

Westfall v. Valley Children's Hospital, No. MCV086044
SUPERIOR COURT OF THE STATE OF CALIFORNIA, FOR THE COUNTY OF MADERA
NOTICE OF CLASS ACTION SETTLEMENT

You are not being sued. This notice affects your rights. Please read it carefully

To: All persons who worked for Valley Children's Hospital in California as non-exempt employees at any time from June 15, 2019, through April 29, 2024, excluding individuals who opt out of the class certified by the Court in the above-titled action ("Class Members").

All persons who worked for Valley Children's Hospital in California as non-exempt employees at any time from September 14, 2020, through April 29, 2024 ("PAGA Members").

On July 16, 2024, the Madera County Superior Court granted preliminary approval of this class action settlement and ordered the parties to notify all Class Members of the settlement. **You have received this notice because Defendant's records indicate that you are a Class Member and therefore entitled to a payment from the settlement.**

Unless you choose to opt out of the settlement by following the procedures described below, you will be deemed a Class Member and, if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement fund. The Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement is currently set for 8:30 a.m. on November 18, 2024, in Department 44 of the Madera County Superior Court located at 200 South G Street, Madera, CA 93637. Please note that the Final Approval Hearing may be rescheduled by the Court to another date and/or time. Please visit www.ILYMgroup.com/VCH for any scheduling changes.

If you move, you must send the Settlement Administrator, whose information appears below, your new address; otherwise, you may never receive your settlement payment. It is your responsibility to keep a current address on file with the Settlement Administrator.

Further information regarding this litigation may be examined by visiting the Madera County Superior Court website at <https://www.madera.courts.ca.gov/online-services> or contacting the Court at (559) 416-5599 during business hours and a Judicial Assistant can provide further information on the access request process. Pleadings and other records may be accessed by using one of the computer kiosks available at each court location that has a facility for civil filings.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be deemed a "Participating Class Member," and will be eligible for a payment from the Net Settlement Fund and, if you are also a PAGA Member, the PAGA Fund. In exchange, you will be bound by the terms of the proposed settlement and give up your right to assert wage and hour claims against Defendant based on the facts alleged in the Action during the Class Period.
You Can Opt-out of the Class Settlement but not the PAGA Settlement	<p>If you don't want to fully participate in the proposed settlement, you can opt-out of the class settlement by sending the Settlement Administrator a written Request for Exclusion. Once excluded, you will no longer be eligible for a payment from the Net Settlement Fund and will not be bound by the terms of the proposed class settlement.</p> <p>You cannot opt-out of the PAGA portion of the proposed settlement. PAGA Members remain eligible to receive a payment from the PAGA Fund and must give up their rights to pursue PAGA penalty claims against Defendant based on the facts alleged in the Action during the PAGA Period.</p>
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed class settlement, but not the PAGA settlement.

Questions? Contact the Settlement Administrator toll free at 1-888-250-6810.

<p>You Can Participate in the Final Approval Hearing</p>	<p>The Court’s Final Approval Hearing is scheduled to take place at the date and time noted above. You don’t have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone, or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the settlement at the Final Approval Hearing.</p> <p>If the Court grants final approval of the Settlement despite your objection, you will receive a payment from the Net Settlement Fund and you will be bound by the terms of the settlement.</p>
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Summary of the Litigation

Plaintiffs Briana Westfall and Gloria Garcia, on their behalf and on behalf of other current and former non-exempt employees, allege that Defendant violated California labor laws as a result of their alleged failure to, among other things, pay overtime and minimum wages, provide meal and rest breaks, reimburse necessary business expenses, provide lawful paystubs, and timely pay wages at the end of employment.

The parties participated in a mediation with Jeffrey Fuchsman, Esq., an experienced and well-respected class action mediator. With Mr. Fuchsman’s guidance, the parties were able to negotiate a complete settlement of the Plaintiffs’ claims. The Court hasn’t made a decision with respect to the allegations made by Plaintiffs. Rather, the parties have settled this lawsuit before it goes to trial.

Counsel for Plaintiffs, and the attorneys appointed by the Court to represent the class, Bradley/Grombacher, LLP (“Class Counsel”), have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. While Class Counsel believes the claims alleged in the lawsuit have merit, Class Counsel also recognizes that the risk and expense of continued litigation justify settlement. Based on the foregoing, Class Counsel believes the proposed settlement is fair, adequate, reasonable, and in the best interests of Class Members.

Defendant denies the factual and legal allegations in the case and believes it has valid defenses to Plaintiffs’ claims. By agreeing to settle, Defendant is not admitting to any wrongdoing or that the case can or should proceed as a class action.

