

DANIEL J. LEE (SBN 273460)
daniel@leekimllp.com
CHRISTOPHER T. KIM (SBN 279214)
chris@leekimllp.com
LEE & KIM LLP
100 W. Broadway, Suite 3000
Long Beach, California 90802
Telephone: (213) 468-8840
Facsimile: (213) 468-8841

Attorneys for Plaintiff
Armon Jasper Owens

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

ARMON JASPER OWENS, as an individual
and on behalf of the California Labor
Commissioner as the California Private
Attorney General,

Plaintiff,

vs.

BHI RESIDENTIAL LONG TERM
CORPORATION, a Delaware corporation, and
DOES 1-10, inclusive,

Defendant.

CASE NO.: 21STCV21078

Assigned for All Purposes to:
Dept. 30
Hon. Barbara M. Scheper

**STIPULATION FOR PAGA
SETTLEMENT**

Action Filed: June 4, 2021

Armon Jasper Owens (“Plaintiff”), individually, and on behalf of the aggrieved employees (“Aggrieved Employees”), and Defendant BHI Residential Long Term Corporation (“Defendant”) (collectively referred to as the “Parties”), enter into this Stipulation for PAGA Settlement (“PAGA Settlement”) regarding Plaintiff’s PAGA cause of action in the above-referenced matter, as follows:

1. DEFINITIONS

As used in this PAGA Settlement, the following terms have the meanings specified below:

1.1. “Action” means the civil action entitled *Armon Jasper Owens v. BHI Residential Long Term Corporation*, filed in the Superior Court of the State of California for the County of Los Angeles, on June 4, 2021, Case No. 21STCV21078.

1.2. “Aggrieved Employees” means all individuals who worked for Defendant as non-exempt employees within the State of California at any time during the PAGA Period.

1.3. “Defense Counsel” means the law firm of Littler Mendelson.

1.4. “Notice” means the form of the document attached to this PAGA Settlement as Exhibit “A.”

1.5. “PAGA Fund” means the amount allocated under this PAGA Settlement, subject to Court approval, for payment to the Labor and Workforce Development Agency (“LWDA”) and the Aggrieved Employees. The PAGA Fund equals the Settlement Fund less the Plaintiff’s Counsel Payment and Settlement Administrator Costs. Pursuant to California Labor Code Section 2699(i), the PAGA Fund will be allocated such that seventy-five percent (75%) of the PAGA Fund will be paid to the LWDA and twenty-five percent (25%) percent of the PAGA Fund will be paid to the Aggrieved Employees.

1.6. “PAGA Period” means the period from March 30, 2020, through the date of the Court Order approving this PAGA Settlement.

1.7. “Plaintiff’s Counsel” means the law firm of Lee & Kim LLP.

1.8. “Plaintiff’s Counsel Payment” means the amount to be paid to Plaintiff’s Counsel, subject to Court approval, not to exceed thirty-three (33%) of the Settlement Fund, for its attorneys’ fees in addition to actual litigation expenses incurred by Plaintiff’s Counsel for the

1 Action.

2 1.9. "Settlement Administrator" means the third-party settlement administrator Phoenix
3 Class Action Administration Solutions for administration of this PAGA settlement following
4 Court approval.

5 1.10. "Settlement Administrator Costs" means all costs and expenses of the Settlement
6 Administrator, which are currently estimated to be approximately \$2,250.00.

7 1.11. "Settlement Fund" means the total, gross settlement payment Defendant will make,
8 subject to Court approval, to resolve the Action. The Settlement Fund equals \$30,000.00, inclusive
9 of Plaintiff's Counsel Payment, the Settlement Administrator Costs, and the PAGA Fund.

10 **2. RECITALS**

11 2.1. Plaintiff filed an individual and representative complaint alleging various causes of
12 action, including a cause of action for civil penalties under the Private Attorneys General Act
13 (California Labor Code § 2698 et seq.).

14 2.2. The Parties' Counsel have investigated the facts and applicable law relating to the
15 PAGA claims alleged in the Complaint and defenses to those claims. Based on their investigation
16 and evaluation of this case, Plaintiff's Counsel has concluded that the settlement described in this
17 PAGA Settlement is fair, reasonable, and adequate in light of all known facts and circumstances,
18 including the defenses asserted by Defendant, including payment of premium wages and potential
19 adverse findings regarding liability or penalties for the claims asserted in the operative complaint
20 of the Action.

21 2.3. The Parties have engaged in informal discovery, which included an exchange of
22 documents, including timekeeping records, payroll records, written policies/handbooks, wage
23 statements, and other relevant documents. The Parties also engaged in discussions throughout
24 litigation regarding the factual and legal merits of Plaintiff's claims and Defendant' defenses. The
25 Parties engaged in extensive arm's-length settlement negotiations, which involved substantive
26 offers and counteroffers between the Parties. Ultimately, negotiations resulted in this PAGA
27 Settlement.

