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LP; VERNON HEALTHCARE CENTER,
LLC; BRIUS MANAGEMENT CO.; and
BRIUS, LLC

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

MYKEISHA DANIELS, individually, and on
behalf of others similarly aggrieved,

Plaintiff,

vs.

HAWTHORNE HEALTHCARE & WELLNESS
CENTRE, LP, a California limited partnership;
VERNON HEALTHCARE CENTER, LLC, a
California limited partnership; BRIUS
MANAGEMENT CO., a California corporation;
BRIUS, LLC, a California limited partnership; and
DOES 1 through 50, inclusive,

Defendants.

CASE NO.: 20STCV39895

[Assigned for all purposes to the
Hon. Barbara Scheper, Department 30]

**STIPULATION OF
REPRESENTATIVE ACTION
SETTLEMENT**

1 IT IS HEREBY STIPULATED, by and between plaintiff Mykeisha Daniels,
2 individually and on behalf of all other aggrieved employees, on the one hand, and defendants
3 Hawthorne Healthcare & Wellness Centre, LP; Vernon Healthcare Center, LLC; Brius
4 Management Co.; and Brius, LLC, on the other hand, and subject to the approval of the Court,
5 that the Action is hereby compromised and settled pursuant to the terms and conditions set forth
6 in this Stipulation of Representative Action Settlement ("Stipulation") and that the Court shall
7 make and enter judgment, subject to the continuing jurisdiction of the Court as set forth below,
8 and subject to the definitions, recitals, and terms set forth herein which by this reference become
9 an integral part of this Stipulation.

10 **DEFINITIONS**

11 1. "Action" means the representative action entitled *Daniels v. Hawthorne*
12 *Healthcare & Wellness Centre, LP, et al.*, Los Angeles Superior Court Case No. 20STCV39895.

13 2. "Aggrieved Employees" means all current and former non-exempt employees of
14 Defendants in California at any time during the PAGA Period.

15 3. "Approval Hearing" means the hearing to be conducted by the Court after the
16 filing of an appropriate motion by Plaintiff, at which time Plaintiff shall request that the Court
17 approve the Settlement, enter the Judgment, and take other appropriate action.

18 4. "Compensable Pay Periods" means the total number of pay periods during which
19 an Aggrieved Employee worked for Defendants as a non-exempt employee in California during
20 the PAGA Period, based on Defendants' records, and which shall be used to calculate Individual
21 Settlement Payments.

22 5. "Defendants" means defendants Hawthorne Healthcare & Wellness Centre, LP;
23 Vernon Healthcare Center, LLC; Brius Management Co.; and Brius, LLC.

24 6. "Defense Counsel" means Grace Y. Horoupian and Selwyn Chu of Fisher &
25 Phillips LLP.

26 7. "Effective Date" means the latter of: (a) the date upon which the Judgment is
27 entered by the Court; or (b) if an appeal, review or writ is sought from the Judgment, the date
28 upon which all appellate and/or other proceedings resulting from the appeal, review or writ have

1 been finally terminated in such a manner as to permit the Judgment to take effect in
2 substantially the form described herein.

3 8. "Employee Information" means information regarding the Aggrieved Employees
4 that Defendants shall in good faith compile from their records and shall be authorized by the
5 Court to transmit in a secured manner to the Settlement Administrator. Employee Information
6 shall be transmitted in electronic form and shall include each Aggrieved Employee's full name;
7 last known address; Social Security number; and total number of Compensable Pay Periods.

8 9. "Incentive Award" means the amount that the Court authorizes to be paid to
9 Plaintiff, in addition to Plaintiff's Individual Settlement Payment, in recognition of Plaintiff's
10 effort and risk in prosecuting the Action.

11 10. "Individual Settlement Payment" means the amount payable from the PAGA
12 Fund to each Aggrieved Employee.

13 11. "Judgment" means the final order and judgment to be entered by the Court
14 granting approval of the Settlement and this Stipulation as binding upon the Parties and the
15 Aggrieved Employees.

16 12. "LWDA" means the California Labor and Workforce Development Agency.

17 13. "Notice" means the Notice of Representative Action Settlement, substantially in
18 the form attached as **Exhibit 1**, which shall be subject to Court approval and which the
19 Settlement Administrator shall mail to each Aggrieved Employee explaining the terms of this
20 Stipulation and the Settlement.

21 14. "PAGA" means the Labor Code Private Attorneys General Act of 2004,
22 California Labor Code sections 2698, et seq.

23 15. "PAGA Fund" means the Settlement Fund, less Plaintiff's Counsel Award, the
24 Incentive Award, and Settlement Administration Costs, of which seventy five percent (75%)
25 shall be distributed to the LWDA for PAGA penalties pursuant to California Labor Code §
26 2699(i), and twenty five percent (25%) shall be distributed to the Aggrieved Employees for their
27 Individual Settlement Payments.

