

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement” or “Settlement”) is made by and between plaintiffs Cecilia De La Pena, Rubin Vergara, and Joanna Hotagua (“Plaintiffs”) and defendant Children’s Hospital of Orange County (“CHOC”). The Agreement refers to Plaintiffs and CHOC collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiffs’ related lawsuits alleging wage and hour violations entitled *De La Pena v. Children’s Hospital of Orange County* (Super. Ct. Orange Cnty.), Case no. 30-2018-01014749 (“*De La Pena*”) initiated on August 27, 2018; *Vergara v. Children’s Hospital of Orange County* (Super. Ct. Orange Cnty.) initiated on August 18, 2020, Case no. 30-2020-01155679 (“*Vergara*”); and *Hotagua v. Children’s Hospital of Orange County* (Super. Ct. Orange Cnty.) initiated on November 17, 2021, Case no. 30-2021-01232190 (“*Hotagua*”) all pending in Orange County Superior Court.
- 1.2. “Administrator” means [Phoenix or CPT or Atticus], the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4. “Class” means all persons who are Settlement Class Members who were employed at any time from December 16, 2015 for employees paid on a 12-hour per day schedule (“12 Hour Employees”) and from August 18, 2016 for all other hourly employees (“Non-12 Hour Employees”), through the date of Preliminary Approval of the Class Settlement or a sooner date per the procedure set forth in paragraph 8.1 below, at Defendant’s option.
- 1.5. “Class Counsel” means The Myers Law Group, APC; Jackson Law APC; and Aegis Law Firm, PC.
- 1.6. “Class Counsel Fees Payment” means the attorneys’ fees paid to compensate Class Counsel for their services rendered, and to be rendered, to Plaintiffs, the Settlement Class and the PAGA Employees in connection with the Action. The Class Counsel Fee Payment is not to exceed one-third (33.33334%) of the Gross Settlement Amount (\$10,000,000.00), i.e. the sum of Three Million Three Hundred Thirty-Three Thousand Three Hundred Thirty-Three Dollars and Thirty-Three Cents (\$3,333,333.33).
- 1.7. “Class Counsel Litigation Expenses Payment” means the amount allocated to Class Counsel for reimbursement of reasonable expenses and costs incurred to prosecute the Action. The Class Counsel Litigation Expenses Payment is not to exceed not to exceed Eighty Thousand Dollars and Zero Cents (\$80,000.00).

- 1.8. “Class Data” means a database containing the following information: (1) the full name, and last known address and full social security number or date of birth of all Settlement Class Members; and (2) the information necessary to determine the estimated settlement allocation to each Class Member, including without limitation, the total number of workweeks worked by each Class Member and the total number of pay periods worked by each PAGA Employee within the relevant PAGA Period.
- 1.9. “Class Member” or “Settlement Class Member” means all current and former nonexempt, hourly-paid employees of Defendant, employed in California at any time from December 16, 2015 for employees paid on a 12-hour per day schedule (“12 Hour Employees”) and from August 18, 2016 for all other hourly employees (“Non-12 Hour Employees”), through the date of Preliminary Approval of the Class Settlement or a sooner date per the procedure set forth in paragraph 8.1 below, at Defendant’s option.
- 1.10. “Class Member Address Search” Means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.11. “Class Notice” means the Court approved Notice of Class Action Settlement and Hearing Date For Final Court Approval to be mailed to Class Members in English and Spanish in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.12. “Class Period” means the time period from December 16, 2015, through the date of Preliminary Approval of the Class Settlement or a sooner date per the procedure set forth in paragraph 8.1 below, at Defendant’s option.
- 1.13. “Class Representative” means the named Plaintiffs in the consolidated complaint in the Action seeking Court approval to serve as a Class Representative.
- 1.14. “Class Representative Service Payments” means the payments to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.15. “Court” means the Superior Court of California, County of Orange.
- 1.16. “CHOC” or “Defendant” means Defendant Children’s Hospital of Orange County.
- 1.17. “Defense Counsel” means:

LITTLER MENDELSON, PC
Stacey E. James, Esq.
Luis E. Lorenzana, Esq.
JEFFER MANGELS BUTLER & MITCHELL LLP
Marta M. Fernandez, Esq.
Travis M. Gemoets, Esq.

- 1.18. “Effective Date” means the later of the following events: five calendar days after the period for filing any appeal, writ, or other appellate proceeding opposing Final Approval has elapsed without any appeal, writ, or other appellate proceeding having been filed, i.e., 65 days from the date the court grants final approval; or, if any appeal, writ, or other appellate proceeding opposing Final Approval has been filed, five business days after any appeal, writ, or other appellate proceedings opposing the Settlement has finally and conclusively been dismissed with no right to pursue further remedies or relief. No funding of the Settlement shall occur until at least fifteen (15) calendar days after the Effective Date.
- 1.19. “Excluded Related Cases” means *Nguyen v. Children’s Hospital of Orange County* (Super. Ct. Orange Cnty.), Case no. 30-2023-01299735-CU-OE-CXC, initiated on January 3, 2023 (“*Nguyen*”) and *Guerrero v. Children’s Hospital of Orange County* (Super. Ct. Orange Cnty.), Case no. 30-2023-01324697-CU-OE-CXC, initiated on May 11, 2023 (“*Guerrero*”). *Nguyen* and *Guerrero* are related to the Action, but are not affected by this Agreement.
- 1.20. “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.21. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.22. “Gross Settlement Amount” means Ten Million Dollars and Zero Cents (\$10,000,000.00) to resolve the claims of the Settlement Class Members and the Action. With the exception of Defendant’s share of employment taxes, which shall be paid separately by Defendant, the Gross Settlement Amount will include all payments to be made to Settlement Class Members, the Labor and Workforce Development Agency (“LWDA”), the PAGA Employees, the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment (as approved by the Court), Administration Expenses Payment, and the Class Representative Service Payments. In no event shall Defendant be liable for the payment of any amounts exceeding the Gross Settlement Amount with the exception of the employer’s share of payroll taxes due and payable as a result of this Settlement, which shall be paid separately from the Gross Settlement Amount, and pursuant to the escalator provision provided herein.
- 1.23. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount based on Workweeks during the Class Period as calculated by the formula in paragraph 8.1.
- 1.24. “Individual PAGA Payment” means the PAGA Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.
- 1.25. “Judgment” means the judgment entered by the Court based upon the Final Approval.

- 1.26. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.27. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under the Labor Code section 2699, subd. (i).
- 1.28. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.29. “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.30. “Operative Complaint” means the Second Amended Complaint.
- 1.31. “PAGA Employee” means All persons who are members of the Class who were employed by CHOC at any time during the PAGA Period.
- 1.32. “PAGA Pay Period” means any Pay Period during which an PAGA Employee worked for CHOC for at least one day during the PAGA Period.
- 1.33. “PAGA Period” means the time period from September 27, 2017 through the date of Preliminary Approval of the Class Settlement or a sooner date per the procedure set forth in paragraph 8.1 below, at Defendant’s option.
- 1.34. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.35. “PAGA Notice” or “PAGA Notices” mean Plaintiff De La Pena’s September 27, 2018 letter to CHOC and the LWDA, Plaintiff Vergara’s August 21, 2020 letter to CHOC and the LWDA and Plaintiff Hotagua’s November 17, 2021 letter to CHOC and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.36. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the PAGA Employees (\$70,000) and the 75% to the LWDA (\$210,000) in settlement of PAGA claims.
- 1.37. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.38. “Plaintiffs” means Cecilia De La Pena, Rubin Vergara, and Joanna Hotagua, collectively the named plaintiffs in the Action.
- 1.39. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.

- 1.40. “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.41. “Released Class Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.42. “Released PAGA Claims” means the claims being released as described in Paragraph 5.4 below.
- 1.43. “Released Parties” means: CHOC and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.
- 1.44. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.45. “Response Deadline” means 45 days after the Administrator mails Notice to Class Members and PAGA Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.
- 1.46. “Settlement” or “Agreement” means this Class Action and PAGA Settlement Agreement as made by and between Plaintiffs and Defendant.
- 1.47. “Workweek” means any week during which a Class Member worked for CHOC for at least one day, during the Class Period.

2. RECITALS.

- 2.1 On August 27, 2018, Plaintiff De La Pena commenced her action by filing a Complaint alleging causes of action against CHOC for (1) failure to pay overtime and double time wages, (2) failure to provide meal periods, (3) failure to provide rest periods, (4) failure to pay all wages due at separation, (5) failure to provide accurate wage statements, and (6) unfair competition. On January 1, 2019 Plaintiff De La Pena filed a First Amended Complaint alleging a cause of action against CHOC for Private Attorney’s General Act claims.

