

1 ANTHONY J. ORSHANSKY (SBN 199364)
anthony@counselonegroup.com
2 JENNIFER L. CONNOR (SBN 241480)
jennifer@counselonegroup.com
3 **COUNSELONE, P.C.**
9301 Wilshire Boulevard, Suite 650
4 Beverly Hills, California 90210
Telephone: (310) 277-9945
5 Facsimile: (424) 277-3727

6 Attorneys for Plaintiff REGINA HERNANDEZ

7 MARIE BURKE KENNY (SBN 183640)
marie.kenny@procopio.com
8 CLINT S. ENGLESON (SBN 282153)
clint.engleson@procopio.com
9 **PROCOPIO, CORY, HARGREAVES &
SAVITCH LLP**
10 525 B Street, Suite 2200
San Diego, California 92101
11 Telephone: (619) 238-1900
Facsimile: (619) 235-0398

12 Attorneys for Defendant OC URGENTCARE
13 MEDICAL GROUP, INC.

14 Additional counsel listed *infra*

15 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

16 **FOR THE COUNTY OF ORANGE**

17 REGINA HERNANDEZ, individually, and
18 on behalf of other members of the general
public similarly situated;

19
20 Plaintiff,

21 v.

22 OC URGENTCARE MEDICAL GROUP,
INC., a California corporation; and DOES 1
23 through 100, inclusive,

24 Defendants.

Case No. 30-2019-01100556-CU-OE-CX

Assigned for All Purposes to the Honorable
Randall Sherman

**JOINT STIPULATION OF CLASS ACTION
SETTLEMENT**

Complaint Filed: September 26, 2019

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1 EDWIN AIWAZIAN (SBN 232943)

2 edwin@lfjpc.com

3 ARBY AIWAZIAN (SBN 269827)

4 arby@lfjpc.com

5 **LAWYERS *for* JUSTICE, P.C.**

6 410 West Arden Avenue, Suite 203

7 Glendale, California 91203

8 Telephone: (818) 265-1020

9 Facsimile: (818) 265-1021

10 Attorneys for Plaintiff REGINA HERNANDEZ

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- 1 7. “**Class Member**” means a member of the Class.
- 2 8. “**Class Notice**” means the Notice of Proposed Class Action Settlement and Hearing
3 Date for Court Approval, substantially in the form of **Exhibit 1** attached hereto, or as otherwise
4 approved by the Court, which is to be mailed to Class Members along with the Share Form.
- 5 9. “**Class Period**” means the period from September 26, 2015 through the date upon
6 which preliminary approval is granted or 120 days after execution of the Memorandum of
7 Agreement dated October 23, 2020, whichever occurs first.
- 8 10. “**Class Representative**” means Plaintiff Regina Hernandez.
- 9 11. “**Class Representative Service Award**” means the amount that the Court
10 authorizes to be paid to Plaintiff, Regina Hernandez, in addition to her Individual Settlement
11 Payment, in recognition of her efforts and risks in assisting with the prosecution of the Action and
12 in exchange for her executing a General Release of Defendant, paid from the Gross Settlement
13 Amount.
- 14 12. “**Compensable Workweeks**” means a seven-day work week during the Class
15 Period during which, based on Defendant’s records, Class Members were actively employed by
16 Defendant in a non-exempt position in California. Defendant represents that Class Members
17 worked a total of approximately 8,569 workweeks during the Class Period.
- 18 13. “**Court**” means the Superior Court of the State of California, Orange County.
- 19 14. “**Defendant**” means OC UrgentCare Medical Group, Inc.
- 20 15. “**Defense Counsel**” means Marie Burke Kenny and Clint Engleson of Procopio,
21 Cory, Hargreaves & Savitch LLP and all partners, attorneys, and all other current or former
22 employees of that entity.
- 23 16. “**Effective Date**” means the date upon which the Court grants final approval of the
24 Settlement if (a) no Settlement Class Members file objections to the Settlement, or (b) any
25 Settlement Class Member files an objection but it is subsequently withdrawn. However, if an
26 objection is filed and an appeal or other appellate proceeding is initiated, the Effective Date shall
27 be the sooner of (a) sixty (60) days after the Court grants final approval of the Settlement or (b)
28 the date of termination of such appellate proceedings.

1 17. **“Gross Settlement Amount”** means Four Hundred Thirty-One Thousand Seven
2 Hundred and Ninety-Two Dollars (\$431,792.00) to be paid by Defendant pursuant to this
3 Agreement, which is non-reversionary, and is inclusive of Plaintiff’s attorneys’ fees and litigation
4 expenses directly related to the lawsuit (*i.e.*, “Class Counsel Attorneys’ Fees and Costs”), the
5 Settlement Administrator’s costs (*i.e.*, “Settlement Administration Costs”), and the service award
6 payment to Plaintiff for her role as the class representative (*i.e.*, “Class Representative Service
7 Award”), and exclusive of employer payroll taxes.

8 18. **“Individual Settlement Payment”** means the amount payable from the Net
9 Settlement Amount to each Settlement Class Member.

10 19. **“Net Settlement Amount”** means the Gross Settlement Amount, less Class
11 Counsel Attorney’s Fees and Costs, Class Representative Service Award, and Settlement
12 Administrator Costs. This is the amount from which Settlement Class Members (except those who
13 submit an opt-out/request for exclusion) will be paid.

14 20. **“Notice Packet”** means the Notice of Proposed Class Action Settlement and
15 Hearing Date for Court Approval, substantially in the form attached as **Exhibit 1**, along with the
16 Share Form, substantially in the form attached as **Exhibit 2**.

17 21. **“Parties”** means Plaintiff and Defendant, collectively, and “Party” shall mean
18 either Plaintiff or Defendant, individually.

19 23 **“Payment Ratio”** means the respective Compensable Workweeks for each Class
20 Member divided by the total Compensable Workweeks for all Class Members.

21 24. **“Plaintiff”** means Plaintiff Regina Hernandez.

22 25. **“Plaintiff’s Released Claims”** means that, in addition to the Settlement Class
23 Members’ Released Claims, in exchange for the consideration recited in this Agreement, including
24 but not limited to the Class Representative Service Award, Plaintiff Regina Hernandez releases,
25 acquits, discharges, and covenants not to sue any of the Released Parties for any claim, whether
26 known or unknown, which she has ever had, or hereafter may claim to have, arising on or before
27 the date she signed this Agreement, including without limitation to, any claims relating to or arising
28 out of any aspect of her relationship with Defendant OC UrgentCare Medical Group, Inc., along

1 with a General Release of Released Parties. The specific terms and details of which are set forth
2 in Paragraph 45.

3 26. **“Released Parties”** means Defendant OC UrgentCare Medical Group, Inc., and
4 Defendant’s former and present parents, subsidiaries, affiliates, and other officers, directors,
5 employees, partners, shareholders and agents, and any other successors, assigns, or legal
6 representatives.

7 27. **“Response Deadline”** means the date forty-five (45) days after the Settlement
8 Administrator first mails Notice Packets to Class Members and is the last date on which Class
9 Members may submit an opt-out/request for exclusion, object, and/or challenge an Individual
10 Settlement Payment calculation.

11 28. **“Settlement”** means the disposition of the Action pursuant to this Agreement and
12 subject to approval by the Court.

13 29. **“Settlement Administrator”** means CPT Group, Inc., who will be responsible for
14 administration of the Settlement and related matters.

15 30. **“Settlement Administration Costs”** means the amount to be paid to the Settlement
16 Administrator from the Gross Settlement Amount for administration of this Settlement.

17 31. **“Settlement Class Members”** means each Class Member who has not submitted a
18 timely and valid opt-out/request for exclusion as provided in this Agreement.

19 32. **“Settlement Class Members’ Released Claims”** means any and all wage-and-
20 hour claims, rights, demands, liabilities, and causes of action of every nature and description
21 whether pled or could have been pled arising from or related to the claims litigated in the Action
22 against Defendant, during the Class Period, based on the following allegations for: (1) failure to
23 pay minimum wages; (2) failure to pay overtime; (3) failure to provide meal periods; (4) failure to
24 provide rest periods; (5) failure to provide accurate itemized wage statements; (6) failure to
25 reimburse business expenses; (7) failure to timely pay wages during employment; (8) failure to
26 pay all wages due upon termination of employment; (9) violation of the Industrial Welfare
27 Commission Wage Orders; (10) violation of the California Labor Code arising from or related to
28 the claims alleged in the Action; (11) violation of California’s unfair business practices laws, as

1 well as any potential penalties, interest or attorneys' fees based on the alleged failure set forth in
2 (1) through (10) above. The specific terms and details of which are set forth in Paragraph 43 and
3 44.

4 33. **"Settlement Class Members' Taxes"** means that amount to be paid to individual
5 Settlement Class Members that is to be reported on IRS Form 1099s and IRS Form W-2s where
6 required by law. Of the amounts paid to individual Settlement Class Members, eighty percent
7 (80%) shall be designated as penalties and interest for which an IRS Form 1099 shall issue and
8 twenty percent (20%) shall be designated as wages for which an IRS Form W-2 shall issue.