28 16. "PAGA Period" means the time period from August 12, 2019 to August 1, 2022.

- 1 17. “Parties” means Plaintiff and Defendants.
- 2 18. “Plaintiff” means plaintiff Mykeisha Daniels.
- 3 19. “Plaintiff’s Counsel” means Matthew J. Matern, Mikael H. Stahle, Deanna S.
- 4 Leifer, and Irina A. Kirnosova of Matern Law Group, PC.
- 5 20. “Plaintiff’s Counsel Award” means reasonable attorneys’ fees for Plaintiff’s
- 6 Counsel’s litigation and resolution of this Action (not to exceed one-third of the Settlement
- 7 Fund), and Plaintiff’s Counsel’s expenses and costs reasonably incurred in connection with this
- 8 Action.
- 9 21. “Released Parties” means Defendants and their present or former parents,
- 10 owners, subsidiaries, and any affiliated or related persons or entities and each of its officers,
- 11 directors, employees, partners, shareholders, attorneys and agents, and any other predecessors,
- 12 successors, assigns, or legal representatives.
- 13 22. “Settlement” means the final and complete disposition of the Action pursuant to
- 14 this Stipulation.
- 15 23. “Settlement Administration Costs” means the reasonable costs and fees of
- 16 administering the Settlement to be paid from the Settlement Fund, including, but not limited to:
- 17 (i) printing, mailing, and re-mailing (if necessary) Settlement Packets to the Aggrieved
- 18 Employees; (ii) preparing and submitting to Aggrieved Employees and government entities all
- 19 appropriate tax filings and forms; (iii) computing the amount of and distributing Individual
- 20 Settlement Payments, the Incentive Award, the Plaintiff’s Counsel Award, and the PAGA
- 21 payment to the LWDA; (iv) establishing a Qualified Settlement Fund, as defined by the Internal
- 22 Revenue Code; and (vi) preparing and submitting filings required by law in connection with the
- 23 payments required by the Settlement.
- 24 24. “Settlement Administrator” means ILYM Group, Inc.
- 25 25. “Settlement Fund” means the maximum amount Defendant shall have to pay in
- 26 connection with this Settlement, which shall be inclusive of all Individual Settlement Payments
- 27 to the Aggrieved Employees, the Plaintiff’s Counsel Award, the Incentive Award, Settlement
- 28 Administration Costs, and the PAGA payment to the LWDA. Subject to Court approval and the

1 terms of this Stipulation, the Settlement Fund Defendant shall be required to pay is One
2 Hundred and Thirty-Five Thousand Dollars (\$135,000.00).

3 26. "Settlement Packet" means the packet of documents which shall be mailed to all
4 Aggrieved Employees by the Settlement Administrator, including the Notice and each
5 Aggrieved Employee's respective Individual Settlement Payment.

6 **RECITALS**

7 27. Procedural History. On October 16, 2020, Plaintiff filed a complaint against
8 Defendants in Los Angeles County Superior Court, alleging a single cause of action for
9 penalties under the PAGA.

10 28. On May 4, 2021, Defendant Vernon Healthcare Center, LLC filed an answer to
11 the complaint.

12 29. On July 7, 2021, the remaining Defendants filed an answer to the complaint.

13 30. On July 6, 2022, the Parties participated in a private mediation session with
14 mediator Jill Sperber, Esq. At the end of the mediation, Ms. Sperber made a mediator's
15 proposal outlining the material terms of a proposed representative action settlement. On August
16 1, 2022, the Parties accepted the mediator's proposal, made subject to the Parties entering into a
17 long form settlement agreement.

18 31. Benefits of Settlement to Plaintiff and the Aggrieved Employees. Plaintiff and
19 Plaintiff's Counsel recognize the expense and length of continued proceedings that would be
20 necessary to litigate Plaintiff's claims in the Action through trial and through any possible
21 appeals. Plaintiff also has taken into account the uncertainty and risks of the outcome of further
22 litigation, and the difficulties and delays inherent in such litigation. Plaintiff and Plaintiff's
23 Counsel are also aware of the burdens of proof necessary to establish liability for the claims
24 asserted in the Action, both generally and in response to Defendants' defenses thereto, and the
25 difficulties in establishing penalties and other relief sought in the Action. Plaintiff and
26 Plaintiff's Counsel also have taken into account Defendants' agreement to enter into a
27 settlement that penalizes Defendants for their alleged wrongdoing and confers substantial
28 benefits upon the State of California and Aggrieved Employees. Based on the foregoing,

1 Plaintiff and Plaintiff's Counsel have determined that the Settlement set forth in this Stipulation
2 is fair, adequate, and reasonable and is in the best interests of all Aggrieved Employees.