On August 18, 2020, Plaintiff Vergara commenced his action by filing a Complaint alleging causes of action against CHOC for (1) failure to pay minimum wages, (2) failure to pay overtime wages, (3) failure to pay timely wages, (4) failure to unlawfully receive wages, (5) failure to provide meal breaks, (6) failure to provide rest periods, (7) failure to provide and maintain accurate wage statements and records, and (8) unlawful business practices. On November 17, 2020, Plaintiff Vergara filed a First Amended Complaint

adding a waiting time penalties cause of action. On February 22, 2021, Plaintiff Vergara filed a Second Amended Complaint adding a PAGA cause of action.

On November 17, 2021, Plaintiff Hotagua commenced her action by filing a Complaint alleging causes of action against CHOC for (1) failure to pay minimum wages, (2) failure to pay overtime wages, (3) failure to provide meal periods; (4) failure to permit rest breaks; (5) failure to reimburse business expenses; (6) failure to provide accurate itemized wage statements; (7) failure to pay all wages due upon separation of employment; and (8) violation of Business and Professions Code §§ 17200. On March 19, 2022, Plaintiff Vergara filed a First Amended Complaint alleging a cause of action against CHOC for Private Attorney's General Act claims.

- 2.2 Pursuant to Labor Code section 2699.3, subd.(a), Plaintiffs gave timely written notice to CHOC and the LWDA by sending the PAGA Notices.
- 2.3 On December 13, 2022 and January 19, 2023, the Parties participated in an all-day mediation presided over by Hon. Ann I. Jones (Ret.) which led to this Agreement to settle the Action.
- 2.4 Prior to mediation, Plaintiffs obtained through formal and informal discovery, documents including time keeping records and pay records, the personnel files for Plaintiffs, policy documents (meal and rest period policies, overtime policies, Employee Handbooks etc.), Alternative Workweek Schedule election documents, payroll and timekeeping data, Plaintiff De La Pena conducted four (4) depositions that included Defendant's Person(s) Most Qualified, Plaintiff De La Pena was deposed, Plaintiff De La Pena served multiple sets of Special Interrogatories and Requests for Production of Documents and received responses for the same, Plaintiff De La Pena filed multiple motions to compel discovery, Plaintiff De La Pena responded to Defendant's written discovery request, Plaintiff De La Pena successfully opposed a Motion for Summary Judgment, and Plaintiff De La Pena successfully obtained a Writ of Mandate against the granting of summary adjudication. Plaintiffs' investigation and litigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").
- 2.5 The Court has not granted class certification in the Action.
- 2.6 The Excluded Related Cases are not included in or affected by the Settlement.
- 2.7 The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.
3. **MONETARY TERMS.**
 - 3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8.1 below, CHOC promises to pay Ten Million Dollars and Zero Cents (\$10,000,000.00), and no more, as the

Gross Settlement Amount excepting that CHOC will separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. CHOC has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or PAGA Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to CHOC.

3.2 Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

3.2.1 To Plaintiff: Class Representative Service Payment to Plaintiff De La Pena of not more than Twenty Thousand Dollars and Zero Cents (\$20,000.00), Plaintiff Vergara of not more than Twenty Thousand Dollars and Zero Cents (\$20,000.00), and Plaintiff Hotagua of not more than Ten Thousand Dollars and Zero Cents (\$10,000.00) in addition to any Individual Class Payment and any Individual PAGA Payments the Class Representatives are entitled to receive as Participating Class Members and PAGA Employees, respectively. CHOC will not oppose Plaintiffs' request for Class Representative Service Payments that do not exceed these amounts. As part of the Motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiffs will seek Court approval for any Class Representative Service Payments, which will be filed no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service payment less than the amount requested, the difference between the requested amount and reduced amount shall be allocated to the Net Settlement Amount to be distributed to the Settlement Class Members. The Administrator will pay the Class Representative Service payment using IRS Form 1099. Plaintiffs assume full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third of the Gross Settlement Amount, or Three Million Three Hundred Thirty-Three Thousand Three Hundred Thirty-Three Dollars and Thirty-Three Cents (\$3,333,333.33) based on the Gross Settlement Amount; and a Class Counsel Litigation Expenses Payment of not more than Eighty-Thousand Dollars and Zero Cents (\$80,000.00). CHOC will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the difference between the requested amount and reduced amount shall be allocated to the Net Settlement Amount to be distributed to the Settlement Class Members. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using IRS 1099 Forms and based on the following allocations between Class Counsel:

- 3.2.2.1 The Myers Law Group, APC shall receive Fifty Percent (50%) of the total Class Counsel Fees Payment, currently One Million Six Hundred Sixty-Six Thousand Six Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$1,666,666.67), and the actual amount of litigation expenses incurred and awarded by the Court or if a lesser amount is awarded then an amount proportional to the litigation costs actually incurred by The Myers Law Group, APC.
- 3.2.2.2 Jackson Law, APC shall receive Twenty-Five Percent (25%) of the total Class Counsel Fees Payment, currently Eight Hundred Thirty-Three Thousand Three Hundred Thirty-Three Dollars and Thirty-Three Cents (\$833,333.33), and the actual amount of litigation expenses incurred and awarded by the Court or if a lesser amount is awarded then an amount proportional to the litigation costs actually incurred by Jackson Law, APC.
- 3.2.2.3 Aegis Law Firm shall receive Twenty-Five Percent (25%) of the total Class Counsel Fees Payment, currently Eight Hundred Thirty-Three Thousand Three Hundred Thirty-Three Dollars and Thirty-Three Cents (\$833,333.33), and the actual amount of litigation expenses incurred and awarded by the Court or if a lesser amount is awarded then an amount proportional to the litigation costs actually incurred by Aegis Law Firm.
- 3.2.3 To the Administrator: An Administrator Expenses Payment not to exceed \$33,500.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less the \$33,500.00, the difference between shall be allocated to the Net Settlement Amount to be distributed to the Settlement Class Members.
- 3.2.4 To Each Participating Class Member: An Individual Class Payment calculated by (a) allocating 80% of the Net Settlement Amount to the Participating 12 Hour Employee Class Members in the Class (Fund 1) and 20% of the Net Settlement Amount to the Participating Non-12 Hour Employee Class Members in the Class (Fund 2); (b) dividing Fund 1 by the total number of Workweeks worked by all Participating 12 Hour Employee Class Members during the Class Period and then multiplying the result by each Participating 12 Hour Employee Class Member's individual Workweeks; (c) dividing Fund 2 by the total number of Workweeks worked by all Participating Non-12 Hour Employee Class Members during the Class Period and then multiplying the result by each Participating Non-12 Hour Employee Class Member's individual Workweeks. If during the Class Period a Class Member worked as a 12 Hour Employee and Non-12 Hour Employee, that Class Member will receive a proportional share from Fund 1 based on the above formula for workweeks worked as a 12 Hour Employee Class Member and Fund 2 based on the Workweeks worked during the Class Period as a Non-12 Hour Employee Class Member.

- 3.2.5 Tax Allocation of Individual Class Payments. Sixty-percent (60%) of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. Forty-percent (40%) of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.
- 3.2.6 Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments, will not release any claims in this Action, and have Workweeks that will not be included in the pro rata calculation of the Individual Class Payments.
- 3.2.7 To the LWDA and PAGA Employees: PAGA Penalties, from the Gross Settlement Amount, in the total amount of Two Hundred Eight Thousand Dollars and Zero Cents (\$280,000.00), from which the LWDA PAGA Payment of Two Hundred Ten Thousand Dollars and Zero Cents (\$210,000.00) – equal to 75% of the PAGA Penalties – shall be paid to the LWDA and Seventy-Thousand Dollars and Zero Cents (\$70,000.00) – equal to 25% of the PAGA Penalties – shall be paid to the PAGA Employees on a pro rata share under the Individual PAGA Payment calculation.
- 3.2.8 Individual PAGA Payment: The Administrator will calculate each Individual PAGA Payment by (a) dividing the \$70,000.00 by the total number of PAGA Pay Periods worked by all PAGA Employees during the PAGA Period and (b) multiplying the result by each PAGA Employee's individual PAGA Pay Periods. PAGA Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.
- 3.2.9 If the Court approves PAGA Penalties of less than the amount requested, the difference will be allocated to the Net Settlement Amount to be distributed to the Participating Settlement Class Members. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. **SETTLEMENT FUNDING AND PAYMENTS.**

- 4.1 Class Workweeks and PAGA Employee Pay Periods. CHOC estimates that the calculated number of workweeks from December 16, 2015 through January 19, 2023 for 12 Hour Employees, plus the workweeks for the Non-12 Hour Employees from August 18, 2016 through January 19, 2023 is approximately 1,060,291 workweeks. CHOC estimates that as of January 19, 2023 there were 7,836 Class Members.

