

1 4. On February 9, 2024, Plaintiff Wilkins filed a Class Action Complaint for Damages
2 (“Wilkins Class Operative Complaint”) in the action entitled *Charles Wilkins v. Orthopaedic Hospital*
3 *dba Orthopaedic Institute for Children and Luskin Orthopaedic Institute for Children, et al.*, Los
4 Angeles County Superior Court Case No. 24STCV03460 (“Wilkins Class Action”), thereby
5 commencing a putative class action against Defendants.

6 5. On March 22, 2024, Plaintiff Pineda filed a Complaint for Enforcement Action Under
7 the Private Attorneys General Act, Cal. Labor Code §§ 2698 *Et Seq.* (“Pineda PAGA Operative
8 Complaint”) in the action entitled *Gregorio Pineda v. Orthopaedic Hospital dba Orthopaedic Institute*
9 *for Children and Luskin Orthopaedic Institute for Children, et al.*, Los Angeles County Superior Court
10 Case No. 24STCV07307 (“Pineda PAGA Action”), which alleged one cause of action under the
11 Private Attorneys General Act of 2004 pursuant to California Labor Code Section 2698 *et seq.*
12 (“PAGA”) against Defendants.

13 6. On April 22, 2024, Plaintiff Wilkins filed a Complaint Under the Labor Code Private
14 Attorneys’ General Act of 2004 for Civil Penalties Under Labor Code Sections 210, 226.3, 558,
15 1174.5, 1197.1 and 2699 (“Wilkins PAGA Operative Complaint) in the action entitled *Charles Wilkins*
16 *v. Orthopaedic Hospital dba Orthopaedic Institute for Children and Luskin Orthopaedic Institute for*
17 *Children*, Los Angeles County Superior Court Case No. 24STCV10042 (“Wilkins PAGA Action”),
18 which alleged one cause of action under PAGA against Defendants.

19 7. On July 11, 2024, Pineda filed a Notice of Related Case regarding his separately filed
20 action against Defendants seeking civil penalties pursuant to the Private Attorney General Act of 2004,
21 Cal. Labor Code §§ 2698, *et seq.* (“Pineda PAGA Action”).

22 8. On October 17, 2024, the Court ruled the Pineda Class Action, Pineda PAGA Action,
23 Wilkins Class Action, and Wilkins PAGA Action related (collectively, the “Actions”). The Pineda
24 Class Action was deemed the lead case.

25 9. The Parties agree to consolidate the Actions.

26 10. The Pineda Class Operative Complaint, Wilkins Class Operative Complaint (together,
27 “Class Operative Complaints”), Pineda PAGA Operative Complaint, and Wilkins PAGA Operative
28 Complaint (together, “PAGA Operative Complaints”) (collectively, the Class Operative Complaints

1 and PAGA Operative Complaints are referred to as the “Operative Complaints”) allege causes of
2 action for violations of the California Labor Code for failure to pay minimum wages, failure to pay
3 overtime wages, failure to provide compliant meal periods and premium payments in lieu thereof,
4 failure to provide compliant rest periods and premium payments in lieu thereof, failure to timely pay
5 wages during employment, failure to provide compliant wage statements, failure to timely pay wages
6 upon termination, and failure to reimburse necessary business expenses, for violations of California
7 Business & Professions Code Section 17200, *et seq.* based on the aforementioned California Labor
8 Code violations, and for civil penalties under PAGA based on the aforementioned California Labor
9 Code violations.

10 11. Defendants deny all material allegations set forth in the Actions and have asserted
11 numerous affirmative defenses. Notwithstanding, in the interest of avoiding further litigation,
12 Defendants desire to fully and finally settle the Actions, Released Class Claims (as defined herein),
13 and Released PAGA Claims (as defined herein).

14 12. Class Counsel diligently investigated the class and PAGA claims against Defendants,
15 including any and all applicable defenses and the applicable law. The investigation included, *inter*
16 *alia*, the exchange of information, data, and documents, and review of corporate policies and practices.
17 The Parties have engaged in sufficient informal discovery and investigation to assess the relative
18 merits of the claims and contentions of the Parties.

19 13. On June 30, 2025, the Parties participated in mediation with Monique Ngo-Bonnici,
20 Esq. (the “Mediator”), a respected mediator of complex wage and hour actions, and with the assistance
21 of the Mediator’s evaluations, the Parties reached a global settlement of the Actions that is
22 memorialized herein. The Parties’ settlement discussions were conducted at arms’ length, and the
23 Settlement is the result of an informed and detailed analysis of Defendants’ potential liability and
24 exposure in relation to the costs and risks associated with continued litigation. Based on Class
25 Counsel’s investigation and evaluation, Class Counsel believes that the settlement with Defendants
26 for the consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and
27 adequate and is in the best interest of the Class Members, State of California, and PAGA Employees
28 in light of all known facts and circumstances, including the risk of significant delay and uncertainty

1 associated with litigation and various defenses asserted by Defendants.

2 14. The Parties expressly acknowledge that this Settlement Agreement is entered into
3 solely for the purpose of compromising significantly disputed claims and that nothing herein is an
4 admission of liability or wrongdoing by Defendants. If for any reason this Settlement Agreement is
5 not approved, it will be of no force or effect, and the Parties shall be returned to their original respective
6 positions.

7 **DEFINITIONS**

8 15. The following definitions are applicable to this Settlement Agreement. Definitions
9 contained elsewhere in this Settlement Agreement will also be effective.

10 a. "Attorneys' Fees and Costs" means attorneys' fees approved by the Court for
11 Class Counsel's litigation and resolution of the Actions and all actual costs and expenses incurred and
12 to be incurred by Class Counsel in connection with the Actions, as set forth in Paragraph 18.

13 b. "Class" or "Class Member(s)" means all current and former hourly-paid and/or
14 non-exempt employees who worked for Defendants in the State of California at any time during the
15 Class Period.

16 c. "Class Counsel" means Jonathan M. Genish, Karen I. Gold, Marissa A.
17 Mayhood, Noam Y. Reiffman, Alexandra Rose, and Jasmine Y. Kianfard, of Blackstone Law, APC,
18 and David D. Bibiyan and Vedang Patel of Bibiyan Law Group, P.C. who will seek to be appointed
19 counsel for the Class.

20 d. "Class List" means a complete list of all Class Members that Defendants will
21 diligently and in good faith compile from their records and provide to the Settlement Administrator.
22 The Class List will be formatted in a readable Microsoft Office Excel spreadsheet containing the
23 following information for each Class Member: (1) full name; (2) last known mailing address; (3)
24 Social Security number; (4) dates worked for Defendants during the Class Period; and (5) such other
25 information as is necessary for the Settlement Administrator to calculate Workweeks and Pay Periods.

26 e. "Class Notice" means the Notice of Class Action Settlement, substantially in
27 the form attached hereto as "**Exhibit A.**"

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1 f. "Class Period" means the period from January 19, 2020 through August 31,
2 2025, subject to Paragraph 22.

3 g. "Class Settlement" means the settlement and resolution of all Released Class
4 Claims.

5 h. "Court" means the Superior Court of the State of California for the County of
6 Los Angeles.

7 i. "Defendants' Counsel" means Katherine C. Den Bleyker, Alyson M.
8 Dudkowski, and Tatyana Esmailian of O'Hagan Meyer LLP.

9 j. "Dispute" means a letter submitted by a Class Member disputing the number of
10 Workweeks and/or Pay Periods which have been credited to them, which must: (a) contain the case
11 name and number of the Pineda Class Action; (b) contain the Class Member's full name, signature,
12 address, telephone number, and the last four (4) digits of the Class Member's Social Security number;
13 (c) clearly state that the Class Member disputes the number of Workweeks and/or Pay Periods credited
14 to the Class Member and what the Class Member contends is the correct number; and (d) be returned
15 by mail to the Settlement Administrator at the specified address, postmarked on or before the Response
16 Deadline.

17 k. "Effective Date" means the following: (i) if no Settlement Class Member
18 objects to the Class Settlement, then the Effective Date will be the date of Final Approval; or (ii) if
19 any Settlement Class Member objects to the Class Settlement, the Effective Date will be the sixty-first
20 (61st) calendar day after the date of Final Approval, provided no appeal is initiated by an objector; or
21 (iii) if a timely appeal is initiated by an objector, then the Effective Date will be the day after final
22 resolution of that appeal (including any requests for rehearing and/or petitions for certiorari), resulting
23 in final judicial approval of the Settlement.

24 l. "Employer Taxes" means the employers' share of taxes and contributions in
25 connection with the wages portion of Individual Settlement Shares, which shall be paid by Defendants
26 in addition to the Gross Settlement Amount.

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1 m. “Enhancement Payment(s)” means the amounts to be paid to Plaintiffs, in
2 recognition of their effort and work in prosecuting the Actions on behalf of Class Members and PAGA
3 Employees, and general release of claims, as set forth in Paragraph 19.

4 n. “Final Approval” means the determination by the Court that the Settlement is
5 fair, reasonable, and adequate, and entry of the Final Approval Order and Judgment based thereon.

6 o. “Final Approval Hearing” means the hearing at which the Court will consider
7 and determine whether the Settlement should be granted Final Approval.

8 p. “Final Approval Order and Judgment” means the order granting final approval
9 of the Settlement and entering judgment thereon, in a form and content mutually agreed to by the
10 Parties, and subject to approval by the Court.