3 32. Defendants' Reasons for Settlement. Defendants have concluded that any further
4 defense of the Action would be protracted and expensive for all Parties. Substantial amounts of
5 Defendants' time, energy, and resources have been, and unless this Settlement is completed,
6 shall continue to be, devoted to the defense of the claims asserted by Plaintiff. Defendants have
7 also taken into account the risks of further litigation in reaching their decision to enter into this
8 Settlement. Even though Defendants contend they are not liable for any of the claims alleged by
9 Plaintiff in the Action, Defendants have agreed, nonetheless, to settle in the manner and upon
10 the terms set forth in this Stipulation and to put to rest the claims alleged in this Action.
11 Defendants have asserted and continue to assert that the claims alleged by Plaintiff have no
12 merit and do not give rise to any liability, damages, restitution, penalties, or other payments.
13 This Stipulation is a compromise of disputed claims. Nothing contained in this Stipulation, no
14 documents referred to herein, and no action taken to carry out this Stipulation, shall be
15 construed or used as an admission by or against Defendants as to the merits or lack thereof of
16 the claims asserted in the Action. Defendants contend that they have complied with all
17 applicable state, federal and local laws.

18 TERMS OF SETTLEMENT

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

21 33. Binding Settlement. This Settlement shall bind the Parties and all Aggrieved
22 Employees, subject to the terms and conditions hereof and the Court's approval.

23 34. Tax Liability. The Parties make no representations as to the tax treatment or
24 legal effect of the payments specified herein, and the Aggrieved Employees are not relying on
25 any statement or representation by the Parties, Plaintiff's Counsel or Defense Counsel in this
26 regard. The Aggrieved Employees and Plaintiff's Counsel understand and agree that they shall
27 be responsible for the payment of all taxes and penalties assessed on the payments specified
28 herein, and shall hold the Parties, Plaintiff's Counsel, and Defense Counsel free and harmless

1 from and against any claims resulting from treatment of such payments as non-taxable,
2 including the treatment of such payments as not subject to withholding or deduction for payroll
3 and employment taxes.

4 35. Circular 230 Disclaimer. THE PARTIES ACKNOWLEDGE AND AGREE
5 THAT (1) NO PROVISION OF THIS STIPULATION, AND NO WRITTEN
6 COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES, CLASS
7 COUNSEL, OR DEFENSE COUNSEL AND OTHER ADVISERS, IS OR WAS INTENDED
8 TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE
9 OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING
10 OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS
11 AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY
12 UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR
13 ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS STIPULATION,
14 (B) HAS NOT ENTERED INTO THIS STIPULATION BASED UPON THE
15 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO
16 ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY
17 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY
18 OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
19 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
20 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY
21 OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF
22 WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
23 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF
24 ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
25 STIPULATION.

26 36. Approval of Settlement. Plaintiff shall be responsible for moving the Court to
27 approve the Settlement and enter the Judgment. The Parties agree to work diligently and
28 cooperatively to have this Settlement presented to the Court for approval. The Judgment shall

1 provide for, among other things, the Settlement Packet to be sent to Aggrieved Employees as
2 specified herein.

3 37. Release by Plaintiff and Other Aggrieved Employees:

4 a. Aggrieved Employees' Released Claims. Upon Defendants providing the
5 Settlement Fund to the Settlement Administrator, all Aggrieved Employees shall be deemed to
6 have released the Released Parties of any and all claims and/or causes of action under PAGA
7 which are based upon the factual allegations set forth in the operative complaint and/or
8 Plaintiff's PAGA notice to the LWDA and arising at any time during the PAGA Period,
9 including but not limited to claims for PAGA penalties for violations of Labor Code sections
10 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1197, 1197.1,
11 1198, 2800, 2802, and 2698 et seq. and IWC Wage Order No. 5-2001 sections 3, 4, 7, 11, and
12 12.

13 b. Plaintiff's Released Claims. Upon Defendants providing the Settlement
14 Fund to the Settlement Administrator, Plaintiff shall be deemed to have released the Released
15 Parties from any and all claims, demands, rights, liabilities, and/or causes, of any form
16 whatsoever, arising under federal, state, local, or common laws, rules, or regulations, whether
17 known or unknown, unforeseen, unanticipated, unsuspected or latent, that have been or could
18 have been asserted by Plaintiff, or Plaintiff's heirs, successors and/or assigns, whether directly,
19 indirectly, representatively, derivatively or in any other capacity, against Defendants or any of
20 the other Released Parties, arising at any time prior to entry of the Judgment, including but not
21 limited to those claims raised in the Action, and those arising from or related to Plaintiff's
22 employment with or work for Defendants. This release excludes only the release of claims not
23 permitted by law.

