4 of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved
5 Employee worked during the PAGA Period.

6 **1.14. "Judgment"** means the judgment entered by the Court based upon the final
7 Approval Order.

8 **1.15. "LWDA"** means the California Labor and Workforce Development Agency, the
9 agency entitled under Labor Code section 2699, subd. (i).

10 **1.16. "LWDA PAGA Payment"** means the 75% of the PAGA Penalties paid to the
11 LWDA under Labor Code section 2699, subd. (i).

12 **1.17. "Net Settlement Amount"** means the Gross Settlement Amount, less the
13 following payments in the amounts approved by the Court: PAGA Counsel Fees Payment, PAGA
14 Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The
15 remainder is the Net Settlement Amount to be paid as PAGA Penalties.

16 **1.18. "PAGA Counsel"** means David D. Bibiyan and Vedang J. Patel of Bibiyan Law
17 Group, P.C. The term "PAGA Counsel" shall be used synonymously with the term "Plaintiffs'
18 Counsel."

19 **1.19. "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses**
20 **Payment"** mean the amounts allocated to PAGA Counsel for reimbursement of reasonable
21 attorneys' fees and expenses, respectively, incurred to prosecute the Action.

22 **1.20. "PAGA Pay Period" or "Pay Period"** means any Pay Period during which an
23 Aggrieved Employee worked for Defendant during the PAGA Period, based on hire dates,
24 termination dates (if applicable) and re-hire dates (if applicable).

1 **1.21. “PAGA Period”** means the period from August 23, 2022, through November 15,
2 2024.

3 **1.22. “PAGA”** means the Private Attorneys General Act (Labor Code §§ 2698. *et seq.*).

4 **1.23. “PAGA Notice”** means Plaintiffs’ June 14, 2023 letter to Defendant and the
5 LWDA providing notice pursuant to Labor Code section 2699.3, subd. (a).

6 **1.24. “PAGA Penalties”** means the total amount of PAGA civil penalties to be paid
7 from the Net Settlement Amount, allocated 25% to the Aggrieved Employees and the 75% to
8 LWDA in settlement of PAGA claims.

9 **1.25. “Plaintiffs”** means Lauren Nestor and Sandra Guadalupe Ortega, the named
10 Plaintiffs in the Action.

11 **1.26. “Released PAGA Claims”** means the claims settled, fully released, and forever
12 discharged by the LWDA and the PAGA Representative Group, including Plaintiffs, constituting
13 any and all claims, debts, liabilities, demands, actions, or causes of action for civil penalties that
14 were alleged or which could have been alleged against the Released Parties based on the factual
15 allegations in Plaintiffs’ June 14, 2023 exhaustion letter to the LWDA and/or the operative
16 Complaint or other pleadings in the Action

17 **1.27. “Released Parties”** means the Defendant Redlands Community Hospital and
18 each of its past, present and future agents, employees, servants, officers, directors, partners,
19 trustees, representatives, shareholders, stockholders, attorneys, parents, subsidiaries, equity
20 sponsors, related companies/corporations and/or partnerships, divisions, assigns, predecessors,
21 successors, insurers, consultants, service providers, joint venturers, joint employers, co-
22 employers, dual employers, alleged joint employers, alleged co-employers, alleged dual
23 employers, affiliates, alter-egos, and affiliated organizations, and all of their respective past,
24 present and future employees, directors, officers, agents, attorneys, stockholders, fiduciaries,
25 parents, subsidiaries, and assigns.

1 **1.28. “Settlement”** means the disposition of the Action effected by this Agreement
2 and the Judgment.

3 **2. RECITALS**

4 **2.1.1.** On June 14, 2023, Plaintiffs filed with the LWDA and served on Defendant the
5 PAGA Notice under Labor Code section 2699.3 stating Plaintiffs intended to serve as a proxy of
6 the LWDA to recover civil penalties on behalf of Aggrieved Employees for alleged Labor Code
7 violations.

8 **2.2.** On August 2, 2023, after sixty-five (65) days had passed without any action by
9 the LWDA with respect to the alleged Labor Code violations, Plaintiffs filed a representative
10 action Complaint under PAGA against Defendant for the Labor Code violations set out in the
11 PAGA Notice. The Complaint is the operative complaint in the Action (the “Operative
12 Complaint.”).