- 4.2 Class Data. Not later than 30 days after the Court grants Preliminary Approval of the Settlement, CHOC will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. CHOC has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which CHOC must send the Class 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 Class Data.
- 4.3 Funding of Gross Settlement Amount. CHOC shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay CHOC's share of payroll taxes by transmitting the funds to the Administrator no later than 15 calendar days after the Effective Date.
- 4.4 Payments from the Gross Settlement Amount. Within 7 days after CHOC funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payments.
- 4.4.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send the same to all Participating Class Members and PAGA Employees via First Class U.S. Mail, postage prepaid (this includes those Participating Class Members and PAGA Employees whose Class Notice was returned undeliverable). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date.
- 4.4.2 The Administrator must conduct a Class Member Address Search for all other Participating Class Members and/or PAGA Employees whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Participating Class Members and/or PAGA Employees whose re-mailed checks are returned as underlived. The Administrator shall promptly send a replacement check to any Participating Class Member and/or PAGA Employees whose original check was lost or misplaced, requested by the Participating Class Member and/or PAGA

Employee prior to the void date or after the void date but prior to disbursement to the California Controller's Unclaimed Property Fund.

4.4.3 For any Participating Class Member and/or PAGA Employee whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, and subject to Paragraph 4.4.2, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Participating Class Member and/or PAGA Employee thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

4.4.4 The payment of Individual Class Payments and Individual PAGA Payments shall not obligate CHOC to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS.

5.1 Effective on the date when CHOC fully funds the entire Gross Settlement Amount, and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, the Participating Class Members, and PAGA Employees will release claims against all Released Parties as follows.

5.2 Plaintiffs' Release. Plaintiffs De La Pena, Vergara and Hotagua shall release the Plaintiffs' Released Claims that further include, without limitation, any and all claims whatsoever against the Released Parties regarding Plaintiffs' employment and/or the termination of employment including, but not limited to, any claims for wages, bonuses, severance pay, vacation pay, penalties, employment benefits, stock options, violation of any personnel policy, any claims based on discrimination, harassment, unlawful retaliation, violation of public policy, or damages of any kind whatsoever, arising out of any common law torts, contracts, express or implied, any covenant of good faith and fair dealing, any theory of wrongful discharge, any theory of negligence, any theory of retaliation, any legal restriction on Defendant's right to terminate the employment relationship, or any federal, state, or other governmental statute, executive order, regulation or ordinance, or common law, or any other basis whatsoever, to the fullest extent provided by law. Plaintiffs shall be deemed to have, or by operation of the Judgment shall have, expressly waived and relinquished to the fullest extent permitted by law the provisions, rights, and benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or state law that purports to limit the scope of a general release. Plaintiffs, for themselves, have read Section 1542 of the Civil Code of the State of California, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT, IF KNOWN BY HIM OR

HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER
SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Plaintiffs understand that Section 1542 gives the right not to release existing claims of which they are not now aware, unless Plaintiffs voluntarily choose to waive this right. Having been so apprised, Plaintiffs nevertheless voluntarily waive the rights described in Section 1542, and elect to assume all risks for claims that now exist in their favor, known or unknown. The release of the claims of Plaintiffs as set forth in this Paragraph is a condition precedent to enforcement of this Settlement Agreement.

- 5.3 Release by Participating Class Members: The claims released by the Participating Class Members, against the Released Parties, are all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint and ascertained in the course of the Action. The Participating Class Members (not including Plaintiffs) do not release any other claims, including but not limited to claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Settlement Class Period.

5.3.1 The Claims set forth in the Action and Operative Complaint, that are released are: (1) failure to pay minimum and failure to pay and/or accurately calculate overtime wages (violations of Labor Code §§ 218.5, 510, 1194, 1194.2, 1197, and 1197.1); (2) failure to provide meal periods or pay premiums in lieu thereof at the regular rate (violation of Labor Code §§ 512, 226.7, and the applicable Wage Order 5-2001); (3) failure to provide rest periods or pay premiums in lieu thereof at the regular rate (violation of Labor Code § 226.7, and the applicable Wage Order 5-2001); (4) failure to furnish timely and accurate wage statements, and keep payroll records (violation of Labor Code §§ 204, 226 and 1174); (5) failure to timely pay wages during and upon termination of employment (violation of Labor Code §§ 201, 202, 203, 210, 218, 218.5 and 218.6); (6) violation of California's Unfair Competition Law based upon the alleged Labor Code violations (violation of Business & Professions Code § 17200 *et seq.*); (7) failure to pay sick pay (violation of Labor Code § 246); and (8) failure to reimburse for business expenses (violation of Labor Code §§ 2800 and 2802), as well as any claims that could have been pled under the California Labor Code and California Industrial Welfare Commission Wage Orders;

5.3.2 Any claims for injunctive relief, declaratory relief, restitution, alleged or which could have been alleged under the facts, allegations and/or claims pleaded in the complaints filed as part of the Lawsuits or Consolidated Lawsuit; and

5.3.3 Any and all other claims under California common law, the federal law, and the California Business and Professions Code alleged in or that could have been alleged under the same or similar facts, allegations and/or claims pleaded in the Lawsuits or the Consolidated Lawsuit and based on the alleged Labor Code violations.

- 5.4 Release by PAGA Employees: All PAGA Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, and the PAGA Notices for this Action.

6. MOTION FOR PRELIMINARY APPROVAL.

- 6.1 Plaintiffs shall file a Motion for Preliminary Approval of the Settlement. The Parties shall cooperate in the preparation of the Motion for Preliminary Approval. Plaintiffs' counsel will draft the motions for preliminary and final approval and provide all necessary documentation to the LWDA. In filing the Motion for Preliminary Approval, it is Plaintiffs' unilateral decision to select the corresponding hearing date for the Motion for Preliminary Approval but will provide Defendant's counsel with proposed dates prior to selecting them in case there is a conflict.
- 6.2 CHOC's Declaration in Support of Preliminary Approval. Within 10 days of the full execution of this Agreement, CHOC will prepare and deliver to Class Counsel a signed Declaration from CHOC and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator. In their Declarations, Defense Counsel and CHOC shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.
- 6.3 Duty to Cooperate. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.
- 6.4 Operative Complaint. As part of this Settlement, Plaintiffs will file a stipulation for an amended complaint to consolidate the *Vergara* (Case No.: 30-2020-01155679), and *Hotagua* (Case No.: 30-2021-01232190) in the *De La Pena* matter for the Operative Complaint.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties jointly select Phoenix Class Action Administration Solutions to serve as the Administrator and verify that, as a condition of appointment, Phoenix Class Action Administration Solutions agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

- 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section 468B-1.
- 7.4 Notice to Class Members.
- 7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.
- 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 calendar days after receiving the Class Data, the Administrator will send to all Class Members and PAGA Employees identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice (with a Spanish translation) substantially in the form attached to this Agreement as Exhibit A. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
- 7.4.3 Not later than 3 business days after the Administrator’s receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members or PAGA Employees whose Class Notice is returned by the USPS a second time.
- 7.4.4 The deadlines for Class Members’ written objections, Challenges to Workweeks and/or PAGA Pay Periods, and Requests for Exclusion will be extended an additional 15 days beyond the 45 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- 7.4.5 If the Administrator, CHOC or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith in an effort to agree on whether to include them as a Class Member or PAGA Employee. If the Parties agree, such persons will be entitled to the same rights as other Class Members and/or PAGA Employees, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

7.5 Requests for Exclusion (Opt-Outs).

- 7.5.1 Class Members who wish to exclude themselves from, i.e. opt-out of, the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.
- 7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity.
- 7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Release as provided for herein, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.
- 7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement.

- 7.6 Challenges to Calculation of Workweeks. Each Class Member and PAGA Employee shall have 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member and PAGA Employee in the Class Notice. The challenge of the allocation is made by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenge to be supported by documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct as long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or PAGA Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or PAGA Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.

7.7 Objections to Settlement.

7.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 45 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

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

7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

7.8.3 Weekly Reports. The Administrator must, on a weekly basis provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of : Class Notices mailed or re-mailed, Class Notices returned underlived, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include the Administrator's assessment of the validity of

Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

- 7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.
- 7.8.5 Administrator's Declaration. Not later than 7 days before the date by which Plaintiffs are required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including but not limited to, its mailing of the Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.
- 7.8.6 Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE.