28 2.4. Therefore, in exchange for promises and conditions set forth here, the Parties agree

1 to settle the Action based on the terms set forth in this PAGA Settlement, subject to Court
2 approval.

3 **3. TERMS OF THE PAGA SETTLEMENT**

4 3.1. Scope of Settlement. Plaintiff, as PAGA representative and proxy for the LWDA,
5 agrees to settle the Action on behalf of himself, the LWDA, and the Aggrieved Employees
6 employed by Defendant during the PAGA Period.

7 3.2. The Settlement Fund. Subject to Court approval, Defendant will pay the Settlement
8 Fund to settle the Action. The Settlement Fund will be divided as follows: payment of the PAGA
9 Fund to the LWDA and all Aggrieved Employees, Plaintiff's Counsel Payment, and the
10 Settlement Administrator Costs.

11 3.3. Plaintiff's Counsel Attorneys' Fees and Costs. Subject to Court Approval,
12 Defendant will not oppose Plaintiff's Counsel's application to the Court for an award of the
13 Plaintiff's Counsel Payment consistent with the terms of this PAGA Settlement. Plaintiff's
14 Counsel will be responsible for submitting all documents required by the Court to support the
15 request for Plaintiff's Counsel Payment. The amount of Plaintiff's Counsel's Attorneys' Fees and
16 Costs is not a material term of this Agreement, and any denial or modification by a Court of this
17 term will not invalidate the rest of this Agreement. Any reduction by the Court of Plaintiff's
18 Counsel Payment will revert to the Settlement Fund for the benefit of the Aggrieved Employees.

19 3.4. Settlement Administration Costs. The Settlement Administration Costs, includes all
20 costs and expenses of the Settlement Administrator for administering and completing this PAGA
21 Settlement, including but not limited to fees and costs for: calculating amounts for all payments to
22 be made based on this PAGA Settlement, printing, postage, envelopes, searches to locate current
23 addresses for Aggrieved Employees, any cost associated with any uncashed or undeliverable
24 settlement checks, and to prepare any necessary tax documents.

25 3.5. Aggrieved Employees and LWDA. Subject to Court approval and pursuant to
26 California Labor Code Section 2699(i), seventy-five percent (75%) of the PAGA Fund will be
27 paid to the LWDA for penalties and twenty-five percent (25%) of the PAGA Fund will be
28 allocated among the Aggrieved Employees for penalties, based on his or her proportionate share of

1 pay periods worked during the PAGA Period. Defendant's employment records will be
2 determinative for purposes of calculating the number of pay periods that each Aggrieved
3 Employee worked for Defendant during the PAGA Period and any payments under this PAGA
4 Settlement Agreement.

5 More specifically, Defendant will generate a report that will determine the Aggrieved
6 Employees (i.e., all individuals who worked for Defendant as non-exempt employees within the
7 State of California at any time during the PAGA Period) and include the following data related to
8 each Aggrieved Employee: (1) full name; (2) last known address; (3) social security number; (4)
9 the date of hire; (5) the date of termination, if any; and (6) the number of pay periods worked by
10 each respective employee during the PAGA Period. Thereafter, each aggrieved employee's pro
11 rata share of the 25% of the PAGA Fund will be determined by (1) dividing the aggrieved
12 employee's number of pay periods worked during the PAGA Period by the cumulative total
13 number of pay periods worked by all Aggrieved Employees during the PAGA period; and (2)
14 multiplying the aforementioned outcome/percentage by the total amount allocated to the
15 Aggrieved Employees (i.e., 25% of the PAGA Fund).

16 Defendant will provide these records to the Settlement Administrator on a confidential
17 basis following the Court's approval of this PAGA settlement.

18 3.6. Nullification of Settlement Agreement. If this Settlement Agreement is not
19 approved by the Court, fails to become effective, or is reversed or withdrawn by the Court:

20 3.6.1. This Settlement Agreement shall be void ab initio and of no force or effect,
21 and shall not be admissible in any judicial, administrative or arbitral proceeding for any purpose or
22 with respect to any issue, substantive or procedural; and

23 3.6.2. None of the Parties to this Settlement will be deemed to have waived any
24 claims, objections, defenses or arguments in the action.

25 3.7 Invalidity of any material portion of this Agreement shall invalidate this
26 Agreement in its entirety unless the Parties shall subsequently agree in writing that the remaining
27 provisions shall remain in full force and effect. Material terms of this Agreement include: the
28 definition of Aggrieved Employees (Section 1.2); the definition of Effective Date (Section 6.3);

the definition of PAGA Period (Section 1.6); the definition of Released Claims (Section 6.1 and 6.2); the definition of Released Parties (Section 6.1); the definition of Settlement Fund (Section 1.11); the requirement for entry of an order by the Court approving this Agreement and entering PAGA Judgment as contemplated in Section 6. The following terms are not material to this Agreement: the allocation of fees and costs to Plaintiff's counsel under Section 1.8; the amount of the Settlement Administration fee (Section 1.9).

