

SETTLEMENT AGREEMENT AND RELEASE

Subject to approval by the Superior Court of the State of California for the County of Los Angeles (the “Superior Court”), this Settlement Agreement and Release (the “Agreement”) is made and entered into by and between Plaintiff David Garcia (“Plaintiff”), on behalf of himself and as a representative of the State of California pursuant to the Labor Code Private Attorneys General Act of 2004, and Defendants Pure Heart Congregate Living Facility, Inc. and Healthy Life Congregate Care (collectively, “Defendants”) to settle case number 21STCV05070 in the Superior Court, a civil action entitled *David Garcia v. Pure Heart Congregate Living Facility, Inc., et al.* (the “Lawsuit”). Plaintiff and Defendants are collectively referred to herein as the “Parties,” and each may be individually referred to herein as a “Party.”

The Parties to the Lawsuit are each represented by experienced counsel who assisted in the negotiation and preparation of this Agreement. Plaintiff is represented in the Lawsuit by Jonathan Melmed and Kyle Smith of Melmed Law Group, P.C. (“Plaintiff’s Counsel”). Defendants are represented in the Lawsuit by Phillip R. Maltin and Allison S. Wallin of Raines Feldman LLP (“Defendants’ Counsel”).

RECITALS

This Agreement is made in consideration of the following facts:

A. Defendants are California corporations that provide acute skilled nursing and other medical and rehabilitation care for up to six patients in residential settings in California.

B. Plaintiff was employed by Defendants as a Licensed Vocational Nurse (“LVN”) from March 5, 2019, to December 5, 2020. Plaintiff was a non-exempt hourly employee, providing skilled nursing care for Defendants’ clients..

C. Under the Private Attorneys General Act of 2004 (“PAGA”), California Labor Code section 2698, *et seq.*, an “aggrieved employee” may, after exhausting certain administrative procedures with the California Labor and Workforce Development Agency (the “LWDA”), act as an agent of the State of California to bring an action to recover civil penalties from his or her former employer on behalf of himself or herself and other current or former employees for violations of the California Labor Code.

D. Plaintiff contends that he has suffered one or more violations of the California Labor Code during his employment with Defendants and that he is therefore an “aggrieved employee” under PAGA.

E. Pursuant to PAGA, Plaintiff submitted a letter to the LWDA on February 8, 2021 (the “PAGA Notice”), alleging that Defendants failed to pay him and other aggrieved employees minimum wage for all hours worked; failed to pay him and other aggrieved employees overtime; failed to provide him and other aggrieved employees meal periods or pay premiums in lieu thereof; failed to provide him and other aggrieved employees rest periods or pay premiums in lieu thereof; failed to maintain accurate employment records; failed to timely pay wages to him and other aggrieved employees; failed to timely pay wages at termination to him and other aggrieved employees; failed to reimburse him and other aggrieved employees’ necessary business expenses;

failed to provide accurate, itemized wage statements to him and other aggrieved employees; and engaged in unfair competition (the “PAGA Representative Claims”). Defendants deny, and continue to deny, these allegations and any other contention that Defendants engaged in any misconduct, wrongdoing, or actionable conduct of any kind, including, but not limited to, any violation of the California Labor Code.

F. On February 8, 2021, Plaintiff filed the Lawsuit in the Superior Court, where it is presently pending in Department 12 before the Honorable Carolyn B. Kuhl. The Lawsuit is pleaded as a class and representative action under PAGA. The Lawsuit seeks recovery for violations on behalf of Plaintiff and all individuals who are or were employed by Defendants as non-exempt employees in California from February 8, 2017 through the present. The Lawsuit also seeks civil penalties from Defendants based on the PAGA Representative Claims on behalf of Plaintiff and all individuals who are or were employed by Defendants as non-exempt employees in California from February 8, 2020 through the present.

G. Through their respective legal counsel, the Parties have each independently analyzed and investigated the facts and law relevant to the Lawsuit, including, but not limited to, the employment policies, procedures, and practices implicated by the PAGA Representative Claims; and data pertaining to the number of employees, possible minimum wage underpayments, possible overtime underpayments, possible meal and rest period penalties, possible pay period and waiting time violations, possible reimbursement underpayments, and wage statements allegedly affected by the PAGA Representative Claims.