24 As to the Released Claims only, Plaintiff expressly waives all rights and benefits under
25 the terms of section 1542 of the California Civil Code. Section 1542 reads as follows:

26 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE**
27 **CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO**
28 **EXIST IN HIS OR HER FAVOR⁸ AT THE TIME OF EXECUTING THE**

1 **RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE**
2 **MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE**
3 **DEBTOR OR RELEASED PARTY.**

4 Notwithstanding the provisions of section 1542, and for the purpose of implementing a
5 full and complete release and discharge of all of her Released Claims, Plaintiff expressly
6 acknowledges that this Settlement is intended to include in its effect, without limitation, all
7 Released Claims which Plaintiff does not know or suspect to exist in his favor at the time of
8 execution hereof, and that the Settlement contemplates the extinguishment of all such Released
9 Claims.

10 38. Settlement Administration.

11 a. Within ten (10) days of the Effective Date, Defendants shall provide the
12 Settlement Administrator with the Employee Information for purposes of mailing the Settlement
13 Packets to Aggrieved Employees.

14 i. Notice by First Class U.S. Mail. Upon receipt of the Employee
15 Information, the Settlement Administrator shall perform a search based on the National Change
16 of Address Database maintained by the United States Postal Service to update and correct any
17 known or identifiable address changes. Within ten (10) days of receiving the Settlement Fund
18 from Defendants as provided herein, the Settlement Administrator shall mail copies of the
19 Settlement Packet, which shall include the Notice and each Aggrieved Employee's respective
20 Individual Settlement Payment, to all Aggrieved Employees via regular First Class U.S. Mail.
21 The Settlement Administrator shall exercise its best judgment to determine the current mailing
22 address for each Aggrieved Employee. The address identified by the Settlement Administrator
23 as the current mailing address shall be presumed to be the most current mailing address for each
24 Aggrieved Employee. The Parties agree that this procedure for notice provides the best notice
25 practicable to Aggrieved Employees and fully complies with due process.

26 ii. Undeliverable Settlement Packets. Any Settlement Packet
27 returned to the Settlement Administrator as non-deliverable shall be re-mailed to the forwarding
28 address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall

1 promptly attempt to determine a correct address by the use of skip-tracing, or other type of
2 automated search, using the name, address, and/or Social Security number of the Aggrieved
3 Employee involved, and shall then perform a re-mailing to the Aggrieved Employee whose
4 Settlement Packet was returned as non-deliverable, assuming another mailing address is
5 identified by the Settlement Administrator. If these procedures are followed, notice to
6 Aggrieved Employees shall be deemed to have been fully satisfied, and if the intended recipient
7 of the Settlement Packet does not receive the Settlement Packet, the intended recipient shall
8 nevertheless remain bound by all terms of the Settlement and the Judgment.

9 iii. Determination of Individual Settlement Payments. The
10 Settlement Administrator shall determine the eligibility for, and the amount of, each Individual
11 Settlement Payment under the terms of this Stipulation. The Settlement Administrator's
12 determination of the eligibility for and amount of each Individual Settlement Payment shall be
13 binding upon the Aggrieved Employees and the Parties, yet subject to review by Plaintiff's
14 Counsel, Defense Counsel, and the Court. In the absence of fraud or gross negligence,
15 Defendants' records shall be presumed accurate.

16 iv. Disputes Regarding Administration of Settlement. Any dispute
17 not resolved by the Settlement Administrator concerning the administration of the Settlement
18 shall be resolved by the Court. Prior to any such involvement of the Court, counsel for the
19 Parties shall confer in good faith and make use of the services of mediator Jill Sperber, if
20 necessary, to resolve the dispute without the necessity of involving the Court.

21 b. Monitoring and Reviewing Settlement Administration. The Parties have
22 the right to monitor and review the administration of the Settlement to verify that the monies
23 allocated under the Settlement are distributed in the correct amount, as provided for in this
24 Stipulation.

25 c. Best Efforts. The Parties agree to use their best efforts to carry out the
26 terms of this Settlement.

27 39. Funding and Allocation of the Settlement Fund. No later than twenty-one (21)
28 days after the Effective Date, Defendants shall provide to the Settlement Administrator in any

1 feasible manner, including, but not limited to, by way of a wire transfer, the Settlement Fund. If
2 this Settlement is not finally approved by the Court in full, or is terminated, rescinded, canceled,
3 or fails to become effective for any reason, or if the Effective Date does not occur, then no
4 portion of the Settlement Fund shall be paid.