13 **2.3.** On October 2, 2024, the parties participated in an all-day mediation presided over
14 by Gig Kyriacou, Esq., which lead to the present settlement of Plaintiffs’ claims in the Action.

15 **2.4.** Prior to mediation, Defendant agreed to informally produce: (1) purported
16 arbitration agreements signed by the Plaintiffs; (2) employee handbooks and applicable policies
17 in effect during the relevant time period; (3) time and payroll records for employees through the
18 date of mediation; (4) data points, including, the number of Aggrieved Employees during the
19 PAGA Period, the number of PAGA Pay Periods in the PAGA Period, and the number of
20 separated employees through the date of mediation; and (5) all documents related to Plaintiffs’
21 employment with Defendant. Based on these records and analysis conducted with the aid expert
22 data consultants, Plaintiffs’ counsel was able to extrapolate pertinent data for Aggrieved
23 Employees during the PAGA Period.

1 **2.5.** The Parties, PAGA Counsel, and Defense Counsel represent that they are not
2 aware of any other pending matter or action asserting claims that will be extinguished or affected
3 by the Settlement.

4 **3. MONETARY TERMS**

5 **3.1. Gross Settlement Amount.** Except as otherwise provided by Paragraph 8.1
6 below, Defendant promise to pay \$1,100,000.00 and no more as the Gross Settlement Amount.
7 Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in
8 Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement
9 Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of
10 payment. None of the Gross Settlement Amount will revert to Defendant.

11 **3.2. Payments from the Gross Settlement Amount.** The Administrator will make
12 and deduct the following payments from the Gross Settlement Amount, in the amounts specified
13 by the Court in the final Approval Order:

14 **3.2.1 To PAGA Counsel:** A PAGA Counsel Fees Payment of not more than
15 one-third (1/3) of the Gross Settlement Amount, which is currently
16 estimated to be \$366,666.67 and PAGA Counsel Litigation Expenses
17 Payment of not more than \$35,000.00. Defendant will not oppose requests
18 for Court approval of these payments provided that they do not exceed
19 these amounts. Plaintiffs and/or PAGA Counsel will file an application or
20 motion for PAGA Counsel Fees Payment and PAGA Litigation Expenses
21 Payment. If the Court approves a PAGA Counsel Fees Payment and/or a
22 PAGA Counsel Litigation Expenses Payment less than the amounts
23 requested, the Administrator will allocate the remainder to the Net
24 Settlement Amount. Released Parties shall have no liability to PAGA
25 Counsel or any other Plaintiffs' Counsel arising from any claim to any

1 portion any PAGA Counsel Fees Payment and/or PAGA Counsel
2 Litigation Expenses Payment. The Administrator will pay the PAGA
3 Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment
4 using one or more IRS 1099 Forms. PAGA Counsel assumes full
5 responsibility and liability for taxes owed on the PAGA Counsel Fees
6 Payment and the PAGA Counsel Litigation Expenses Payment and holds
7 Defendant harmless, and indemnifies Defendant, from any dispute or
8 controversy regarding any division or sharing of any of these Payments.

9 **3.2.2 To the Administrator:** An Administrator Expenses Payment not to
10 exceed \$10,950.00 except for a showing of good cause and as approved by
11 the Court. To the extent the Administration Expenses are less or the Court
12 approves payment less than \$10,950.00, the Administrator will retain the
13 remainder in the Net Settlement Amount.

14 **3.2.3 To the LWDA and Aggrieved Employees:** PAGA Penalties in the
15 amount of \$687,383.33 to be paid from the Net Settlement Amount, with
16 75% (\$515,537.50) allocated to the LWDA PAGA Payment and 25%
17 (\$171,845.83) allocated to the Individual PAGA Payments.

18 **3.2.3.1** The Administrator will calculate each Individual PAGA Payment
19 by (a) dividing the amount of the Aggrieved Employees' 25% share
20 of PAGA Penalties (\$171,845.83) by the total number of PAGA
21 Period Pay Periods worked by all Aggrieved Employees during the
22 PAGA Period and (b) multiplying the result by each Aggrieved
23 Employee's PAGA Period Pay Periods. Aggrieved Employees
24 assume full responsibility and liability for any taxes owed on their
25

Individual PAGA Payment. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. **SETTLEMENT FUNDING PAYMENTS**

4.1. Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendant estimate there are 2,300 Aggrieved Employees who worked a total of 73,800 PAGA Pay Periods during the PAGA Period.