11 q. “Gross Settlement Amount” means the amount of One Million Nine Hundred
12 Fifty Thousand Dollars and Zero Cents (\$1,950,000.00) to be paid by Defendants in full satisfaction
13 of the Actions, Released Class Claims, and Released PAGA Claims, which includes all Attorneys’
14 Fees and Costs, Enhancement Payments, PAGA Amount, Settlement Administration Costs, and Net
15 Settlement Amount to be paid to the Settlement Class Members. Defendants shall pay the Employer
16 Taxes separately and in addition to the Gross Settlement Amount. The Gross Settlement Amount is
17 non-reversionary; no portion of the Gross Settlement Payment will return to Defendants. The Gross
18 Settlement Amount is subject to increase, as provided in Paragraph 21.

19 r. “Individual PAGA Payment” means the *pro rata* share of the PAGA Employee
20 Amount that a PAGA Employee may be eligible to receive under the PAGA Settlement, to be
21 calculated in accordance with Paragraph 24.

22 s. “Individual Settlement Payment” means the net payment of each Settlement
23 Class Member’s Individual Settlement Share, after reduction for the employee’s share of taxes and
24 withholdings with respect to the wages portion of the Individual Settlement Share, as provided in
25 Paragraph 25.

26 t. “Individual Settlement Share” means the *pro rata* share of the Net Settlement
27 Amount that a Class Member may be eligible to receive under the Class Settlement, to be calculated
28 in accordance with Paragraph 23.

1 u. “LWDA Payment” means the amount of Seventy-Five Thousand Dollars and
2 Zero Cents (\$75,000.00), i.e., 75% of the PAGA Amount, that the Parties have agreed to pay to the
3 LWDA under the PAGA Settlement, as set forth in Paragraph 20.

4 v. “Net Settlement Amount” means the portion of the Gross Settlement Amount
5 that is available for distribution to Settlement Class Members, which is the Gross Settlement Amount
6 less the Court-approved Attorneys’ Fees and Costs, Enhancement Payments, PAGA Amount, and
7 Settlement Administration Costs.

8 w. “Notice of Objection” means a Settlement Class Member’s written objection to
9 the Class Settlement, which must: (a) contain the case name and number of the Pineda Class Action;
10 (b) contain the objector’s full name, signature, address, telephone number, and the last four (4) digits
11 of the objector’s Social Security number; (c) contain a written statement of all grounds for the
12 objection accompanied by any legal support for such objection; (d) contain copies of any papers,
13 briefs, or other documents upon which the objection is based; and (e) be returned by mail to the
14 Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

15 x. “PAGA Amount” means the allocation of One Hundred Thousand Dollars and
16 Zero Cents (\$100,000.00) from the Gross Settlement Amount for the PAGA Settlement. Seventy-five
17 percent (75%) of the PAGA Amount, or \$75,000.00, will be paid to the LWDA (i.e., the LWDA
18 Payment) and the remaining twenty-five percent (25%), or \$25,000.00, will be distributed to the
19 PAGA Employees (i.e., the PAGA Employee Amount).

20 y. “PAGA Employee(s)” means all current and former hourly-paid and/or non-
21 exempt employees who worked for Defendants in the State of California at any time during the PAGA
22 Period.

23 z. “PAGA Employee Amount” means the amount of Twenty-Five Thousand
24 Dollars and Zero Cents (\$25,000.00), i.e., 25% of the PAGA Amount, to be distributed to PAGA
25 Employees on a *pro rata* basis based on their Pay Periods.

26 aa. “PAGA Period” means the period from January 19, 2023 through August 31,
27 2025, subject to Paragraph 22.

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1 bb. “PAGA Settlement” means the settlement and resolution of all Released PAGA
2 Claims.

3 cc. “Pay Periods” means the number of pay periods each PAGA Employee worked
4 for Defendants as an hourly-paid and/or non-exempt employee in California during the PAGA Period.
5 Pay Periods will be calculated by the Settlement Administrator.

6 dd. “Preliminary Approval” means the date on which the Court enters the
7 Preliminary Approval Order.

8 ee. “Preliminary Approval Order” means the order granting preliminary approval
9 of the Settlement, in a form and content mutually agreed to by the Parties, and subject to approval by
10 the Court.

11 ff. “Released Class Claims” means any and all claims which were alleged or which
12 could have been reasonably alleged based on the factual allegations in the Class Operative Complaints,
13 arising during the Class Period, which shall specifically include claims for Defendants’ alleged failure
14 to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium
15 payments, timely pay wages during employment and upon termination, provide accurate wage
16 statements, and reimburse necessary business-related expenses in violation of California Labor Code
17 Sections 201, 202, 203, 204, 210, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800,
18 and 2802, the applicable Industrial Welfare Commission Wage Order, and California Business and
19 Professions Code sections 17200, *et seq.*

20 gg. “Released PAGA Claims” means any and all claims arising from any of the
21 factual allegations in the PAGA Letters and the PAGA Operative Complaints, arising during the
22 PAGA Period, for civil penalties under the Private Attorneys General Act of 2004, California Labor
23 Code Sections 2698 *et seq.*, which shall specifically include claims for Defendants’ alleged failure to
24 pay overtime and minimum wages, provide compliant meal and rest periods and associated premium
25 payments, timely pay wages during employment and upon termination, provide compliant wage
26 statements, maintain complete and accurate payroll records, and reimburse necessary business-related
27 expenses in violation of California Labor Code Sections 201, 202, 203, 204, 210, 226(a), 226.7, 510,
28 512(a), 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and the applicable Industrial Welfare

1 Commission Wage Order.

2 hh. “Released Parties” means Defendants and their current and former officers,
3 directors, members, insurers, shareholders, subsidiaries, affiliates, predecessors, successors, and
4 assigns.

5 ii. “Request for Exclusion” means a letter submitted by a Class Member indicating
6 a request to be excluded from the Class Settlement, which must: (a) contain the case name and number
7 of the Pineda Class Action; (b) contain the Class Member’s full name, signature, address, telephone
8 number, and last four (4) digits of the Class Member’s Social Security number; (c) clearly state that
9 the Class Member does not wish to be included in the Class Settlement; and (d) be returned by mail to
10 the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

11 jj. “Response Deadline” means the deadline by which Class Members must submit
12 a Request for Exclusion, Notice of Objection, and/or Dispute, which shall be the date that is forty-five
13 (45) calendar days from the initial mailing of the Class Notice by the Settlement Administrator to
14 Class Members, unless the 45th day falls on a Sunday or Federal holiday, in which case the Response
15 Deadline will be extended to the next day on which the United States Postal service is open. The
16 Response Deadline may also be extended by express agreement between Class Counsel and
17 Defendants’ Counsel. In the event that a Class Notice is re-mailed to a Class Member, the Response
18 Deadline for that Class Member shall be extended fifteen (15) calendar days from the original
19 Response Deadline.

20 kk. “Settlement Administrator” means ILYM Group, Inc., or any other third-party
21 class action settlement administrator agreed to by the Parties and approved by the Court for purposes
22 of administering the Settlement. The Parties and their counsel each represent that they do not have
23 any financial interest in the Settlement Administrator or otherwise have a relationship with the
24 Settlement Administrator that could create a conflict of interest.

25 ll. “Settlement Administration Costs” means the costs payable from the Gross
26 Settlement Amount to the Settlement Administrator for administering the Settlement, as set forth in
27 Paragraph 21.

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1 mm. "Settlement Class" or "Settlement Class Member(s)" means all Class Members
2 who do not submit a timely and valid Request for Exclusion.

3 nn. "Workweeks" means the number of weeks each Class Member worked for
4 Defendants as an hourly-paid and/or non-exempt employee in California during the Class Period.
5 Workweeks will be calculated by the Settlement Administrator.

6 **CLASS CERTIFICATION**

7 16. For the purposes of this Settlement only, the Parties stipulate to the certification of the
8 Class.

9 17. The Parties agree that certification for the purpose of settlement is not an admission
10 that certification is proper under Section 382 of the California Code of Civil Procedure. Should, for
11 whatever reason, the Court not grant Final Approval, the Parties' stipulation to class certification as
12 part of the Settlement shall become null and void ab initio and shall have no bearing on, and shall not
13 be admissible in connection with, the issue of whether or not certification would be inappropriate in a
14 non-settlement context.

15 **TERMS OF THE AGREEMENT**

16 NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements set
17 forth herein, the Parties agree, subject to the Court's approval, as follows:

18 18. Attorneys' Fees and Costs. Defendants agree not to oppose or impede any application
19 or motion by Class Counsel for attorneys' fees in the amount up to thirty-five percent (35%) of the
20 Gross Settlement Amount (i.e., \$682,500.00 if the Gross Settlement Amount is \$1,950,000.00) and
21 reimbursement of actual costs and expenses associated with Class Counsel's litigation and settlement
22 of the Actions, in an amount not to exceed Forty Thousand Dollars and Zero Cents (\$40,000.00), both
23 of which will be paid from the Gross Settlement Amount. These amounts will cover any and all work
24 performed and any and all costs incurred by Class Counsel in connection with the litigation of the
25 Actions, including without limitation all work performed and costs incurred to date, and all work to
26 be performed and all costs to be incurred in connection with obtaining the Court's approval of this
27 Settlement Agreement, including any objections raised and any appeals necessitated by those
28 objections. Class Counsel shall be solely and legally responsible for correctly characterizing this

1 compensation for tax purposes and for paying any taxes on the amounts received. The Settlement
2 Administrator shall issue an IRS Form 1099 to Class Counsel for the Attorneys' Fees and Costs. Any
3 portion of the requested Attorneys' Fees and Costs that is not awarded by the Court to Class Counsel
4 shall be reallocated to the Net Settlement Amount for the benefit of the Settlement Class Members.