9 34. **"Share Form"** means the Share Form substantially in the form as attached at
10 **Exhibit 2** hereto, or as otherwise approved by the Court, which is to be mailed to Class Members
11 along with the Class Notice.

12 **RECITALS**

13 35. **Class Certification.** The Parties stipulate and agree to the certification of the Class
14 and claims in this Action for purposes of this Settlement only. If for any reason the Settlement is
15 not approved, the class certification will have no force or effect and will be immediately revoked.
16 The Parties further agree that class certification for purposes of the Settlement is in no way an
17 admission that class certification is proper under the more stringent standards applied for litigation
18 purposes and that this Settlement will not be admissible in this or any other proceeding as evidence
19 that (i) any class should be certified as Plaintiff proposed, or (ii) Defendant is liable to Plaintiff or
20 the Class as Plaintiff alleged.

21 36. **Procedural History.** On September 26, 2019, Plaintiff filed a putative class action
22 complaint against her former employer, Defendant OC UrgentCare Medical Group, Inc., alleging
23 claims for: (a) failure to pay all minimum and overtime wages for all hours worked including, but
24 not limited to, those resulting from off-the-clock work (Labor Code §§ 510, 1194, 1197, 1197.1,
25 and 1198); (b) failure to provide timely and compliant duty-free meal periods and pay premiums
26 owed thereon (Labor Code §§ 226.7 and 512); (c) failure to provide timely and compliant duty-
27 free rest breaks and pay premiums owed thereon (Labor Code § 226.7); (d) failure to reimburse all
28 necessary business expenses incurred (Labor Code §§ 2800, 2802); (e) failure to furnish accurate

1 itemized wage statements (Labor Code §§ 226); (f) failure to timely pay all final wages owed upon
2 separation (Labor Code §§ 201-203); and (g) engaging in unfair and unlawful business practices
3 (Business & Professions Code § 17200 *et seq.*). On January 23, 2020, the complaint was amended
4 to withdraw two civil penalty claims and the operative First Amended Complaint (“FAC”) was
5 filed. Defendant answered on February 07, 2020, asserting a general denial and twenty-four (24)
6 affirmative defenses.

7 37. **Formal Discovery.** The Parties also engaged in extensive discovery and
8 investigation prior to participating in mediation. For example, Plaintiff propounded an initial round
9 of written discovery (including requests for documents, form interrogatories, and multiple sets of
10 special interrogatories), along with two person(s) most qualified deposition notices related to
11 wage-and-hour practices and organizational structure. Some of the discovery was hotly contested
12 and resulted in objections. Thereafter, counsel for the Parties undertook the meet and confer
13 process, exchanged multiple letters, and were about to undertake the informal discovery
14 conference process to narrow their disputes. In the interim, however, it was decided that exploring
15 the potential for early resolution would be most pragmatic. As a result, formal discovery was held
16 in abeyance in order to pursue informal discovery for mediation purposes.

17 38. **Informal Discovery and Investigation.** In advance of mediation, the Parties
18 agreed to an informal exchange of data. For example, Class Counsel requested production of key
19 information such as the number of putative class members and aggrieved employees, relevant
20 wage and hour policies, time and payroll records, among other things. Having enlisted the
21 assistance of a consultant, Class Counsel also analyzed a 20% random sampling of time and payroll
22 records of employees (consisting of approximately 9,156 shifts) in order to determine violation
23 rate(s) across the Class, along with other relevant data counts.

24 39. **Mediation.** On August 26, 2020, after having performed extensive investigation
25 and analysis of the legal and factual issues and risks, the Parties participated in mediation before
26 Scott S. Markus, Esq. of Agreement.com, a highly respected neutral in California who specializes
27 in wage and hour class actions mediations, in an attempt to resolve all disputes related to the
28

1 Action. The settlement discussions were conducted at arm's-length. With mediator Markus'
2 assistance, the Parties came to agreement on all material terms for this Settlement.

3 40. **Benefits of Settlement to Class Members.** Plaintiff and Class Counsel recognize
4 the expense and length of continued proceedings necessary to litigate their disputes through trial
5 and through any possible appeals. Plaintiff has also taken into account the uncertainty and risks of
6 the outcome of further litigation, and the difficulties and delays inherent in such litigation. Plaintiff
7 and Class Counsel are also aware of the burdens of proof necessary to establish liability for the
8 claims asserted in the Action, both generally and in response to Defendant's defenses thereto, and
9 the difficulties in establishing damages for the Settlement Class Members. Plaintiff and Class
10 Counsel have also taken into account the extensive settlement negotiations conducted. Based on
11 the foregoing, Plaintiff and Class Counsel have determined that the Settlement set forth in this
12 Agreement is a fair, adequate and reasonable settlement, and is in the best interests of the
13 Settlement Class Members.

14 41. **Defendant's Reasons for Settlement and Non-Admission.** Defendant has
15 concluded that any further defense of this litigation would be protracted and expensive for all
16 Parties. Substantial amounts of time and resources of Defendant have and, unless this Settlement
17 is made, will continue to be devoted to the defense of the claims asserted by Plaintiff and
18 Settlement Class Members. Defendant has also taken into account the risks of further litigation in
19 reaching its decision to enter into this Settlement. Despite continuing to contend that it is not liable
20 for any of the claims set forth by Plaintiff, Defendant has, nonetheless, agreed to settle in the
21 manner and upon the terms set forth in this Agreement to put to rest the claims as set forth in the
22 Action. Defendant has claimed and continues to claim that the Released Claims have no merit and
23 do not give rise to liability. This Agreement is a compromise of disputed claims.

24 42. **This Settlement Is Fair, Adequate and Reasonable.** The Parties believe this
25 Settlement is a fair, adequate and reasonable settlement of this Action and have arrived at this
26 Settlement after extensive arms-length negotiations, taking into account all relevant factors,
27 present and potential. In addition, the mediator may, at his discretion, execute a declaration
28 supporting the Settlement and the reasonableness of this Settlement, and the Court, may in its

1 discretion, contact the mediator to discuss the Settlement and whether or not the Settlement is fair
2 and reasonable.

3 TERMS OF AGREEMENT

4 43. **Release as to Plaintiff and All Settlement Class Members.** As of the Effective
5 Date, Plaintiff and the Settlement Class Members who did not opt-out of the Settlement, for and
6 in consideration of the Gross Settlement Amount, along with the terms and undertakings herein,
7 the sufficiency and fairness of which are acknowledged, release and forever discharge Defendant
8 OC UrgentCare Medical Group, Inc., and any of its former and present parents, subsidiaries,
9 affiliates, and other officers, directors, employees, partners, shareholders and agents, and any other
10 successors, assigns, or legal representatives (the “Released Parties”), from any and all wage-and-
11 hour claims, rights, demands, liabilities, and causes of action of every nature and description
12 whether pled or could have been pled arising from or related to the claims litigated in the Action
13 against Defendant, during the Class Period, based upon the following categories of allegations: (1)
14 failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide meal
15 periods; (4) failure to provide rest periods; (5) failure to provide accurate itemized wage
16 statements; (6) failure to reimburse business expenses; (7) failure to timely pay wages during
17 employment; and (8) failure to pay all wages due upon termination of employment, as well as any
18 violation of the Industrial Welfare Commission Wage Orders (“Wage Orders”) and California
19 Labor Code arising from or related to the claims alleged in the Action, along with any claim for
20 violation of California’s unfair business practices laws, as well as any potential penalties, interest
21 or attorneys’ fees associated with the alleged causes of action set forth in (1) through (8) above
22 under California law (the “Settlement Class Members’ Released Claims”).

23 44. **Non-application of Labor Code Section 206.5.** Settlement Class Members will be
24 deemed to have acknowledged and agreed that their claims for wages and/or penalties in the Action
25 are disputed, and that the Individual Settlement Payments constitute payment of all sums allegedly
26 due to them. Settlement Class Members will be deemed to have acknowledged and agreed that
27 California Labor Code Section 206.5 is not applicable to the Individual Settlement Payments. That
28 section provides in pertinent part as follows:

1 **An employer shall not require the execution of a release of a claim or right on**
2 **account of wages due, or to become due, or made as an advance on wages to be**
3 **earned, unless payment of those wages has been made.**

4 45. **General Release as to Plaintiff.** As of the Effective Date, in addition to the
5 Settlement Class Members' Released Claims and in exchange for and in consideration of the
6 Individual Settlement Payment and Class Representative Service Award, along with the terms and
7 undertakings herein, the sufficiency and fairness of which are acknowledged, Plaintiff Regina
8 Hernandez, individually, releases, acquits, discharges, and covenants not to sue OC UrgentCare
9 Medical Group, Inc. and any of the Released Parties for any claim, whether known or unknown,
10 which she has ever had, or hereafter may claim to have, arising on or before the date she signed
11 this Agreement including without limitation to, any claims relating to or arising out of any aspect
12 of her relationship with OC UrgentCare Medical Group, Inc., along with a General Release of
13 Released Parties. The release by Plaintiff includes a waiver of her individual rights under Section
14 1542 of the Civil Code of the State of California states as follows:

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

19 Thus, subject to and in accordance with this Agreement, even if Plaintiff may hereafter discover
20 facts in addition to or different from those she now knows or believes to be true, Plaintiff, is
21 deemed to have fully, finally, and forever settled and released any and all claims against the
22 Released Parties that were alleged or could have been alleged in the Action, as well as any other
23 claims, whether known or unknown, suspected or unsuspected, contingent or non-contingent, that
24 now exist, upon any theory of law or equity, including without limitation, conduct which is
25 negligent, intentional, with or without malice, or a breach of any duty, law, or rule, without regard
26 to the subsequent discovery or existence of such different or additional facts (the "Plaintiff's
27 Released Claims").