4.2. Aggrieved Employee Data. Within 14 days of the Effective Date, Defendant will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employees' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.3. Funding of Gross Settlement Amount. Within thirty (30) days after the Effective Date, Defendant, through the Administrator, will deposit the Gross Settlement into an account. At no time will Defendant have any obligation to fund the settlement, in whole or in part, prior to the deadlines set forth herein.

4.4. Payments from the Gross Settlement Amount. Within 7 days after Defendant fully funds the Gross Settlement Amount, the Administrator will mail checks for all Individual

1 PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, and the
2 PAGA Counsel Litigation Expenses Payment. Disbursement of the PAGA Counsel Litigation
3 Expenses Payment shall not precede disbursement of Individual PAGA Payments.

4 **4.4.1.** The Administrator will issue checks for the Individual PAGA Payments
5 and send them to the Aggrieved Employees via First Class U.S. Mail,
6 postage prepaid. The face of each check shall prominently state the date
7 (not less than 180 days after the date of mailing) when the check will be
8 voided. The Administrator will cancel all checks not cashed by the void
9 date. Before mailing any checks, the Settlement Administrator must update
10 the recipients' mailing addresses using the National Change of Address
11 Database.

12 **4.4.2.** The Administrator must conduct an Aggrieved Employee Address Search
13 for all Aggrieved Employees whose checks are returned undelivered
14 without USPS forwarding address. Within 3 days of receiving a returned
15 check, the Administrator must re-mail checks to the USPS forwarding
16 address provided or to an address ascertained through the Aggrieved
17 Employee Address Search. The Administrator need not take further steps
18 to deliver checks to Aggrieved Employees whose re-mailed checks are
19 returned as undelivered. The Administrator shall promptly send a
20 replacement check to any Aggrieved Employee whose original check was
21 lost or misplaced, requested by the Aggrieved Employee prior to the void
22 date.

23 **4.4.3.** For any Aggrieved Employee whose Individual PAGA Payment check is
24 uncashed and cancelled after the void date, the Administrator shall
25

transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

4.4.4. The payment of Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Aggrieved Employees may be entitled under any benefit plans.

5. RELEASES OF CLAIMS

Effective on the date when Defendant fully funds the entire Gross Settlement Amount, Plaintiffs, PAGA Counsel, and to the extent permitted by law, the Aggrieved Employees, will release claims against all Released Parties as follows:

5.1. Release of PAGA Claims. The LWDA and the State of California, by and through Plaintiffs as agents and proxies of the LWDA, and to the extent permitted by law, Plaintiffs and all Aggrieved Employees, release the Released Parties from all claims, rights, demands, liabilities and causes of action that arose during the PAGA Period for civil penalties under PAGA that were alleged, or reasonably could have been alleged, based on the factual allegations and legal assertions stated in the Operative Complaint and Plaintiffs' June 14, 2023 PAGA Notice, whether or not specifically delineated as a claim or case of action in the Action, including any and all claims for civil penalties based upon or arising out of allegations that Defendant, or any of the other Released Parties: failed to pay all wages due, including minimum wages for all hours worked; required or permitted employees to work off-the-clock, including but not limited to unpaid time waiting for entry/exit, security/bag checks, and communications with employees to discuss work matters when they were off-the-clock,

1 including claims for reporting time pay, split shift premiums, and/or reimbursements for cell
2 phone expenses; failed to pay overtime compensation; failed to provide meal periods and/or
3 authorize and permit rest periods and/or failed to pay proper meal or rest period penalties;
4 failed to keep accurate time and/or payroll records; failed to provide and maintain accurate
5 itemized wage statements; failed to timely pay wages during employment and/or due upon
6 separation of employment; failed to establish proper protocols with respect to sick employees;
7 as well as any claims arising under or based upon alleged violations of California Labor Code
8 sections 201-204, 225.5, 226, 226.3, 226.7, 512, 516, 558, 1182.12, 1194, 1194.2, 1197,
9 1197.1, 1198, 2698 et seq., 6400, 6401, 6402 and 6403 and the applicable California Industrial
10 Welfare Commission (“IWC”) Wage Order(s) during the PAGA Period. Upon approval of the
11 settlement, Plaintiffs and the Aggrieved Employees, including the LWDA, will be forever
12 barred from pursuing any and all PAGA Released Claims against the Released Parties.