5 19. Enhancement Payments. Defendants agree not to oppose or impede any application or
6 motion by Plaintiffs for Enhancement Payments in the amounts up to Ten Thousand Dollars and Zero
7 Cents (\$10,000.00) to each of the Plaintiffs (total, \$20,000.00). The Enhancement Payments, which
8 will be paid from the Gross Settlement Amount, subject to Court approval, will be in addition to their
9 Individual Settlement Payments as Settlement Class Members and Individual PAGA Payments as
10 PAGA Employees. Plaintiffs shall be solely and legally responsible for correctly characterizing this
11 compensation for tax purposes and for paying any taxes on the amounts received. The Settlement
12 Administrator shall issue an IRS Form 1099 to Plaintiffs for the Enhancement Payments. Any portion
13 of the requested Enhancement Payments that is not awarded by the Court to Plaintiffs shall be
14 reallocated to the Net Settlement Amount for the benefit of the Settlement Class Members.

15 20. PAGA Amount. Subject to approval by the Court, the Parties agree that the amount of
16 One Hundred Thousand Dollars and Zero Cents (\$100,000.00) shall be allocated from the Gross
17 Settlement Amount toward penalties under the Private Attorneys General Act, California Labor Code
18 Section 2698, *et seq.* (i.e., the PAGA Amount), of which seventy-five percent (75%), or \$75,000.00,
19 will be paid to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%), or \$25,000.00,
20 will be distributed to PAGA Employees (i.e., the PAGA Employee Amount) on a *pro rata* basis, based
21 on the total number of Pay Periods worked by each PAGA Employee during the PAGA Period (i.e.,
22 the Individual PAGA Payments).

23 21. Settlement Administration Costs. The Settlement Administrator will be paid for the
24 reasonable costs of administration of the Settlement and distribution of payments under the Settlement,
25 which is currently estimated not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00). These
26 costs, which will be paid from the Gross Settlement Amount, subject to Court approval, will include,
27 *inter alia*, translating the Class Notice to Spanish, printing, distributing, and tracking Class Notices
28 and other documents for the Settlement, calculating and distributing payments due under the

1 Settlement, issuing of 1099 and W-2 IRS Forms and all required tax reporting, filings, withholdings,
2 and remittances, providing necessary reports and declarations, and other duties and responsibilities set
3 forth herein to process the Settlement, and as requested by the Parties. To the extent the actual
4 Settlement Administrator's costs are greater than the estimated amount stated herein, such excess
5 amount will be deducted from the Gross Settlement Amount, subject to approval by the Court. Any
6 portion of the estimated, designated, and/or awarded Settlement Administration Costs which are not
7 in fact required to fulfill payment to the Settlement Administrator to undertake the required settlement
8 administration duties shall be reallocated to the Net Settlement Amount for the benefit of the
9 Settlement Class Members.

10 22. Escalator Clause. Defendants have represented that the Class Members worked a total
11 of 41,422 workweeks during the period January 19, 2020 to June 30, 2025. If it is determined by the
12 Settlement Administrator that the total number of Workweeks worked by the Class Members during
13 the Class Period actually exceeds 41,422 by more than 10% (i.e., if the Workweeks exceed 45,564),
14 Defendants shall have the option of a) increasing the Gross Settlement Amount on a *pro rata* basis
15 equal to the percentage increase in the number of Workweeks worked by the Class Members above
16 10% (e.g., if the number of Workweeks increases by 11% to 45,978 Workweeks, then the Gross
17 Settlement Amount will increase by 1%), or b) rolling back the end of the Class Period and PAGA
18 Period to the date in which 45,564 Workweeks is met.

19 23. Individual Settlement Share Calculations. Individual Settlement Shares will be
20 calculated and apportioned from the Net Settlement Amount based on the Class Members' number of
21 Workweeks, as follows:

22 a. After Preliminary Approval, the Settlement Administrator will divide the Net
23 Settlement Amount by the Workweeks of all Class Members to yield the "Estimated Workweek
24 Value," and multiply each Class Member's individual Workweeks by the Estimated Workweek Value
25 to yield each Class Member's estimated Individual Settlement Share that the Class Member may be
26 entitled to receive under the Class Settlement.

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1 b. After Final Approval, the Settlement Administrator will divide the final Net
2 Settlement Amount by the Workweeks of all Settlement Class Members to yield the “Final Workweek
3 Value,” and multiply each Settlement Class Member’s individual Workweeks by the Final Workweek
4 Value to each Settlement Class Member’s final Individual Settlement Share.

5 24. Individual PAGA Payment Calculations. Individual PAGA Payments will be
6 calculated and apportioned from the PAGA Employee Amount based on the PAGA Employees’
7 number of Pay Periods, as follows: The Settlement Administrator will divide the PAGA Employee
8 Amount, i.e., 25% of the PAGA Amount, by the Pay Periods of all PAGA Employees to yield the
9 “Pay Period Value,” and multiply each PAGA Employee’s individual Pay Periods by the Pay Period
10 Value to yield each PAGA Employee’s Individual PAGA Payment.

11 25. Tax Treatment of Individual Settlement Shares and Individual PAGA Payments. Each
12 Individual Settlement Share will be allocated as follows: twenty percent (20%) wages and eighty
13 percent (80%) penalties, interest, and non-wage damages. The portion allocated to wages will be
14 reported on an IRS Form W-2 and the portions allocated to penalties, interest, and non-wage damages
15 will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator. The Settlement
16 Administrator will withhold the employee’s share of taxes and withholdings with respect to the wages
17 portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their
18 Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of these taxes
19 and withholdings). The Employer Taxes will be paid separately and in addition to the Gross
20 Settlement Amount. Each Individual PAGA Payment will be allocated as one hundred percent (100%)
21 penalties and will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator.

22 26. Administration of Taxes by the Settlement Administrator. The Settlement
23 Administrator will be responsible for issuing to Plaintiffs, Settlement Class Members, PAGA
24 Employees, and Class Counsel any tax forms (i.e., IRS Forms W-2, IRS Forms 1099, etc.) as may be
25 required by law for all amounts paid pursuant to this Settlement Agreement. The Settlement
26 Administrator will also be responsible for calculating the Employer Taxes and forwarding all payroll
27 taxes and other legally required withholdings to the appropriate government authorities.

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1 27. Tax Liability. Plaintiffs, Class Counsel, Defendants, and Defendants’ Counsel do not
2 intend anything contained in this Settlement Agreement to constitute advice regarding taxes or
3 taxability, nor shall anything in this Settlement Agreement be relied on as such. Plaintiffs, Settlement
4 Class Members, and PAGA Employees are not relying on any statement, representation, or calculation
5 by Defendants, the Settlement Administrator, or Class Counsel in this regard. Plaintiffs, Settlement
6 Class Members, and PAGA Employees understand and agree that Plaintiffs, Settlement Class
7 Members, and PAGA Employees will be solely responsible for the payment of any taxes and penalties
8 assessed on the payments described in this Settlement Agreement. Plaintiffs, Settlement Class
9 Members, and PAGA Employees should consult with their tax advisors concerning the tax
10 consequences of any payment they receive under the Settlement.

11 28. Circular 230 Disclaimer. EACH PARTY TO THIS SETTLEMENT AGREEMENT
12 (FOR PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY
13 TO THIS SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN
14 “OTHER PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS
15 SETTLEMENT AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE
16 BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISORS, IS
17 OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE
18 CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE
19 MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART
20 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY
21 UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE
22 (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS SETTLEMENT AGREEMENT, (B)
23 HAS NOT ENTERED INTO THIS SETTLEMENT AGREEMENT BASED UPON THE
24 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY
25 OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR
26 DISCLOSURE BY ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY TO AVOID ANY
27 TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO
28 ATTORNEY OR ADVISOR TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION

1 THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISOR'S
2 TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY
3 BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX
4 TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY
5 TRANSACTION CONTEMPLATED BY THIS SETTLEMENT AGREEMENT.

6 29. Settlement Awards Do Not Trigger Additional Benefits. All payments made under the
7 Settlement shall be deemed to be paid to the payee solely in the year in which such payments actually
8 are issued to the payee. It is expressly understood and agreed that payments made under this
9 Settlement shall not in any way entitle Plaintiffs, Settlement Class Members, or any PAGA Employee
10 to additional compensation or benefits under any new or additional compensation or benefits, or any
11 bonus, contest, or other compensation or benefit plan or agreement in place during the Class Period,
12 nor will it entitle Plaintiffs, Settlement Class Members, or any PAGA Employee to any increased
13 retirement, 401K benefits or matching benefits, or deferred compensation benefits (notwithstanding
14 any contrary language or agreement in any benefit or compensation plan document that might have
15 been in effect during the Class Period).

