

**CONFIDENTIAL SETTLEMENT AGREEMENT AND
FULL AND FINAL RELEASE OF ALL CLAIMS**

This Confidential Settlement Agreement and Full and Final Release of All Claims ("Agreement"), is entered into by and between Austin Larsen individually, on behalf of herself ("Plaintiff") and the Aggrieved Employees under the Private Attorneys General Act ("PAGA") and Angela Hooper ("Hooper") on the one hand and Harmony Communities, Inc. ("HC"), and Royal Palms Mobile Home Park Investors, LLC ("RPMHPI") (collectively HC and RPMHPI are "Defendants") on the other hand. Plaintiff, Hooper and Defendants together are collectively referred to herein as the "Parties." Certain disputes, claims and alleged causes of action have existed by and between the Parties and are alleged to have arisen out of and are related to Plaintiff's employment relationship with HC.

RECITALS

A. THE ACTION

On May 10, 2021, Plaintiff's counsel filed a civil action against Defendant, HC, for claims arising from her employment relationship with Defendant, HC and the cessation of that employment, entitled Austin Larsen vs. Harmony Communities, et al, , County of Butte, Case No. 21CV01205. The operative complaint includes the following claims and causes of action: (1) Failure to Pay Minimum Wage; (2) Failure to Provide Accurate Wage Statements; (3) Failure to pay Reimbursement for Business Expenses; (4) Failure to Pay All Monies Owed Upon Termination; (5) Private Attorneys General Act. In July 2022, Plaintiff amended her complaint to add RPMHPI as a defendant.

On July 3, 2023, Plaintiff filed another complaint against HC and RPMHPI alleging a claim for breach of contract. This action was styled Austin Larsen v. Harmony Communities, Inc. et al Butte County Case Number 23CV01739. Plaintiff voluntarily dismissed this action on January 23, 2024, without a settlement agreement.

On February 23, 2024, HC and RPMHPI filed a complaint for malicious prosecution against Plaintiff and Hooper based on their filing and dismissal of the breach of contract action.

Together, the three complaints referred to above are referred to herein as the "Actions".

B. DENIAL OF LIABILITY

Each defendant in the Actions denies the allegations in the Actions and any damages or liability arising from the allegations. Nevertheless, the Parties desire to avoid litigation and settle all

differences now existing between them related to Plaintiff's employment with Defendant, HC, the cessation of that employment, and the allegations in the Actions.

C. SETTLEMENT

The Parties, through their counsel, have engaged in good faith settlement discussions and agreed that, in exchange for the payment of a certain sum (as defined below) and as further defined in the attached Exhibit I, PAGA Settlement Agreement, the Parties shall execute a full mutual release of all claims arising from any and all allegations in the Actions. This Agreement is contingent upon the Court's approval of the PAGA settlement referred to in 1.1(b) below. In the event the Court refuses to approve the PAGA settlement, this Agreement shall be null and void. The terms and conditions of the settlement are set forth below in this Agreement.

TERMS AND CONDITIONS OF AGREEMENT

In consideration of the terms and conditions of this Agreement as set forth below, the adequacy of which is hereby acknowledged, and in light of the circumstances outlined in the Recitals, which are incorporated fully herein by this reference, and in order to fully settle all claims between the Parties, it is agreed as follows:

1.0 SETTLEMENT PAYMENT AND CONSIDERATION

1.1 In consideration of the mutual promises and covenants set forth herein, including the Parties mutual release of all known and unknown claims against any other Party that arise from or may arise from any of the allegations of the Actions (as defined in paragraph 2.1 below), Defendants shall pay a Total Settlement Sum of \$70,000 (Seventy Thousand Dollars) (referred to as "Total Settlement") as follows:

a. "Wage Claim Settlement" in the amount of \$50,000 (Fifty Thousand Dollars) for all of Plaintiff's individual wage claims in exchange for a release and 1542 waiver to be paid as follows:

i. \$30,000.00 to Plaintiff for her individual claims as a lump sum. Plaintiff to provide IRS W9 form. An IRS 1099 form shall be issued in connection with the payment.

- ii. \$20,000.00 payable to Law Offices of Angela Hooper as attorney's fees and costs. Counsel to provide IRS W9 form. IRS 1099 to issue.

The Wage Claim Settlement set forth in this Agreement does not include the separate payment in exchange for release of the PAGA and related wage and hour claims which are the subject of a separate release set forth in the attached Exhibit 1 and as referenced in subparagraph (b) below.

- b. Wage and Hour/PAGA Settlement in the amount of \$20,000 as separately set forth in detail in the attached Exhibit 1, Private Attorneys General Action Release and Settlement Agreement ("PAGA Agreement").

1.2 Payments are due within 10 days from Court approval of the PAGA Settlement agreement attached hereto as Exhibit 1. Plaintiff acknowledges and understands that she will receive the settlement funds associated with the Wage Claim Settlement within the timeframes allotted or agreed upon within this Agreement, only upon receipt of this fully executed settlement agreement, upon receipt of a fully executed PAGA Settlement Agreement (i.e., Exhibit 1), executed and completed IRS W9 forms from Plaintiff and her counsel, necessary IRS 1099 forms from Plaintiff and her counsel, and as long as Plaintiff does not revoke the agreement pursuant to the conditions set forth in the ADEA Provision (Paragraph 19) and upon the Court's approval of the PAGA settlement agreement and settlement.

The Parties acknowledge and understand that the settlement of her individual claims (Wage Claim Settlement), her receipt of settlement funds for her individual claims and this Agreement is conditioned upon and contingent on the Court's approval of the PAGA Settlement.

Any check payable to Plaintiff will be prepared as follows: "Austin Larsen" subject to IRS 1099, as discussed in detail above.

Any check payable to Plaintiff's counsel will be prepared as follows: "Law Offices of Angela Hooper Attorney Client Trust Account," subject to 1099, as discussed in detail above.

1.3 In the event Defendants fail to pay in full any installment payment on or before its due date, after five days written notice provided to Defendants' counsel, Plaintiff shall be permitted to bring an action or proceeding to enforce the terms of the Agreement or any of its terms and be able to recover reasonable attorney's fees and costs for such efforts.