13 **5.2. Release by PAGA Counsel:** PAGA Counsel release on behalf of their present
14 and former attorneys, employees, agents, successors and assigns the Released Parties from all
15 claims for PAGA Fees incurred in connection with the Operative Complaint and the PAGA
16 Period facts stated in the Operative Complaint and the PAGA Notice.

17 **6. MOTION OR APPLICATION FOR APPROVAL OF**
18 **SETTLEMENT**

19 The Parties agree to jointly prepare and file an application or motion for approval of this
20 Settlement.

21 **6.1. Plaintiffs’ Responsibilities.** Plaintiffs will prepare and deliver to Defense
22 Counsel all documents necessary for obtaining approval of this Settlement under Labor Code
23 Section 2699, subd. (f)(2) including (i) a draft proposed Order Granting Approval of PAGA
24 Settlement; (ii) a signed declaration from the Administrator attaching its “not to exceed” bid for
25 administering the Settlement and attesting to its willingness to serve; competency; operative

1 procedures for protecting the security of Aggrieved Employee Data; amounts of insurance
2 coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any
3 actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature
4 and extent of any financial relationship with Plaintiffs, PAGA Counsel or Defense Counsel; (iii)
5 a signed declaration from PAGA Counsel firm attesting to its timely transmission to the LWDA
6 of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd.
7 (a)), Operative Complaint (Labor Code section 2699, subd. (1)(1)), this Agreement (Labor Code
8 section 2699, subd. (1)(2)); and (iv) all facts relevant to any actual or potential conflict of interest
9 with Aggrieved Employees and/or the Administrator. In their Declarations, Plaintiffs and PAGA
10 Counsel shall aver that they are not aware of any other pending matter or action asserting claims
11 that will be extinguished or adversely affected by the Settlement.

12 **6.2. Responsibilities of PAGA Counsel.** PAGA Counsel and Defense Counsel are
13 jointly responsible for expeditiously finalizing and filing the application or motion for approval
14 of this Settlement after the full execution of this Agreement and, if necessary, obtaining a prompt
15 hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA
16 Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

17 **6.3. Duty to Cooperate.** If the Parties disagree on any aspect of the proposed
18 application or motion for approval of this Settlement and/or the supporting declarations and
19 documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of
20 the Parties by meeting and conferring, and in good faith, to resolve the disagreement. If the Court
21 does not grant the motion for approval of this Settlement or conditions its approval on any
22 material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work
23 together on behalf of the Parties by meeting and conferring, and in good faith, to modify the
24 Agreement and otherwise satisfy the Court's concerns. The Court's decision to award less than
25 the amounts requested for the PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses

1 Payment, and/or Administration Expenses Payment shall not constitute a material change to the
2 Agreement within the meaning of this paragraph.

3 **7. SETTLEMENT ADMINISTRATION**

4 **7.1. Selection of Administrator.** The Parties have jointly selected ILYM Group, Inc.
5 to serve as the Administrator and verified that, as a condition of appointment, ILYM Group, Inc.
6 agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this
7 Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel
8 represent that they have no interest or relationship, financial or otherwise, with the Administrator
9 other than a professional relationship arising out of prior experiences administering settlements.

10 **7.2. Employer Identification Number.** The Administrator shall have and use its own
11 Employer Identification Number for purposes of calculating payroll tax withholdings and
12 providing reports state and federal tax authorities.

13 **7.3. Qualified Settlement Fund.** The Administrator shall establish a settlement fund
14 that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury
15 Regulation section 468B-1.

16 **7.4. Administrator Duties.** The Administrator has a duty to perform or observe all
17 tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

18 **8. AGGRIEVED EMPLOYEE SIZE ESTIMATES and ESCALATOR**
19 **CLAUSE**

20 **8.1 Increase in the Gross Settlement Amount.** Based on its records, Defendant
21 represents that, as of October 1, 2024, there are approximately 2,300 employees who worked
22 approximately 73,800 Pay Periods during the PAGA Period. In the event the number of Pay
23 Periods worked during the PAGA Period increases by more than 10%, i.e., more than 81,180
24 total Pay Periods worked, then Defendant, at its option, can either choose to: (1) cut off the end
25 date for the PAGA Period as of the date on which the number of Pay Periods reaches 81,180; or

(2) increase the Gross Settlement Amount on a proportional basis equal to the percentage increase in the number of Pay Periods worked above the 10% increase (i.e., if there was an 11% increase in the number of Pay Periods during the PAGA Period, Defendant would agree to increase the Gross Settlement Amount by 1%).