28 46. **Tax Liability.** The Parties make no representations as to the tax treatment or legal

1 effect of the payments called for hereunder, and Settlement Class Members are not relying on any
2 statement or representation by the Parties in this regard. Settlement Class Members understand
3 and agree that they will be responsible for the payment of any employee taxes and penalties
4 assessed on the payments described herein and will hold the Parties free and harmless from and
5 against any claims, liabilities, costs and expenses, including attorney's fees, resulting in any way
6 from personal tax treatment of the payments made pursuant to this Agreement, including the
7 treatment of such payments as not subject to withholding or deduction for payroll and employment
8 taxes. Notwithstanding, Defendant's share of employer payroll taxes and other required employer
9 withholdings, including but not limited to Defendant's FICA and FUTA contributions, shall be
10 paid exclusive of the Gross Settlement Amount.

11 47. **Settlement Administrator Duties.** The Settlement Administrator will be
12 responsible for mailing the Class Notice and Share Form (**Exhibits 1 and 2**) (collectively,
13 "Notice Packets") to Class Members, handling inquiries from Class Members concerning the
14 Class Notice/Share Form, determination of Individual Settlement Payments, maintaining the
15 settlement funds in an appropriate interest bearing account, preparing, administering and
16 distributing Individual Settlement Payments to Settlement Class Members, issuing a final
17 report and performing such other duties as the Parties may direct.

18 48. **Weekly Reports.** On a weekly basis, the Settlement Administrator will provide
19 reports to Class Counsel and Defense Counsel summary information updating them as to the
20 number of validated and timely objections and Opt-Outs/requests for exclusion. The
21 Settlement Administrator will serve on Class Counsel and Defense Counsel via e-mail date-
22 stamped copies of the original Opt-Outs/requests for exclusion and objections no later than
23 seven (7) calendar days after their receipt. The Settlement Administrator will provide Class
24 Counsel with proof of mailing of the Class Notice, without listing individual Class Member
25 names, which Class Counsel will file with the Court at the time Class Counsel files its motion
26 in support of the Final Approval and Fairness Hearing. No later than twenty eight (28)
27 calendar days prior to the Final Approval and Fairness Hearing, the Settlement Administrator
28 will provide a declaration summarizing its efforts to contact Class Members, the number of

1 Settlement Class Members to receive payments from the Settlement, and the final number of
2 Opt-Outs/requests for exclusion and objections.

3 49. **Disputes Regarding Administration of Settlement.** Any disputes not resolved
4 by the Settlement Administrator concerning the administration of the Settlement will be resolved
5 by the Court under the laws of the State of California. Prior to any such involvement of the Court,
6 counsel for the Parties will confer in good faith to resolve the disputes without the necessity of
7 involving the Court.

8 50. **Settlement Administration Costs.** Settlement administration costs are not
9 anticipated to exceed \$20,000.00. Prior to the calculation and distribution of the Individual
10 Settlement Payments, the Settlement Administrator shall calculate the total Settlement
11 Administration Costs through the conclusion of its services and such actual amounts will be
12 deducted from the Gross Settlement Amount pursuant to the first and second installment
13 distribution schedules set forth in Paragraph 62.

14 51. **Providing the Class Information.** Within ten (10) calendar days after the Court
15 grants preliminary approval of this Settlement, Defendant shall provide the Settlement
16 Administrator with Class Information for purposes of mailing Notice Packets to Class Members.
17 Defendant will in good faith compile from its records and provide to the Settlement Administrator,
18 as a Microsoft Excel formatted spreadsheet, a list of Class Members with the following
19 information: each Class Member's full name; last known address; last known telephone number(s);
20 social security number; start date of employment; end date of employment; number of
21 Compensable Workweeks; and the total Compensable Workweeks for all Class Members during
22 the Class Period. The Settlement Administrator will keep the list confidential and use it only for
23 the purposes described herein. The Class Information shall not be disclosed to Class Counsel, the
24 Class Representative, or any other Class Member without the written consent of Defendant or
25 order of the Court. The Settlement Administrator shall ensure that the Class Notice and any other
26 communications to Class Members shall not include the Class Members' Social Security Number,
27 except for the last four digits.

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1 52. **Notice By First-Class U.S. Mail.** Upon receipt of the Class Information, the
2 Settlement Administrator will perform a search based on the National Change of Address database
3 (“NCOA”) to update and correct any known or identifiable address changes. Within ten (10)
4 calendar days after receiving the Class Information from Defendant as provided herein, the
5 Settlement Administrator shall mail copies of the Notice Packet, containing the Class Notice and
6 the individualized populated Share Form, to all Class Members via regular First-Class U.S. Mail.
7 The Settlement Administrator shall exercise its best judgment to determine the current mailing
8 address for each Class Member. The address identified by the Settlement Administrator as the
9 current mailing address shall be presumed to be the best mailing address for each Class Member.

10 53. **Undeliverable Notices.** Any Notice Packets returned to the Settlement
11 Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the
12 forwarding address affixed thereto. If no forwarding address is provided, the Settlement
13 Administrator shall promptly attempt to determine a correct address by use of skip-tracing, or other
14 search using the name, address, and/or social security number of the Class Members involved, and
15 shall then promptly perform a re-mailing, if another mailing address is identified by the Settlement
16 Administrator. It shall be conclusively presumed that those Class Members whose re-mailed
17 Notice Packet is not returned as undeliverable within twenty (20) calendar days after remailing
18 have received the Notice Packet.

19 54. **Website.** The Settlement Administrator will also maintain a website for purposes
20 of providing copies of significant pleadings and relevant documents and dates in the administration
21 of the Settlement in this Action.

22 55. **Opt-Out Procedure.** Class Members who do not timely opt-out of - also known
23 as requesting exclusion from - the Settlement (“Opt-Out”), will be deemed to participate in the
24 Settlement and shall become a Settlement Class Member without having to submit a claim form
25 or take any other action. In order to Opt-Out of the Settlement, the Class Member must submit a
26 letter to the Settlement Administrator postmarked no later than forty-five (45) calendar days after
27 being mailed the Notice Packet by the Settlement Administrator, which is the defined Response
28 Deadline. Each Class Member who elects to Opt-Out of the Settlement must send, by first-class

1 U.S. mail, a written notice containing: the name, address, telephone number, and signature of the
2 person requesting exclusion. The Opt-Out request should state to the effect of: "I WISH TO BE
3 EXCLUDED FROM THE SETTLEMENT CLASS IN THE HERNANDEZ V. OC
4 URGENTCARE MEDICAL GROUP, INC. LAWSUIT. I UNDERSTAND THAT IF I ASK TO
5 BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY
6 FROM THE CLASS SETTLEMENT OF THIS LAWSUIT AND WILL NOT BE RELEASING
7 ANY CLAIMS I MIGHT HAVE."

8 56. **Opt-Out Deficiencies.** Any Opt-Out request that is not postmarked by the
9 Response Deadline, does not contain the required statement, is not signed by the Class Member,
10 or does not contain the name and address of the Class Member will be invalid. If the Settlement
11 Administrator determines that an Opt-Out request returned by a Class Member before the
12 Response Deadline is deficient, then the Settlement Administrator shall mail a deficiency letter to
13 that Class Member identifying the problem. If a Class Member submits both a dispute and an Opt-
14 Out request, the Settlement Administrator shall make reasonable attempts to clarify as if the Opt-
15 Out request were deficient. If the Class Member fails to cure the deficiency, the Opt-Out request
16 shall be disregarded and the claim will be paid, and the Class Member will become bound by the
17 judgment. Those Class Members who do not timely Opt-Out will be bound by the release of
18 Settlement Class Members' Released Claims set forth in Paragraph 43 of this Agreement.