5 a. Individual Settlement Payments. The Aggrieved Employees shall not be
6 required to submit a claim in order to receive a share of the PAGA Fund, and no portion of the
7 Settlement Fund shall revert to Defendants or result in an unpaid residue. Individual Settlement
8 Payments shall be paid by the Settlement Administrator from the PAGA Fund pursuant to the
9 formula set forth herein.

10 i. Each Aggrieved Employee's Individual Settlement Payment shall
11 be calculated solely by the Settlement Administrator according to the following formula:
12 Defendants shall provide the Settlement Administrator with the Compensable Pay Periods for
13 each Aggrieved Employee. The Settlement Administrator shall then divide the Aggrieved
14 Employees' portion of the PAGA Fund by the total number of Compensable Pay Periods for all
15 Aggrieved Employees resulting in a value for each week worked by the Aggrieved Employees
16 during the PAGA Period ("Pay Period Value"). The Settlement Administrator shall then
17 multiply the number of Compensable Pay Periods for each Aggrieved Employee by the Pay
18 Period Value.

19 ii. Individual Settlement Payments shall be made by check and shall
20 be made payable to each Aggrieved Employee as set forth in this Stipulation.

21 iii. Individual Settlement Payments shall be allocated one hundred
22 percent (100%) as non-wage penalties not subject to payroll tax withholdings. The Settlement
23 Administrator shall issue an IRS Form 1099 to each Aggrieved Employee along with the
24 Individual Settlement Payment.

25 iv. Individual Settlement Payment checks shall remain negotiable for
26 one hundred eighty (180) days from the date of mailing. If an Individual Settlement Payment
27 check remains uncashed after one hundred eighty (180) days from issuance, the Settlement
28 Administrator shall distribute the value of the uncashed check to the State Controller's Office

1 Unclaimed Property Fund in the name of the Aggrieved Employee. In such event, such
2 Aggrieved Employees shall nevertheless remain bound by the Settlement.

3 v. It is expressly understood and agreed that the receipt of Individual
4 Settlement Payments shall not entitle any Aggrieved Employee to additional compensation or
5 benefits under any collective bargaining agreement or under any bonus, contest, or other
6 compensation or benefit plan or agreement in place during the period covered by the Settlement,
7 nor shall it entitle any Aggrieved Employee to any increased pension and/or retirement, or other
8 deferred compensation benefits. It is the intent of the Parties that the Individual Settlement
9 Payments provided for in this Stipulation are the sole payments to be made by Defendants to the
10 Aggrieved Employees in connection with this Settlement, with the exception of Plaintiff, and
11 that the Aggrieved Employees are not entitled to any new or additional compensation or benefits
12 as a result of having received the Individual Settlement Payments. Furthermore, the receipt of
13 Individual Settlement Payments by the Aggrieved Employees shall not, and does not, by itself
14 establish any general, special, or joint employment relationship between and among the
15 Aggrieved Employees and Defendants.

16 b. Incentive Award. Subject to Court approval, Plaintiff shall be paid an
17 Incentive Award not to exceed Ten Thousand Dollars (\$10,000.00), or any lesser amount as
18 awarded by the Court, for his time and effort in bringing and presenting the Action and for
19 releasing her Released Claims. Defendants shall not oppose or object to Plaintiff's request for
20 an Incentive Award in an amount not to exceed Ten Thousand Dollars (\$10,000.00). The
21 Incentive Award shall be paid to Plaintiff from the Settlement Fund no later than ten (10) days
22 after Defendants provide the Settlement Administrator with the Settlement Fund. The
23 Settlement Administrator shall issue an IRS Form 1099 to Plaintiff for his Incentive Award.
24 Plaintiff shall be solely and legally responsible to pay any and all applicable taxes on her
25 Incentive Award and shall hold harmless Defendants, Plaintiff's Counsel, and Defense Counsel
26 from any claim or liability for taxes, penalties, or interest arising as a result of payment of the
27 Incentive Award. The Incentive Award shall be made in addition to Plaintiff's Individual
28 Settlement Payment. Any amount requested₁₂ by Plaintiff for the Incentive Award and not

1 awarded by the Court shall become part of the PAGA Fund and shall be distributed to the
2 LWDA and to the Aggrieved Employees as part of their Individual Settlement Payments.