9. CONTINUING JURISDICTION OF THE COURT

The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law. If an action is commenced to enforce this Agreement, the prevailing party will be entitled to recovery of reasonable attorney's fees for any time spent enforcing this judgment.

9.1 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties, their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals.

10. ADDITIONAL PROVISIONS

10.1. No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Defendant's defenses in the Action have merit. The Parties agree that representative treatment is

1 for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement,
2 Defendant reserve all available defenses to the claims in the Action, and Plaintiffs reserves the
3 right to contest Defendant' defenses. The Settlement, this Agreement and Parties' willingness to
4 settle the Action will have no bearing on, and will not be admissible in connection with, any
5 litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

6 **10.2. Integrated Agreement.** Upon execution by all Parties and their counsel, this
7 Agreement together with its attached exhibits shall constitute the entire agreement between the
8 Parties relating to the Settlement, superseding any and all oral representations, warranties,
9 covenants, or inducements made to or by any Party.

10 **10.3. Attorney Authorization.** PAGA Counsel and Defense Counsel separately
11 warrant and represent that they are authorized by Plaintiffs and Defendant, respectively, to take
12 all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement
13 to effectuate its terms, and to execute any other documents reasonably required to effectuate the
14 terms of this Agreement including any amendments to this Agreement.

15 **10.4. Cooperation.** The Parties and their counsel will cooperate with each other and
16 use their best efforts, in good faith, to implement the Settlement by, among other things,
17 modifying the Settlement Agreement, submitting supplemental evidence and supplementing
18 points and authorities as requested by the Court. In the event the Parties are unable to agree upon
19 the form or content of any document necessary to implement the Settlement, or on any
20 modification of the Agreement that may become necessary to implement the Settlement, the
21 Parties will seek the assistance of a mediator and/or the Court for resolution.

22 **10.5. No Prior Assignments.** The Parties separately represent and warrant that they
23 have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer,
24 or encumber to any person or entity and portion of any liability, claim, demand, action, cause of
25 action, or right released and discharged by the Party in this Settlement.

1 **10.6. No Tax Advice.** Neither Plaintiffs, PAGA Counsel, Defendant nor Defense
2 Counsel are providing any advice regarding taxes or taxability, nor shall anything in this
3 Settlement be relied upon as such within the meaning of United States Treasury Department
4 Circular 230 (31 CFR Part 10, as amended) or otherwise.

5 **10.7. Modification of Agreement.** This Agreement, and all parts of it, may be
6 amended, modified, changed, or waived only by an express written instrument signed by all
7 Parties or their representatives, and approved by the Court.

8 **10.8. Agreement Binding on Successors.** This Agreement will be binding upon, and
9 inure to the benefit of, the successors of each of the Parties.

10 **10.9. Applicable Law.** All terms and conditions of this Agreement and its exhibits will
11 be governed by and interpreted according to the internal laws of the state of California, without
12 regard to conflict of law principles.

13 **10.10. Cooperation in Drafting.** The Parties have cooperated in the drafting and
14 preparation of this Agreement. This Agreement will not be construed against any Party on the
15 basis that the Party was the drafter or participated in the drafting.

16 **10.11. Confidentiality.** To the extent permitted by law, all agreements made, and orders
17 entered during Action and in this Agreement relating to the confidentiality of information shall
18 survive the execution of this Agreement.

19 **10.12. Use and Return of Aggrieved Employee Data.** Information provided to PAGA
20 Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data
21 provided to PAGA Counsel by Defendant in connection with the mediation, other settlement
22 negotiations, or in connection with the Settlement, may be used only with respect to this
23 Settlement, and no other purpose, and may not be used in any way that violates any existing
24 contractual agreement, statute, or rule of court.

1 **10.13. Headings.** The descriptive heading of any section or paragraph of this Agreement
2 is inserted for convenience of reference only and does not constitute a part of this Agreement.