Summary of The Proposed Settlement Terms

Plaintiffs and Defendant have agreed to settle the case in exchange for a Gross Settlement Amount of \$400,000. This amount includes: (1) individual settlement payments to all Participating Class Members; (2) a Class Representative Enhancement Payment of \$10,000 to each Plaintiff for their services on behalf of the class, and for a release of all claims arising out of their employment with Defendant; (3) \$133,333.33 in attorneys’ fees and up to \$25,000 in litigation costs and expenses; (4) a \$25,000 settlement of claims under the Private Attorneys General Act (“PAGA”), which includes a \$18,750 payment to the Labor and Workforce Development Agency (“LWDA”), and a \$6,250 payment (“PAGA Fund”) to all PAGA Members; and (5) reasonable Settlement Administrator’s fees and expenses currently estimated at \$45,000. After deducting the above payments, a total of approximately \$157,916.67 will be allocated to Class Members who do not opt out of the Settlement Class (“Net Settlement Fund”). Additionally, all PAGA Members will receive a proportional share of the \$6,250 PAGA Fund, regardless of whether they opt out of the Settlement Class.

Payments from Net Settlement Fund. Defendant will calculate the total number of Workweeks worked by each Class Member from June 15, 2019, through April 29, 2024 (“Class Period”) and the aggregate total number of Workweeks worked by all Class Members during the Class Period. To determine each Class Member’s estimated share of the Net Settlement Fund, the Settlement Administrator will use the following formula: The Net Settlement Fund will be divided by the aggregate total number of Workweeks, resulting in the “Workweek Value.” Each Class Member’s share of the Net Settlement Fund will be calculated by multiplying each individual Class Member’s total number of Workweeks by the Workweek Value. The Individual Settlement Payment will be reduced by any required deductions for each Class Members as set forth herein, including employee-side tax withholdings or deductions. If there are any valid and timely Requests for Exclusion, the Settlement Administrator shall proportionately increase each Participating Class Member’s share of the Net Settlement Fund according to the number of Workweeks worked, so that the amount actually distributed to the Settlement Class equals 100% of the Net Settlement Fund.

According to Defendant's records, you worked during the Class Period in a non-exempt position for a total of <<WEEKS>> Workweeks. Accordingly, your estimated payment from the Net Settlement Fund is approximately \$<<ESA>>.

Payments from PAGA Fund. Defendant will calculate the total number of Workweeks worked by each PAGA Member from September 14, 2020, through April 29, 2024 ("PAGA Period") and the aggregate total number of Workweeks worked by all PAGA Members during the PAGA Period. To determine each PAGA Member's estimated share of the PAGA Fund, the Settlement Administrator will use the following formula: The PAGA Fund will be divided by the aggregate total number of Workweeks, resulting in the "PAGA Workweek Value." Each PAGA Member's share of the PAGA Fund will be calculated by multiplying each individual PAGA Member's total number of Workweeks by the PAGA Workweek Value. A Request for Exclusion does not exclude a PAGA Member from the release of claims under Labor Code §§ 2698, *et seq.* and the PAGA Member will receive their portion of the PAGA Fund even if he or she submits a valid Request for Exclusion.

According to Defendant's records, you worked during the PAGA Period in a non-exempt position for a total of <<PAGAWEEKS>> Workweeks. Accordingly, your estimated payment from the PAGA Fund is approximately \$<<PAGAESA>>.

Your Estimated Individual Settlement Payment: Based on the above, your total estimated payment from the settlement is approximately \$<<ESA>>. If you believe the Workweek information provided above is incorrect, please contact the Settlement Administrator to dispute the calculation. You must attach all documentation in support of your dispute (such as check stubs, W2s, or letters from HR). All disputes must be postmarked on or before **September 30, 2024**, and must be sent to:

Settlement Administrator
c/o ILYM Group, Inc.
P.O. Box 2031, Tustin, CA 92781
Telephone: (888) 250-6810
Fax: (888) 845-6185
E-mail: claims@ilymgroup.com

If you dispute the information stated above, Defendant's records will control unless you are able to provide documentation that establishes otherwise.

Taxes on Individual Settlement Payments. IRS Forms W-2 and 1099 will be distributed to participating Class Members and the appropriate taxing authorities reflecting the payments they receive under the settlement. Class Members should consult their tax advisors concerning the tax consequences of the payments they receive under the Individual Settlement Payment. For purposes of this settlement, 20% of each settlement payment will be allocated as wages for which IRS Forms W-2 will be issued, and 80% will be allocated as non-wages for which IRS Forms 1099-MISC will be issued. In addition, 100% of any payment you receive from the PAGA Fund will be allocated as non-wages for which an IRS Form 1099-MISC will be issued.

Your Options Under the Settlement

Option 1 – Automatically Receive a Payment from the Settlement

If you want to receive your payment from the settlement, then no further action is required by you. You will automatically receive your Individual Settlement Payment from the Settlement Administrator if the settlement receives final approval by the Court.