- 8.1 Escalator Clause: Defendant estimates that the calculated number of workweeks from December 16, 2015 through January 19, 2023 (for 12 Hour Employees), plus the workweeks for all other hourly employees from August 18, 2016 through January 19, 2023 is approximately 1,060,291 workweeks. Any finding of workweeks through Preliminary Approval that exceeds the workweek count by more than 10% (for a total of 1,166,321 workweeks) at the option of Defendant, Defendant shall either increase the Gross Settlement Amount or elect to move the end date for the Settlement Class Period to the latest date before the Preliminary Approval that does not exceed 1,166,321. In the event Defendant elects to extend the Class Period to a date wherein the total workweeks is more than 1,166,321, the Gross Settlement Amount will be increased by determining the workweek value calculated based on 1,166,321 workweeks divided by the Gross Settlement Amount multiplied by the additional number of workweeks. For example, if the total number of workweeks by the end of the Class Period is 1,167,321 and the workweek

value is \$10 per workweek, Defendant has the option to increase the Gross Settlement Amount by \$10,000 ($1,167,321 - 1,166,321 = 1,000 \times \10) or to reduce the Class Period so that the total workweeks do not exceed 1,166,321.

- 8.2 Nullification: If 10% or more Settlement Class Members timely opt out of the class settlement, Defendant shall have the sole and absolute discretion to rescind/void the Settlement Agreement within fifteen (15) calendar days after receiving from the Settlement Administrator the final list of opt-outs. Defendant agrees to meet and confer in good faith with Settlement Class Counsel before rescinding or voiding the Settlement Agreement. In the event that Defendant elects to rescind/void the Settlement Agreement, Defendant shall provide written notice of such rescission to Settlement Class Counsel. Such rescission shall have the same effect as a termination of the Settlement Agreement for failure to satisfy a condition of settlement, and the Settlement Agreement shall become null and void and have no further force or effect. In the event that Defendant exercises its option to revoke the Settlement Agreement, Defendant agrees to pay the Settlement Administration Costs incurred by the Settlement Administrator up to the date of Defendant's notice to revoke.

9. MOTION FOR FINAL APPROVAL

- 9.1 Not later than 16 court days before the calendared Final Approval Hearing, Plaintiffs will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (1), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiffs shall provide drafts of these documents to Defense Counsel not later than & days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.
- 9.2 Response to Objections. Each Party retains the right to respond independently to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
- 9.3 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.
- 9.4 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.

- 9.5 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, 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. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount. Nothing in this paragraph, or this Settlement, bars Class Counsel or Plaintiffs from seeking an appeal related to the award of Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, or Class Representative Service Payments.
- 9.6 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Participating Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.
- 9.7 If, after submitting the settlement for approval to the Court, the Court declines to enter the preliminary approval order, the final approval order, or judgment in substantially the form submitted by the parties, the Parties shall work in good faith to resolve the Court's concerns. If, after exhausting all good faith efforts, the Court declines to enter the preliminary approval order, the final approval order, or judgment in substantially the form submitted by the parties, either Plaintiffs or Defendant may terminate the Settlement. The terminating Party shall give to the other Parties (through its/his/her counsel) written notice of its decision to terminate no later than fourteen (14) calendar days after receiving notice that one of the enumerated events has occurred. Termination shall have the following effects:
- a. The MOU and the Settlement shall be terminated and shall have no force or effect and no Party shall be bound by any of its terms.
 - b. Defendant shall have no obligation to make any payments to any party, the Class, PAGA Employees or attorney.

- c. The preliminary approval order, final approval order and judgment shall be vacated.
- d. The Settlement and all negotiations, statements, and proceedings relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be restored to their respective positions prior to the Settlement and signing of the MOU.
- e. Except as otherwise discoverable, or provided in Section f below, neither the MOU nor any ancillary documents, actions, statements, filings in furtherance of settlement (including all matters associated with mediation) shall be admissible or offered into evidence in the Actions or any other action for any purpose whatsoever.
- f. Defendant stipulates to waive Plaintiff De La Pena's Cal. Code of Civ. Proc. §583.330(a) deadline for the purposes the Settlement. Further, if there is a termination or revocation of the Settlement, at any point, Defendant stipulates to continue Plaintiff De La Pena's Cal. Code of Civ. Proc. §583.330(a) deadline from the July 27, 2024 deadline by a period of time equivalent to the duration from January 19, 2023 to the date of termination or revocation of the Settlement.

10. **AMENDED JUDGMENT.**

- 10.1 If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit a proposed amended judgment.

11. **ADDITIONAL PROVISIONS.**

- 11.1 No Admission of Liability, Class Certification 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 CHOC that any of the allegations in the Operative Complaint have merit or that CHOC has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that CHOC's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval or enter Judgment, CHOC reserves the right to contest certification of any class for any reasons, and CHOC reserves all available defenses to the claims in the Action, and Plaintiffs reserve the right to move for class certification on any grounds available and to contest CHOC's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).
- 11.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, CHOC and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation,

association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel CHOC and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

- 11.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 11.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding the MOU as well as any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 11.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and CHOC, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 11.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 11.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 11.8 No Tax Advice. Neither Plaintiff, Class Counsel, CHOC nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be

relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

- 11.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 11.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 11.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 11.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 11.13 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 11.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by CHOC in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiffs shall destroy, all paper and electronic versions of Class Data received from CHOC unless, prior to the Court's discharge of the Administrator's obligation, CHOC makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.
- 11.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 11.16 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 11.17 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff: The Myers Law Group, APC
David Myers
Jason Hatcher
jhatcher@myerslawgroup.com
9327 Fairway View Place, Suite 100
Rancho Cucamonga, CA 91730

Jackson Law, APC
Armond Jackson
ajackson@jacksonapc.com
Andrea Fernandez-Jackson
afernandez@jacksonapc.com
Anthony S. Filer Jr.
afilier@jacksonapc.com
2 Venture Plaza, Ste 240
Irvine, California 92618

Aegis Law Firm, PC
Kashif Haque
Samuel Wong
Jessica L. Campbell
jcampbell@aegislawfirm.com
Carolyn M. Bell
cbell@aegislawfirm.com
9811 Irvine Center Drive, Suite 100
Irvine, California 92618

To CHOC:

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Stacey E. James, Esq.
Luis E. Lorenzana, Esq.
501 W. Broadway, Suite 900
San Diego, CA 92101-3577
SJames@littler.com
llorenzana@littler.com

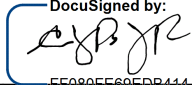
JEFFER MANGELS BUTLER & MITCHELL LLP
Marta M. Fernandez, Esq.
Travis M. Gemoets, Esq.
Jeffer Mangels Butler & Mitchell LLP | JMBM
1900 Avenue of the Stars, 7th Floor
Los Angeles, CA 90067
TXG@JMBM.com

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

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

Dated: November 20, 2023

PLAINTIFF CECELIA DE LA PENA

DocuSigned by:

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Cecelia De La Pena

Dated: _____

PLAINTIFF RUBEN VERGARA

Ruben Vergara

Dated: _____

PLAINTIFF JOANNA HOTAGUA

Joanna Hotagua

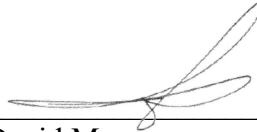
Dated: _____

DEFENDANT CHILDREN'S HOSPITAL
OF ORANGE COUNTY

By: _____

Dated: 12/29/2023

THE MYERS LAW GROUP, A.P.C.



David Myers
Jason Hatcher
Attorneys for Plaintiff Cecilia De La Pena

Dated: _____

JACKSON LAW, APC

Armond Jackson
Attorneys for Plaintiff Ruben Vergara

Dated: _____

AEGIS LAW FIRM, PC

Kashif Haque
Carolyn M. Bell
Attorneys for Plaintiff Joanna Hotagua

Dated: _____

JEFFER MANGELS BUTLER &
MITCHELL LLP

Travis Gemoets
Attorneys for Defendant

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Dated: _____

PLAINTIFF CECELIA DE LA PENA

Cecelia De La Pena

Dated: 11/28/2023

PLAINTIFF RUBEN VERGARA

RUBEN VERGARA
Ruben Vergara

Dated: _____

PLAINTIFF JOANNA HOTAGUA

Joanna Hotagua

Dated: _____

DEFENDANT CHILDREN'S HOSPITAL
OF ORANGE COUNTY

By: _____

Dated: _____

THE MYERS LAW GROUP, A.P.C.