1.4 Within three (3) business days of receiving the Court Order approving the PAGA settlement, Plaintiff shall file a Notice of Settlement of the Action with the Court. Within five (5) days of receipt of the Settlement Payment set forth in paragraph 1.1 above, Plaintiff shall file with the respective agency and/or Court, a Request for Dismissal with Prejudice of the entire action and will provide counsel with a conformed copy of same. Within five days of sending the

Settlement Payment set forth above, Defendants shall also file a dismissal with prejudice of the malicious prosecution complaint.

1.5 Plaintiff acknowledges and agrees that Defendant, its insurer and/or its attorneys have made no representations to her regarding the tax consequences of the monies paid to her pursuant to this Agreement. Plaintiff agrees to pay federal and state taxes, if any, which are required by law to be paid with respect to this settlement. Plaintiff also agrees to indemnify and hold Defendants, its insurer and/or its attorneys harmless from any claims, demands, deficiencies, levies, assessments, executions, judgments or recoveries by any governmental entity against Defendants, its insurer and/or its attorneys for any amounts claimed due on account of this Agreement to the extent the liability is Plaintiff's and she is provided with reasonable notice giving her an opportunity to cure, or pursuant to claims made under any federal or state tax laws, and any costs, expenses or damages sustained by Defendants, its insurer and/or its attorneys by reason of any such claims, including any amounts paid by Defendant, its insurer and/or its attorneys as taxes, deficiencies, levies, assessments, fines, attorney's fees, costs, penalties, interest or otherwise. No provision of this Agreement will be interpreted or construed to transfer any liability for failure to comply with any tax obligations, including failure to comply with the requirements of Section 409A, from Plaintiff to Defendants, its insurer and/or its attorneys or either of them.

2.0 RELEASE OF ALL CLAIMS

2.1 In consideration of the payments set forth in this Agreement (including Exhibit 1"), and to the fullest extent permitted by law, each Party individually and, where applicable, on behalf of her/its spouses, successors, assigns, heirs, estates, executors, administrators, companies, parents, subsidiaries, affiliates, officers, shareholders, joint venturers, partners, equity partners, owners, directors, trustees, employees, former employees, and agents, as well as any of their representatives, attorneys, insurers, reinsurers, and/or any of their respective predecessors, successors and assigns and attorneys, and each of them, and on behalf of herself and the Aggrieved Employees under the Private Attorneys General Act ("PAGA"), voluntarily, irrevocably and unconditionally releases, acquits and forever discharges all named Parties (specifically including Larsen, Hooper, HC, and RPMHPI), and any of its/her/their present and former spouses, heirs, estates, administrators, companies, parents, subsidiaries, affiliates, officers, shareholders, joint venturers, partners, equity partners, owners, directors, trustees, employees, former employees, and agents, as well as any of their representatives, attorneys, insurers, reinsurers, and/or any of their respective predecessors, successors and assigns (collectively referred to as "Releasees"), and each of them, from any and all charges, complaints, claims, promises, agreements, controversies, suits, demands, costs, losses, debts, actions, causes of action, damages, judgments, obligations, liabilities and expenses of whatever kind and character, known or unknown, suspected or unsuspected, including any claims for attorneys' fees

and costs, except claims that the law does not permit a party to waive by signing this Agreement, which she/it now has, owns, holds or claims to have, own or hold, or may have had, owned or held, or may claim to have, own or held against Releasees, or any of them, regarding events that were alleged to have occurred in connection with or related to Plaintiff's employment or the cessation of her employment with Defendants, or any acts of the Releasees, including, without limitation, any and all claims that have or could have been asserted in the Actions, any claims that in any way relate to the facts and circumstances alleged in the Actions, or any claims under the Americans with Disabilities Act of 1990, the Family and Medical Leave Act of 1993, the Employee Retirement Income Security Act of 1974, the Civil Rights Act of 1991, the Fair Labor Standards Act, Title VII of the Civil Rights Act of 1964, Sections 503 and 504 of the Rehabilitation Act of 1973, the Age Discrimination in Employment Act of 1967, as amended, the California Government Code, the California Fair Employment and Housing Act, the California Family Rights Act, the California Labor Code, the California Business & Professions Code, penalties under the Private Attorneys General Act sections 2698, et seq., and any amendments to any of these statutes, and any federal, state or local statute, ordinance, regulation or common law. This shall not affect Plaintiff's workers' compensation claim, if any.

2.3 The Parties agree that all of her/their rights under Section 1542 of the Civil Code of the State of California that are related or in any manner incidental to the matters encompassed by this Agreement are hereby waived. Section 1542 provides as follows:

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

2.4 The Parties agree and acknowledge that the terms of settlement herein stated constitute a complete compromise of matters involving disputed issues of law and fact. The Parties expressly and voluntarily assume the risk that the facts or law may be other than the Parties presently believe. It is understood and agreed by the Parties that the settlement is a compromise of doubtful and disputed claims and that no portion of the terms of the settlement shall be construed as an admission of liability by a Party hereto. The Parties acknowledge that they have waived rights or claims pursuant to this Agreement in exchange for consideration, the value of which exceeds payment or compensation to which they otherwise were entitled.

2.5 Plaintiff acknowledges that this Agreement does not limit any Party's right, where applicable, to file or participate in any investigative proceeding of any federal, state or local government agency. To the extent permitted by law, Plaintiff agrees that, if such an

administrative charge is made, Plaintiff shall not be entitled to recover any individual monetary relief or individual remedies.

3.0 CONFIDENTIALITY AND NON-DISCLOSURE

3.1 Plaintiff hereby agrees that to the fullest extent permissible by law, she will not, without compulsion of legal process, disclose to any third party any of the terms of this Agreement, including the amounts referred to herein or the general magnitude of the Settlement Payment, except that she may disclose such information to her spouse, attorneys, accountants or professional advisors to whom disclosure is necessary to effect the purposes for which she consulted such professional advisor(s). Plaintiff agrees that, in connection with any disclosure permitted hereunder, she shall cause such third party to whom disclosure has been made to agree to comply with this covenant of confidentiality and non-disclosure and, in the event such third party breaches this covenant of confidentiality and non-disclosure, such breach shall be deemed to have been committed by Plaintiff. Notwithstanding the provisions set forth in Paragraph 12.0 of this Agreement, Plaintiff hereby understands that nothing contained herein shall preclude her from acknowledging that the dispute has been resolved or from making legally protected reports to any governmental agency or entity, subject to applicable restrictions and protections. This provision does not prevent the disclosure of information subject to California Code of Civil Procedure 1001. This provision also does not prevent disclosure made to the Court as necessary to seek the approval of the PAGA Settlement.