If you choose **Option 1**, and if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement funds. In addition, you will be deemed to have released or waived the Released Class Claims:

Released Class Claims: All claims asserted in the Action, as amended, and/or arising from or related to the facts and claims alleged in the Action, as amended, or the PAGA letter sent to the LWDA on Plaintiffs' behalf, or that could have been raised in the Action, as amended, or the September 14, 2021, PAGA letter sent to the LWDA based on the facts and claims alleged. The Released Class Claims include all claims for unpaid wages, including, failure to pay minimum

wages, overtime compensation, and interest; the calculation of the regular rate of pay; failure to provide meal periods; failure to authorize and permit rest periods; payment for all hours worked, including off-the-clock work and claims relating to timeclock rounding; failure to reimburse business expenses; wage statements; failure to pay all wages when due; unfair business practices related to the Released Class Claims; penalties, including wage statement penalties, minimum-wage penalties, and waiting-time penalties; and attorneys' fees and costs; all claims related to the Released Class Claims arising under: the Wage Orders of the California Industrial Welfare Commission; and California Business and Professions Code sections 17200, *et seq.* This release excludes the release of claims not permitted by law.

Additionally, Plaintiffs and the LWDA will release all claims for civil penalties under PAGA asserted in the Action, as amended, and/or arising from or related to the facts and claims alleged in the Action, as amended, or the September 14, 2021, PAGA letter sent to the LWDA, or that could have been raised in the Action, as amended, or the September 14, 2021, PAGA letter sent to the LWDA based on the facts and claims alleged.

Option 2 – Opt-Out of the Settlement

If you do not wish to participate in the settlement, you may exclude yourself from participating by submitting a written request to the Settlement Administrator expressly and clearly indicating that you have received this Notice of Class Action Settlement, decided not to participate in the settlement, and desire to be excluded from the settlement. The written request for exclusion must include your name, signature, address, telephone number, and last four digits of your Social Security Number. Sign, date, and mail the request for exclusion by First Class U.S. Mail or equivalent, to the address below.

Settlement Administrator
c/o ILYM Group, Inc.
P.O. Box 2031, Tustin, CA 92781
Telephone: (888) 250-6810
Fax: (888) 845-6185
E-mail: claims@ilymgroup.com

The Request for Exclusion must be postmarked no later than **September 30, 2024**. If you submit a Request for Exclusion which is not postmarked by this date, it will be rejected, and you will be included in the settlement class.

If you choose **Option 2**, you will no longer be a Class Member, and you will:

- Not Receive an Individual Settlement Payment from the Net Settlement Fund.
- Not release the Released Class Claims.
- If you are a PAGA Member, you will still release the Released PAGA Claims, and will receive a payment from the PAGA Fund.

Option 3 – Object to the Settlement

If you decide to object to the settlement because you find it unfair or unreasonable, you may submit a written objection stating why you object to the settlement, or you may instead appear at the Final Fairness Hearing to object to the settlement. Written objections must provide: (1) your full name, signature, address, and telephone number, (2) a written statement of all grounds for the objection accompanied by any legal support for such objection; (3) copies of any papers, briefs, or other documents upon which the objection is based; and (4) a statement about whether you intend to appear at the Final Approval Hearing. The objection must be mailed to the Settlement Administrator at P.O. Box 2031, Tustin, CA 92781.

All written objections must be received by the Settlement Administrator by not later than **September 30, 2024**. By submitting an objection, you are not excluding yourself from the settlement. To exclude yourself from the settlement, you must follow the directions described above. Please note that you cannot both object to the settlement and exclude yourself. You must choose one option only.

You may also, if you wish, appear at the Final Approval Hearing, and discuss your objection with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the hearing.

If you choose **Option 3**, you will still be entitled to the money from the settlement. If the Court overrules your objection, you will be deemed to have released the Released Class Claims and Released PAGA Claims.

Questions? Contact the Settlement Administrator toll free at 1-888-250-6810.

Additional Information

This Notice of Class Action Settlement is only a summary of the case and the settlement. For a more detailed statement of the matters involved in the case and the settlement, you may refer to the pleadings, the settlement agreement, and other papers filed in the case. All inquiries by Class Members regarding this Class Notice and/or the settlement should be directed to the Settlement Administrator or Class Counsel.

Marcus Bradley
Lirit King
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31365 Oak Crest Dr., Suite 240
Westlake Village, CA 91361
Phone: 1 (805) 270-7100

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact Class Counsel, or the Settlement Administrator listed above. You can also obtain documents related to this case and this settlement by visiting www.ILYMgroup.com/VCH, a website maintained by the Settlement Administrator.

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, OR DEFENDANT'S ATTORNEYS
WITH INQUIRIES.