16 30. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement.
17 Plaintiffs will obtain a hearing date from the Court for Plaintiffs' motion for preliminary approval of
18 the Settlement, which Class Counsel will be responsible for drafting, and submit this Settlement
19 Agreement to the Court in support of said motion. Class Counsel will provide Defendants' Counsel a
20 draft of the preliminary approval motion before filing it with the Court. Defendants' Counsel will
21 provide Class Counsel a declaration from Defendants regarding their financial situation, including
22 appropriate financial documents to file concurrently with the preliminary approval motion pursuant to
23 the requirement of the Los Angeles Superior Court, Complex Civil Department Checklist for
24 Preliminary Approval of Class Action Settlement. Defendants agree not to oppose the motion for
25 preliminary approval of the Settlement consistent with this Settlement Agreement. By way of said
26 motion, Plaintiffs will apply for the entry of the Preliminary Approval Order seeking the following:

- 27 a. Conditionally certifying the Class for settlement purposes only;
- 28 b. Granting Preliminary Approval of the Settlement;

- 1 c. Preliminarily appointing Plaintiffs as the representatives of the Class;
2 d. Preliminarily appointing Class Counsel as counsel for the Class;
3 e. Approving as to form and content, the mutually-agreed upon and proposed
4 Class Notice and directing its mailing by First Class U.S. Mail;
5 f. Approving the manner and method for Class Members to request exclusion
6 from or object to the Class Settlement as contained herein and within the Class Notice; and
7 g. Scheduling a Final Approval Hearing at which the Court will determine whether
8 Final Approval of the Settlement should be granted.

9 31. Notice of Settlement to the LWDA. Pursuant to California Labor Code § 2699(1)(2),
10 Class Counsel shall notify the LWDA of the Settlement.

11 32. Delivery of Class List. Within fourteen (14) calendar days of Preliminary Approval,
12 Defendants will provide the Class List to the Settlement Administrator.

13 33. Notice by First-Class U.S. Mail.

14 a. Within seven (7) calendar days after receiving the Class List from Defendants,
15 the Settlement Administrator will perform a search based on the National Change of Address Database
16 or any other similar services available, such as provided by Experian, for information to update and
17 correct for any known or identifiable address changes, and will mail a Class Notice in English and
18 Spanish (in the form attached as **Exhibit A** to this Settlement Agreement) to all Class Members via
19 First-Class U.S. Mail, using the most current, known mailing addresses identified by the Settlement
20 Administrator.

21 b. Any Class Notice returned to the Settlement Administrator as undeliverable on
22 or before the Response Deadline will be sent promptly via First-Class U.S. Mail to the forwarding
23 address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on
24 the Class Notice. If no forwarding address is provided, the Settlement Administrator will promptly
25 attempt to determine the correct address using a skip-trace or other search, using the name, address,
26 and/or Social Security number of the Class Member, and perform a single re-mailing within five (5)
27 calendar days.

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1 c. Compliance with the procedures described herein above shall constitute due and
2 sufficient notice to Class Members of the Settlement and shall satisfy the requirements of due process.
3 Nothing else shall be required of or done by the Parties, Class Counsel, or Defendants' Counsel to
4 provide notice of the Settlement.

5 34. Disputes Regarding Workweeks and/or Pay Periods. Class Members will have an
6 opportunity to dispute the number of Workweeks and/or Pay Periods which have been credited to
7 them, as reflected in their respective Class Notices, by submitting a timely and valid Dispute to the
8 Settlement Administrator, by mail, postmarked on or before the Response Deadline. The date of the
9 postmark on the return mailing envelope will be the exclusive means to determine whether a Dispute
10 has been timely submitted. Absent evidence rebutting the accuracy of Defendants' records and data
11 as they pertain to the number of Workweeks and/or Pay Periods to be credited to a disputing Class
12 Member, Defendants' records will be presumed to be correct and determinative of the dispute.
13 However, if a Class Member produces information and/or documents to the contrary, the Settlement
14 Administrator will evaluate the materials submitted by the Class Member and the Settlement
15 Administrator will resolve and determine the number of eligible Workweeks and/or Pay Periods that
16 the disputing Class Member should be credited with under the Settlement. The Settlement
17 Administrator's decision on such disputes will be final and non-appealable.

18 35. Requesting Exclusion from the Class Settlement. Any Class Member wishing to be
19 excluded from the Class Settlement must submit a timely and valid Request for Exclusion to the
20 Settlement Administrator, by mail, postmarked on or before the Response Deadline. The date of the
21 postmark on the return mailing envelope will be the exclusive means to determine whether a Request
22 for Exclusion has been timely submitted. The Settlement Administrator will certify jointly to Class
23 Counsel and Defendants' Counsel the number of timely and valid Requests for Exclusion that are
24 submitted, and also identify the individuals who have submitted a timely and valid Request for
25 Exclusion in a declaration that is to be filed with the Court in advance of the Final Approval Hearing.
26 At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members
27 to request exclusion from the Class Settlement. Any Class Member who submits a Request for
28 Exclusion is prohibited from making any objection to the Class Settlement. Any Class Member who

1 submits a timely and valid Request for Exclusion will not be bound by the Class Settlement and will
2 not be issued an Individual Settlement Payment. Any Class Member who does not affirmatively
3 request exclusion from the Class Settlement by submitting a timely and valid Request for Exclusion
4 will be bound by all of the terms of the Class Settlement, including and not limited to those pertaining
5 to the Released Class Claims, as well as any judgment that may be entered by the Court if it grants
6 Final Approval to the Settlement. Notwithstanding the above, all PAGA Employees will be bound to
7 the PAGA Settlement and will be issued their Individual PAGA Payment, irrespective of whether they
8 submit a Request for Exclusion.

9 36. Objecting to the Class Settlement. To object to the Class Settlement, Settlement Class
10 Members must submit a timely and complete Notice of Objection to the Settlement Administrator, by
11 mail, postmarked on or before the Response Deadline. The date of the postmark on the return mailing
12 envelope will be the exclusive means to determine whether a Notice of Objection has been timely
13 submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendants'
14 Counsel the number of Notices of Objection that are submitted (specifying which ones were timely
15 and complete and which were not), and also attach them to a declaration that is to be filed with the
16 Court in advance of the Final Approval Hearing. At no time will any of the Parties or their counsel
17 seek to solicit or otherwise encourage Settlement Class Members to object to the Class Settlement or
18 appeal from the Final Approval Order and Judgment. Settlement Class Members, individually or
19 through counsel, may also present their objection orally at the Final Approval Hearing, regardless of
20 whether they have submitted a Notice of Objection.

21 37. Reports by the Settlement Administrator. The Settlement Administrator shall provide
22 weekly reports to counsel for the Parties providing: (a) the number of undeliverable and re-mailed
23 Class Notices; (ii) the number of Class Members who have submitted Disputes; (iii) the number of
24 Class Members who have submitted Requests for Exclusion; and (iv) the number of Settlement Class
25 Members who have submitted Notices of Objection. Additionally, the Settlement Administrator will
26 provide to counsel for the Parties any updated reports regarding the administration of the Settlement
27 Agreement as needed or requested, and immediately notify the Parties when it receives a request from
28 an individual or any other entity regarding inclusion in the Class and/or Settlement or regarding a

1 Dispute.

2 38. Defendants' Right to Rescind. If more than ten percent (10%) of the Class Members
3 submit timely and valid Requests for Exclusion, Defendants may elect to rescind the Settlement
4 Agreement. Defendants must exercise this right of rescission in writing that is provided to Class
5 Counsel within seven (7) calendar days of the Settlement Administrator notifying the Parties of the
6 number of Class Members who have submitted timely and valid Requests for Exclusion following the
7 Response Deadline. If Defendants exercises this option, Defendants shall pay any costs of settlement
8 administration owed to the Settlement Administrator incurred up to that date and any settlement funds
9 placed in trust with the Settlement Administrator will be returned to Defendants, with interest, if
10 applicable.

11 39. Certification of Completion. Upon completion of administration of the Settlement, the
12 Settlement Administrator will provide a written declaration under oath to certify such completion to
13 the Court and counsel for all Parties.

14 40. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After
15 the Response Deadline, a Final Approval Hearing will be conducted to determine whether Final
16 Approval of the Settlement should be granted, along with the amounts properly payable for: (a)
17 Individual Settlement Shares; (b) Individual PAGA Payments; (c) LWDA Payment; (d) Attorneys'
18 Fees and Costs; (e) Enhancement Payments; and (f) Settlement Administration Costs. The Final
19 Approval Hearing will not be held earlier than thirty (30) calendar days after the Response Deadline.
20 Plaintiffs and Class Counsel will be responsible for drafting the motion seeking Final Approval of the
21 Settlement. Class Counsel will provide Defendants' Counsel a draft of the final approval motion
22 before filing it with the Court. By way of said motion, Plaintiffs will apply for the entry of the Final
23 Approval Order and Judgment, which will provide for, in substantial part, the following:

24 a. Approval of the Settlement as fair, reasonable, and adequate, and directing
25 consummation of its terms and provisions;

26 b. Certification of the Settlement Class;

27 c. Approval of the application for Attorneys' Fees and Costs to Class Counsel;

28 d. Approval of the application for Enhancement Payments to Plaintiffs;

1 e. Directing Defendants to fund all amounts due under the Settlement Agreement
2 and ordered by the Court; and

3 f. Entering judgment in the Actions, while maintaining continuing jurisdiction, in
4 conformity with California Rules of Court 3.769 and the Settlement Agreement.