H. After evaluating the strengths and weaknesses of their respective positions, considering the time, expense, and risk associated with litigating the Lawsuit to judgment, and engaging in arm’s length settlement negotiations facilitated by the experienced and well-respected mediator Eve Wagner – including a full-day mediation via Zoom on November 29, 2021 – the Parties desire, and have agreed, to fully and finally settle any and all claims in the Lawsuit up to, and through, the Effective Date of this Agreement (as defined herein).

NOW, THEREFORE, in consideration of the promises and agreements contained herein, the Parties agree to, and, pursuant to Labor Code section 2699(1)(2), seek approval of, the following settlement terms.

SETTLEMENT TERMS

1. **Superior Court Approval of the Agreement.** In accordance with California Labor Code section 2699(1)(2), the Parties will present this Agreement to the Superior Court for its review and approval. Plaintiff’s Counsel shall prepare the motion for approval of this Agreement and will file the motion with the Superior Court.

2. **Delivery of Necessary Papers to the LWDA.** As required by California Labor Code section 2699(1), Plaintiff shall cause this Agreement to be submitted to the LWDA at the same time that this Agreement is submitted to the Superior Court for approval and, furthermore, shall cause a copy of any judgment and any other order providing for or denying an award of civil penalties to be submitted to the LWDA within 10 days after entry of the judgment or order.

3. **Effective Date.** This Effective Date is the date upon entry of an order by the Court approving the settlement (the “Effective Date”).

4. **No Admission of Liability.** The Parties acknowledge and agree that this Agreement is a compromise and settlement of disputed claims in the Lawsuit and is made and entered into without any admission of liability or wrongdoing of any kind whatsoever by Defendants, who expressly denies and disclaims any liability or wrongdoing whatsoever. Accordingly, neither the execution of this Agreement, its creation, the payment of any sum or consideration hereunder, nor the performance of any obligation required by this Agreement is, or shall be construed as, an admission of wrongdoing or liability on the part of Defendants, in the Lawsuit or in any other action. Additionally, neither the execution of this Agreement, its creation, the payment of any sum or consideration hereunder, nor the performance of any obligation required by this Agreement is, or shall be construed as, an admission of the truth or accuracy of any allegation against Defendants, including, but not limited to, any those made by Plaintiff.

5. **Persons and Entities Covered by this Agreement**

(a) **The Settlement Period.** This Agreement shall cover the period from February 8, 2020, to February 1, 2021, inclusive (the “Settlement Period”).

(b) **The Settlement Group.** This Agreement shall cover all non-exempt individuals who are or were employed by Defendants (“Covered Positions”), or their predecessors, merged or related entities in California during the Settlement Period including Healthy Life Congregate Care, a California Corporation; ALGB, Inc. (dba La Tuna Home); CLHF Homes, LLC; Corbin Congregate Home, Inc.; Family Circle CLHF, Inc.; Fenton Villa, Inc.; Home of Compassion No. 2, Inc.; Potter Care, LLC; Royal Haven, LLC; Valley View Congregate Living Facility, Inc.; and Valley Living Center, Inc. Such employees shall be collectively referred to in this Agreement as the “Settlement Group.” Each employee within the Settlement Group may be individually referred to in this Agreement as a “Settlement Group Member.”

6. **Settlement Administration**

(a) The Parties will retain CPT Group, Inc. or ILYM Group, Inc. (with whom no Party has a financial interest or other relationship that could create a conflict of interest) to act as the “Settlement Administrator” with respect to this Agreement.

(b) The Settlement Administrator shall be responsible for establishing a qualified settlement fund pursuant to 26 U.S.C. § 486B; making all payments required by this Agreement, handling all required state and federal tax withholding and reporting related thereto; and issuing all appropriate tax forms to Plaintiff, Plaintiff’s Counsel, the Settlement Group, and any other person or entity resulting from the settlement payments under this Agreement.