3 **10.14. Calendar Days.** Unless otherwise noted, all reference to “days” in this Agreement
4 shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a
5 weekend or federal legal holiday, such date or deadline shall be on the first business day
6 thereafter.

7 **10.15. Notice.** All notices, demands or other communications between the Parties in
8 connection with this Agreement will be in writing and deemed to have been duly given as of the
9 third business day after mailing by United States mail, or the day sent by email or messenger,
10 addressed as follows:

11 To Plaintiffs:

12 Bibiyon Law Group, P.C.

13 1460 Westwood Boulevard

14 Los Angeles, California 90024

15 To Defendant:

16 Sheppard, Mullin, Richter & Hampton, LLP

17 350 S. Grand Avenue, 40th Floor

18 Los Angeles, California 90071-3460

19 **10.16. Execution in Counterparts.** This Agreement may be executed in one or more
20 counterparts by facsimile, electronically (i.e. DocuSign, AdobeSign, or similar), or email which
21 for purposes of this Agreement shall be accepted as an original. All executed counterparts and
22 each of them will be deemed to be one and the same instrument if counsel for the Parties will
23 exchange between themselves signed counterparts. Any executed counterpart will be admissible
24 in evidence to prove the existence and contents of this Agreement.
25

1 **10.17. Stay of Litigation.** The Parties agree that upon the execution of this Agreement
2 the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further
3 agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the
4 date to bring a case to trial under CCP section 583.310 for the entire period of this settlement
5 process.

6 **10.18. Severability.** In the event that one or more of the provisions contained in this
7 Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such
8 invalidity, illegality, or unenforceability shall in no way effect any other provision if Defendant'
9 Counsel and PAGA Counsel, on behalf of the Parties and the Aggrieved Employees, mutually
10 elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been
11 included in this Agreement.

12 **10.19. No Press Releases/Advertisements.** Neither Plaintiffs nor PAGA Counsel shall
13 issue any press release or announcement of any kind related in any way to the Settlement.
14 Plaintiff and PAGA Counsel agree to limit their statements regarding the terms of the Settlement,
15 whether oral, written, or electronic (including the world wide web), to say the Action has been
16 resolved and that Plaintiff and PAGA Counsel are satisfied with the Settlement terms. Nothing
17 in this Section is intended to interfere with PAGA Counsel's duties and obligations to faithfully
18 discharge their duties as PAGA Counsel, including but not limited to: (1) as required by law; (2)
19 as required under the terms of the Settlement; and/or (3) as required under counsel's duties and
20 responsibilities as PAGA Counsel. This Settlement shall not be advertised or mentioned on any
21 source, including PAGA Counsel's personal or firm website.

22 **10.20. Acknowledgement that the Settlement is Fair and Reasonable.** The Parties
23 believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and
24 have arrived at this Settlement after arm's-length negotiations and in the context of adversarial
25 litigation, taking into account all relevant factors, present and potential. The Parties further

1 acknowledge that they are each represented by competent counsel and that they have had an
2 opportunity to consult with their counsel regarding the fairness and reasonableness of this
3 Settlement.

4 **10.21. Waiver.** No waiver of any condition or covenant contained in this Agreement or
5 failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or
6 constitute a further waiver by such party of the same or any other condition, covenant, right or
7 remedy.

8 **10.22. Binding Agreement.** Parties warrant that they understand and have full authority
9 to enter into this Settlement, intend that this Agreement will be fully enforceable and binding on
10 all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce
11 its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply
12 under federal or state law. Plaintiffs, and not their representative(s), must personally execute this
13 Agreement. An authorized officer of Defendant must execute this Agreement on behalf of
14 Defendant. This Agreement shall become binding and enforceable pursuant to California Code of
15 Civil Procedure section 664.6.

16 **IT IS SO AGREED:**

17
18 Lauren Nestor

19 Lauren Nestor (Jan 23, 2025 15:50 PST)

20 Plaintiff, Lauren Nestor

DocuSigned by:

Della Stange

DDBC87F6896D416...

For Defendant, Redlands Community Hospital

21 

22 Sandra Ortega (Jan 23, 2025 16:01 PST)

23 Plaintiff, Sandra Guadalupe Ortega

24 Vedang J. Patel

25 David D. Bibiyan



Derek R. Havel

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Vedang J. Patel
Counsel for Plaintiffs

Emily A. Papania
Counsel for Defendant