3.2 Any breach by Plaintiff of Section 3.0 shall be considered a material breach of this Agreement and the Parties acknowledge that Defendant deems confidentiality a material condition of this Agreement, absent which it would not have agreed to the terms set forth herein. Nothing in this Section or in any other provision of this Agreement shall, or is intended to, limit any other rights or remedies the Parties may have by virtue of this Agreement or otherwise, including the provisions contained in this Agreement relating to injunctive relief and attorneys' fees and costs.

3.3 The Parties agree that a breach of this confidentiality section would constitute irreparable harm to Defendant and that, in the event of any breach of this section, Defendant may obtain an injunction prohibiting future breaches. In addition, without limiting any remedies at law or at equity that would otherwise be available to Defendant, the Parties agree that any breach of confidentiality as defined in Section 3.1, and any breach of the provisions referenced in Sections 4.0 and 5.0 of this Agreement, shall result in liquidated damages paid by the breaching party in the amount of \$5,000 per proven breach. Parties agree that injunctive relief, additional monetary damages and reasonable attorneys' fees and costs are also available under this Agreement for enforcing this provision.

4.0 NON-DISPARAGEMENT AGREEMENT

4.1 Plaintiff agrees that she will not defame or disparage Defendants or Releasees or their related entities and that Plaintiff will not say or do anything that damages or impairs in any way the reputation of Defendants. This provision does not prevent the disclosure of information subject to California Code of Civil Procedure 1001.

4.2 The Parties agree that the non-disparagement provision set forth in this section is a material term of this Agreement and that breach of this section of the Agreement constitutes a material breach of this Agreement.

5.0 AGREEMENT NOT TO DISCLOSE INFORMATION OR DOCUMENTS

Plaintiff agrees not to disclose, produce, discuss or make available in any manner to any individual or entity any documents, pleadings, discovery, emails or correspondence, witness statements or information relating to this Action, Plaintiff's lawsuit or this Agreement absent a Court Order to do so or as necessary to obtain court approval of the PGA Settlement. Plaintiff agrees to notify Defendants in the event that any outside entity attempts to subpoena any of the documents relating to this case.

6.0 PLAINTIFF'S RESIGNATION AND NEUTRAL REFERENCE

Defendant's response to any inquiry by a third-party regarding Plaintiff will be limited to the dates of her employment at HC and her job title.

7.0 ATTORNEYS' FEES

Except as otherwise set forth in this Agreement (including as set forth in the PGA Settlement (Exhibit 1)), the Parties to this Agreement shall bear their own attorneys' fees and costs arising from the actions of their own counsel in connection with this Agreement, the matters and documents referred to herein, including the Action and all related matters. In the event that any Party shall institute any action or proceeding against another Party to enforce the provisions of this Agreement, the prevailing Party shall be entitled to recover their expenses,

including reasonable attorneys' fees, in addition to any other relief to which the Party is found entitled.

8.0 VOLUNTARY AND INFORMED EXECUTION

Plaintiff represents that: she has relied upon the advice of her attorney, who is the attorney of her own choice, concerning the legal consequences of this Agreement; the terms of this Agreement have been completely read and explained to her by her attorneys; the terms of this Agreement are fully understood and voluntarily accepted by her; she knowingly and voluntarily intends to be legally bound by the same; and she is releasing Defendants and Releasees from any and all claims she may have against them.

9.0 WARRANTY OF CAPACITY TO EXECUTE AGREEMENT

Plaintiff represents and warrants that: (1) no other person or entity has, or has had, any interest in the claims, demands, obligations or causes of action referred to in this Agreement, except as otherwise set forth herein; (2) Plaintiff has the sole right and exclusive authority to execute this Agreement and receive the sums specified in it; and (3) Plaintiff has not sold, assigned, transferred, conveyed or otherwise disposed of any of the claims, demands, obligations or causes of action referred to in this Agreement to any other person or entity.

10.0 ENTIRE AGREEMENT

The Parties understand and agree that this Agreement, including both Exhibit 1, i.e., the PAGA Settlement hereto, constitutes the entire Agreement between the Parties concerning the scope of the settlement of the Action and the related release of claims and that this Agreement supersedes any and all prior oral or written agreements and understandings on such issues. No warranty, representation, condition, understanding or agreement of any kind with respect to the subject hereof shall be relied upon by the Parties unless incorporated herein. Notwithstanding any other provision contained herein, this Agreement may be pled as a thorough and complete defense to and may be used as the basis for an injunction against, any action, suit or other proceeding that may be instituted, prosecuted or attempted in breach of the provisions contained herein.

11.0 COVENANT NOT TO SUE

Other than the instant Actions, the Parties represent and warrant that there are no lawsuits, claims, complaints or actions pending in their name or on their behalf or brought on their behalf of any other person or entity, against any of the Releasees. The Parties agree that they will not, at any time hereafter, commence, maintain or prosecute any action at law or otherwise, or assert any claim against the Releasees and/or execute or enforce any judgment against the Releasees for damages or losses of any kind or amount arising directly or indirectly from events that have occurred in connection with the facts alleged in the Actions or any acts of the Releasees, including, without limitation, any and all claims and allegations that have or could have been asserted in the Actions, any claims that in any way relate to the facts alleged in the Actions, or any claims that could have been brought under the acts, statutes or common law referenced in Section 2.0, without repercussion or recourse. Nothing in this Agreement is intended to contravene any law that may permit Plaintiff to cooperate with government agency(ies); however, Plaintiff understands that she may not receive any individual compensation as a result of claims brought through or by any such agency. Plaintiff further agrees that she will not assist any other person, at any time hereafter, to commence, maintain or prosecute any action at law or otherwise, against Defendants and/or Releasees without the compulsion of a subpoena. In the event that Plaintiff is subpoenaed for information in connection with claims that in any way relate to the facts alleged in the Actions, she will immediately notify Defendants and Releasees and they will have the opportunity to quash said subpoena.