19 57. **Defendant's Right To Cancel.** If ten percent (10%) or more of the Class Members
20 submit a timely and valid Opt-Out, Defendant shall have the discretion to withdraw from this
21 Agreement within ten (10) calendar days after the Response Deadline by providing written notice
22 of such withdrawal to Class Counsel. In the event that Defendant elects to withdraw as set forth
23 in this provision, the withdrawal shall have the same effect as a termination of this Agreement for
24 failure to satisfy a condition of Settlement and the Agreement shall become null and void and have
25 no further force or effect. If Defendant chooses to terminate this Agreement under this provision,
26 it shall be responsible to pay the Settlement Administration Costs incurred by the Settlement
27 Administrator.

1 58. **Disputes Regarding Individual Settlement Payments.** Settlement Class
2 Members may dispute their weeks worked if they believe they worked more weeks in the Class
3 Period than Defendant’s records show by submitting information to the Settlement Administrator
4 postmarked no later than forty-five (45) days after being mailed the Notice Packet by the
5 Settlement Administrator, which is the defined Response Deadline. The Settlement Administrator
6 will jointly work with Plaintiff and Defendant to resolve the dispute in good faith. If Plaintiff and
7 Defendant cannot agree over the work weeks to be credited, the Settlement Administrator shall
8 make the final decision based on the information presented by the Settlement Class Member and
9 Defendant.

10 59. **Objections.** The Class Notice shall inform the Class Members of their right to
11 object to the Settlement. Any Settlement Class Member who wishes to object to the Settlement
12 must submit a written objection to the Settlement Administrator postmarked no later than forty-
13 five (45) calendar days after being mailed the Notice Packet by the Settlement Administrator,
14 which is the defined Response Deadline. The objection must contain: the objector’s name, address,
15 telephone number, and dates of employment as a non-exempt employee in California with
16 Defendant, along with the case name and number and must set forth, in clear and concise terms, a
17 statement of the reasons why the objector believes that the Court should find that the proposed
18 Settlement is not in the best interest of the Settlement Class and the reasons why the Settlement
19 should not be approved, including the legal and factual arguments supporting the objection. The
20 objection must also indicate whether or not the objector intends to appear at the hearing on the
21 motion for final approval of the Settlement. The Settlement Administrator will promptly serve
22 copies of any objection or notice of intention to appear on Class Counsel and Defense Counsel.
23 Settlement Class Members who have properly and timely submitted objections may appear at the
24 hearing on final approval, either in person or through a lawyer retained at their own expense.

25 60. **Waiver Of Objections.** Absent good cause found by the Court, Settlement Class
26 Members who do not timely submit a written objection in accordance with the procedures set forth
27 in this Agreement and the Class Notice shall be deemed to have waived any objections to the
28 Settlement and shall forever be foreclosed from making any objection (whether by appeal or

1 otherwise) to the Settlement, or any aspect of the Settlement, or any award of Class Counsel's
2 Attorneys' Fees and Costs, Class Representative Service Award, and/or the Settlement
3 Administration Costs.

4 61. **Allocation Of The Gross Settlement Amount.** This is a non-reversionary
5 Settlement in which Defendant is required to pay the Four Hundred Thirty-One Thousand Seven
6 Hundred and Ninety-Two Dollars (\$431,792.00) Gross Settlement Amount, which will be
7 allocated as follows:

- 8 a. Class Counsel Attorneys' Fees and Costs not to exceed thirty-five percent of the
9 Gross Settlement Amount (*i.e.*, up to \$151,127.20) in fees and expenses not to exceed \$25,000.00;
- 10 b. Class Representative Service Award, not to exceed \$5,000.00; and
- 11 c. Settlement Administration Costs, not to exceed \$20,000.00.

12 For purposes of calculating the estimated Individual Settlement Payments, the Settlement
13 Administrator shall calculate the estimated Net Settlement Amount based on the estimated values
14 in Paragraph 61 (a-c) prior to sending Class Notice and Share Form to the Class Members. Prior
15 to actual distribution, the Settlement Administrator shall calculate the final Net Settlement Amount
16 based on the actual values of Paragraph 61 (a-c). No amount of the Gross Settlement Amount will
17 revert to Defendant. Defendant's share of payroll taxes and other required withholdings from
18 Individual Settlement Payments, including but not limited to FICA and FUTA contributions, shall
19 be paid separate and apart from the Gross Settlement Amount.

20 62. **Funding and Distribution of the Gross Settlement Amount.** Defendant will
21 deposit the Gross Settlement Amount in an escrow account, the Qualified Settlement Fund
22 ("QSF") established by the Settlement Administrator, which shall be funded and distributed in two
23 (2) separate and equal installment payments according to the schedule:

24 a. **First Installment:** Within thirty (30) calendar days after the Effective Date,
25 Defendant shall pay \$215,896.00 to the Settlement Administrator to be deposited into the QSF to
26 fund, subject to approval and award by the Court, the following payments:

- 27 i) 50% of the Settlement Class Members' Individual Settlement Payments;

- 1 ii) 50% of the Settlement Administrator's Costs, as approved and awarded by
- 2 the Court;
- 3 iii) 50% of the Class Counsel Attorneys' Fees and Costs, as approved and
- 4 awarded by the Court; and
- 5 iv) 50% of the Class Representative Service Award, as approved and awarded
- 6 by the Court.

7 No later than ten (10) calendar days after receipt of the above First Installment payment into the
8 QSF, the Settlement Administrator shall make payments as outlined herein.

9 b. Second Installment. Within one hundred and eighty (180) calendar days after the
10 Effective Date, Defendant shall pay \$215,896.00 to the Settlement Administrator to be deposited
11 into the QSF to fund, subject to approval and award by the Court, the following payments:

- 12 i) 50% of the Settlement Class Members' Individual Settlement Payments;
- 13 ii) 50% of the Settlement Administrator's Costs, as approved and awarded by
- 14 the Court;
- 15 iii) 50% of the Class Counsel Attorneys' Fees and Costs, as approved and
- 16 awarded by the Court; and
- 17 iv) 50% of the Class Representative Service Award, as approved and awarded
- 18 by the Court.

19 No later than ten (10) calendar days after receipt of the above Second Installment payment into the
20 QSF, the Settlement Administrator shall make payments as outlined herein.

21 63. Individual Settlement Payments. Individual Settlement Payments will be paid
22 from the Net Settlement Amount and shall be paid pursuant to the settlement formula set forth
23 herein. Individual Settlement Payments shall be mailed by regular First-Class U.S. Mail to
24 Settlement Class Members' last known mailing address within ten (10) calendar days after
25 Defendant provides funds to the Settlement Administrator in accord with the First Installment and
26 Second Installment distribution payment schedule in this Agreement. Individual Settlement
27 Payments will be allocated for tax purposes as follows: twenty percent (20%) as wages for which
28 an IRS Form W-2 shall issue; eighty percent (80%) as interest and penalties for which an IRS

1 Form 1099 shall issue (“Settlement Class Members’ Taxes”). The Settlement Administrator shall
2 calculate and remit to applicable taxing authorities’ sufficient amounts for the employer and
3 employee taxes and issue appropriate tax forms to each Settlement Class Member consistent with
4 the breakdown set forth herein.

5 64. **Uncashed Settlement Checks.** Any checks issued to Settlement Class Members
6 shall remain valid and negotiable for one hundred and eighty (180) days from the date of their
7 issuance. After that time, any such uncashed checks will be cancelled, and the funds associated
8 with such cancelled checks will be transmitted to Public Law Center of Orange County in
9 conformity with the requirements of California Code of Civil Procedure 384. The Parties agree
10 that Code of Civil Procedure 384 is not applicable to any portion of the Gross Settlement Amount
11 (including but not limited to any portion of the Net Settlement Amount), except for the residual
12 described in this Paragraph.

13 65. **Calculation of Individual Settlement Payments.** As part of the Class Information
14 supplied to the Settlement Administrator after preliminary approval is granted, Defendant will
15 provide the individual and aggregate total Compensable Workweeks for all Class Members. The
16 respective Compensable Workweeks for each Class Member will be divided by the total
17 Compensable Workweeks for all Class Members, resulting in the Payment Ratio for each Class
18 Member. Each Class Member’s Payment Ratio is then multiplied by the Net Settlement Amount
19 to determine his or her estimated Individual Settlement Payment. This will be each Class
20 Member’s estimated Individual Settlement Payment and will be denoted on his or individualized
21 Share Form. After the Response Deadline, the Settlement Administrator shall calculate the final
22 Individual Settlement Payments to be paid to each Settlement Class Member who did not opt-out
23 and, upon final approval and after the Effective Date, distribute those payments according to the
24 distribution schedule in Paragraph 62. Each Individual Settlement Payment will be reduced by any
25 legally mandated tax withholdings (*e.g.*, employee payroll taxes, etc.) for each Settlement Class
26 Member.