5 41. Funding of the Gross Settlement Amount. Defendants shall pay the Gross Settlement
6 Amount in three (3) installments as follows:

7 a. First Installment: No later than April 30, 2025, Defendants will deposit One
8 Million Dollars and Zero Cents (\$1,000,000.00) of the Gross Settlement
9 Amount and Employer Taxes (“First Installment”) into a Qualified Settlement
10 Fund (“QSF”) within the meaning of Treasury Regulation Section 1.468B-1, *et*
11 *seq.*, to be established by the Settlement Administrator. Defendants shall
12 provide all information necessary for the Settlement Administrator to calculate
13 necessary payroll taxes including their official names, 8-digit state
14 unemployment insurance tax ID number, and other information requested by
15 the Settlement Administrator, no later than April 30, 2025.

16 b. Second Installment: No later than four (4) months after the funding of the First
17 Installment, Defendants will deposit Four Hundred Seventy-Five Thousand
18 Dollars and Zero Cents (\$475,000.00) of the Gross Settlement Amount
19 (“Second Installment”) into the QSF.

20 c. Third Installment: No later than four (4) months after the funding of the Second
21 Installment, Defendants will deposit Four Hundred Seventy-Five Thousand
22 Dollars and Zero Cents (\$475,000.00) of the Gross Settlement Amount (“Third
23 Installment”) into the QSF.

24 d. Any failure by Defendants to timely pay the First Installment, Second
25 Installment, and/or Third Installment shall be an event of default. Within three
26 (3) business days of any default, the Settlement Administrator shall email
27 counsel for the Parties notifying them of any default (the “Default Notice”).
28 Defendants shall have no more than three (3) business days from the date of the
Default Notice to cure the default. Any default that is not cured by the third
business day from the date of the Default Notice shall entitle Plaintiffs to move

1 ex parte to have all remaining unpaid installment payment(s) immediately
2 accelerated and judgment entered against Defendants for the remaining unpaid
3 installment payment(s).

4 42. Distribution of the Gross Settlement Amount.

5 a. Within five (5) business days of the funding of the First Installment or the
6 Effective Date, whichever is later, the Settlement Administrator will issue half
7 of the Individual Settlement Payments to Settlement Class Members, half of the
8 Individual PAGA Payments to PAGA Employees, half of the LWDA Payment
9 to the LWDA, half of the Enhancement Payments to Plaintiffs, half of the
10 Attorneys' Fees and Costs to Class Counsel, and half of the Settlement
11 Administration Costs to itself. The Settlement Administrator shall also set
12 aside the Employer Taxes and all employee-side payroll taxes, contributions,
13 and withholding, and timely forward these to the appropriate government
14 authorities.

15 b. Within five (5) business days of the funding of the Third Installment, the
16 Settlement Administrator will issue the remaining half of the Individual
17 Settlement Payments to Settlement Class Members, remaining half of the
18 Individual PAGA Payments to PAGA Employees, remaining half of the
19 LWDA Payment to the LWDA, remaining half of the Enhancement Payments
20 to Plaintiffs, remaining half of the Attorneys' Fees and Costs to Class Counsel,
21 and remaining half of the Settlement Administration Costs to itself.

22 43. Settlement Checks. The Settlement Administrator will be responsible for undertaking
23 appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments by way
24 of check to the Settlement Class Members and the Individual PAGA Payments by way of check to the
25 PAGA Employees in accordance with this Settlement Agreement. When issuing payments, the
26 Settlement Administrator may combine the Individual Settlement Payment and Individual PAGA
27 Payment into one check if the intended recipient for both payments is one individual. Settlement Class
28 Members and PAGA Employees are not required to submit a claim to be issued an Individual
Settlement Payment and/or Individual PAGA Payment. Each Individual Settlement Payment and

1 Individual PAGA Payment check will be valid and negotiable for one hundred and eighty (180)
2 calendar days from the date the checks are issued, and thereafter, shall be canceled. Any funds
3 associated with such canceled checks shall be distributed by the Settlement Administrator to the State
4 of California's Unclaimed Property Division in the name of the Settlement Class Member and/or
5 PAGA Employee. The Parties agree that this disposition results in no "unpaid residue" under
6 California Civil Procedure Code Section 384, as the entire Net Settlement Amount will be paid out to
7 Settlement Class Members, whether or not they cash their settlement checks. Therefore, Defendants
8 will not be required to pay any interest on such amounts. The Settlement Administrator shall undertake
9 amended and/or supplemental tax filings and reporting required under applicable local, state, and
10 federal tax laws that are necessitated due to the cancelation of any Individual Settlement Payment
11 and/or Individual PAGA Payment checks. Settlement Class Members whose Individual Settlement
12 Payment checks are canceled shall, nevertheless, be bound by the Class Settlement, and PAGA
13 Employees whose Individual PAGA Payment checks are canceled shall, nevertheless, be bound by the
14 PAGA Settlement.

15 44. Class Settlement Release. Upon the Effective Date and full funding of the Gross
16 Settlement Amount, Plaintiffs and all Settlement Class Members will be deemed to have fully, finally,
17 and forever released, settled, compromised, relinquished, and discharged the Released Parties of all
18 Released Class Claims.

19 45. PAGA Settlement Release. Upon the Effective Date and full funding of the Gross
20 Settlement Amount, Plaintiffs, the State of California with respect to all PAGA Employees, and all
21 PAGA Employees will be deemed to have fully, finally, and forever released, settled, compromised,
22 relinquished, and discharged the Released Parties of all Released PAGA Claims.

23 46. Plaintiffs' General Release. Upon the Effective Date and full funding of the Gross
24 Settlement Amount, Plaintiffs, individually and on their own behalf, will be deemed to have fully,
25 finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties
26 from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys'
27 fees, damages, or causes of action of any kind or nature whatsoever, known or unknown, suspected or
28 unsuspected, asserted or unasserted, arising out of, relating to, or resulting from their employment

1 and/or separation of employment with Defendants, which Plaintiffs, at any time up until the execution
2 of this Settlement Agreement, had or claimed to have or may have. It is agreed that this is a general
3 release and is to be broadly construed as a release of all claims, provided that, notwithstanding the
4 foregoing, this Paragraph expressly does not include a release of any claims that cannot be released
5 hereunder by law. Any and all rights granted under any state or federal law or regulation limiting the
6 effect of this Settlement Agreement, including the provisions of Section 1542 of the California Civil
7 Code, ARE HEREBY EXPRESSLY WAIVED. Section 1542 of the California Civil Code reads as
8 follows:

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

14 47. Final Approval Order and Judgment. The Parties shall provide the Settlement
15 Administrator with a copy of the Final Approval Order and Judgment once it is entered by the Court,
16 and the Settlement Administrator shall post the Final Approval Order and Judgment on its website for
17 sixty (60) calendar days. No individualized notice of the Final Approval Order and Judgment to the
18 Class will be required.

19 48. Continued Jurisdiction. After entry of the judgment pursuant to the Settlement, the
20 Court will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of Court and
21 Section 664.6 of the California Code of Civil Procedure, for purposes of addressing: (a) the
22 interpretation and enforcement of the terms of the Settlement, (b) settlement administration matters,
23 and (c) such post-judgment matters as may be appropriate under court rules or as set forth in this
24 Settlement Agreement.

25 49. Effects of Termination or Rescission of Settlement. Termination or rescission of the
26 Settlement Agreement shall have the following effects:

27 a. The Settlement Agreement shall be void and shall have no force or effect, and
28 no Party shall be bound by any of its terms;

1 b. In the event the Settlement Agreement is terminated, Defendants shall have no
2 obligation to make any payments to any Party, Class Member, or attorney, except that the terminating
3 Party shall pay the Settlement Administrator for services rendered up to the date the Settlement
4 Administrator is notified that the Settlement has been terminated;

5 c. The Preliminary Approval Order and Final Approval Order and Judgment,
6 including any order certifying the Class, shall be vacated;

7 d. The Settlement Agreement and all negotiations, statements, and proceedings
8 relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be
9 restored to their respective positions in the Actions prior to the execution of the Settlement Agreement;

10 e. Neither this Settlement Agreement, nor any ancillary documents, actions,
11 statements, or filings in furtherance of the Settlement (including all matters associated with the
12 mediation) shall be admissible or offered into evidence in the Actions or any other action for any
13 purpose whatsoever;

14 f. Any documents generated to bring the Settlement into effect, will be null and
15 void, and any order or judgment entered by the Court in furtherance of this Settlement Agreement will
16 likewise be treated as void from the beginning; and

17 g. Any settlement funds placed in trust with the Settlement Administrator will be
18 returned to Defendants, with interest, if applicable.

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

23 51. Exhibits Incorporated by Reference. The terms of this Settlement include the terms set
24 forth in any attached exhibits, which are incorporated by this reference as though fully set forth herein.
25 Any exhibits to this Settlement Agreement are an integral part of the Settlement.

26 52. Entire Agreement. This Settlement Agreement and any attached exhibits constitute the
27 entirety of the Parties' agreement relating to the settlement and transaction completed thereby, and all
28 prior or contemporaneous agreements, understandings, representations, and statements, whether oral
or written and whether by a Party or such Party's legal counsel, are merged herein. No other prior or

1 contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties
2 expressly recognize California Civil Code Section 1625 and California Code of Civil Procedure
3 Section 1856(a), which provide that a written agreement is to be construed according to its terms and
4 may not be varied or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic
5 oral or written representations or terms will modify, vary, or contradict the terms of this Settlement
6 Agreement.