12.0 GOVERNING LAW & VENUE

The Parties understand and agree that the laws of the State of California govern the terms and enforceability of this Agreement, regardless of the conflicts of laws rules of any individual state. In addition, any action brought to enforce the provisions of this Agreement shall be commenced, prosecuted, and defended exclusively in the Superior Court of the State of California, County of Butte. The assigned judge and/or court at Butte County Superior Court shall retain jurisdiction to enforce the terms of this Agreement pursuant to California Code of Civil Procedure section 664.6.

13.0 NO ADMISSION

The Parties understand and agree that nothing in this Agreement is intended, or should be construed, as an admission of any liability, misconduct or wrongdoing by Defendant, or as an admission of any violation of the rights of Plaintiff or any other person.

14.0 INTERPRETATION OF THE AGREEMENT

Whenever the context requires, any gender referenced includes the other, and the singular number includes the plural, and vice-versa.

Any captions or headings in this Agreement are inserted for convenience of reference and do not define, describe or limit the scope or intent of this Agreement or any of their terms.

No inference, assumption or presumption shall be drawn from the fact that a Party or her or its attorney prepared and/or drafted this Agreement.

Should any provision of this Agreement be declared or be determined by any court of competent jurisdiction to be illegal, invalid or unenforceable, it shall be limited to the minimum extent necessary to render it enforceable. If it cannot be so limited, it will be severed, and the legality, validity or enforceability of the remaining parts, terms or provisions shall not be affected, and the illegal, unenforceable or invalid part, term or provision shall be deemed not part of this Agreement.

This Agreement, and any ambiguities or uncertainties herein, shall be equally and fairly interpreted, and construed, without reference to the identity of the Party drafting this document, upon the express understanding and agreement that the Parties participated equally in the negotiation and preparation of this Agreement, or have had equal opportunity to do so. Accordingly, the Parties, and each of them, expressly waive the benefits of California Civil Code Section 1654, and any successor or amended statute.

15.0 ADEA PROVISION

Plaintiff understands and agrees that she has not executed this Agreement, including Exhibit A and Exhibit 1, without first having had the opportunity, whether she takes it or not, to consider this Agreement for a full twenty-one (21) days from receipt. Plaintiff acknowledges that, if she executes this Agreement, she did so after Defendant advised her, in writing, to consult with an attorney. Plaintiff further understands and agrees that this Agreement, including Exhibit A and Exhibit 1, will not be effective until seven (7) days after the date the Agreement containing

Plaintiff's signature is returned to counsel for Defendant and then only if she has not exercised her right to revoke this Agreement as described in the paragraph below.

Plaintiff understands and agrees that she:

- a. Has a full twenty-one (21) days within which to consider this Agreement, including all Exhibits, before executing it;
- b. Has carefully read and fully understand all the provisions of this Agreement, inclusive of all exhibits;
- c. Is, through this Agreement, inclusive of all Exhibits, releasing Defendants and Releasees from any and all claims she may have against them under the Age Discrimination in Employment Act of 1967 (29 U.S.C. § 621, et seq.);
- d. Knowingly and voluntarily agrees to all of the terms set forth in this Agreement, inclusive of all Exhibits;
- e. Knowingly and voluntarily intends to be legally bound by the same;
- f. Was advised and hereby is advised in writing to consider the terms of this Agreement, inclusive of all Exhibits, and consult with an attorney of her choice prior to executing this Agreement;
- g. Has a full seven (7) days following the execution of this Agreement, inclusive of all Exhibits, to revoke it by notifying counsel for Defendants, Matthew Bradford, in writing at email address matthew@robinsonbradford.net by midnight of the 7th day following Plaintiff's execution of this Agreement; and
- h. Understands that rights or claims under the Age Discrimination in Employment Act of 1967 (29 U.S.C. §621, et seq.) that may arise after the date this Agreement is executed, including any Exhibits, are not waived.

16.0 COUNTERPARTS

This Agreement and its Exhibits may be executed in counterparts, each of which may be comprised of original signatures, or copies or facsimiles thereof, but all of which shall, taken together constitute the same Agreement and, in pleading or proving any provision of the Agreement, it shall not be necessary to produce more than one such counterpart. Facsimile, DocuSign and other electronic or emailed signatures will have the same force and effect as original signatures.

17.0 NO REPRESENTATIONS

The Parties acknowledge that, except as expressly set forth herein, no representation of any kind or character has been made to induce the execution of this Agreement.

18.0 OWNERSHIP OF CLAIMS

The Parties represent that they have not transferred or assigned, or purported to transfer or assign, to any person or entity, any claim described in this Agreement.

19.0 SEVERABILITY

Should any provision in this Agreement be declared or determined to be illegal or invalid, the validity of the remaining parts, terms, or provisions shall not be affected thereby, and the illegal or invalid part, term, or provision shall be deemed not to be part of this Agreement, and all remaining provisions shall remain valid and enforceable.

20.0 INTEGRATION

This Agreement sets forth the entire agreement between the Parties and fully supersedes any and all prior agreements and understandings between the Parties pertaining to the subject matter of this Agreement. Any modifications in this Agreement must be in writing and signed by the Parties.

PLEASE READ CAREFULLY. THIS SETTLEMENT AGREEMENT AND GENERAL RELEASE INCLUDES A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS.

Dated: 3/25/2024

By 
Austin Larsen (Mar 25, 2024 02:31 PDT)
Plaintiff Austin Larsen, on behalf of herself and
on behalf of other aggrieved employees under the
Private Attorneys' General Act

Law Offices of Angela Hooper

Dated: March 22, 2024

By Angela Hooper
Law Offices of Angela Hooper

Harmony Communities, Inc.

Dated: March 22, 2024

By 
Name/Position: President
for Defendant Harmony Communities, Inc.

Royal Palms Mobile Home Park Investors, LLC.

Dated: March 22, 2024

By 
Name/Position: LLC manager
for Defendant Royal Palms Mobile Home Park Investors, LLC.