3 c. Plaintiff's Counsel Award. Subject to Court approval, Plaintiff's Counsel
4 shall be entitled to receive reasonable attorneys' fees in an amount not to exceed one-third (1/3)
5 of the Settlement Fund, which amounts to Forty-Five Thousand Dollars (\$45,000.00). In
6 addition, subject to Court approval, Plaintiff's Counsel shall be entitled to an award of
7 reasonable costs associated with Plaintiff's Counsel's prosecution of the Action in an amount
8 not to exceed Ten Thousand Dollars (\$10,000.00). Plaintiff's Counsel shall provide the
9 Settlement Administrator with a properly completed and signed IRS Form W-9 in order for the
10 Settlement Administrator to process the Plaintiff's Counsel Award approved by the Court.
11 Defendants shall not oppose or object to Plaintiff's request for an award of attorneys' fees in an
12 amount not to exceed Forty-Five Thousand Dollars (\$45,000.00) and request for an award of
13 reasonable costs not to exceed Ten Thousand Dollars (\$10,000.00). In the event that the Court
14 awards Plaintiff's Counsel less than Forty-Five Thousand Dollars (\$45,000.00) in attorneys'
15 fees and/or less than Ten Thousand Dollars (\$10,000.00) in costs, the difference shall become
16 part of the PAGA Fund and shall be distributed to the LWDA and the Aggrieved Employees as
17 part of their Individual Settlement Payments. Plaintiff's Counsel shall be paid any Court-
18 awarded attorneys' fees and costs no later than ten (10) days after Defendants provide the
19 Settlement Administrator with the Settlement Fund. Plaintiff's Counsel shall be solely and
20 legally responsible to pay all applicable taxes on the Plaintiff's Counsel Award. The Settlement
21 Administrator shall issue an IRS Form 1099 to Plaintiff's Counsel for the Plaintiff's Counsel
22 Award. This Settlement is not conditioned upon the Court awarding Plaintiff's Counsel any
23 particular amount of attorneys' fees or costs, unless the amount awarded is more than specified
24 in this paragraph.

25 d. Settlement Administration Costs. The Settlement Administration fees
26 and expenses, which are estimated not to exceed \$10,000.00 (\$10,000.00) shall be paid from the
27 Settlement Fund. The Parties agree to cooperate in the Settlement Administration process and
28 to make all reasonable efforts to control and minimize Settlement Administration Costs.

1 i. The Parties each represent they do not have any financial interest
2 in the Settlement Administrator or otherwise have a relationship with the Settlement
3 Administrator that could create a conflict of interest.

4 ii. The Settlement Administrator shall keep the Parties timely
5 apprised of the performance of all Settlement Administrator responsibilities required by the
6 Settlement. The Settlement Administrator shall be authorized to establish a Qualified
7 Settlement Fund ("QSF") pursuant to IRS rules and regulations in which the Settlement Fund
8 shall be placed and from which payments required by the Settlement shall be made.

9 40. Approval Hearing and Entry of Judgment. An Approval Hearing shall be
10 conducted to determine whether to grant approval of the Settlement, including determining the
11 amounts properly payable for: (i) the Plaintiff's Counsel Award; and (ii) the Incentive Award.
12 If the Court grants approval of the Settlement, the Settlement Administrator shall post notice of
13 final judgment on its website within seven (7) calendar days of entry of the Judgment.

14 41. Nullification of Settlement. In the event: (i) the Court does not enter the
15 Judgment; or (ii) the Settlement does not become final for any other reason, this Stipulation
16 shall be rendered null and void, any order or judgment entered by the Court in furtherance of
17 this Settlement shall be treated as void from the beginning; and this Stipulation and any
18 documents related to it shall not be used in any other civil, criminal, or administrative action
19 against Defendants or any of the other Released Parties. In the event an appeal is filed from the
20 Judgment, or any other appellate review is sought, administration of the Settlement shall be
21 stayed pending final resolution of the appeal or other appellate review. Any fees incurred by the
22 Settlement Administrator prior to it being notified of the filing of an appeal from the Judgment,
23 or any other appellate review, shall be paid by Defendants to the Settlement Administrator.

24 42. No Admission by Defendants. Defendants deny all claims alleged in this Action
25 and deny all wrongdoing whatsoever by Defendants. Neither this Stipulation, nor any of its
26 terms and conditions, nor any of the negotiations connected with it, is a concession or
27 admission, and none shall be used against Defendants as an admission or indication with respect
28 to any claim of any fault, concession, or omission by Defendants. The Parties agree that this

1 Stipulation shall not be admissible in this or any other proceeding as evidence that Defendants
2 are liable to Plaintiff or any Aggrieved Employee, other than according to the terms of this
3 Stipulation.

4 43. Exhibits and Headings. The terms of this Stipulation include the terms set forth
5 in any attached Exhibits, which are incorporated by this reference as though fully set forth
6 herein. The Exhibits to this Stipulation are an integral part of the Settlement. The descriptive
7 headings of any paragraphs or sections of this Stipulation are inserted for convenience of
8 reference only.