(c) Any disputes concerning administration of the Agreement may be submitted to Eve Wagner, the mediator who facilitated the negotiation of this Agreement. If the Parties cannot resolve their dispute with the mediator’s assistance, the dispute may be submitted to, and resolved by, the Superior Court.

7. **Settlement Payments**

(a) **Gross Settlement Amount.** In consideration of, and subject to, the promises, terms, and conditions set forth in this Agreement – including the release set forth in Section 9 of this Agreement – Defendants shall pay the maximum non-reversionary gross sum of One Hundred Fifteen Thousand Dollars (\$115,000.00) (the “Gross Settlement Amount”), in the manner and method set forth in this Agreement, to fully, finally, and completely settle the Lawsuit and the PAGA Representative Claims alleged therein on behalf of the Settlement Group, including any and all associated claims for civil penalties, attorneys’ fees, and litigation costs and expenses.

(b) **Escalator Provision.** This settlement contemplates that there are 4,300 pay periods during Settlement Period. If the total number of Settlement Group is greater than 253 and/or pay periods worked in the Settlement Period is greater than 4,300, then the Gross Settlement Amount shall increase proportionally for each additional Settlement Group Member and/or pay period worked over those amounts. If the number of pay periods is inaccurate by more than 10%, then Defendants shall have the option to either increase the Gross Settlement Amount for all the pay periods above 4,300 in order to increase the number of pay periods covered by the settlement or change the end date of the Settlement Period.

(c) **Allocation of Gross Settlement Amount.** The Gross Settlement Amount shall consist of the following categories of payments: an award of attorneys’ fees to Plaintiff’s Counsel, an award of litigation costs and expenses to Plaintiff’s Counsel, the payment of settlement administration costs to the Settlement Administrator, and the payment of civil penalties to the LWDA and the Settlement Group. Subject to approval by the Superior Court, these amounts shall be paid and allocated provided below in Section 7(c)(i) through 8(c)(v) of this Agreement.

(i) **Attorneys’ Fees Award**

(A) Plaintiff’s Counsel may submit an application to the Superior Court for an award of attorneys’ fees in an amount not to exceed one third of the Gross Settlement Amount, or Thirty-Eight Thousand Three Hundred Thirty-Three Dollars and Thirty-Three Cents (\$38,333.33) if Defendants do not exercise the escalator provision in Paragraph 7(b) (the “Attorneys’ Fees Award”). Defendants will not oppose or object to this application.

(B) Any Attorneys’ Fees Award approved by the Superior Court will be paid by Defendants out of the Gross Settlement Amount and shall constitute a full and complete satisfaction of all claims Plaintiff may have for attorneys’ fees arising out of the Lawsuit through the Effective Date.

(C) In the event that any portion of the Attorneys’ Fees Award authorized by Section 7(c)(i)(A) of this Agreement is not approved by the Superior Court, the Agreement will remain in effect and only the approved amount shall be paid. Additionally, the difference between the Attorneys’ Fees Award authorized by Section 7(c)(i)(A) and the Attorneys’ Fees Award approved by the Superior Court will be disbursed as part of the Net Settlement Amount pursuant to Section 8.

(ii) **Litigation Costs Award**

(A) Plaintiff’s Counsel may submit an application to the Superior Court for an award for the reimbursement of litigation costs and expenses incurred by

Plaintiff's Counsel in connection with this Lawsuit in an amount not to exceed the gross sum of Fifteen Thousand Dollars (\$15,000.00) (the "Litigation Costs Award"). Defendants will not oppose or object to this application.

(B) Any Litigation Costs Award approved by the Superior Court will be paid by Defendants out of the Gross Settlement Amount.

(C) In the event that any portion of the Litigation Costs Award authorized by Section 7(c)(ii)(A) of this Agreement is not approved by the Superior Court, the Agreement will remain in effect and only the approved amount shall be paid. Additionally, the difference between the Litigation Costs Award authorized by Section 7(c)(ii)(A) and Litigation Costs Award approved by the Superior Court will be disbursed as part of the Net Settlement Amount pursuant to Section 8.