David Myers
Jason Hatcher
Attorneys for Plaintiff Cecilia De La Pena

Dated: 11/29/2023

JACKSON LAW, APC

Armond M. Jackson
Armond Jackson
Attorneys for Plaintiff Ruben Vergara

Dated: _____

AEGIS LAW FIRM, PC

Kashif Haque
Carolyn M. Bell
Attorneys for Plaintiff Joanna Hotagua

Dated: _____

JEFFER MANGELS BUTLER &
MITCHELL LLP

Travis Gemoets
Attorneys for Defendant

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

Dated: _____

PLAINTIFF CECELIA DE LA PENA

Cecelia De La Pena

Dated: _____

PLAINTIFF RUBEN VERGARA

Ruben Vergara

Dated: 1/31/2024

PLAINTIFF JOANNA HOTAGUA

DocuSigned by:

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Joanna Hotagua

Dated: _____

DEFENDANT CHILDREN'S HOSPITAL
OF ORANGE COUNTY

By: _____

Dated: _____

THE MYERS LAW GROUP, A.P.C.

David Myers
Jason Hatcher
Attorneys for Plaintiff Cecilia De La Pena

Dated: _____

JACKSON LAW, APC

Armond Jackson
Attorneys for Plaintiff Ruben Vergara

Dated: 1/31/2024

AEGIS LAW FIRM, PC



Kashif Haque
Carolyn M. Bell
Attorneys for Plaintiff Joanna Hotagua

Dated: _____

JEFFER MANGELS BUTLER &
MITCHELL LLP

Travis Gemoets
Attorneys for Defendant

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

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

Dated: _____

PLAINTIFF CECELIA DE LA PENA

Cecelia De La Pena

Dated: _____

PLAINTIFF RUBEN VERGARA

Ruben Vergara

Dated: _____

PLAINTIFF JOANNA HOTAGUA

Joanna Hotagua

Dated: 11/29/23

DEFENDANT CHILDREN'S HOSPITAL
OF ORANGE COUNTY

By: Kimberly C. Cripe


Dated: _____

THE MYERS LAW GROUP, A.P.C.

David Myers
Jason Hatcher
Attorneys for Plaintiff Cecilia De La Pena

Dated: _____

JACKSON LAW, APC

Armond Jackson
Attorneys for Plaintiff Ruben Vergara

Dated: _____

AEGIS LAW FIRM, PC

Kashif Haque
Carolyn M. Bell
Attorneys for Plaintiff Joanna Hotagua

Dated: 2-5-2024

JEFFER MANGELS BUTLER &
MITCHELL LLP



Travis Gemoets
Attorneys for Defendant

Exhibit A

**COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND
HEARING DATE FOR FINAL COURT APPROVAL**

Cecilia De La Pena v. Children's Hospital of Orange County

OCSC 30-2018-01014749 – CU-OE-CXC

Rubin Vergara v. Children's Hospital of Orange County

OCSC 30-2020-001155679 – CU-OE-CXC

Joanna Hotagua v. Children's Hospital of Orange County

OCSC 30-2021-01232190 – CU-OE-CXC

*The Superior Court for the State of California authorized this Notice. Read it Carefully!
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.*

You may be eligible to receive money from an employee class action lawsuit (“Action”) against Children’s Hospital of Orange County (“CHOC” is used herein as a placeholder) for alleged wage and hour violations. The Action was filed by CHOC employees Cecilia De La Pena, Rubin Vergara, and Joanna Hotagua (“Plaintiffs”) and seeks payment of (1) back wages and other relief for a class of hourly employees (“Class Members”) who worked for CHOC during the Class Period (December 15, 2015 to January 19, 2023); and (2) penalties under the California Private Attorney General Act (“PAGA”) for all hourly employees who worked for CHOC during the PAGA Period (September 27, 2017 to January 19, 2023) (“PAGA Employees”).

The proposed Settlement has two main parts: (1) a Class Settlement requiring CHOC to fund Individual Class Payments, and (2) a PAGA Settlement requiring CHOC to fund individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

Based on CHOC’s records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be \$_____ (less withholding) and your Individual PAGA Payment is estimated to be \$_____**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to CHOC’s records you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.)

The above estimates are based on CHOC’s records showing that **you worked _____ workweeks** during the Class Period and **you worked _____ workweeks** during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiffs and Plaintiffs’ attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment

that requires CHOC to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against CHOC.

If you worked for CHOC during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

- (1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against CHOC.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against CHOC, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

CHOC will not retaliate against you for any actions you take with respect to the proposed Settlement

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against CHOC that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is _____	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. CHOC must pay Individual PAGA Payments to all PAGA Employees and the PAGA Employees must give up their rights to pursue Released Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiffs who pursued the Action on behalf of the Class. You

Written Objections Must be Submitted by _____	are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiffs reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiffs if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the _____ Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on _____. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by _____	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number of Class Period Workweeks and number of PAGA Period Pay Periods you worked according to CHOC's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by _____. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiffs are current and former CHOC employees. The Action accuses CHOC of violation California labor laws by failing to pay overtime wages, minimum wages, wages due upon termination and reimbursable expenses and failing to provide meal periods, rest breaks and accurate itemized wage statements. Based on the same claims, Plaintiffs have also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA"). Plaintiffs are represented by attorneys in the Action: The Myers Law Group, APC, Jackson Law APC, and Aegis Law Firm, PC. ("Class Counsel.")

CHOC strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, other than adjudicating a specific rest period claim theory against 12-hour employees, the Court has made no determination whether CHOC or Plaintiffs are correct on the merits. In the meantime, Plaintiffs and CHOC hired a retired judge in an effort to resolve the Action by negotiating to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiffs and CHOC have negotiated

a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, CHOC does not admit any violations or concede the merit of any claims. Plaintiffs and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) CHOC has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and PAGA Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

CHOC Will Pay \$10,000,000 as the Gross Settlement Amount (Gross Settlement). CHOC has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, CHOC will find the Gross Settlement not more than 14 days after the Judgment entered by the Court becomes final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiffs and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:

- A. Up to \$3,333,333.33 (33 1/3% of the Gross Settlement) to Class Counsel for attorneys' fees and up to \$80,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
- B. Up to \$20,000 as a Class Representative Award to each of the named Plaintiffs for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiffs will receive other than their Individual Class Payment and any Individual PAGA Payment.
- C. Up to \$33,500.00 to the Administrator for services administering the Settlement.
- D. Up to \$280,000 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the PAGA Employees based on their PAGA Period Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net

Settlement”) by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.

Taxes Owed on Payments to Class Members. Plaintiffs and CHOC are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages (“Wage Portion”) and 80% to interest and penalties (“Non-Wage Portion”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. (CHOC will separately pay employer payroll taxes it owes on the Wage Portion.) The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don’t cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller’s Unclaimed Property Fund in your name.

If the monies represented by your check is sent to the Controller’s Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.

Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than _____, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the _____ Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member’s name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against CHOC.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against CHOC based on the PAGA Period facts alleged in the Action.

The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and CHOC have agreed that, in either case, the Settlement will be void; and CHOC will not pay any money and Class Members will not release any claims against CHOC.

Administrator. The Court has appointed a neutral company, Phoenix Class Action Administration Solutions (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 9 of this Notice.

Participating Class Members' Release. After the Judgment is final and CHOC has fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against CHOC or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint and ascertained in the course of the Action. Except as set forth in Section 6.3 of the Settlement Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

PAGA Employees' PAGA Release. After the Court's judgment is final, and CHOC has paid the Gross Settlement (and separately paid the employer-side payroll taxes), all PAGA Employees will be barred from asserting PAGA claims against CHOC, whether or not they exclude themselves from the Settlement. This means that all PAGA Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against CHOC or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The PAGA Employees' Releases for Participating and Non-Participating Class Members are as follows:

All Participating and Non-Participating Class Members who are PAGA Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties, from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, and the PAGA Notice and ascertained in the course of the Action.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating

Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.

Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$70,000 by the total number of PAGA Pay Periods worked by all PAGA Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.

Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in CHOC's records, are stated in the first page of this Notice. You have until _____ to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept CHOC's calculation of Workweeks and/or Pay Periods based on CHOC's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and CHOC's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as PAGA Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.

Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every PAGA Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Actions as "CHOC Wage and Hour Cases", and include your identifying information (full name, address, telephone number, approximate dates of employment, and social

security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by _____, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiffs and CHOC are asking the Court to approve. At least _____ days before the _____ Final Approval Hearing, Class Counsel and/or Plaintiffs will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website _____ (url) _____ or the Court's website for a fee at: <https://www.occourts.org/online-services/case-access/>

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiffs are too high or too low. **The deadline for sending written objections to the Administrator is _____.** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action "CHOC Wage and Hour Cases" and include your name, current address, telephone number, and approximate dates of employment for CHOC and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on _____ at (time) in Department CX105 of the Orange Superior Court, located at 751 W Santa Ana Blvd, Santa Ana, CA 92701. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making any decisions. You can attend (or hire a lawyer to attend). Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website _____ beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything CHOC and Plaintiffs have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to _____ (specify entity) 's website at _____ (url) _____. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<https://www.occourts.org/online-services/case-access/>) and entering the Case Number for the Action, Case No. 30-2018-01014749-CU-OE-CXC You can also personally review court documents in the Clerk's Office at the Orange County Courthouse located at 751 W Santa Ana Blvd, Santa Ana, CA 92701.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Class Counsel:

Name of Attorney: David Myers, Jason Hatcher

Email Address: jhatcher@myerslawgroup.com

Name of Firm: The Myers Law Group, APC

Mailing Address: 9327 Fairway View Place, Suite 100, Rancho Cucamonga, CA 91730

Telephone: (909) 375-2102

Name of Attorney: Armond Jackson, Andrea Fernandez-Jackson and Anthony Filer Jr.