27 66. **Class Representative Service Award.** Defendant agrees not to oppose or object
28 to any application or motion by Plaintiff for a Class Representative Service Award of up to Five

1 Thousand (\$5,000.00) from the Gross Settlement Amount in exchange for Plaintiff's Released
2 Claims, including execution of a General Release of Defendant, and for her time and effort in
3 bringing and prosecuting this Action. The Class Representative Service Award shall be paid to
4 Plaintiff from the Gross Settlement Amount after Defendant provides funds to the Settlement
5 Administrator for disbursement under the terms and schedule set forth in Paragraph 62. Any
6 portion of the requested Class Representative Service Award that is not awarded to Plaintiff shall
7 be part of the Net Settlement Amount and shall be distributed to Settlement Class Members as
8 provided in this Agreement. The Settlement Administrator shall issue an IRS Form 1099 – MISC
9 to Plaintiff for her Class Representative Service Award. Plaintiff shall be solely and legally
10 responsible to pay any and all applicable taxes on her respective Class Representative Service
11 Award and shall hold harmless Defendant from any claim or liability for taxes, penalties, or interest
12 arising as a result of the Class Representative Service Award. The Class Representative Service
13 Award shall be in addition to the Plaintiff's respective Individual Settlement Payment as a
14 participating Settlement Class Member. If the Court approves and awards a service award payable
15 to Plaintiff in an amount less than the \$5,000.00 as set forth above, Plaintiff shall not have the right
16 to revoke this Settlement and it shall remain binding.

17 67. **Class Counsel Attorneys' Fees And Costs.** Defendant agrees not to oppose or
18 object to any application or motion by Class Counsel for attorneys' fees not to exceed up to thirty-
19 five percent (35%), or One Hundred Fifty-One Thousand, One Hundred Twenty-Seven Dollars
20 and Twenty Cents, (\$151,127.20), from the Gross Settlement Amount, plus actual litigation
21 expenses not to exceed Twenty-Five Thousand Dollars (\$25,000.00). The Class Counsel
22 Attorneys' Fees and Costs shall be paid to Class Counsel from the Gross Settlement Amount after
23 Defendant provides funds to the Settlement Administrator for disbursement under the terms and
24 schedule set forth in Paragraph 62. Any portion of the requested Class Counsel Award that is not
25 awarded to Class Counsel shall be part of the Net Settlement Amount and shall be distributed to
26 Settlement Class Members as provided in this Agreement. Class Counsel shall be solely and
27 legally responsible to pay all applicable taxes on the payment made pursuant to this paragraph.
28 The Settlement Administrator shall issue an IRS Form 1099 – MISC to Class Counsel for the

1 payments made as part of Class Counsel Attorneys' Fees And Costs. This Settlement is not
2 contingent upon the Court awarding Class Counsel any particular amount in attorneys' fees and
3 expenses and if the Court awards less than the \$151,127.20 in attorneys' fees and \$25,000.00 in
4 expenses, Class Counsel shall not have the right to revoke this Settlement and it shall remain
5 binding.

6 68. **Settlement Administration Costs.** The Settlement Administrator shall be paid for
7 the costs of administration of the Settlement from the Gross Settlement Amount. The estimate of
8 such costs of administration for the disbursement of the Gross Settlement Amount is \$20,000.00.
9 No fewer than twenty eight (28) calendar days prior to the Final Approval and Fairness Hearing,
10 the Settlement Administrator shall provide the Parties with a statement detailing the costs of
11 administration (incurred and expected until completion) of this Settlement. The Settlement
12 Administration Costs shall be paid to the Settlement Administrator from the Gross Settlement
13 Amount after Defendant provides funds to the Settlement Administrator for disbursement under
14 the terms and schedule set forth in Paragraph 62. The Settlement Administrator, on Defendant's
15 behalf, shall have the authority and obligation to make payments, credits, and disbursements,
16 including payments and credits in the manner set forth herein, to Settlement Class Members
17 calculated in accordance with the methodology set out in this Agreement and orders of the Court.

18 69. **Pro-Rata Increase of Gross Settlement Amount.** Defendant represents that its
19 best estimate of the Class size is 8,569 workweeks during the Class Period. If the actual Class size
20 is more than five percent (5%) than this estimate, the Parties shall renegotiate the amount of the
21 Gross Settlement Amount. If the renegotiation is unsuccessful, Plaintiff shall have the right to
22 declare the settlement null and void.

23 70. **Non-Retaliation.** Defendant understands and acknowledges that it has a legal
24 obligation not to retaliate against any Settlement Class Member who elects to participate in the
25 Settlement or elects to Opt-Out of the Settlement. Defendant will refer any inquiries regarding this
26 Settlement to the Settlement Administrator or Class Counsel and will not discourage Class
27 Members, directly or indirectly, from participating in, opting out, or objecting to the Settlement.
28

1 71. **Final Settlement Approval Hearing and Entry of Final Judgment.** Upon
2 expiration of the Response Deadline, with the Court’s permission, a Final Approval and Fairness
3 Hearing shall be conducted to determine final approval of the Settlement along with the amounts
4 properly payable for: (i) the Class Counsel Attorneys’ Fees and Costs; (ii) the Class Representative
5 Service Award; (iii) the Settlement Administration Costs; and (iv) the Individual Settlement
6 Payments. Pursuant to California Rule of Court 3.769(h), after granting Final Approval, the Court
7 shall retain jurisdiction over the Parties to enforce the terms of the judgment. Final judgement shall
8 be entered in the Action within sixty (60) days after final approval of the Settlement or within sixty
9 (60) days after Defendant has made all payments required under this Agreement, whichever is
10 later.

11 72. **Nullification of Settlement Agreement.** In the event: (i) the Court does not grant
12 preliminary approval; (ii) the Court does not grant final approval; (iii) the Court does not enter a
13 final judgment as provided herein; or (iv) the Settlement does not become final for any other
14 reason, this Settlement Agreement shall be null and void and any order or judgment entered by the
15 Court in furtherance of this Settlement shall be treated as void from the beginning. In such a case,
16 the Parties and any funds to be awarded under this Settlement shall be returned to their respective
17 statuses as of the date and time immediately prior to the execution of this Agreement, and the
18 Parties shall proceed in all respects as if this Agreement had not been executed, except that any
19 costs already incurred by the Settlement Administrator shall be paid by Defendant. In the event
20 an appeal is filed from the Court’s final judgment, or any other appellate review is sought,
21 administration of the Settlement shall be stayed pending final resolution of the appeal or other
22 appellate review, but any fees incurred by the Settlement Administrator prior to it being notified
23 of the filing of an appeal from the Court’s Final Judgment, or any other appellate review, shall be
24 paid to the Settlement Administrator within thirty (30) days of said notification.

25 73. **No Effect on Employee Benefits.** Amounts paid to Plaintiff or other Settlement
26 Class Members pursuant to this Agreement shall be deemed not to be pensionable earnings and
27 shall not have any effect on the eligibility for, or calculation of, any of the employee benefits (e.g.,
28 vacations, holiday pay, retirement plans, etc.) of the Plaintiff or Settlement Class Members.

1 74. **Exhibits and Headings.** The terms of this Agreement include the terms set forth
2 in any attached **Exhibits 1-2**, which are incorporated by this reference as though fully set forth
3 herein. Any Exhibits to this Agreement are an integral part of the Settlement. The descriptive
4 headings of any paragraphs or sections of this Agreement are inserted for convenience of reference
5 only and do not constitute a part of this Agreement.

6 75. **Interim Stay of Proceedings.** The Parties agree to stay all proceedings in the
7 Action, except such proceedings necessary to implement and complete the Settlement, in abeyance
8 pending the Final Approval and Fairness Hearing to be conducted by the Court.

9 76. **Amendment or Modification.** This Agreement may be amended or modified only
10 by a written instrument signed by counsel for all Parties or their successors-in-interest.

11 77. **Entire Agreement.** This Agreement and any attached Exhibits constitute the entire
12 Agreement among these Parties, and no oral or written representations, warranties or inducements
13 have been made to any Party concerning this Agreement or its Exhibits other than the
14 representations, warranties and covenants contained and memorialized in the Agreement and its
15 Exhibits.

16 78. **Authorization to Enter into Settlement Agreement.** Counsel for all Parties
17 warrant and represent they are expressly authorized by the Parties whom they represent to negotiate
18 this Agreement and to take all appropriate actions required or permitted to be taken by such Parties
19 pursuant to this Agreement to effectuate its terms, and to execute any other documents required to
20 effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each
21 other and use their best efforts to effectuate the implementation of the Settlement. The persons
22 signing this Agreement on behalf of Defendant represent and warrant that they are authorized to
23 sign this Agreement on behalf of Defendant. Plaintiff authorizes Class Counsel to sign this
24 Agreement and further agrees not to request to be excluded from the Settlement. Plaintiff also
25 represents and warrants that she has not assigned any claim, or part of a claim, covered by this
26 Settlement to a third-party.

27 79. **Binding on Successors and Assigns.** This Agreement shall be binding upon, and
28 inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

1 80. **California Law Governs.** All terms of this Agreement and the Exhibits hereto and
2 any disputes arising hereunder shall be governed by and interpreted according to the laws of the
3 State of California.