(iii) **Enhancement Award**

(A) Plaintiff shall not seek an Enhancement Award related to the prosecution of his PAGA claims in this Lawsuit.

(iv) **Administration Costs**

(A) Subject to approval by the Superior Court, an amount not to exceed the gross sum of Seven Thousand Five Hundred Dollars (\$7,500.00) will be paid to the Settlement Administrator out of the Gross Settlement Amount to cover the cost of administering the settlement in accordance with this Agreement and applicable laws ("Administration Costs").

(B) In the event that any portion of the Administration Costs authorized by Section 7(c)(iv)(A) of this Agreement is not approved by the Superior Court, no more than the approved amount shall be paid to the Settlement Administrator out of the Gross Settlement Amount. Additionally, the difference between the Administration Costs authorized by Section 7(c)(iv)(A) and the Administration Costs approved by the Superior Court will be disbursed as part of the Net Settlement Amount pursuant to Section 8.

(v) **PAGA Penalties Fund.** The portion of the Gross Settlement Amount remaining after the Attorneys' Fees Award, the Litigation Costs Award, and the Administration Costs are paid shall be designated the "Net Settlement Amount" or "PAGA Penalties Fund". Based on the amounts allocated in Sections 7(c)(i), 7(c)(ii), and 7(c)(iv), the Parties expect that the PAGA Penalties Fund will be an amount equal to the gross sum of Fifty Four Thousand One Hundred Sixty Six Dollars and Sixty Seven Cents (\$54,166.67). Subject to approval by the Superior Court, the PAGA Penalties Fund shall be allocated and paid as follows:

(A) **The LWDA Payment.** The gross sum of Forty Thousand Six Hundred Twenty Five Dollars (\$40,625.00), which represents seventy-five percent (75%) of the PAGA Penalties Fund, will be paid to the LWDA for enforcement of California's labor laws (including the administration of PAGA) and for education of employers and employees about their rights and responsibilities under the California Labor Code.

(B) **Individual Settlement Awards.** The gross sum of Thirteen Thousand Five Hundred Forty One Dollars and Sixty Seven Cents (\$13,541.67) (the “Payout Fund”), which represents twenty-five percent (25%) of the PAGA Penalties Fund, will be paid to the Settlement Group, with each Settlement Group Member receiving a payment proportionate to the number of pay periods he or she worked in a Covered Position during the Settlement Period relative to the entire Settlement Group. Specifically, each Settlement Group Member’s share of the PAGA Penalties Fund (an “Individual Settlement Award”) will be calculated as follows:

(1) Settlement Group Members will receive their pro-rata share based on how many pay periods they worked in a Covered Position during the Settlement Period as compared to all pay periods worked in Covered Positions by all Settlement Group Members during the Settlement Period (“Pay Period Totals”). Defendants’ pay semi-monthly and its pay periods run from the first through the 15th of the month and from the 16th to the last day of the month. The number of pay periods for each Settlement Group Member will be determined by adding the pay periods within the inclusive dates of employment in a Covered Position. Any partial pay period will be expressed as a percentage of a full pay period. This shall be considered each Settlement Group Member’s “Pay Period Figure.” Settlement Group Members’ Individual Settlement Awards will be calculated by dividing the Payout Fund by the total of all Settlement Group Members’ Pay Period Figures to arrive at a Per- Pay Period Amount, and then multiplying this amount by each Settlement Group Member’s Pay Period Figure.

(2)

(d) **No Effect on Employee Benefits.** The payments made to the Settlement Group pursuant to this Agreement shall not be utilized to calculate any additional benefits under any benefit plans to which any Settlement Group Members may be eligible, including, but not limited to, any profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, paid time off plans, or other benefit plans available to the Settlement Group. It is the Parties’ intention that this Agreement will not affect any rights, contributions, or amounts to which any Settlement Group Members may be entitled under any benefit plans.