9 44. Interim Stay of Action. The Parties agree to stay and to request that the Court
10 stay all proceedings in the Action, except such proceedings necessary to implement and
11 complete the Settlement and enter the Judgment.

12 45. Amendment or Modification. This Stipulation may be amended or modified only
13 by a written instrument signed by counsel for all Parties or their successors-in-interest.

14 46. Entire Agreement. This Stipulation and any attached Exhibits constitute the
15 entire agreement between the Parties, and no oral or written representations, warranties, or
16 inducements have been made to Plaintiff or Defendants concerning this Stipulation or its
17 Exhibits other than the representations, warranties, and covenants contained and memorialized
18 in this Stipulation and its Exhibits. No other prior or contemporaneous written or oral
19 agreements may be deemed binding on the Parties.

20 47. Authorization to Enter into Settlement Agreement. Plaintiff's Counsel and
21 Defense Counsel warrant and represent they are expressly authorized by the Parties whom they
22 represent to negotiate this Stipulation and to take all appropriate actions required or permitted to
23 be taken by such Parties pursuant to this Stipulation to effectuate its terms, and to execute any
24 other documents required to effectuate the terms of this Stipulation. The Parties, Plaintiff's
25 Counsel, and Defense Counsel shall cooperate with each other and use their best efforts to effect
26 the implementation of the Settlement. In the event that the Parties are unable to reach
27 agreement on the form or content of any document needed to implement the Settlement, or on
28 any supplemental provisions that may become necessary to effectuate the terms of this

1 Settlement, the Parties may seek the assistance of the Court and/or mediator Jill Sperber to
2 resolve such disagreement. The persons signing this Stipulation on behalf of Defendants
3 represent and warrant that they are authorized to sign this Stipulation on behalf of Defendants.
4 Plaintiff represents and warrants that she is authorized to sign this Stipulation and that she has
5 not assigned any claim, or part of a claim, covered by this Settlement to a third-party. Plaintiff
6 acknowledges that she has read this Stipulation, that she fully understands her rights, privileges,
7 and duties under the Stipulation, and enters this Stipulation freely and voluntarily. Plaintiff
8 further acknowledges that she has had the opportunity to consult with her attorneys to explain
9 the terms of this Stipulation and the consequences of signing this Stipulation. Additionally, the
10 Parties have cooperated in the drafting and preparation of this Stipulation. Hence, in any
11 construction made of this Stipulation, the same shall not be construed against any of the Parties.

12 48. Fees and Costs. The Parties shall each bear their own costs, attorneys' fees,
13 mediator fees, and other fees incurred in connection with this Stipulation and in connection with
14 the Action and Plaintiff's claims, except as otherwise set forth specifically herein.

15 49. Binding on Successors and Assigns. This Stipulation shall be binding upon, and
16 inure to the benefit of, the successors and assigns of the Parties.

17 50. California Law Governs. All terms of this Stipulation and the Exhibits hereto
18 shall be governed by and interpreted according to the laws of the State of California, without
19 giving effect to any law that would cause the laws of any jurisdiction other than the State of
20 California to be applied.

21 51. Counterparts. This Stipulation may be executed in one or more counterparts. All
22 executed counterparts and each of them shall be deemed to be one and the same instrument.

23 52. Jurisdiction of the Court. Following entry of the Judgment, the Court shall retain
24 jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of
25 this Stipulation and all orders and judgments entered in connection therewith, and the Parties,
26 Plaintiff's Counsel, and Defense Counsel submit to the jurisdiction of the Court for purposes of
27 interpreting, implementing, and enforcing the Settlement embodied in this Stipulation and all
28 orders and judgments entered in connection therewith.

53. Invalidity of Any Provision. Before declaring any term or provision of this Stipulation invalid, the Parties request that the Court first attempt to construe the terms or provisions valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Stipulation as valid and enforceable.

Dated: Dec 12, 2022, 2022


Mykeisha Daniels (Dec 12, 2022 12:30 PST)

Plaintiff Mykeisha Daniels

Dated: December 29, 2022

Defendant Hawthorne Healthcare & Wellness Centre, LP

By: 

Its: Administration

Dated: _____, 2022

Defendant Vernon Healthcare Center, LLC

By: _____

Its: _____

Dated: _____, 2022

Defendant Brius Management Co.

By: _____

Its: _____

Dated: _____, 2022

Defendant Brius, LLC

By: _____

Its: _____

53. Invalidity of Any Provision. Before declaring any term or provision of this Stipulation invalid, the Parties request that the Court first attempt to construe the terms or provisions valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Stipulation as valid and enforceable.