4 81. **Counterparts.** This Agreement may be executed in one or more counterparts. All
5 executed counterparts and each of them shall be deemed to be one and the same instrument
6 provided that counsel for the Parties to this Agreement shall exchange among themselves copies
7 or originals of the signed counterparts.

8 82. **Notices.** Except for Class Member notices required to be made by the Settlement
9 Administrator, any and all notices or other communications required or permitted under this
10 Agreement shall be in writing and shall be sufficiently given if delivered in person to the party or
11 their counsel by U.S. certified mail, postage prepaid, e-mail, facsimile, or overnight delivery
12 addressed to the address of the party appearing in this Agreement.

13 83. **Jurisdiction of the Court.** In accordance with California Rule of Court 3.769(h),
14 the Parties agree that the Court shall retain jurisdiction with respect to the interpretation,
15 implementation and enforcement of the terms of this Agreement and all orders and judgments
16 entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction
17 of the Court for purposes of interpreting, implementing and enforcing the settlement embodied in
18 this Agreement and all orders and judgments entered in connection therewith.

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

24 85. **Invalidity of Any Provision.** Before declaring any provision of this Agreement
25 invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible
26 consistent with applicable precedents so as to define all provisions of this Agreement valid and
27 enforceable.

28

Exhibit 1

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE**

REGINA HERNANDEZ, individually, and on behalf
of other members of the general public similarly
situated;

Plaintiff,

v.

OC URGENTCARE MEDICAL GROUP, INC., a
California corporation; and DOES 1 through 100,
inclusive,

Case No. 30-2019-01100556-CU-OE-CX

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

Complaint Filed: September 26, 2019

TO ALL CLASS MEMBERS DEFINED AS:

All current and former non-exempt employees who worked for Defendant OC UrgentCare Medical Group, Inc. within the State of California at any time between September 26, 2015 to [insert date of PA approval or 120 days after execution of the Memorandum of Agreement dated October 23, 2020, whichever occurs first] and who did not sign an arbitration agreement.

**YOU ARE ELIGIBLE TO RECEIVE A SETTLEMENT PAYMENT. PLEASE READ THIS
NOTICE CAREFULLY.**

The settlement involves claims against OC UrgentCare Medical Group, Inc. (“Defendant”) alleging claims for: (a) failure to pay all minimum wages; (b) failure to pay all overtime wages; (c) failure to provide timely and compliant duty-free meal periods and pay premiums owed thereon; (d) failure to provide timely and compliant duty-free rest breaks and pay premiums owed thereon; (e) failure to reimburse all necessary business expenses incurred; (f) failure to furnish accurate itemized wage statements; (g) failure to timely pay all wages owed upon separation; and (h) engaging in unfair and unlawful business practices.

NO ACTION NEEDS TO BE TAKEN TO RECEIVE MONEY UNDER THE SETTLEMENT: If you are a Class Member (as defined above) and received this Notice, you are automatically included in the Settlement and do not need to take any further action to receive a payment. If you do not exclude yourself from the Settlement (see Section VI. below), you will release the claims described in Section V below.

I. INTRODUCTION

This “Notice of Proposed Class Action Settlement And Hearing Date For Court Approval” (“Notice”) is to inform you that Defendant has agreed to settle a class action lawsuit on behalf of all Class Members which claimed, among other things, that Defendant violated various wage-and- hour laws by failing to provide all minimum and overtime wages due, off-duty rest and meal breaks and/or pay missed rest and meal break premiums, failing to reimburse all necessary business expenses incurred, failing to provide accurate itemized wage statements, and failing to pay wages owed in a timely manner upon separation, and thereby engaging in unfair business practices under California Bus. & Prof. Code Section 17200.

The Court has granted preliminary approval of the Settlement and the Court ordered this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

II. DESCRIPTION OF THE LAWSUIT

Plaintiff's Claims. On September 26, 2019, Plaintiff Regina Hernandez initiated this Action in the Superior Court of the State of California, County of Orange on behalf of herself and a class of similarly-situated individuals against Defendant OC UrgentCare Medical Group, Inc. On behalf of the putative class, Plaintiff alleged causes of action for: (a) failure to pay minimum and overtime wages for all hours worked including, but not limited to, those resulting from off-the-clock work (Labor Code §§ 510, 1194, 1194.3, 1197, 1197.1, and 1198); (b) failure to provide timely and compliant duty-free meal periods and pay premiums owed thereon (Labor Code §§ 226.7 and 512); (c) failure to provide timely and compliant duty-free rest breaks and pay premiums owed thereon (Labor Code § 226.7); (d) failure to reimburse all necessary business expenses incurred (Labor Code §§ 2800, 2802); (e) failure to furnish accurate itemized wage statements (Labor Code §§ 226); (f) failure to timely pay all final wages owed upon separation (Labor Code §§ 201-203); and (g) engaging in unfair and unlawful business practices (Business & Professions Code § 17200 *et seq.*) (collectively, "Claims"). The operative pleading is the First Amended Complaint filed on January 23, 2020.

Defendant has denied liability, has denied the allegations in the Complaint, and has raised various defenses to these claims. Defendant contends that it complied in good faith with California wage-and-hour laws and has dealt legally and fairly with Plaintiff and Class Members. Defendant further denies that, for any purpose other than settling this Action, these claims are appropriate for class or representative treatment. Defendant wishes to settle this case, however, to avoid costly, disruptive, and time-consuming litigation and does not admit to any wrongdoing or liability.

The Court has not ruled on the merits of Plaintiff's claims. By approving the Settlement and issuing this Notice, the Court is not suggesting which side would win or lose this case if it went to trial. However, to avoid additional expense, inconvenience, and risks of continued litigation, Defendant and Plaintiff have concluded that it is in their respective best interests and the interests of the Class Members to settle the Action on the terms summarized in this Notice. After Defendant provided extensive discovery and information to counsel for the Class Members, the Settlement was reached after arms-length non-collusive negotiations between the parties, including mediation with a highly respected mediator in California. In these negotiations, both sides recognized the substantial risk of the Court deciding against them at trial and determined that the Settlement was a fair, reasonable and adequate way to resolve the disputed claims.

The Plaintiff and Class Counsel support this Settlement. Among the reasons for support are the defenses to liability potentially available to Defendant, the risk of denial of class certification, the inherent risk of trial on the merits, and the delays and uncertainties associated with litigation.

Under this settlement, the following Class will be certified under California law for Settlement purposes only:

Class or Class Members: All current and former non-exempt employees who worked for Defendant OC UrgentCare Medical Group, Inc. within the State of California at any time between September 26, 2015 to the [date of PA approval or 120 days after execution of the Memorandum of Agreement dated October 23, 2020, whichever occurs first] (the "Class Period") and who did not sign an arbitration agreement.

Plaintiff Regina Hernandez, and her counsel, Jennifer Connor, Esq. and Anthony Orshansky, Esq. of CounselOne, P.C. and Edwin Aiwazian, Esq. of Lawyers for Justice, P.C. ("Class Counsel"), believe that

the settlement described below is fair, adequate, reasonable and in the best interests of Plaintiff and the Class.

On [insert date of preliminary approval], the Court preliminarily approved the Settlement and conditionally certified the above Class for settlement purposes only. This Notice is being sent to you because Defendant's records indicate that you are a Class Member.

IF YOU STILL WORK FOR DEFENDANT, PARTICIPATION IN THIS SETTLEMENT WILL NOT AFFECT, NOR DISRUPT YOUR WORK IN ANY MANNER.

California law strictly prohibits retaliation. Further, Defendant is prohibited by law from taking any adverse action against or otherwise target, retaliate, or discriminate against any Class Member because of the Class Member's participation or decision not to participate in this Settlement.

III. TERMS OF THE SETTLEMENT

Defendant has agreed to pay \$431,792.00 (the "Gross Settlement Amount") to resolve claims in the operative Complaint, including all Class Members' claims under Labor Code and Business & Professions Code for: (1) unpaid minimum wages; (2) unpaid overtime; (3) failure to provide meal periods; (4) failure to provide rest breaks; (5) failure to give accurate itemized wage statements; (6) failure to reimburse business expenses; (7) failure to timely pay wages timely during employment; and (8) failure to pay all wages due upon termination of employment, along with any related violation of unfair competition law, as well as any potential penalties, interest or attorneys' fees associated with the alleged causes of action set forth in (1) through (8) above.

The Parties agreed to the following payments from the Gross Settlement Amount:

Settlement Administration Costs. The Court has approved [Insert TPA], to act as the "Settlement Administrator," who is sending this Notice to you and will perform many other duties relating to the Settlement. Under the Settlement, up to \$20,000.00 will be paid from the Gross Settlement Amount to pay the Settlement Administration Costs.