(e) **Taxability of Settlement Payments**

(i) **Payments to Plaintiff’s Counsel.** The Attorneys’ Fees Award and the Litigation Costs Award shall be treated as IRS Form 1099 income. Accordingly, an IRS Form 1099 will be issued to Plaintiff’s Counsel and to Plaintiff in connection with the payment of the Attorneys’ Fees Award and the Litigation Costs Award.

(ii) **Payments to the LWDA.** The seventy-five percent (75%) of the PAGA Penalties Fund payable to the LWDA shall be deemed to consist entirely of civil penalties recovered under PAGA and subject to treatment as IRS Form 1099 income. Accordingly, an IRS Form 1099 will be issued to the LWDA to the extent that one is required by law.

(iii) **Payments to the Settlement Group.** Each of the Individual Settlement Awards shall be deemed to consist entirely of civil penalties recovered under PAGA and subject to treatment as IRS Form 1099 income. Accordingly, an IRS Form 1099 will be issued to each Settlement Group Member in connection with his or her Individual Settlement Award.

(g) **Tax Indemnification.** Plaintiff, the Settlement Group, and applicable governmental authorities (including the LWDA) are, and shall be, solely responsible for all tax obligations, including all reporting and payment obligations, attributable to them as a consequence of this Agreement and the payment of the amounts set forth above in Section 7(c). Defendants do not make, and have made, any express or implied promise, representation, or warranty regarding the tax consequences or tax treatment under federal or state tax laws for any sum paid pursuant to this Agreement. Nor do Defendants intend anything in this Agreement to be interpreted or relied upon as such. The tax issues for each Settlement Group Member are unique, and each Settlement Group Member will be advised to obtain tax advice from his or her own tax advisor with respect to any payments resulting from this Agreement. Defendants and the Released Parties (as defined in Section 9) shall be held harmless from and against any claims relating to the non-withholding of the Settlement Group's share of taxes and shall have no obligation to indemnify or defend Plaintiff, any Settlement Group Member, or any governmental authority in any tax proceedings or from any tax consequences that could result from any payments made under this Agreement.

8. **Distribution of Settlement Payments.**

(a) **Administration of PAGA Penalties Payment.** Within 10 calendar days after the Effective Date, Defendants will compile a list containing: (1) name; (2) last known home address; (3) number of pay periods as a Settlement Group Member during the Settlement Period; and (4) social security number. This list shall be treated as confidential and shall be shared only with the Settlement Administrator. Plaintiff's counsel shall not be entitled to view or receive the list.

(b) **Funding of Settlement by Defendants.** Within sixty-one (61) calendar days of the Effective Date of this Agreement, Defendants will provide the amounts approved by the Superior Court for the Attorneys' Fees Award, the Litigation Costs Award, the Administration Costs, the LWDA Payment, and the Individual Settlement Awards to the Settlement Administrator.

(c) **Timing of Payment by Settlement Administrator.** Within twenty (20) calendar days of the Effective Date of this Agreement, the Settlement Administrator will issue the payments required by Section 7 of this Agreement to the appropriate entities or persons.

(d) **Payment of Individual Settlement Awards**

(i) Individual Settlement Awards will be paid in the form of a check delivered to each Settlement Group Member at the last known address on file with Defendants. Each Individual Settlement Award will be accompanied by an explanatory letter substantially in the form attached to this Agreement as **Exhibit A**.

(ii) Individual Settlement Award checks will remain negotiable for 180 days after the date of their issuance (the "Check Stale Date"). Settlement Group Members will continue to be bound by this Agreement regardless of whether they cash, deposit, or negotiate their Individual Settlement Award checks by the Check Stale Date, but any Individual Settlement Award checks that are not cashed, deposited, or negotiated after the Check Stale Date shall be void and the amount of those checks will be distributed the State of California Unclaimed Wage or Property Fund.

(iii) Any checks to the Settlement Group that are returned as undeliverable on or before the Check Stale Date will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip trace or other reasonable method and will then perform a single remailing. Any Settlement Group Member whom cannot be located after the above procedures are followed will continue to be bound by this Agreement, but the funds associated with his or her Individual Settlement Award will be distributed to the State of California Unclaimed Wage or Property Fund.