Email Address: ajackson@jacksonapc.com

Name of Firm: Jackson Law, APC

Mailing Address: 2 Venture Plaza, Ste. 240, Irvine, CA 92618

Telephone: (949) 281-6857

Name of Attorney: Samuel Wong, Jessica L. Campbell, and Carolyn M. Bell

Email Address: cbell@aegislawfirm.com

Name of Firm: Aegis Law Firm, PC

Mailing Address: 9811 Irvine Center Drive, Suite 100, Irvine, CA 92618

Telephone: (949) 379-6250

Settlement Administrator:

Name of Company:

Email Address:

Mailing Address:

Telephone:

Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the Unclaimed Property Fund at https://www.sco.ca.gov/upd_msg.html for instructions on how to retrieve the funds

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.

AMENDMENT TO SETTLEMENT AGREEMENT

In connection with the Settlement Agreement made and entered into as of January 31, 2024 (“Settlement Agreement”), between Plaintiffs Cecilia De La Pena, Ruben Vergara, and Joanna Hotagua (“Plaintiffs”), on behalf of themselves and those similarly situated, and Children’s Hospital of Orange County (“CHOC” or “Defendant”), collectively referred to in this Amendment as the “Parties”, agree in this Amendment to Settlement Agreement (“Amendment”) as follows:

This Amendment incorporates by reference all terms and conditions of the Settlement Agreement. But for those specific terms and conditions that this Amendment modifies, all Settlement Agreement terms and conditions will remain effective and enforceable. Any inconsistencies or differences between this Amendment and the Settlement Agreement will be interpreted and construed in favor of this Amendment.

- Paragraph 1.4 is hereby superseded and replaced by the following language:

“Class” means all persons who are Settlement Class Members who were employed in California at any time from December 16, 2015 for employees paid on a 12-hour per day schedule (“12 Hour Employees”), and from August 18, 2016 for all other hourly employees (“Non-12 Hour Employees”), through March 4, 2023. There are 8,234 Settlement Class Members.

- Paragraph 1.9 is hereby superseded and replaced by the following language:

“Class Member” or “Settlement Class Member” means all current and former nonexempt, hourly-paid employees of Defendant, employed in California at any time from December 16, 2015 for employees paid on a 12-hour per day schedule (“12 Hour Employees”), and from August 18, 2016 for all other hourly employees (“Non-12 Hour Employees”), through March 4, 2023. There are 8,234 Settlement Class Members.

- Paragraph 1.11 is hereby superseded and replaced by the following language:

“Class Notice” means the Court approved Notice of Class Action and PAGA Action Settlement and Hearing Date for Final Court Approval to be mailed to Class Members and PAGA Employees in English and Spanish in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

- Paragraph 1.12 is hereby superseded and replaced by the following language:

“Class Period” means the time period from December 16, 2015 through March 4, 2023.

- Paragraph 1.22 is hereby superseded and replaced by the following language:

“Gross Settlement Amount” means Ten Million Dollars and Zero Cents (\$10,000,000.00) to resolve the Action in exchange for the releases contained herein. With the exception of Defendant’s share of employment taxes, which shall be paid separately by Defendant, the Gross Settlement Amount will include all payments to be made to Settlement Class Members, the Labor and Workforce Development Agency (“LWDA”), the PAGA Employees, the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment (as approved by the Court), Administration Expenses Payment, and the Class Representative Service Payments. In no event shall Defendant be liable for the payment of any amounts exceeding the Gross Settlement Amount with the exception of the employer’s share of payroll taxes due and payable as a result of this Settlement, which shall be paid separately from the Gross Settlement Amount. In no event shall the total amount of workweeks released by Participating Settlement Class Members under the Released Class Claims exceed 1,163,224.

- Paragraph 1.33 is hereby superseded and replaced by the following language:

“PAGA Period” means the time period from September 27, 2017 through March 4, 2023.

- Paragraph 5.3 is hereby superseded and replaced by the following language:

Release by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint. The Participating Class Members (not including Plaintiffs) do not release any other claims, including but not limited to claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, claims based on any facts occurring outside the Settlement Class Period.

- Paragraph 5.3.2 is hereby superseded and replaced by the following language:

Any claims for injunctive relief, declaratory relief, restitution, alleged or which could have been alleged under the facts, allegations and/or claims pleaded in the Operative Complaint; and

- Paragraph 5.3.3 is hereby superseded and replaced by the following language:

Any and all other claims under California common law, the federal law, and the California Business and Professions Code alleged in or that could have been alleged under the facts, allegations and/or claims pleaded in the Operative Complaint and based on the alleged Labor Code violations.

- Paragraph 7.6 is hereby superseded and replaced by the following language:

Challenges to Calculation of Workweeks. Each Class Member and PAGA Employee shall have 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member and PAGA Employee in the Class/PAGA Notice or Class Notice, as applicable. The challenge of the allocation is made by communicating with the Administrator via fax, email or mail. The Court will review and resolve any workweek disputes not otherwise resolved by the Administrator and the parties. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or PAG Pay Periods to Defense Counsel and Class Counsel during the period for Class Member and PAGA Employee challenges to the allocated workweek. Any unresolved challenges shall be filed with the Court, by Plaintiffs, via a declaration from the Administrator with the posited challenge documents at the time the Motion for Final Approval is filed and the same shall be served upon the parties.

- Paragraph 8 is hereby superseded and replaced by the following language:

TOTAL WORKWEEKS, CLASS SIZE, AND NULLIFICATION CLAUSE

- Paragraph 8.1 is hereby superseded and replaced by the following language:

Total Workweeks and Class Size: For the Class Period of December 16, 2015 through March 4, 2023 (for 12 Hour Employees), and August 18, 2016 through March 4, 2023 (for non-12 Hour Employees) there are no more than 1,163,224 workweeks. This Settlement Agreement is limited to the 1,163,224 workweeks that apply to 8,234 Settlement Class Members with 3,462 individuals who fall under the 12 Hour Employee classification and 4,772 individuals who fall under the Non-12 Hour Employee classification during the Class Period. The released workweeks will not exceed 1,163,224 total workweeks.

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- Exhibit A is hereby superseded and replaced by Exhibit A attached to this Amendment to Settlement Agreement.

IN WITNESS THEREOF, the Parties each acknowledge that he/she/it has read the foregoing Amendment to Settlement Agreement, accepts and agrees to the provisions contained in this Settlement Agreement and the Amendment to Settlement Agreement and hereby executes it voluntarily and with full understanding of its consequences.

Dated: November 20, 2024

DocuSigned by:
PLAINTIFF

CECELIA DE LA PENA
EC180FEE5ED1414
Cecilia De La Pena

Dated: _____

PLAINTIFF RUBEN VERGARA

Ruben Vergara

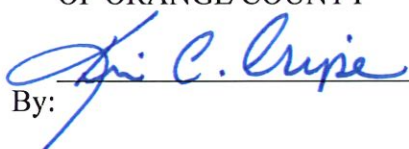
Dated: _____

PLAINTIFF JOANNA HOTAGUA

Joanna Hotagua

Dated: 12/16/24

DEFENDANT CHILDREN'S HOSPITAL
OF ORANGE COUNTY

By: 

///

///

- Exhibit A is hereby superseded and replaced by Exhibit A attached to this Amendment to Settlement Agreement.

IN WITNESS THEREOF, the Parties each acknowledge that he/she/it has read the foregoing Amendment to Settlement Agreement, accepts and agrees to the provisions contained in this Settlement Agreement and the Amendment to Settlement Agreement and hereby executes it voluntarily and with full understanding of its consequences.

Dated: _____

PLAINTIFF CECELIA DE LA PENA

Cecilia De La Pena

Dated: 11/20/2024 _____

PLAINTIFF RUBEN VERGARA

~~RUBEN~~
~~VERGARA~~

Ruben Vergara

Dated: _____

PLAINTIFF JOANNA HOTAGUA

Joanna Hotagua

Dated: _____

DEFENDANT CHILDREN'S HOSPITAL
OF ORANGE COUNTY

By: _____

///

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- Exhibit A is hereby superseded and replaced by Exhibit A attached to this Amendment to Settlement Agreement.