7 53. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in
8 the Actions (including with respect to California Code of Civil Procedure Section 583.310), except
9 such proceedings necessary to implement and complete this Settlement Agreement, pending the Final
10 Approval Hearing to be conducted by the Court.

11 54. Amendment or Modification. Prior to the filing of the motion for preliminary approval
12 of the Settlement, the Parties may not amend or modify any provision of this Settlement Agreement
13 except by written agreement signed by counsel for all Parties. After the filing of the motion for
14 preliminary approval of the Settlement, the Parties may not amend or modify any provision of this
15 Settlement Agreement except by written agreement signed by counsel for all the Parties and subject
16 to Court approval. A waiver or amendment of any provision of this Settlement Agreement will not
17 constitute a waiver of any other provision.

18 55. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
19 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
20 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
21 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
22 effectuate the terms of this Settlement Agreement. The Parties warrant that they understand and have
23 full authority to enter into this Settlement Agreement, and further intend that this Settlement
24 Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible
25 and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation
26 confidentiality provisions that otherwise might apply under state or federal law.

27 56. Signatories. It is agreed that because the members of the Class are so numerous, it is
28 impossible or impractical to have each Settlement Class Member or PAGA Employee execute this
Settlement Agreement. The Class Notice will advise all Class Members of the binding nature of the
Class Settlement as to the Settlement Class Members and the binding nature of the PAGA Settlement

1 as to the PAGA Employees, and the releases provided for by this Settlement Agreement shall have
2 the same force and effect as if this Settlement Agreement were executed by each Settlement Class
3 Member and PAGA Employee.

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

6 58. California Law Governs. All terms of this Settlement Agreement and attached exhibits
7 hereto will be governed by and interpreted according to the laws of the State of California.

8 59. Execution and Counterparts. This Settlement Agreement is subject only to the
9 execution of all Parties. However, this Settlement Agreement may be executed in one or more
10 counterparts. All executed counterparts and each of them, including facsimile, electronic, and scanned
11 copies of the signature page, will be deemed to be one and the same instrument.

12 60. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
13 Settlement Agreement is a fair, adequate, and reasonable settlement of the Actions and have arrived
14 at this Settlement after arm's length negotiations and in the context of adversarial litigation, taking
15 into account all relevant factors, present and potential. The Parties further acknowledge that they are
16 each represented by competent counsel and that they have had an opportunity to consult with their
17 counsel regarding the fairness and reasonableness of this Settlement Agreement. In addition, if
18 necessary to obtain approval of the Settlement, the Mediator may execute a declaration supporting the
19 Settlement and the reasonableness of the Settlement and the Court may, in its discretion, contact the
20 Mediator to discuss the Settlement and whether or not the Settlement is objectively fair and reasonable.

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

25 62. Plaintiffs' Cooperation. Plaintiffs agree to sign this Settlement Agreement and, by
26 signing this Settlement Agreement, are hereby bound by the terms herein and agree to fully cooperate
27 to implement the Settlement.

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1 63. Non-Admission of Liability. The Parties enter into this Settlement Agreement to
2 resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of
3 continued litigation. In entering into this Settlement Agreement, Defendants do not admit, and
4 specifically deny, they have violated any federal, state, or local law; violated any regulations or
5 guidelines promulgated pursuant to any statute or any other applicable laws, regulations, or legal
6 requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation
7 or deception; or engaged in any other unlawful conduct with respect to its employees. Neither this
8 Settlement Agreement, nor any of its terms or provisions, nor any of the negotiations connected with
9 it, shall be construed as an admission or concession by Defendants of any such violations or failures
10 to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this
11 Settlement Agreement, this Settlement Agreement and its terms and provisions shall not be offered or
12 received as evidence in any action or proceeding to establish any liability or admission on the part of
13 Defendants or to establish the existence of any condition constituting a violation of, or a non-
14 compliance with, federal, state, local, or other applicable law.

15 64. Captions. The captions and paragraph numbers in this Settlement Agreement are
16 inserted for the reader's convenience, and in no way define, limit, construe, or describe the scope or
17 intent of the provisions of this Settlement Agreement.

18 65. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
19 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be
20 construed more strictly against one Party than another merely by virtue of the fact that it may have
21 been prepared by counsel for one of the Parties, it being recognized that, because of the arms-length
22 negotiations between the Parties, all Parties have contributed equally to the preparation of this
23 Settlement Agreement.

24 66. Representation By Counsel. The Parties acknowledge that they have been represented
25 by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and
26 that this Settlement Agreement has been executed with the consent and advice of counsel, and
27 reviewed in full.

28 ///

Los Angeles, California 90071
Tel: (213) 647-0005

69. Cooperation and Execution of Necessary Documents. All Parties and their counsel will cooperate with each other in good faith and use their best efforts to implement the Settlement, including and not limited to, executing all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties may seek the assistance of the Mediator and then the Court to resolve such disagreement.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action and PAGA Settlement between Plaintiffs and Defendants:

IT IS SO AGREED.

PLAINTIFF GREGORIO PINEDA

Gregorio Pineda

Dated: 08/30/2025

Plaintiff Gregorio Pineda

PLAINTIFF CHARLES WILKINS

Charles Wilkins

Dated: 09/04/2025

Plaintiff Charles Wilkins

**DEFENDANT ORTHOPAEDIC HOSPITAL
dba ORTHOPAEDIC INSTITUTE FOR
CHILDREN AND LUSKIN ORTHOPAEDIC
INSTITUTE FOR CHILDREN**

Dated: _____

Full Name: _____

Title: _____
On behalf of Defendant Orthopaedic Hospital
dba Orthopaedic Institute for Children and
Luskin Orthopaedic Institute for Children

Los Angeles, California 90071
Tel: (213) 647-0005

69. Cooperation and Execution of Necessary Documents. All Parties and their counsel will cooperate with each other in good faith and use their best efforts to implement the Settlement, including and not limited to, executing all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties may seek the assistance of the Mediator and then the Court to resolve such disagreement.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action and PAGA Settlement between Plaintiffs and Defendants:

IT IS SO AGREED.

PLAINTIFF GREGORIO PINEDA

Dated: _____

Plaintiff Gregorio Pineda

PLAINTIFF CHARLES WILKINS

Dated: _____

Plaintiff Charles Wilkins

**DEFENDANT ORTHOPAEDIC HOSPITAL
dba ORTHOPAEDIC INSTITUTE FOR
CHILDREN AND LUSKIN ORTHOPAEDIC
INSTITUTE FOR CHILDREN**

Dated: 9/4/25




Full Name: Aaron Shimizu

Title: CFO
On behalf of Defendant Orthopaedic Hospital
dba Orthopaedic Institute for Children and
Luskin Orthopaedic Institute for Children

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**DEFENDANT ORTHOPAEDIC HOSPITAL
MEDICAL GROUP, INC.**

Dated: 9/4/25



Full Name: Aaron Shimizu

Title: CFO

On behalf of Defendant Orthopaedic Hospital
Medical Group, Inc.

**DEFENDANT ORTHOPAEDIC INSTITUTE
FOR CHILDREN AMBULATORY
SURGERY CENTER, LLC**

Dated: 9/4/25



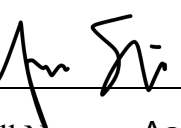
Full Name: Aaron Shimizu

Title: CFO

On behalf of Defendant Orthopaedic Institute for
Children Ambulatory Surgery Center, LLC

**DEFENDANT ORTHOPAEDIC INSTITUTE
FOR CHILDREN FOUNDATION**

Dated: 9/4/25



Full Name: Aaron Shimizu

Title: CFO

On behalf of Defendant Orthopaedic Institute for
Children Foundation

APPROVED AS TO FORM ONLY:

BLACKSTONE LAW, APC

Dated: _____

Jonathan M. Genish
Karen I. Gold
Marissa A. Mayhood
Noam Y. Reiffman
Alexandra Rose
Jasmine Y. Kianfard
*Attorneys for Plaintiff Gregorio Pineda
and Proposed Class Counsel*

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**DEFENDANT ORTHOPAEDIC HOSPITAL
MEDICAL GROUP, INC.**

Dated: _____

Full Name: _____

Title: _____

On behalf of Defendant Orthopaedic Hospital
Medical Group, Inc.

**DEFENDANT ORTHOPAEDIC INSTITUTE
FOR CHILDREN AMBULATORY
SURGERY CENTER, LLC**

Dated: _____

Full Name: _____

Title: _____

On behalf of Defendant Orthopaedic Institute for
Children Ambulatory Surgery Center, LLC

**DEFENDANT ORTHOPAEDIC INSTITUTE
FOR CHILDREN FOUNDATION**

Dated: _____

Full Name: _____

Title: _____

On behalf of Defendant Orthopaedic Institute for
Children Foundation

APPROVED AS TO FORM ONLY:

BLACKSTONE LAW, APC



Dated: 08/30/2025

Jonathan M. Genish
Karen I. Gold
Marissa A. Mayhood
Noam Y. Reiffman
Alexandra Rose
Jasmine Y. Kianfard
*Attorneys for Plaintiff Gregorio Pineda
and Proposed Class Counsel*

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BIBIYAN LAW GROUP, P.C.

Vedang J. Patel

Dated: 9/5/25

David D. Bibiyan
Michael E. Braud
Vedang Patel
*Attorneys for Plaintiff Charles Wilkins and
Proposed Class Counsel*

O'HAGAN MEYER LLP

Dated: _____

Katherine C. Den Bleyker
Alyson M. Dudkowski
Tatyana Esmailian
Attorneys for Defendants

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BIBIYAN LAW GROUP, P.C.