EXHIBIT 1

EXHIBIT 1:
PRIVATE ATTORNEYS GENERAL ACT ("PAGA")
SETTLEMENT AND RELEASE AGREEMENT

This Confidential Settlement Agreement and Full and Final Release of All Claims ("Agreement"), is entered into by and between **Austin Larsen** individually, on behalf of herself ("Plaintiff") and the Aggrieved Employees under the Private Attorneys General Act ("PAGA") and **Harmony Communities, Inc. ("HC")** and **Royal Palms Mobile Home Park Investors, LLC. ("RPMHPI")** (collectively "Defendant"). Plaintiff and Defendant together are collectively referred to herein as the "Parties." Certain disputes, claims and alleged causes of action have existed by and between the Parties and are alleged to have arisen out of and are related to Plaintiff's employment relationship with Defendant, HC.

RECITALS

A. Plaintiff was formerly employed by Defendant.

B. In or about January 2021, Plaintiff's counsel, sent Defendant correspondences and a Notice of PAGA Claims outlining Plaintiff's potential alleged claims against Defendants asserting that Defendants failed to comply with various provisions of the California Labor Code. Plaintiff asserted violations of California Labor Code §§ 201-203, 204, 218.6, 226, 226.7, 510, 512, 1174, 1194, 1194.2, 1197, 1198, 2699 et seq., 2775, 2802, 6310, 6311, the applicable Wage Order and seeks penalties under Labor Code section 201-203, 204, 210, 218.5 225.5, 226, 226.3, 226.7, 226.8, 510, 512, 558, 558.1, 1102.5, 1174(d), 1174.5, 1194, 1194.2, 1197.1, 1198, 1199, 2699, 2802, 6310, 6311, et seq. of the Labor Code, and penalties.

C. On May 10, 2021, Plaintiff's counsel filed a civil action against Defendant HC, for claims arising from her employment relationship with Defendant HC and the cessation of that employment, entitled *Austin Larsen vs. Harmony Communities, et al*, County of Butte, Case No. 21CV01205. The operative complaint includes the following claims and causes of action: (1) Failure to Pay Minimum Wage; (2) Failure to Provide Accurate Wage Statements; (3) Failure to pay Reimbursement for Business Expenses; (4) Failure to Pay All Monies Owed Upon Termination; (5) Private Attorneys General Act. In July 2022, Plaintiff amended her complaint to add RPMHPI as a defendant.

D. In October 2022, the Parties attended a mandatory settlement conference with the Court. Although the Parties did not settle the case at the mandatory settlement conference, the Parties used the foundation obtained at the settlement conference to reach a settlement of all claims including PAGA on March 16, 2024 that included the agreement that the Parties will seek approval of the Butte County Superior Court by means of a Motion or alternatively an Application for Approval of PAGA Settlement (the "Approval Papers").

E. The Aggrieved Employees covered by the PAGA Settlement and Release consist of non-exempt employees, which Defendant estimates to be 305 employees during the PAGA period from January 10, 2020 to the date of court approval ("Settlement Period") who were

allegedly subjected to Defendant's allegedly deficient wage and hour practices.

F. By this Agreement, the Parties have settled, fully and finally, all claims that Plaintiff has or might have against Defendant, up to and including the date of execution hereof, including but not limited to those claims which were or could be asserted in any lawsuit, or any administrative, civil, or governmental proceeding and any claims that were or could be asserted by the Aggrieved Employees related to the Representative PAGA Claim.

H. The Parties wish to avoid any further expense and the inconvenience of litigation, and they wish to settle all Labor Code claims and potential wage and hour claims by Plaintiff against Defendant, including those contained in or relating to the Action.

NOW, THEREFORE, in consideration of the terms, conditions, and promises set forth herein, the Parties agree as follows:

TERMS AND CONDITIONS OF AGREEMENT

In consideration of the terms and conditions of this Agreement as set forth below, the adequacy of which is hereby acknowledged, and in light of the circumstances outlined in the Recitals, which are incorporated fully herein by this reference, and in order to fully settle all claims between the Parties, it is agreed as follows:

1. **No Admission of Liability** This Agreement memorializes the compromise of disputed claims. The Parties acknowledge that the execution of this Agreement and the payment of consideration or any other obligation hereunder are not and shall not be construed in any way as an admission of wrongdoing or liability on the part of Defendant, or any other person or business entity. Defendant adamantly denies all allegations of wrongdoing arising out of the employment relationship between the Parties including the Aggrieved Employees. The Parties intend, by this Agreement, merely to avoid the expense, delay, uncertainty, and burden of continued litigation.

2. **Consideration by Defendants** In exchange for the promises contained in this Agreement, and upon a fully executed settlement agreement and Court approval, Defendant agree to provide Plaintiff and Aggrieved Employees (as defined herein) with the following good and valuable consideration to be paid. Defendant shall pay a Gross Settlement Amount equal to \$20,000 in settling the individual wage claims and the PAGA Claim in the Action. ("Gross Settlement Amount") as follows:

2.1 One check payable to Larsen in the gross amount of \$100, less payroll deductions and withholdings. The Parties intend this amount to represent payment to Plaintiff for her alleged individual wage and hour claims (i.e., unpaid wages/premiums and penalties) she has or may have against Defendant as well as any incentive payment as the representative plaintiff in this PAGA lawsuit that she may be able to claim. The parties understand and acknowledge that this payment will be issued as a payroll check with and after ordinary payroll deductions and/or withdrawals, subject to a W2. Plaintiff will cooperate and provide W4 and/or other payroll or tax withholding documents if needed in order to correctly calculate appropriate payroll deductions and/or withdrawals.

2.2 One check payable to Law Offices of Angela Hooper in the amount of \$6,666 (33.33% of Gross Settlement Amount) as attorneys' fees. Defendant will issue an IRS form 1099

to Law Offices of Angela Hooper for this payment. Law Offices of Angela Hooper to issue an IRS Form W9.