IN WITNESS THEREOF, the Parties each acknowledge that he/she/it has read the foregoing Amendment to Settlement Agreement, accepts and agrees to the provisions contained in this Settlement Agreement and the Amendment to Settlement Agreement and hereby executes it voluntarily and with full understanding of its consequences.

Dated: _____ PLAINTIFF CECELIA DE LA PENA

Cecilia De La Pena

Dated: _____ PLAINTIFF RUBEN VERGARA

Ruben Vergara

Dated: 11/21/2024 | 10:33 PM PST _____ PLAINTIFF JOANNA HOTAGUA

Joanna Hotagua

Dated: _____ DEFENDANT CHILDREN’S HOSPITAL
OF ORANGE COUNTY

By: _____

Exhibit A

**COURT APPROVED NOTICE OF CLASS ACTION AND PAGA ACTION
SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL**

Cecilia De La Pena v. Children's Hospital of Orange County
Case No.: OCSC 30-2018-01014749 – CU-OE-CXC

*The Superior Court for the State of California authorized this Notice. Read it Carefully!
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.*

You may be eligible to receive money from an employee class action and Private Attorneys General Act ("PAGA") lawsuit ("Action") against Defendant Children's Hospital of Orange County (referred to as "CHOC") for alleged employment wage and hour violations.

The proposed Settlement has two main parts: (1) a Class Settlement, and (2) a PAGA Settlement. The Action was filed by CHOC employees Cecilia De La Pena, Rubin Vergara, and Joanna Hotagua ("Plaintiffs") and seeks payments of (1) back wages and other relief for a class of hourly employees who worked for CHOC, in California, during the Class Period of December 15, 2015 to March 4, 2023 ("Class Period"); and (2) civil penalties for hourly employees who worked for CHOC, in California, during the PAGA Period of September 27, 2017 to March 4, 2023 ("PAGA Period").

Based on CHOC's records, **your Individual Class Payment is estimated to be \$_____ (less withholding) and your Individual PAGA Payment is estimated to be \$_____.** The actual amount you might receive may change depending on a number of factors as identified below.

The above estimates are based on CHOC's records showing that **you worked _____ workweeks** during the Class Period and **you worked _____ workweeks** during the PAGA Period. If no amount is stated for your Individual PAGA Payment, then according to CHOC's records you were not an hourly employee who worked for CHOC, in California, during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement, and enter a judgment, which will require CHOC to make payments under the Settlement in exchange for Participating Class Members and PAGA Employees releasing claims against CHOC as stated herein in Section 3.

CHOC will not retaliate against you for any actions you take with respect to the proposed Settlement

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
Do Nothing and Receive a Payment	To receive the cash payment for the Individual Class Payment from this Settlement, you <u>do not</u> have to do

	anything. Your estimated Individual Class Payment is estimated to be \$ _____. See the explanation below. If you are a PAGA Employee you will also receive the Individual PAGA Payment. Your estimated Individual PAGA Payment is estimated to be \$ _____. See the explanation below.
Exclude Yourself from the Class Action Settlement The Opt-out Deadline is _____	If you do not want to fully participate in the proposed Class Settlement, you can opt-out of the Class Settlement by sending the Administrator the Opt-Out Notice (Exhibit 1). If you request exclusion, you will receive no money from the Class Action portion of the Settlement. However, if you are a PAGA Employee, you will still receive your PAGA Payment as cannot opt-out of the proposed PAGA Settlement.
Participating Class Members Can Object to the Class Settlement Written Objections Deadline is _____	All Class Members who do not opt-out (“Participating Class Members”) can object to the proposed Class Settlement. Directions are provided below.
You May Participate at the _____ Final Approval Hearing	You do not have to attend the Final Approval Hearing, but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by _____	The amount of your Individual Class Payment depends on how many workweeks you worked during the Class Period and the PAGA Payment depends on how many Pay Periods you worked at least one day during the PAGA Period. The workweeks reported for you in this Notice derive from CHOC’s data. If you disagree with either of the workweek numbers reported for your, you may challenge these workweeks pursuant to the process detailed below.

1. WHAT IS THE ACTION ABOUT?

Plaintiffs are current and/or former CHOC employees. The operative Second Amended Complaint accuses CHOC of violating California labor laws by failing to: pay overtime and double time wages, minimum wages, provide legally compliant meal periods, legally compliant rest periods, pay all wages due timely upon termination, providing accurate wage statements, reimburse business expenses, timely pay wages, paying wages free of collection or receipt from CHOC, pay sick time wages. Based on the same claims, Plaintiffs have also asserted a claim for restitution under California’s Unfair Competition Law and for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) (“PAGA”).

Plaintiffs are represented by attorneys: The Myers Law Group, APC (attorneys for Plaintiff De La Pena), Jackson Law APC (attorneys for Plaintiff Vergara), and Aegis Law Firm, PC (attorneys for Plaintiff Hotagua) (collectively referred to as “Class Counsel”).

The Second Amended Complaint consolidates the claims from three separate cases titled *De La Pena v. Children’s Hospital of Orange County* (Super. Ct. Orange Cnty.), Case no. 30-2018-01014749 (“*De La Pena*”) initiated on August 27, 2018; *Vergara v. Children’s Hospital of Orange County* (Super. Ct. Orange Cnty.) initiated on August 18, 2020, Case no. 30-2020-01155679 (“*Vergara*”); and *Hotagua v. Children’s Hospital of Orange County* (Super. Ct. Orange Cnty.) initiated on November 17, 2021, Case no. 30-2021-01232190 (“*Hotagua*”) (collectively the “Action”), into the *De La Pena* case, which are the subject of the proposed Settlement.

CHOC strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, other than adjudicating a specific rest period claim theory against 12-hour employees, the Court has made no determination whether CHOC or Plaintiffs are correct on the merits.

In the meantime, Plaintiffs and CHOC hired an experienced, neutral mediator, Hon. Ann I. Jones (Ret.), in an effort to resolve the Action in an effort to end the case via a settlement agreement rather than continuing the expensive and time-consuming process of litigation. The mediation negotiations were successful and resulted in the parties signing the Class Action and PAGA Settlement Agreement and Class Notice (the “Settlement Agreement” or “proposed Settlement Agreement” or “Agreement”). Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, CHOC does not admit any violations or concede the merit of any claims.

Plaintiffs and Class Counsel strongly believe the Settlement is a good deal for you because: (1) CHOC has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and PAGA Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

CHOC Will Pay \$10,000,000 as the Gross Settlement Amount (Gross Settlement). CHOC has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payments, Class Counsel's attorney's fees and expenses, the Administrator's expenses/cost, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, CHOC will fund the Gross Settlement not more than 15 calendar days after the Judgment entered by the Court becomes final. The Judgment will be final 65 calendar days after Notice of Entry of Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

Requested Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiffs and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:

- A. Up to \$3,333,333.33 (one-third of the Gross Settlement) to Class Counsel for attorneys' fees and up to \$80,000 for their actual litigation expenses incurred. To date, Class Counsel have worked and incurred expenses on the Action without payment.
- B. Up to \$20,000 as a Class Representative Award to Plaintiff De La Pena and Plaintiff Vergara, and up to \$10,000 as a Class Representative Award to Plaintiff Hotagua for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiffs will receive other than their Individual Class Payment and any Individual PAGA Payment under this Settlement.
- C. Up to \$33,500.00 to the Administrator for services and costs for administering the Settlement.
- D. Up to \$280,000 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the PAGA Employees based on their PAGA Period Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Class Payments to Participating Class Members on a pro rata basis as detailed below.

Taxes Owed on Payments to Class Members. Plaintiffs and CHOC are asking the Court to approve

an allocation of 60% of each Individual Class Payment to taxable wages (“Wage Portion”) and 40% to interest and penalties (“Non-Wage Portion”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. CHOC will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you do not cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller’s Unclaimed Property Fund in your name. You should consult the California Controller’s Unclaimed Property Fund instructions to determine how to retrieve your money should you not timely cash any check you receive as part of this proposed Settlement.

Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than _____, that you wish to opt-out via the attached form by the _____ Response Deadline. Excluded Class Members (i.e., those who opt-out of the Class Settlement) will not receive Individual Class Payments but will preserve their rights to personally pursue wage and hour claims against CHOC.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement and who also qualify as a PAGA Employee will still receive the Individual PAGA Payment and are required to give up their right to assert PAGA claims against CHOC for the Released PAGA Claims detailed below.