Dated: _____

David D. Bibiyan
Michael E. Braud
Vedang Patel
*Attorneys for Plaintiff Charles Wilkins and
Proposed Class Counsel*

O'HAGAN MEYER LLP

Dated: 9/4/25

Tatyana Esmailian

Katherine C. Den Bleyker
Alyson M. Dudkowski
Tatyana Esmailian
Attorneys for Defendants

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

***Gregorio Pineda v. Orthopaedic Hospital, et al.* (“Pineda Class Action”)
Superior Court of California for the County of Los Angeles, Case No. 24STCV01618
Gregorio Pineda v. Orthopaedic Hospital, et al. (“Pineda PAGA Action”)
Superior Court of California for the County of Los Angeles, Case No. 24STCV07307
Charles Wilkins v. Orthopaedic Hospital, et al. (“Wilkins Class Action”)
Superior Court of California for the County of Los Angeles, Case No. 24STCV03460
Charles Wilkins v. Orthopaedic Hospital, et al. (“Wilkins PAGA Action”)
Superior Court of California for the County of Los Angeles, Case No. 24STCV10042**

PLEASE READ THIS CLASS NOTICE CAREFULLY.

You have received this Class Notice because Defendants’ records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced cases.

You do not need to take any action to receive a settlement payment.

This Class Notice is designed to advise you of your rights and options with respect to the settlement, and how you can request to be excluded from the Class Settlement, object to the Class Settlement, and/or dispute the number of Workweeks and/or Pay Periods that you are credited with, if you so choose.

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiffs Gregorio Pineda (“Plaintiff Pineda”) and Charles Wilkins (“Plaintiff Wilkins”) (together, “Plaintiffs”) and Defendants Orthopaedic Hospital dba Orthopaedic Institute for Children and Lusk Orthopaedic Institute for Children; Orthopaedic Hospital Medical Group, Inc.; Orthopaedic Institute for Children Ambulatory Surgery Center, LLC; and Orthopaedic Institute for Children Foundation (collectively, “Defendants”) (Plaintiffs and Defendants are collectively referred to as the “Parties”) in the above listed cases (collectively, “Actions”), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] (“Final Approval Hearing”) to determine whether or not the Court should grant final approval of the settlement.

I. IMPORTANT DEFINITIONS

“Class” or “Class Member(s)” means all current and former hourly-paid and/or non-exempt employees who worked for Defendants in the State of California at any time during the Class Period.

“Class Period” means the period from January 19, 2020 through August 31, 2025.

“Class Settlement” means the settlement and resolution of all Released Class Claims.

“PAGA Employee(s)” means all current and former hourly-paid and/or non-exempt employees who worked for Defendants in the State of California at any time during the PAGA Period.

“PAGA Period” means the period from January 19, 2023 through August 31, 2025.

“PAGA Settlement” means the settlement and resolution of all Released PAGA Claims.

II. BACKGROUND OF THE ACTIONS

On January 16, 2024, Plaintiff Pineda provided written notice to the California Labor and Workforce Development Agency (“LWDA”) and Defendants of the specific provisions of the California Labor Code alleged to have been violated (“Pineda PAGA Letter”). On January 19, 2024, Plaintiff Pineda commenced a putative class action lawsuit by filing a Class Action Complaint (“Pineda Class Operative Complaint”) in the Pineda Class Action. On March 22, 2024, Plaintiff Pineda filed a Complaint for Enforcement Action Under the Private Attorneys General Act, Cal. Labor Code §§ 2698 *Et Seq.* (“Pineda PAGA Operative Complaint”) in the Pineda PAGA Action.

On February 9, 2024, Plaintiff Wilkins provided written to the LWDA and Defendants of the specific provisions of the California Labor Code alleged to have been violated (“Wilkins PAGA Letter”). On February 9, 2024, Plaintiff Wilkins

commenced a putative class action lawsuit by filing a Class Action Complaint for Damages (“Wilkins Class Operative Complaint”) in the Wilkins Class Action. On April 22, 2024, Plaintiff Wilkins filed a Complaint Under the Labor Code Private Attorneys’ General Act of 2004 for Civil Penalties Under Labor Code Section 210, 226.3, 558, 1174.5, 1197.1 (“Wilkins PAGA Operative Complaint”) in the Wilkins PAGA Action.

On [REDACTED], 2025, the Actions were consolidated. The Pineda Class Action is the lead case.

The Pineda PAGA Letter and Wilkins PAGA Letter are together referred to as the “PAGA Letters”. The Pineda Class Operative Complaint, Wilkins Class Operative Complaint (together, “Class Operative Complaints”), Pineda PAGA Operative Complaint, and Wilkins PAGA Operative Complaint (together, “PAGA Operative Complaints”) are collectively referred to as the “Operative Complaints”.

Plaintiffs contend that Defendants failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages during employment and upon termination of employment and associated waiting-time penalties, provide accurate wage statements, and reimburse business expenses, and thereby engaged in unfair business practices in violation of the California Business and Professions Code section 17200, *et seq.*, and conduct that gives rise to penalties under the Private Attorneys General Act of 2004 pursuant to California Labor Code Section 2698, *et seq.* (“PAGA”). Plaintiffs seek, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys’ fees and costs.

Defendants deny all of the allegations in the Actions or that they violated any law.

The Parties participated in mediation with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into a Joint Stipulation of Class Action and PAGA Settlement (“Settlement” or “Settlement Agreement”).

On [Date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed ILYM Group, Inc. as the administrator of the Settlement (“Settlement Administrator”), Plaintiff Pineda and Plaintiff Wilkins as representatives of the Class (“Class Representatives”), and the following Plaintiffs’ attorneys as counsel for the Class (“Class Counsel”):

Jonathan M. Genish
Karen I. Gold
Marissa A. Mayhood
Noam Y. Rieffman
Alexandra Rose
Jasmine Y. Kianfard
Blackstone Law, APC
8383 Wilshire Boulevard, Suite 745
Beverly Hills, California 90211
Tel: (310) 622-4278 / Fax: (855) 786-6356

David D. Bibiyan
Vedang Patel
Bibiyan Law Group, P.C.
1460 Westwood Boulevard
Los Angeles, California 90024
Tel: (310) 438-5555 / Fax: (310) 300-1705

If you are a Class Member, you need not take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual Settlement Payment), object to the Class Settlement, and/or dispute the Workweeks and/or Pay Periods credited to you, if you so choose, as explained more fully in Sections III and IV below. If you are a PAGA Employee, you do not need to take any action to receive an Individual PAGA Payment; you will not have the opportunity to object or seek exclusion from the PAGA Settlement and all PAGA Employees will be bound to the PAGA Settlement if the Court grants final approval of the

Settlement.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendants that the claims in the Actions have merit or that Defendants have any liability to Plaintiffs, Class Members, or PAGA Employees. Plaintiffs and Defendants, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of the Class Members, the State of California, and PAGA Employees.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is One Million Nine Hundred Fifty Thousand Dollars and Zero Cents (\$1,950,000.00) (the “Gross Settlement Amount”). The portion of the Gross Settlement Amount that is available for payment to Class Members is referred to as the “Net Settlement Amount.” The Net Settlement Amount will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) attorneys’ fees, in an amount not to exceed thirty-five percent (35%) of the Gross Settlement Amount (i.e., \$682,500.00), and reimbursement of litigation costs and expenses, in an amount not to exceed Forty Thousand Dollars and Zero Cents (\$40,000.00) to Class Counsel; (2) Enhancement Payments in amounts not to exceed Ten Thousand Dollars (\$10,000.00) to each of the Plaintiffs (total, \$20,000.00) for their services in the Actions; (3) the amount of One Hundred Thousand Dollars and Zero Cents (\$100,000.00) allocated toward civil penalties under the Private Attorneys General Act (“PAGA Amount”), of which the LWDA will be paid 75% (\$75,000.00) (“LWDA Payment”) and the remaining 25% (\$25,000.00) will be distributed to PAGA Employees (“PAGA Employee Amount”); and (4) Settlement Administration Costs in an amount not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00) to the Settlement Administrator.

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount (“Individual Settlement Share”) based on the number of weeks each Class Member worked for Defendants as an hourly-paid and/or non-exempt employee in California during the Class Period (“Workweeks”). The Settlement Administrator has divided the Net Settlement Amount by the Workweeks of all Class Members to yield the “Estimated Workweek Value,” and multiplied each Class Member’s individual Workweeks by the Estimated Workweek Value to yield an estimated Individual Settlement Share that each Class Member may be entitled to receive under the Class Settlement (which is listed in Section III.C below). Class Members who do not submit a timely and valid Request for Exclusion (“Settlement Class Members”) will be issued their final Individual Settlement Payment.

Each Individual Settlement Share will be allocated as twenty percent (20%) as wages, which will be reported on an IRS Form W-2, and eighty percent (80%) as penalties, interest, and non-wage damages, which will be reported on an IRS Form 1099 (if applicable). Each Individual Settlement Share will be subject to reduction for the employee’s share of payroll taxes and withholdings with respect to the wages portion of the Individual Settlement Shares resulting in a net payment to the Settlement Class Member (“Individual Settlement Payment”). The employers’ share of taxes and contributions in connection with the wages portion of Individual Settlement Shares (“Employer Taxes”) will be paid by Defendants separately and in addition to the Gross Settlement Amount.