2.3 [Deleted]

2.4 The remaining balance of \$13,234 (the "PAGA Settlement Fund") shall be distributed as follows:

a. Seventy Five Percent (75%) of the PAGA Settlement Fund, or \$9,925.50 to the California Labor and Workforce Development Agency ("LWDA") which represents civil penalties payable to the LWDA under the Labor Code Private Attorneys General Act ("PAGA"), Labor code section 2698, *et seq.*

b. Twenty Five Percent (25%) of the PAGA Settlement Fund, \$3,308.50 (the "Aggrieved Employee Amount") to the Aggrieved Employees which represents civil penalties payable to the Aggrieved Employees as compensation for disputed civil penalties that are allegedly owed on the PAGA claim during the Settlement Period, to all alleged Aggrieved Employees described in the Lawsuit, to be distributed by HC per the formula set out in paragraph 2.6 below.

2.5 No portion of the Settlement Amount will be paid by Defendant until the LWDA has been provided with a copy of this Settlement Agreement and the Superior Court of California, County of Butte issues an Order approving the PAGA Settlement. Defendant shall have up to 6 months from the date of this Agreement, after Court's approval of this settlement agreement and the PAGA Settlement to make any and all payments required by this settlement agreement.

2.6 The formula for distribution of the amount described in Section 2.4(b) is as follows: Each Aggrieved Employee shall be allocated a proportionate share of the Aggrieved Employee Amount based on the Defendant's data regarding the number of Qualifying Pay-Periods he or she was employed as an Aggrieved Employee. To perform this function, "Qualifying Pay-Periods" are to be identified and tabulated by assigning a value of "1 pay-period" to each pay-period during which the individual was employed by Defendant in a non-exempt position in California during the Settlement Period. After calculating the Qualifying Pay-Periods for each individual Aggrieved Employee, Defendant or the Settlement Administrator shall then compute the sum total of all Qualifying Pay-Periods combined to arrive at an "aggregate total of all Qualifying Pay-Periods worked by all Aggrieved Employees." After calculating the "aggregate total of all Qualifying Pay-Periods worked by all Aggrieved Employees," the amount payable per-pay-period will then be calculated by dividing the amount specified in Section 2.4(b) by the "aggregate total of all Qualifying Pay-Periods worked by all Aggrieved Employees." The amount payable per-pay-period will then be multiplied by the number of Qualifying Pay-Periods worked by the individual Aggrieved Employee. This figure will be known as the "Aggrieved Employee Settlement Award" (defined herein as "the amount of money allocated to each Aggrieved Employee").

2.7 For purposes of computing taxes, one hundred percent (100%) of the Aggrieved Employee Settlement Award shall be considered to be a civil penalty and shall not be subject to withholding, unless otherwise required by law. Prior to mailing Settlement Awards, Defendant or the Settlement Administrator shall calculate and deduct

from each Aggrieved Employee Settlement Award all required withholdings, if any, and such calculations shall be provided to the Parties for review. Defendant or the Settlement Administrator shall be responsible for issuing the payments and documentation for all required state and federal taxes, and Defendant or the Settlement Administrator shall issue all reports required by the Internal Revenue Service to document all payments required under this Settlement. The Settlement Administrator (or Defendant if it decides to self-administer the settlement distribution) shall file proof of payment with the Court and will serve the Parties upon filing with the Court.

3. **PAGA Settlement Administration** Defendant will self-administer the settlement payments to the Aggrieved Employees, or alternatively separately pay for the full costs of the third-party administrator to administer the distribution of the payments to Aggrieved Employees. The Aggrieved Employee List shall be held as private and confidential information and shall not be shared with Plaintiff's counsel or any third party by the Settlement Administrator without the express written consent of Defendant's counsel of record and/or court order.

As the Representative PAGA Claim is not a class action, the Parties agree that California Code of Civil Procedure § 384 shall not be applicable. If any settlement checks that are not cashed within One Hundred Twenty (120) calendar days of issuance, then any such uncashed amounts shall be paid to the State of California's Unclaimed Property Fund in the name of the employees to whom it was issued.

4. **Additional Terms and/or Considerations re PAGA Claim & Settlement**

a. Plaintiff will file the Approval Papers for approval of the PAGA Settlement from the Court. Plaintiff and his counsel will file the court documents to seek court approval. Alternatively, if the Court permits and the parties agree, the parties could file a joint stipulation to obtain Court approval. The parties agree to cooperate and submit all paperwork necessary as required by Court to obtain approval. Defendant agrees to work with and cooperate with Plaintiff and her counsel in order to provide any necessary information to the court in order to assist Plaintiff with the approval process.

b. The Aggrieved Employees consist of all non-exempt workers in California which is estimated to be about 305 employees during the PAGA period of January 10, 2020 to the date of court approval. The parties agree to a deviation rate of 12.00% on the estimated figure of 305 Aggrieved Employees. If the total number of aggrieved employees is substantially higher than the approximate 305 persons plus the 12.00% deviation rate (i.e., an increase to a total of more than 37 persons), the PAGA Settlement Fund shall be proportionally increased by the amount in excess of 12% which shall also increase the Gross Settlement Amount. Any requirement of the Court to comply with this escalation clause should not be a basis to void this Agreement.

c. If necessary, Plaintiff may request that the Court approve an award of attorneys' fees and costs as set forth in this PAGA Settlement and not to exceed the attorneys' fees amounts as set forth above. To the extent that Plaintiff requests for the above award be approved by the Court, if required and/or if necessary, Defendant will not oppose Plaintiff's Approval Papers provided that the fees sought do not exceed the amounts agreed between the parties as set forth in this agreement.

e. All Aggrieved Employees release any and all claims under PAGA for all allegations and claims pled in the PAGA notice. The parties will cooperate and work together to

provide the PAGA class with any and all necessary notice to all Aggrieved Employees after any and all related Court approval.

g. Uncashed checks will be sent to the State of California's Unclaimed Property Fund in the name of the employees to whom it was issued.

h. The parties to this Settlement Agreement pledge their good faith and fair dealing in supporting the approval of this settlement by the Court.

5. **Dismissal** At the hearing on the Motion to approve PAGA Settlement (or upon stipulation and Court Order), Plaintiff's Counsel shall petition the Court to enter the request as a Dismissal With Prejudice of the PAGA Claim as well as Plaintiff's individual wage and hour claims. The Parties jointly request and reserve the Court's continuing jurisdiction over the construction, interpretation, implementation, and enforcement of this Settlement in accordance with its terms, and over the administration and distribution of the settlement proceeds pursuant to California Code of Civil Procedure §664.6.