9. **Release of PAGA Representative Claims.** Upon the Effective Date, Plaintiff, each of the Settlement Group Members, and the State of California vis-à-vis the LWDA shall, for the period spanning February 8, 2020, to February 1, 2021, inclusive, fully and forever release Defendants; each and all of Defendants' past, present, and future parents, affiliates, subsidiaries, divisions, predecessors, successors, managing members, divisions, affiliates, affiliated entities, related entities, and assigns; the past, present, and future shareholders, owners, officers, directors, board members, employees, agents, trustees, attorneys or legal representatives, insurers, representatives, administrators, fiduciaries, beneficiaries, subrogees, partners, and members of the foregoing; and/or any other entity or individual which could be liable with Defendants, including but not limited to Healthy Life Congregate Care, a California Corporation; ALGB, Inc. (dba La Tuna Home); CLHF Homes, LLC; Corbin Congregate Home, Inc.; Family Circle CLHF, Inc.; Fenton Villa, Inc.; Home of Compassion No. 2, Inc.; Potter Care, LLC; Royal Haven, LLC; Valley View Congregate Living Facility, Inc.; and Valley Living Center, Inc. (collectively, the "Released Parties") from the PAGA Representative Claims and any claims for civil penalties provided by the California Labor Code pleaded in the Lawsuit and the PAGA Notice or that could have been pleaded based on the facts alleged in the Lawsuit and the PAGA Notice, regardless of whether those claims are asserted, unasserted, known, unknown, suspected, or unsuspected (the "Released Claims"). This includes but is not limited to claims relating to failure to pay minimum wage, failure to pay overtime wages, failure to authorize or permit compliant rest periods, failure to provide compliant meal periods, failure to issue accurate itemized wage statements, failure to maintain accurate records, failure to timely pay wages, failure to pay all wages due at termination, failure to reimburse for business expenses, pursuant to Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 1174, 1194, 1194.2, 1197, 1198, 1199, 2802, and 2804.

10. **Acknowledgment of Fair and Reasonable Settlement.** The Parties have arrived at this Agreement after arm's-length negotiations by experienced counsel that were facilitated by a full-day mediation with Eve Wagner. Each of the Parties acknowledges, agrees, and believes that this Agreement is a fair, adequate, and reasonable settlement of the Lawsuit. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Agreement. Each Party to this Agreement agrees and represents that he, she, or it has investigated the facts relevant to this Agreement, and all matters pertaining thereto, to the full extent that each Party deems necessary.

11. **Authority to Enter into Agreement.** Each Party represents and warrants that he, she, or it has the right and authority to execute this Agreement.

12. **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 portion of any liability, claim, demand, action, cause of action or right herein released and discharged.

13. **Authorization of Counsel.** Plaintiff's Counsel and Defendants' Outside Counsel each warrant and represent they are expressly authorized by the Party or Parties whom they represent to negotiate this Agreement and to take all appropriate action required or permitted to be taken by such Party or Parties pursuant to this Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Agreement.

14. **Confidentiality.** Plaintiff and Plaintiff's Counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry or have any communication with the press about the fact or terms of the Agreement (including the Settlement Amount), publish the Agreement on the internet or social media, or in any way affirmatively publicize any information related to the Agreement. Nothing in this paragraph shall prevent Plaintiff's counsel from referencing this settlement in any future declarations filed in any forum to support Plaintiff's counsel's adequacy in class and PAGA actions.

15. **Duty to Cooperate.** Each Party agrees that it will abide by this Agreement and use its best efforts to do all such acts and to prepare, execute, and deliver all such documents as may be reasonably required to carry out the stated objectives of this Agreement. The Parties and their respective counsel will cooperate with each other to effect the implementation of the Agreement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Agreement or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the Parties may seek the assistance of Eve Wagner, the mediator who facilitated the negotiation of this Agreement. If the parties cannot resolve their dispute with the assistance of the mediator, the Parties may seek the assistance of the Superior Court to resolve their dispute.

16. **No Assignment.** Plaintiff agrees that he has not assigned his claims in this case, nor will he assign his claims in this case, to any third parties.