PAGA Employees are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the PAGA Employee Amount (“Individual PAGA Payment”) based on the number of pay periods each PAGA Employee worked for Defendants as an hourly-paid and/or non-exempt employee in California during the PAGA Period. (“Pay Periods”). The Settlement Administrator had divided the PAGA Employee Amount, i.e., 25% of the PAGA Amount, by the Pay Periods of all PAGA Employees to yield the “PAGA Pay Period Value,” and multiplied each PAGA Employee’s individual Pay Periods by the Pay Period Value to yield each PAGA Employee’s Individual PAGA Payment.

Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties, will not be subject to taxes or withholdings, and will be reported on IRS Form 1099 (if applicable).

Defendants will fund the Gross Settlement Amount in three (3) installments as follows:

- No later than April 30, 2025, Defendants will fund One Million Dollars and Zero Cents (\$1,000,000.00) of the Gross Settlement Amount and Employer Taxes (“First Installment”).
 - Within five (5) business days of the funding of the First Installment or the Effective Date, whichever is

later, the Settlement Administrator will issue half of the Individual Settlement Payments to Settlement Class Members, half of the Individual PAGA Payments to PAGA Employees, half of the LWDA Payment to the LWDA, half of the Enhancement Payments to Plaintiffs, half of the Attorneys' Fees and Costs to Class Counsel, and half of the Settlement Administration Costs to itself.

- No later than four (4) months after the funding of the First Installment, Defendants will fund Four Hundred Seventy-Five Thousand Dollars and Zero Cents (\$475,000.00) ("Second Installment").
- No later than four (4) months after the funding of the Second Installment, Defendants will fund Four Hundred Seventy-Five Thousand Dollars and Zero Cents (\$475,000.00) ("Third Installment").
 - Within five (5) business days of the funding of the Third Installment, the Settlement Administrator will issue the remaining half of the Individual Settlement Payments to Settlement Class Members, remaining half of the Individual PAGA Payments to PAGA Employees, remaining half of the LWDA Payment to the LWDA, remaining half of the Enhancement Payments to Plaintiffs, remaining half of the Attorneys' Fees and Costs to Class Counsel, and remaining half of the Settlement Administration Costs to itself.

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Settlement Class Members and Individual PAGA Payments will be mailed to PAGA Employees at the address that is on file with the Settlement Administrator. **If the address to which this Class Notice was mailed is not correct, or if you move after you receive this Class Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

B. Your Workweeks and Pay Periods (if applicable) Based on Defendants' Records

According to Defendants' records:

- **From January 19, 2020 through August 31, 2025 (i.e., the Class Period), you are credited as having worked [] Workweeks.**
- **From January 19, 2023 through August 31, 2025 (i.e., the PAGA Period), you are credited as having worked [] Pay Periods.**

If you wish to dispute the Workweeks and/or Pay Periods credited to you, you must submit your dispute in writing to the Settlement Administrator ("Dispute"). The Dispute must: (a) contain the case name and number of the Pineda Class Action (*Pineda v. Orthopaedic Hospital, et al.*, Case No. 24STCV03460); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) clearly state that you dispute the number of Workweeks and/or Pay Periods credited to you and what you contend is the correct number; and (d) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B below, postmarked **on or before [Response Deadline]**.

C. Your Estimated Individual Settlement Share and Individual PAGA Payment (if applicable)

As explained above, your estimated Individual Settlement Share and Individual PAGA Payment (if applicable) is based on the number of Workweeks and Pay Periods (if applicable) credited to you.

Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$ []. The Individual Settlement Share is subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

Under the terms of the Settlement, your Individual PAGA Payment is estimated to be \$ [] and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

The settlement approval process may take multiple months. Your Individual Settlement Share and Individual PAGA Payment (if applicable) reflected in this Class Notice is only an estimate. Your actual Individual Settlement Payment and Individual PAGA Payment (if applicable) may be higher or lower.

D. Release of Claims

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs and all Settlement Class Members

will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims.

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs, the State of California with respect to all PAGA Employees, and all PAGA Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims.

“Released Class Claims” means any and all claims which were alleged or which could have been reasonably alleged based on the factual allegations in the Class Operative Complaints, arising during the Class Period, which shall specifically include claims for Defendants’ alleged failure to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide accurate wage statements, and reimburse necessary business-related expenses in violation of California Labor Code Sections 201, 202, 203, 204, 210, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, the applicable Industrial Welfare Commission Wage Order, and California Business and Professions Code sections 17200, *et seq.*

“Released PAGA Claims” means any and all claims arising from any of the factual allegations in the PAGA Letters and the PAGA Operative Complaints, arising during the PAGA Period, for civil penalties under the Private Attorneys General Act of 2004, California Labor Code Sections 2698 *et seq.*, which shall specifically include claims for Defendants’ alleged failure to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide compliant wage statements, maintain complete and accurate payroll records, and reimburse necessary business-related expenses in violation of California Labor Code Sections 201, 202, 203, 204, 210, 226(a), 226.7, 510, 512(a), 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and the applicable Industrial Welfare Commission Wage Order.

“Released Parties” means Defendants and their current and former officers, directors, members, insurers, shareholders, subsidiaries, affiliates, predecessors, successors, and assigns.

E. Attorneys’ Fees and Costs to Class Counsel

Class Counsel will seek attorneys’ fees in an amount not to exceed thirty-five percent (35%) of the Gross Settlement Amount (i.e., \$682,500.00) and reimbursement of litigation costs and expenses in an amount not to exceed Forty Thousand Dollars and Zero Cents (\$40,000.00) (collectively, “Attorneys’ Fees and Costs”), subject to approval by the Court. The Attorneys’ Fees and Costs granted by the Court will be paid from the Gross Settlement Amount. Class Counsel has been prosecuting the Actions on behalf of Plaintiffs, Class Members, and PAGA Employees on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Enhancement Payments to Plaintiffs

Plaintiffs will seek the amounts of Ten Thousand Dollars and Zero Cents (\$10,000.00) each (total, \$20,000.00) (“Enhancement Payments”), in recognition of their services in connection with the Actions. The Enhancement Payments will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, will be paid to Plaintiffs in addition to their Individual Settlement Payments and Individual PAGA Payments that they are entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00) (“Settlement Administration Costs”) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, Notices of Objection, and Disputes, calculating Individual Settlement Shares, Individual Settlement Payments, and Individual PAGA Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Class Settlement and receive money from the Class Settlement, you do not have to do anything. You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement and if the Court grants final approval of the Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released Class Claims against the Released Parties as described in Section III.D above.

If you are a PAGA Employee and the Court grants final approval of the Settlement, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Payment. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released PAGA Claims against the Released Parties as described in Section III.D above.

As a Class Member and PAGA Employee (if applicable), you will not be separately responsible for the payment of attorney's fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney's fees and expenses.

B. Request Exclusion from the Class Settlement

Class Members may request to be excluded from the Class Settlement by submitting a letter ("Request for Exclusion") to the Settlement Administrator, at the following address:

[Settlement Administrator]
[Mailing Address]

A Request for Exclusion must: (a) contain the case name and number of the Pineda Class Action (*Pineda v. Orthopaedic Hospital, et al.*, Case No. 24STCV01618); (b) contain your full name, signature, address, telephone number, and last four (4) digits of your Social Security number; (c) clearly state that you do not wish to be included in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified address above, postmarked **on or before [Response Deadline]**.

If the Court grants final approval of the Settlement, any Class Member who submits a timely and valid Request for Exclusion will not be issued an Individual Settlement Payment, will not be bound by the Class Settlement (and the release of Released Class Claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit a timely and valid Request for Exclusion will be deemed Settlement Class Members and will be bound by all terms of the Class Settlement, including those pertaining to the release of claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon. PAGA Employees will be bound to the PAGA Settlement (and the release of Released PAGA Claims described in Section III.D above) and will still be issued an Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion.

C. Object to the Class Settlement

You can object to the Class Settlement as long as you have not submitted a Request for Exclusion by submitting a written objection ("Notice of Objection") to the Settlement Administrator.

The Notice of Objection must: (a) contain the case name and number of the Pineda Class Action (*Pineda v. Orthopaedic Hospital, et al.*, Case No. 24STCV01618); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B above, postmarked **on or before [Response Deadline]**.

You may also appear at the Final Approval Hearing and present your objection orally, regardless of whether you have submitted a Notice of Objection.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 6 of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California 90012, on [date], at [time], to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and grant the Attorneys' Fees and Costs to Class Counsel, Enhancement Payments to Plaintiffs, and Settlement Administration Costs to the Settlement Administrator.

The Final Approval Hearing may be continued without further notice to the Class Members and PAGA Employees. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to.

You can find more information regarding appearing remotely through LA Court Connect online at: <https://www.lacourt.org/lacceligibility/ui/civil.aspx?casetype=ci>

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers, which are on file with the Court.

You may view the Settlement Agreement and other documents filed in the Actions by visiting Stanley Mosk Courthouse, 111 North Hill Street, California 90012, during normal business hours, or by online by visiting the following website: <https://www.lacourt.ca.gov/pages/lp/access-a-case/tp/find-case-information/cp/os-civil-case-access>

You may also visit the Settlement Administrator's website at [redacted] for key documents in the Actions.

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.