6. **Taxes** Plaintiff acknowledges and agrees that Defendant, its insurer or its attorneys have made no representations to her regarding the tax consequences of the monies paid to her pursuant to this Agreement. Plaintiff agrees to pay federal and state taxes, if any, which are required by law to be paid with respect to this settlement. Plaintiff further agrees to indemnify and hold Defendant, its insurer or its attorneys harmless from any claims, demands, deficiencies, levies, assessments, executions, judgments or recoveries by any governmental entity against Defendant, its insurer or its attorneys for any amounts claimed due on account of this Agreement to the extent the liability is Plaintiff's and she is provided with reasonable notice giving her an opportunity to cure, or pursuant to claims made under any federal or state tax laws, and any costs, expenses or damages sustained by Defendant, its insurer or its attorneys by reason of any such claims, including any amounts paid by Defendant, its insurer or its attorneys as taxes, deficiencies, levies, assessments, fines, attorney's fees, costs, penalties, interest or otherwise. No provision of this Agreement will be interpreted or construed to transfer any liability for failure to comply with any tax obligations, including failure to comply with the requirements of Section 409A, from Plaintiff to Defendant, its insurer or its attorneys or any of them.

Aggrieved employees, plaintiff's counsel and, if applicable, plaintiff, will receive an IRS Form 1099 for said sums. Plaintiff and each Aggrieved Employee bear full responsibility for the payment of any taxes or withholdings arising from the Aggrieved Employee Settlement Awards paid to them. Neither Plaintiff's Counsel nor counsel for Defendant intend anything contained herein to constitute legal advice regarding the taxability of any amount paid hereunder, nor shall it be relied upon as such. The tax issues for each Aggrieved Employee are unique, and each Aggrieved Employee is advised to obtain tax advice from her own advisor with respect to any payments resulting from this Settlement.

7. **Release of Claims Covered By PAGA Settlement**

7.1 **Release by Aggrieved Employees** Upon the approval by the Court of this Agreement, Plaintiff, the State of California and each Aggrieved Employee shall fully release and forever discharge the Defendant from any and all claims, rights, demands, and/or liabilities

for seeking civil penalties pursuant to PAGA (Labor Code § 2699 et. seq.) that arose during the Settlement Period as it relates to Labor Code section 2698, et seq. for alleged violations of Labor Code §§201-203, 204, 210, 218.5, 218.6, 225.5, 226, 226.3, 226.7, 226.8, 510, 512, 558, 558.1, 1102.5, 11174, 1174(d), 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2699, 2775, 2802, 6310, 6311, et seq.

7.2 Release by Plaintiff On Individual Wage and Hour Claims In exchange for the payment set forth in this PAGA Settlement for Plaintiff's individual wage and hour claims, Plaintiff will release Defendant from all claims against Defendant relating to any and all of her individual wage and hour claims under state and federal laws. Further, in exchange for the consideration set forth in this Agreement (including the consideration set forth in the separate confidential wage settlement), Plaintiff, along with her heirs, spouses, administrators, executors, attorneys, successors in interest, and/or assigns, covenants not to assert or file any claims with any court, or governmental, or administrative agency, and hereby forever releases and discharges Defendant, and its predecessors, successors, divisions, parents, subsidiaries, affiliated and/or related entities, and each of its and their directors, officers, partners, members, managers, shareholders, supervisors, consultants, independent contractors, professional employer organizations, employees, volunteers, representatives, insurers, attorneys, and agents (each, a "Releasee") from any and all causes of action, obligations, costs, expenses, damages, claims, liabilities, and benefits (including attorneys' fees and costs), of whatever character, in law or in equity, known or unknown, suspected or unsuspected, matured or otherwise, of any kind whatsoever, now existing or arising in the future, based on any act, omission, event, occurrence, or nonoccurrence from the beginning of time to the Effective Date, including but not limited to any claims or causes of action which were, or could have been asserted in the Lawsuit and/or arising out of his employment with the Releasees and/or any relationship with Defendant (the "Released Claims").

Nothing in this Section 7.2 releases any obligation created by this Agreement.

7.3 Plaintiff's Individual Release of Unknown Claims For the purpose of implementing a full and complete release and discharge, Plaintiff expressly acknowledges that the releases given in the Agreement are intended to include in their effect, without limitation, all claims that she did not know or suspect at the time of execution hereof, regardless of whether the knowledge of such claims, or the facts upon which they might be based, would materially have affected the settlement of this matter, and that the consideration given under this Agreement is also for the release of those claims and contemplates the extinguishment of any such claims. In furtherance of this Agreement, Plaintiff waives any rights provided by California *Civil Code* Section 1542, which states:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

8. Confidentiality Except as necessary for Court approval and required disclosure made to the LWDA, Plaintiff agrees that she will not publicize or disclose or cause or knowingly permit

or authorize the publicizing or disclosure of the individual amount she received as part of this PAGA Settlement or the PAGA Settlement itself. This confidentiality provision does not apply to disclosures made by Plaintiff to the Court as part of the approval process of the PAGA Settlement, disclosures made to the LWDA pursuant to PAGA, and disclosures made to the IRS, Franchise Tax Board, California Employment Development Department, and other taxing authorities.

9. Agreement Not to Disclose Information or Documents Plaintiff agrees not to disclose, produce, discuss or make available in any manner to any individual or entity any documents, pleadings, discovery, emails or correspondence, witness statements or information relating to this Action, Plaintiff's lawsuit or this Agreement absent a Court Order to do so except as necessary to obtain court approval of the PAGA Settlement. Plaintiff agrees to notify Defendants in the event that any outside entity attempts to subpoena any of the documents relating to this case.

10. Attorneys' Fees Except as otherwise set forth in this Agreement, the Parties to this Agreement shall bear their own attorneys' fees and costs arising from the actions of their own counsel in connection with this Agreement, the matters and documents referred to herein, including the Action and all related matters. In the event that any Party shall institute any action or proceeding against another Party to enforce the provisions of this Agreement, the prevailing Party shall be entitled to recover their expenses, including reasonable attorneys' fees, in addition to any other relief to which the Party is found entitled.