Class Counsel Attorneys' Fees and Expenses. Class Counsel – which includes attorneys from two separate law firms - have been prosecuting the Action on behalf of the Class Members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. To date, the parties have aggressively litigated many aspects of the case including settlement efforts and a full day mediation session. The Court will determine the actual amount awarded to Class Counsel as attorneys' fees, which will be paid from the Gross Settlement Amount. Class Members are not personally responsible for any of Class Counsel's attorneys' fees or litigation expenses. Class Counsel will collectively ask for fees of thirty-five percent (35%) - *i.e.*, \$151,127.20 - of the Gross Settlement Amount as reasonable compensation for the work Class Counsel performed and will continue to perform in this Action. Class Counsel also will ask for reimbursement of up to \$25,000.00 for the costs Class Counsel incurred in connection with the Action.

Class Representative Service Award. Plaintiff Regina Hernandez will seek an award of \$5,000.00, in addition to her Individual Settlement Payment, for her efforts and risks in assistance with the prosecution of the Action and in exchange for her execution of a general release.

Payroll Taxes. Taxes and other required employer withholdings, including but not limited to Defendant's FICA and FUTA contributions, shall be paid out separate from and exclusive of the Gross Settlement Amount.

Net Settlement Amount. After deducting the amounts above, the balance of the Gross Settlement Amount will form the Net Settlement Amount for distribution to the Class Members.

You can view the Settlement Agreement and other Court documents related to this case by visiting
www.xxxxxxxx.

IV. YOUR INDIVIDUAL SHARE OF THE SETTLEMENT AMOUNT

The Individual Settlement Payment for each Settlement Class Member (a Class Member that does not opt-out of the Settlement) will be paid from the Net Settlement Amount and will be calculated as follows: The Settlement Administrator shall divide the compensable workweeks for each Settlement Class Member by the total compensable workweeks for all Settlement Class Members, resulting in the Payment Ratio for each Settlement Class Member. Each Settlement Class Member's Payment Ratio is then multiplied by the Net Settlement Amount to determine his or her Individual Settlement Payment.

Each Individual Settlement Payment will be reduced by any legally mandated tax withholdings for each Settlement Class Member. All Individual Settlement Payments paid to Settlement Class Members are to be reported as income on IRS Form 1099 and IRS Form W-2s where required by law. Of the amounts paid to individual Settlement Class Members, eighty percent (80%) shall be designated as penalties and interest for which an IRS Form 1099 shall issue and twenty percent (20%) to wages for which an IRS Form W-2 shall issue. Settlement Class Members are responsible for the proper income tax treatment of the Individual Settlement Payments received. The Settlement Administrator, Defendant and its counsel, and Class Counsel cannot provide tax advice. Accordingly, Settlement Class Members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

The workweeks you worked as a qualifying Class Member in California for Defendant during the Class Period will be calculated based on Defendant's records. If you feel that you were not credited with the correct number of workweeks worked during the Class Period – which is from September 25, 2015 through [insert date of PA approval or 120 days after execution of the Memorandum of Agreement dated October 23, 2020, whichever occurs first] - you may submit evidence to the Settlement Administrator on or before **[Insert Date 45 Days After Mailing]** with documentation to establish the number of workweeks you claim to have actually worked during the Class Period. **DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED; DO NOT SEND ORIGINALS.** The Parties and Settlement Administrator will promptly evaluate the evidence submitted and discuss in good faith how many workweeks should be credited. The Settlement Administrator will make the final decision as to how many weeks are credited, and report the outcome to you. If you are unsatisfied with the decision, you may submit an Objection, as discussed below.

The Individual Settlement Amount payments will be made by the Settlement Administrator pursuant to the disbursement plan, subject to Court-approval, as follows: Defendant shall pay the Gross Settlement Amount of \$431,792.00 to the Settlement Administrator, which shall be funded and distributed **in two (2) separate and equal installment** payments of \$215,896.00 each, according to the following schedule:

A. First Installment.

Within thirty (30) calendar days after the Effective Date, Defendant shall pay \$215,896.00 to the Settlement Administrator. The Effective Date shall be the date upon which the Court grants final approval of the Settlement if (a) no Settlement Class Members file objections to the Settlement, or (b) any Settlement Class Member files an objection but it is subsequently withdrawn. However, if an objection is filed and an appeal or other appellate proceeding is initiated, the Effective Date shall be sixty (60) days after the Court grants final approval of the Settlement or date of termination of such appellate proceedings.

No later than ten (10) calendar days after receipt of the above First Installment payment, the Settlement Administrator shall, subject to approval and award by the Court, make the following payments therefrom: i) 50% of the Settlement Class Members' Individual Settlement Payments and associated payroll taxes; ii) 50% of the Settlement Administrator's Costs; iii) 50% of the Class Counsel Attorneys' Fees and Costs; and (iv) 50% of the Class Representative Service Award, as approved and awarded by the Court.

B. Second Installment.

Within one hundred and eighty (180) calendar days after the First Installment, Defendant shall pay the remaining \$215,896.00 to the Settlement Administrator. No later than ten (10) calendar days after receipt of the Second Installment payment, the Settlement Administrator shall, subject to approval and award by the Court, make the following payments therefrom: i) 50% of the Settlement Class Members' Individual Settlement Payments and associated payroll taxes; ii) 50% of the Settlement Administrator's Costs; iii) 50% of the Class Counsel Attorneys' Fees and Costs; and (iv) 50% of the Class Representative Service Award, as approved and awarded by the Court.

If the Settlement Administrator is not able to disburse payments within the time period set forth above, it shall so inform Class Counsel and Defense Counsel and provide an approximate date by which the Individual Settlement Payments will be mailed. Under no circumstances shall the Settlement Administrator distribute checks to Settlement Class Members until all Individual Settlement Payments have been considered, calculated, and accounted for, and all of the remaining monetary obligations have been calculated and accounted for.

You can view the final approval order and final judgment and payment schedule at www.xxxxxxx.

V. THE RELEASE OF CLAIMS

If the Court approves the Settlement, the Court will enter judgment and the Settlement Agreement will bind all members of the Settlement Class who have not opted out of the Settlement, and will bar all Settlement Class Members from bringing certain claims against Defendant and Released Parties as described below.

The Settlement includes a release by Settlement Class Members (defined as those Class Members who do not submit a timely Opt-Out/request to be excluded) of Defendant OC UrgentCare Medical Group, Inc., and Defendant's former and present parents, subsidiaries, affiliates, and other officers, directors, employees, partners, shareholders and agents, and any other successors, assigns, or legal representatives (the "Released Parties"), and each of them, of and from any and all Settlement Class Members' Released Claims as set forth below:

Settlement Class Members' Released Claims: means any and all wage-and-hour claims, rights, demands, liabilities, and causes of action of every nature and description whether pled or could have been pled arising from or related to the claims litigated in the Action against Defendant, during the Class Period, based upon the following categories of allegations: (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to provide rest periods; (5) failure to provide accurate itemized wage statements; (6) failure to reimburse business expenses; (7) failure to timely pay wages during employment; and (8) failure to pay all wages due upon termination of employment, as well as any violation of the Industrial Welfare Commission Wage Orders ("Wage Orders") and California Labor Code arising from or related to the claims alleged in the Action, along with any claim for violation of California's unfair business practices laws, as well as any potential penalties, interest or attorneys' fees

associated with the alleged causes of action set forth in (1) through (8) above under California law (the “Settlement Class Members’ Released Claims”).

The Class Representative further agrees to a general release of all claims against Defendant during the Class Period, and agrees to waive her rights under Civil Code Section 1542 (“Plaintiff’s Released Claims”).

Settlement Class Members will be deemed to have acknowledged and agreed that their claims for wages and/or penalties in the Action are disputed, and that the Individual Settlement Payments constitute payment of all sums allegedly due to them. Settlement Class Members will be deemed to have acknowledged and agreed that California Labor Code Section 206.5 is not applicable to the Individual Settlement Payments. That section provides in pertinent part as follows:

An employer shall not require the execution of a release of a claim or right on account of wages due, or to become due, or made as an advance on wages to be earned, unless payment of those wages has been made.

VI. WHAT ARE YOUR OPTIONS?

A. Do Nothing and Receive Your Portion of the Settlement.

You are automatically included as a Settlement Class Member and will receive a settlement payment and do not have to take any further action to receive your settlement payment. It is the responsibility of all Settlement Class Members to ensure that the Settlement Administrator has your current address on file, or you may not receive important information or a settlement payment. The estimated amount of your settlement payment if you do nothing is included on the attached Share Form.

B. Opt-Out and Be Excluded from the Class and the Settlement.

If you **do not** wish to take part in the Settlement, you may exclude yourself (*i.e.*, Opt-Out) by sending to the Settlement Administrator an Opt-Out/request for exclusion from the Settlement letter postmarked no later than [**Insert Date 45 Days After Mailing**], with your name, address, telephone number, and signature. The Opt-Out request should state:

“I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE HERNANDEZ v. OC URGENTCARE MEDICAL GROUP, INC. LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE CLASS SETTLEMENT OF THIS LAWSUIT AND WILL NOT BE RELEASING ANY CLAIMS I MIGHT HAVE.”