Dated: Dec 12, 2022, 2022

Mykeisha Daniels
Mykeisha Daniels (Dec 12, 2022 12:30 PST)

Plaintiff Mykeisha Daniels

Dated: _____, 2022

Defendant Hawthorne Healthcare & Wellness
Centre, LP

By: _____

Its: Administrator

Dated: Jan 3, 2022

Defendant Vernon Healthcare Center, LLC

By: MB

Its: Administrator

Dated: _____, 2022

Defendant Brius Management Co.

By: _____

Its: _____

Dated: _____, 2022

Defendant Brius, LLC

By: _____

Its: _____

53. Invalidity of Any Provision. Before declaring any term or provision of this Stipulation invalid, the Parties request that the Court first attempt to construe the terms or provisions valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Stipulation as valid and enforceable.

Dated: Dec 12, 2022, 2022


Mykeisha Daniels (Dec 12, 2022 12:30 PST)

Plaintiff Mykeisha Daniels

Dated: _____, 2022

Defendant Hawthorne Healthcare & Wellness
Centre, LP

By: _____

Its: _____

Dated: _____, 2022

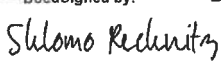
Defendant Vernon Healthcare Center, LLC

By: _____

Its: _____

Dated: 1/5/2023, 2022

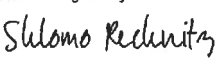
Defendant Brius Management Co.

By: 
407A4B8F72E34F1...

Its: CEO / CFO

Dated: 1/5/2023, 2022

Defendant Brius LLC

By: 
407A4B8F72E34F1...

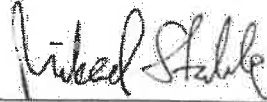
Its: Managing Member

1 Approved as to form and content:

2 DATED: December 15, 2022

MATERN LAW GROUP, P.C.

3
4 By:



MATTHEW J. MATERN

MIKAEL H. STAHLE

DEANNA S. LEIFER

IRINA A. KIRNOVA

Attorneys for Plaintiff MYKEISHA DANIELS

8 DATED: December 30, 2022

FISHER & PHILLIPS LLP

9
10 By:



GRACE Y. HOROUPIAN

SELWYN CHU

Attorneys for Defendants HAWTHORNE

HEALTHCARE & WELLNESS CENTRE, LP;

VERNON HEALTHCARE CENTER, LLC;

BRIUS MANAGEMENT CO.; and BRIUS, LLC

Exhibit 1

Mailing Date

NOTICE OF SETTLEMENT UNDER THE CALIFORNIA PRIVATE ATTORNEYS GENERAL ACT

Name

Address

Dear NAME:

Daniels v. Hawthorne Healthcare & Wellness Centre, LP, et al.
Los Angeles County Superior Court Case No. 20STCV39895

You are receiving the enclosed check in settlement of a lawsuit entitled *Daniels v. Hawthorne Healthcare & Wellness Centre, LP, et al.*, Los Angeles Superior Court Case No. 20STCV39895. In the lawsuit, Mykeisha Daniels ("Plaintiff") pursued various claims against Hawthorne Healthcare & Wellness Centre, LP; Vernon Healthcare Center, LLC; Brius Management Co.; and Brius, LLC ("Defendants") under Labor Code § 2699 *et seq.*, the California Private Attorneys General Act of 2004 ("PAGA"). Defendants deny all of the allegations and liability for any claims in this case. The Court has approved the Settlement on behalf of the following employees ("Aggrieved Employees"): all current and former non-exempt employees of Defendants in California during the time period from August 12, 2019 to August 1, 2022 (the "PAGA Period").

The enclosed check for \$_____ is your share of the Settlement. Your settlement amount represents penalties and will be reported on an IRS Form 1099. Your check is valid for 180 days from the date of mailing. Funds attributable to any uncashed check will be sent to the State Controller's Office Unclaimed Property Fund in your name.

As a result of the Settlement, all Aggrieved Employees and the California Labor and Workforce Development Agency ("LWDA") have released Defendants and their present, former, or future parents, owners, subsidiaries, and any affiliated or related persons or entities and each of its officers, directors, employees, partners, shareholders, attorneys and agents, and any other predecessors, successors, assigns, or legal representatives from the following Released Claims: all claims and/or causes of action under PAGA which are based upon the factual allegations set forth in the operative complaint and/or Plaintiff's PAGA notice to the LWDA and arising at any time during the PAGA Period, including but not limited to claims for PAGA penalties for violations of Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 2800, 2802, and 2698 *et seq.* and IWC Wage Order No. 5-2001 sections 3, 4, 7, 11, and 12. The Aggrieved Employees' Released Claims are limited to claims for civil penalties under PAGA.