The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and CHOC have agreed that, in either case, the Settlement will be void; and CHOC will not pay any money and Participating Class Members will not release the Released Class Claims.

Administrator. The Court has appointed a neutral company, Phoenix Class Action Administration Solutions (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also process Class Member Challenges for the Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 9 of this Notice.

Participating Class Members’ Release. After the Judgment is final and CHOC has fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the Released Class Claims under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against CHOC or the Released Parties for the Released Class Claims. The Released Parties means CHOC and each of its former and present

directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.

The Participating Class Members will be bound by the following release that constitutes the Released Class Claims:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint. The Participating Class Members (not including Plaintiffs) do not release any other claims, including but not limited to claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, claims based on any facts occurring outside the Settlement Class Period.

The Claims set forth in the Action and Operative Complaint, that are released are: (1) failure to pay minimum and failure to pay and/or accurately calculate overtime wages (violations of Labor Code §§ 218.5, 510, 1194, 1194.2, 1197, and 1197.1); (2) failure to provide meal periods or pay premiums in lieu thereof at the regular rate (violation of Labor Code §§ 512, 226.7, and the applicable Wage Order 5-2001); (3) failure to provide rest periods or pay premiums in lieu thereof at the regular rate (violation of Labor Code § 226.7, and the applicable Wage Order 5-2001); (4) failure to furnish timely and accurate wage statements, and keep payroll records (violation of Labor Code §§ 204, 226 and 1174); (5) failure to timely pay wages during and upon termination of employment (violation of Labor Code §§ 201, 202, 203, 210, 218, 218.5 and 218.6); (6) violation of California's Unfair Competition Law based upon the alleged Labor Code violations (violation of Business & Professions Code § 17200 *et seq.*); (7) failure to pay sick pay (violation of Labor Code § 246); and (8) failure to reimburse for business expenses (violation of Labor Code §§ 2800 and 2802), as well as any claims that could have been pled under the California Labor Code and California Industrial Welfare Commission Wage Orders;

Any claims for injunctive relief, declaratory relief, restitution, alleged or which could have been alleged under the facts, allegations and/or claims pleaded in the Operative Complaint; and

Any and all other claims under California common law, the federal law, and the California Business and Professions Code alleged in or that could have been alleged under the facts, allegations and/or claims pleaded in the Operative Complaint and based on the alleged Labor Code violations.

PAGA Employees' PAGA Release. After the Court's judgment is final, and CHOC has paid the Gross Settlement and separately paid the employer-side payroll taxes, all PAGA Employees will be barred from asserting the Released PAGA Claims against CHOC, or the Released Parties,

whether or not they exclude themselves from the Settlement. This means that all PAGA Employees, including those who are Participating Class Members and those who are not Participating Class Member (i.e. opt-out of the Class Settlement), cannot sue, continue to sue, or participate in any other PAGA claim against CHOC, or the Released Parties, for the Released PAGA Claims.

The PAGA Employees will be bound by the following release that constitutes the Released PAGA Claims:

All PAGA Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, and the PAGA Notices for this Action.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) allocating 80% of the Net Settlement Amount to the Participating 12 Hour Employee Class Members in the Class (Fund 1) and 20% of the Net Settlement Amount to the Participating Non-12 Hour Employee Class Members in the Class (Fund 2); (b) dividing Fund 1 by the total number of Workweeks worked by all Participating 12 Hour Employee Class Members during the Class Period and then multiplying the result by each Participating 12 Hour Employee Class Member's individual Workweeks; (c) dividing Fund 2 by the total number of Workweeks worked by all Participating Non-12 Hour Employee Class Members during the Class Period and then multiplying the result by each Participating Non-12 Hour Employee Class Member's individual Workweeks. If during the Class Period a Class Member worked as a 12 Hour Employee and Non-12 Hour Employee, that Class Member will receive a proportional share from Fund 1 based on the above formula for workweeks worked as a 12 Hour Employee Class Member and Fund 2 based on the Workweeks worked during the Class Period as a Non-12 Hour Employee Class Member.

Individual PAGA Payments. The Administrator will calculate each Individual PAGA Payment by (a) dividing \$70,000.00 (25% of the PAGA Penalties) by the total number of PAGA Pay Periods worked by all PAGA Employees during the PAGA Period and (b) multiplying the result by each PAGA Employee's individual PAGA Pay Periods. PAGA Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in CHOC's records, are stated in the first page of this Notice. You have until _____ to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter and any supporting documentation to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Court will review and resolve any workweek disputes not otherwise resolved by the Administrator and the parties. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or PAG Pay Periods to Defense Counsel and Class Counsel during the period for Class Member and PAGA Employee challenges to the allocated workweek. Any unresolved challenges shall be filed with the Court, by Plaintiffs, via a declaration from the Administrator with the posited challenge documents at the time the Motion for Final Approval is filed. You should send copies rather than originals because the documents will not be returned to you.

5. HOW WILL I GET PAID?

Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) and all those individuals who qualify as PAGA Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment as applicable.

PAGA Employees Who Are Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every PAGA Employee who opted out of the Class Settlement.

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

If you do not want to participate as a Settlement Class Member, you may "opt out", which will remove you from the Class Settlement and you will not receive an Individual Class Payment. That is, if the Court grants final approval of the settlement, you will not receive any money for the Individual Class Payment and you will not give up the right to sue CHOC or any of the Released Parties for the Released Class Claims. If you choose to opt out you must timely send a written opt out request (attached as Exhibit 1) to the Settlement Administrator. Please note that opting out of the Class Settlement does not affect PAGA Employee status or the Released PAGA Claims.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Class Settlement. Before deciding whether to object, you may wish to see what Plaintiffs and CHOC are asking the Court to approve. At least 16 court days before _____, the Final Approval Hearing date, Class Counsel and/or Plaintiffs will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, reasonable, and adequate; and (2) a Motion for Fees, Litigation Expenses and Service Awards stating (i) the amount Class Counsel is requesting as a Class Counsel Fees Payment; Class Counsel Litigation Expenses Payment; Class Representative Service Awards; and Administration Expenses Payment. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website

_____ (url) _____ or the Court’s website for a fee at: <https://www.occourts.org/online-services/case-access/>

A Participating Class Member who disagrees with any aspect of the Settlement Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may object. **The deadline for sending written objections to the Administrator is _____.** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action “CHOC Wage and Hour Cases” and include your name, current address, telephone number, and approximate dates of employment for CHOC and sign the objection. Section 9 of this Notice has the Administrator’s contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You may, but do not have to, attend the Final Approval Hearing on _____ at _____ in Department CX105 of the Orange Superior Court, located at 751 W Santa Ana Blvd, Santa Ana, CA 92701 either in person or through video conferencing. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making any decisions. You can attend (or hire a lawyer to attend). Check the Court’s website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator’s website _____ beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything CHOC and Plaintiffs have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to _____ (specify entity) _____’s website at _____ (url) _____. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<https://www.occourts.org/online-services/case-access/>) and entering the Case Number for the Action, Case No. 30-2018-01014749-CU-OE-CXC You can also personally review court documents in the Clerk’s Office at the Orange County Courthouse located at 751 W Santa Ana Blvd, Santa Ana, CA 92701.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Class Counsel:

Name of Attorney: David Myers, Jason Hatcher, Andriana N. Bravo

Email Address: jhatcher@myerslawgroup.com

Name of Firm: The Myers Law Group, APC
Mailing Address: 9327 Fairway View Place, Suite 100, Rancho Cucamonga, CA 91730
Telephone: (909) 375-2102

Name of Attorney: Armond Jackson, Andrea Fernandez-Jackson and Anthony Filer Jr.
Email Address: ajackson@jacksonapc.com
Name of Firm: Jackson Law, APC
Mailing Address: 2 Venture Plaza, Ste. 240, Irvine, CA 92618
Telephone: (949) 281-6857

Name of Attorney: Samuel Wong, Jessica L. Campbell, and Carolyn M. Bell
Email Address: cbell@aegislawfirm.com
Name of Firm: Aegis Law Firm, PC
Mailing Address: 9811 Irvine Center Drive, Suite 100, Irvine, CA 92618
Telephone: (949) 379-6250

Settlement Administrator:

Name of Company:
Email Address:
Mailing Address:
Telephone:
Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your Settlement check before cashing it, the Administrator will replace an uncashed check as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the Unclaimed Property Fund at https://www.sco.ca.gov/upd_msg.html for instructions on how to retrieve the funds.

11. WHAT IF I CHANGE MY ADDRESS?

If you move or otherwise change your mailing address after receipt of this notice, you should immediately notify the Administrator, at the contact information in Section 9 above, in order to ensure your check is mailed to the correct address.