17. **Nullification of Agreement.** In the event that the Superior Court does not approve the Agreement or the Agreement does not become final for any other reason, this Agreement and any documents generated to bring it into effect will be null and void and the Parties will be returned to their original respective positions, as though this Agreement had never been entered into at all.

18. **Severability.** Should any clause or provision of this Agreement be declared illegal or unenforceable, it shall be modified as minimally necessary to be enforceable. If the provision cannot be modified to be enforceable, such provision shall immediately become null and void, leaving the remainder of this Agreement in full force and effect.

19. **Governing Law and Interpretation.** This Agreement shall be governed in accordance with the laws of the State of California. The Agreement shall be interpreted in accordance with the plain meaning of its terms and shall not be strictly interpreted for or against any of the Parties to this Agreement. Given that all Parties hereto had the opportunity to draft, review, and edit the language of this Agreement, the Parties expressly waive the benefit of any

legal principle or rule providing or requiring ambiguous or uncertain language in a contract or agreement to be interpreted against the Party who caused the uncertainty to exist.

20. **Continuing Jurisdiction of the Superior Court.** Pursuant to California Code of Civil Procedure section 664.6, the Superior Court shall retain continuing jurisdiction over the Lawsuit and the Parties to the fullest extent necessary to enforce and effectuate the terms and intent of this Agreement.

21. **Admissibility of Agreement.** This Agreement is, and shall be, admissible for the purposes of proving up and or enforcing the terms of the Agreement, as set forth herein, pursuant to California Evidence Code section 1123.

22. **Amendment and Modification.** This Agreement may not be modified, altered or changed, except by a written instrument signed by either the Parties or their successors-in-interest or counsel for all Parties.

23. **Binding on Successors and Assigns.** This Agreement will be enforceable and binding upon, and inure to the benefit of, the Parties and their respective agents, employees, representatives, officers, directors, parents, subsidiaries, assigns, heirs, executors, administrators, insurers, and successors in interest. This Agreement shall be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding the mediation confidentiality provisions that otherwise might apply under federal or state law.

24. **No Representations.** The Parties acknowledge that no representation of any kind or character has been made to induce the execution of this Agreement other than the representations expressly set forth in this Agreement.

25. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signatures sent by facsimile transmission or scanned e-mail transmission shall have the same force, validity, and effect as original signatures.

26. **Entire Agreement.** This Agreement sets forth the entire agreement between the Parties, and supersedes any prior agreements, contracts, or understandings between the Parties as to the subject matter hereof.

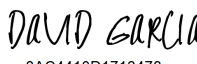
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IN WITNESS WHEREOF, the Parties – Plaintiff David Garcia; Defendant Pure Heart Congregate Living Facility, Inc.; and Defendant Healthy Life Congregate Care – and their counsel knowingly and voluntarily accept of the terms of this Settlement Agreement and Release by affixing their signatures below.

Dated: 5/4/2022

DAVID GARCIA

By: _____

DocuSigned by:

 8AC4410D1713478...
 David Garcia

Dated: May 3, 2022

PURE HEART CONGREGATE LIVING FACILITY, INC.

By: *Yaakov Feingold*
Yaakov Feingold (May 3, 2022 19:36 EDT)
(Signature)

Yaakov Feingold
(Printed Name)

Its: Director
(Position Title)

Dated: May 3, 2022

HEALTHY LIFE CONGREGATE CARE

By: *Yaakov Feingold*
Yaakov Feingold (May 3, 2022 19:36 EDT)
(Signature)

Yaakov Feingold
(Printed Name)

Its: Director
(Position Title)

Dated: May 4, 2022

MELMED LAW GROUP, P.C.

By: *Jonathan Melmed*
Jonathan Melmed
Kyle Smith

Attorneys for Plaintiff David Garcia

Dated: May 3, 2022

RAINES FELDMAN LLP

By: *Allison Wallin*
Phillip R. Maltin
Allison S. Wallin

Attorneys for Defendants Pure Heart Congregate Living
Facility, Inc. and Healthy Life Congregate Care