Send the Opt-Out request directly to the Settlement Administrator at the following address **by no later than [Insert DATE 45 Days After Mailing]**:

[Insert ADDRESS]

Any person who submits a timely Opt-Out/request for exclusion from the Settlement shall, upon receipt, no longer be a Settlement Class Member, shall be barred from participating in any portion of the Settlement, and shall receive no benefits from the Settlement. If you want confirmation of receipt of your Opt-Out request, please send it by U.S. certified mail, return receipt requested and/or contact the Settlement Administrator.

C. Object to the Settlement.

You also have the right to object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the proposed Settlement, or any portion of it, you must file with the Settlement Administrator a written objection stating: your name, address, and telephone number; dates of work as an hourly or non-exempt employee in California with Defendant; the case name and number; each specific reason in support of your objection; and any legal support for each objection. Objections must be in writing and must be mailed to the Settlement Administrator, [Insert ADDRESS], **by no later than [Insert DATE 45 Days After Mailing]** for your objection to be considered. **OBJECTIONS THAT DO NOT INCLUDE ALL REQUIRED INFORMATION, OR THAT ARE NOT SUBMITTED TIMELY, MAY NOT BE CONSIDERED BY THE COURT.**

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will receive payment and be bound by the terms of the Settlement in the same way as Settlement Class Members who do not object. Any Settlement Class Member who does not object in the manner provided above shall have waived any objection to the Settlement, whether by appeal or otherwise.

D. Your Right to Appear at the Final Approval and Fairness Hearing Through an Attorney or In Person.

If you choose to object to the Settlement, you may also appear at the Final Approval and Fairness Hearing scheduled for [Insert DATE], at [Insert TIME am/p.m.] in Department CX-105 of the Orange County Superior Court, Civil Complex Center, located at 751 W. Santa Ana Blvd., Santa Ana, California 92701. You have the right to appear either in person or through your own attorney at this hearing. Objections not previously filed in writing in a timely manner as described above will not be considered by the Court. Any attorney who intends to represent an individual objecting to the Settlement must file a notice of appearance with the Court and serve counsel for all parties on or before [Insert DATE 45 Days After Mailing]. All objections or other correspondence must state the name and number of the case, which is *Hernandez v. OC UrgentCare Medical Group, Inc.* Case No. 30-2019-01100556-CU-OE-CX.

VII. UPDATE FOR YOUR CHANGE OF ADDRESS

If you move after receiving this Notice or if it was mis-addressed, please complete the Change of Address portion of the Share Form and mail it to the Settlement Administrator, [Insert ADDRESS], as soon as possible. **THIS IS IMPORTANT SO THAT FUTURE NOTICES AND/OR THE SETTLEMENT PAYMENT REACH YOU.**

VIII. IF THE STIPULATION OF SETTLEMENT AND RELEASE OF CLASS ACTION IS NOT APPROVED

If the Settlement is not approved by the Court, or if any of its conditions are not satisfied, the conditional Settlement will be voided, no money will be paid, and the case will return to litigation. If that happens, there is no assurance: (1) that the Class will be certified; (2) that any decision at trial would be in favor of Class Members; (3) that a trial decision, if any, would be as favorable to the Class Members as this Settlement; or (4) that any favorable trial decision would be upheld if an appeal was filed.

IX. QUESTIONS OR COMMENTS?

PLEASE DO NOT CALL OR CONTACT THE COURT. If you have any questions about the

settlement, you may contact the Settlement Administrator at: [Insert contact info] or by e-mail at _____ . You may also contact Class Counsel at the address or phone number listed below.

THE ATTORNEYS REPRESENTING THE CLASS MEMBERS ARE:

COUNSELONE, P.C.

Anthony J. Orshansky, Esq.

anthony@counselonegroup.com

Jennifer L. Connor, Esq.

jennifer@counselonegroup.com

9301 Wilshire Boulevard, Suite 650

Beverly Hills, California 90210

Telephone: (310) 277-9945

Facsimile: (424) 277-3727

LAWYERS *for* JUSTICE, P.C.

Edwin Aiwazian, Esq.

edwin@lfjpc.com

410 West Arden Avenue, Suite 203

Glendale, California 91203

Telephone: (818) 265-1020

Facsimile: (818) 265-1021

Exhibit 2

Share Form

Hernandez v. OC UrgentCare Medical Group, Inc.
Case No. 30-2019-01100556-CU-OE-CX
Superior Court of the State of California, County of Orange

TO ALL CLASS MEMBERS DEFINED AS:

All current and former non-exempt employees who worked for Defendant OC UrgentCare Medical Group, Inc. within the State of California at any time between September 26, 2015 to [insert date of PA approval or 120 days after execution of the Memorandum of Agreement dated October 23, 2020, whichever occurs first] and who did not sign an arbitration agreement. (“Class” or “Class Members”)

The Class Period is September 26, 2015 through [insert date of PA approval or 120 days after execution of the Memorandum of Agreement dated October 23, 2020, whichever occurs first]

YOUR ESTIMATED INDIVIDUAL SETTLEMENT PAYMENT:

Your total Individual Settlement Payment is currently estimated at \$ _____. You have been identified as a Class Member. Your estimated award is based on your pro-rata percentage of the Net Settlement Amount based on your membership in the Class relative to all respective Class Members. Your estimated pro-rata share of the Net Settlement Amount (as defined in the accompanying Notice) is: ____%. Your estimated pro-rata share may increase depending on factors such as, but not limited to, the number of Class Members who effectively exclude themselves from the Settlement. The Net Settlement Amount to be distributed to all Settlement Class Members who do not opt-out of the settlement is currently estimated to be \$ _____.

YOUR NUMBER OF COMPENSABLE WORKWEEKS:

As a Class Member, your pro-rata percentage is further dependent on your individual Compensable Workweeks worked as a percentage of the total number of Compensable Workweeks worked by all Class Members during the Class Period. “Compensable Workweeks” means the seven-day work week during the Class Period – between September 26, 2015 through [insert date of PA approval or 120 days after execution of the Memorandum of Agreement dated October 23, 2020, whichever occurs first] – during which you were actively employed as an hourly-paid or non-exempt employee for Defendant in California according to its payroll records. OC UrgentCare Medical Group, Inc.’s payroll records show that during the Class Period (between September 26, 2015 through [insert date of PA approval or 120 days after execution of the Memorandum of Agreement dated October 23, 2020, whichever occurs first]), you had a total number of _____ Compensable Workweeks.

YOU DO NOT NEED TO DO ANYTHING IN ORDER TO RECEIVE MONEY UNDER THE SETTLEMENT.

If you believe the total number of your Compensable Workweeks worked during the Class Period (listed above) is accurate, you do not need to take any further action in order to receive your payment.

TO CHALLENGE THE NUMBER OF YOUR WEEKS WORKED AS AN HOULRY-PAID OR NON-EXEMPT EMPLOYEE WORKING FOR OC URGENTCARE MEDICAL GROUP, INC. IN CALIFORNIA DURING THE CLASS PERIOD, THE SHARE FORM AND THE CHALLENGE PORTION OF THE FORM BELOW MUST BE SIGNED AND POSTMARKED NO LATER THAN [DATE].

CHALLENGE FORM TO DISPUTE COMPENSABLE WORKWEEK(S)

Important:

1. You do NOT have to complete this part of the Share Form if the total number of your Compensable Workweeks worked as a Class Member in California for OC UrgentCare Medical Group, Inc. during the Class Period as stated above is accurate.
2. If you do submit this form, it is strongly recommended that you keep proof of timely mailing of this form until receipt of your settlement payment.
3. If you change your mailing address, please provide your new mailing address to the Settlement Administrator. It is your responsibility to keep a current address on file with the Settlement Administrator to ensure receipt of your settlement payment.

Check the box below ONLY if you wish to challenge the total number of your Compensable Workweeks as stated above. All fields on this Challenge Form must be complete for your challenge to be accepted:

- I wish to challenge the total number of my Compensable Workweeks. I have included a written statement detailing what I believe to be the correct number of weeks that I worked as an hourly-paid or non-exempt employee for OC UrgentCare Medical Group, Inc. in California during the Class Period (between September 26, 2015 through [insert date of PA approval or 120 days after execution of the Memorandum of Agreement dated October 23, 2020, whichever occurs first]). I have also included information and/or documentary evidence that support my challenge. I understand that by submitting this challenge I authorize the Settlement Administrator to review OC UrgentCare Medical Group, Inc.’s records and determine the validity of my challenge.

Signature

Name of Class Member _____ [preprinted]

Class Member ID Number (from address label): _____ [preprinted]

I believe that the correct number of weeks that I worked as an hourly-paid or non-exempt employee for OC UrgentCare Medical Group, Inc. in California during the Class Period between September 26, 2015 through [insert date of PA approval or 120 days after execution of the Memorandum of Agreement dated October 23, 2020, whichever occurs first] is: _____

The following is a statement of my reasons and documentation to support this number of Compensable Workweeks worked:

[Attach documentation and use separate page(s) as necessary]

Mail to:

insert address