11. Voluntary and Informed Execution Plaintiff represents that she has relied upon the advice of her attorney, who is the attorney of her own choice, concerning the legal consequences of this Agreement. The terms of this Agreement have been completely read and explained to her by her attorneys. The terms of this Agreement are fully understood and voluntarily accepted by her. She knowingly and voluntarily intends to be legally bound by the same, and she is releasing Defendants and Releasees from any and all claims she may have against them.

12. Warranty of Capacity to Execute Agreement Plaintiff represents and warrants that: (1) no other person or entity has, or has had, any interest in the claims, demands, obligations or causes of action referred to in this Agreement, except as otherwise set forth herein; (2) Plaintiff has the sole right and exclusive authority to execute this Agreement and receive the sums specified in it; and (3) Plaintiff has not sold, assigned, transferred, conveyed or otherwise disposed of any of the claims, demands, obligations or causes of action referred to in this Agreement to any other person or entity.

13. Governing Law & Venue The Parties understand and agree that the laws of the State of California govern the terms and enforceability of this Agreement, regardless of the conflicts of laws rules of any individual state. In addition, any action brought to enforce the provisions of this Agreement shall be commenced, prosecuted, and defended exclusively in the Superior Court of the State of California, County of Butte.

14. Applicable Law and Retention of Jurisdiction This Agreement shall be construed and enforced in accordance with and governed by the laws of the State of California, without regard to principles of conflicts of law otherwise applicable to such determination; provided, however, this in no way shall prevent the application of the benefits of federal law where applicable. The assigned judge and/or court at Butte County Superior Court shall retain jurisdiction to enforce the terms of this Agreement pursuant to California Code of Civil Procedure section 664.6. This Agreement shall be admissible in any proceeding to enforce the terms thereof, if necessary, and the prevailing party in any such proceeding shall be entitled to recover costs, including reasonable attorneys' fees, incurred thereby. By virtue of the foregoing language and pursuant to Evidence Code section 1123(b), this written Agreement is intended to be binding and enforceable.

15. Scope of Agreement Plaintiff understands and agrees that this Agreement shall bind her and her successors, assigns, heirs, estates, executors, administrators, agents, representatives and attorneys, and inures to the benefit of the respective Defendant and Releasees.

16. Counterparts This Agreement may be executed in counterparts, each of which may be comprised of original signatures, or copies or facsimiles thereof, but all of which, taken together constitute the same Agreement and, in pleading or proving any provision of the Agreement, it shall not be necessary to produce more than one such counterpart. Facsimile, DocuSign and other electronic or emailed signatures will have the same force and effect as original signatures.

17. Severability Should any provision in this Agreement be declared or determined to be illegal or invalid, the validity of the remaining parts, terms, or provisions shall not be affected thereby, and the illegal or invalid part, term, or provision shall be deemed not to be part of this Agreement, and all remaining provisions shall remain valid and enforceable. This Agreement may only be amended by a writing signed by named Plaintiff and Defendant.

18. Representation Regarding PAGA Without admission of any fault or liability, which is expressly denied, Defendant represents and warrants that, as of the date that it executes this Agreement, it has corrected the alleged deficiencies outlined in Plaintiff's Notice of PAGA Claim and the Supplemental PAGA Notice.

19. No Representations The Parties acknowledge that, except as expressly set forth herein, no representation of any kind or character has been made to induce the execution of this Agreement.

20. Captions and Headings The section headings, captions, and titles used in this Agreement are intended solely for convenience of reference and shall not in any manner amplify, limit, modify or otherwise be used in the interpretation of any of the provisions hereof.

21. Interpretation This Agreement, and any ambiguities or uncertainties herein, shall be equally and fairly interpreted, and construed, without reference to the identity of the Party drafting this document, upon the express understanding and agreement that the Parties participated equally in the negotiation and preparation of this Agreement, or have had equal opportunity to do so. Accordingly, the Parties, and each of them, expressly waive the benefits of California Civil Code Section 1654, and any successor or amended statute.

22.0 Cooperation of Parties The parties agree that Plaintiff will file the Approval Papers for approval of the PAGA Claim with the court and/or prepare a joint stipulation seeking order to approve PAGA Settlement. Notwithstanding any other provision of this agreement, Defendant agrees to cooperate with Plaintiff in order to assist in obtaining the Court's approval of a PAGA settlement through a motion and/or stipulation. The parties shall use their best efforts, including all efforts contemplated by this Agreement, and other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Agreement and the terms set forth herein.

PLEASE READ CAREFULLY. THIS SETTLEMENT AGREEMENT AND GENERAL RELEASE INCLUDES A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS.

Dated: 3/25/2024

By 
Austin Larsen (Mar 25, 2024 02:31 PDT)

Plaintiff Austin Larsen, on behalf of herself and
on behalf of other aggrieved employees under the
Private Attorneys' General Act

Harmony Communities, Inc.

Dated: March 22, 2024

By 

Name/Position: President
for Defendant Harmony Communities, Inc.

Royal Palms Mobile Home Park Investors, LLC.

Dated: March 22, 2024

By 

Name/Position: LLC manager
for Defendant Royal Palms Mobile Home Park
Investors, LLC.

Binder1

Final Audit Report

2024-03-25

Created:	2024-03-22
By:	angela hooper (ahooper116@gmail.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAk8BvaSaF6gq6sFkGTcvolQtNJ4NWeMaA

"Binder1" History

-  Document created by angela hooper (ahooper116@gmail.com)
2024-03-22 - 9:57:38 PM GMT- IP address: 99.49.197.154
-  Document emailed to rpchicomanager@gmail.com for signature
2024-03-22 - 9:58:24 PM GMT
-  Email viewed by rpchicomanager@gmail.com
2024-03-22 - 10:12:59 PM GMT- IP address: 74.125.209.37
-  Signer rpchicomanager@gmail.com entered name at signing as Austin Larsen
2024-03-25 - 9:31:45 AM GMT- IP address: 24.2.47.135
-  Document e-signed by Austin Larsen (rpchicomanager@gmail.com)
Signature Date: 2024-03-25 - 9:31:47 AM GMT - Time Source: server- IP address: 24.2.47.135
-  Agreement completed.
2024-03-25 - 9:31:47 AM GMT