4. DISTRIBUTION OF SETTLEMENT FUND

4.1. Notice and Distribution of PAGA Fund. Defendant will provide the Settlement Administrator with a list of the names and addresses of the Aggrieved Employees within fifteen (15) business days after the judgment in the Action has become non-appealable (i.e., 61 days after judgment is entered). This contact information will be provided confidentially to the Settlement Administrator only, and the Settlement Administrator will treat the information as private and confidential and take all necessary precautions to maintain the confidentiality of such information. This information is to be used only to carry out the Settlement Administrator's duties as specified in this PAGA Settlement.

4.2. Defendant will provide to the Settlement Administrator the Settlement Fund and Settlement Administration Costs to fund the Settlement within fifteen (15) business days after the judgment in the Action has become non-appealable (i.e., 61 days after judgment is entered).

4.3. After deducting the amount paid to Plaintiff's Counsel for Attorneys' Fees and Costs and the Settlement Administrator Costs, the remaining amount of the settlement ("Net Settlement Amount") will be distributed as follows:

- Seventy Five Percent (75%) of the Net Settlement Amount shall be paid 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.*
- Twenty Five Percent (25%) of the Net Settlement Amount (the "Aggrieved Employee Amount") shall be paid to the Aggrieved Employees, which represents civil penalties and underpaid wages payable to the Aggrieved Employees as compensation for disputed civil

penalties that are allegedly owed on the PAGA Claims asserted in the Action, which amounts shall be distributed by the Settlement Administrator pursuant to the following formula. Each Aggrieved Employee shall be allocated a proportionate share of the PAGA Claim Employee Amount based on the Defendant's data regarding the number of Pay Periods he/she worked while employed as an Aggrieved Employee during the relevant time period of March 30, 2020 to the date of approval of this Settlement. To perform this function, "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 from March 30, 2020 to the date of approval of this Agreement (the "Settlement Period"). After calculating the Pay Periods for each individual Aggrieved Employee, the Settlement Administrator shall then compute the sum total of all Pay Periods combined to arrive at an "aggregate total of all Pay Periods worked by all Aggrieved Employees." After calculating the "aggregate total of all Pay Periods worked by all Aggrieved Employees," the amount payable per-wage statement will then be calculated by dividing the Aggrieved Employee Amount by the "aggregate total of all Pay Periods worked by all Aggrieved Employees." The amount payable per-Pay Period will then be multiplied by the number of Pay Periods worked by the individual Aggrieved Employee.

4.4. Within five (5) business days after Defendant provides the Settlement Fund to the Settlement Administrator, the Settlement Administrator will disburse the Settlement Administration Costs, Plaintiff's Counsel's Payment, and payment of the PAGA Fund as detailed in this PAGA Settlement. Together with the payments of the PAGA Fund, the Settlement Administrator will provide the Notice to the Aggrieved Employees.

4.5. Any payment and/or Notice mailed to the Aggrieved Employees that is returned to the Settlement Administrator as non-delivered, will be sent by First Class U.S. Mail to the forwarding address provided. If no forwarding address is provided, the Settlement Administrator will run a skip trace address verification (or other mutually agreeable method) to locate a more current address, to which the Settlement Administrator will then mail the payment and Notice. It shall be conclusively presumed that those Aggrieved Employees whose re-mailed Notice is not

1 returned to the Settlement Administrator as undeliverable within five (5) calendar days after re-
2 mailing, actually received the Notice. The release in this Settlement will be deemed effective to all
3 Aggrieved Employee even if they did not receive the Notice or it was returned as undeliverable.

4 4.6. The Settlement Administrator will maintain a list of the postmark date for the
5 original mailings of all settlement payments and the Notice to the Aggrieved Employees, the
6 postmark date of any subsequent mailings, and a list of Aggrieved Employees who did not receive
7 the settlement payment and Notice due to the inability to locate a valid address using the
8 procedures described above.

9 4.7. All settlement checks will remain valid and negotiable for 180 days from the date
10 of their mailing by the Settlement Administrator. After 180 days from the date of their mailing by
11 the Settlement Administrator, any uncashed checks will be reverted to the State of California
12 Controller – Unpaid Wages Fund. Any failure of an Aggrieved Employee to deposit a check shall
13 not affect the enforceability of the release in this Settlement, as the parties jointly agree that valid
14 consideration for same is the offer of monetary consideration by means of the offer of settlement
15 and mailing of settlement checks. Neither Plaintiff nor Defendant shall bear any liability for lost
16 or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless
17 responsible by its own acts of omission or commission, the same is true for the Settlement
18 Administrator.

19 4.8. No later than January 31 of the year following completion of the settlement
20 payments, the Settlement Administrator will prepare and issue IRS Form 1099 to Plaintiff and
21 Aggrieved Employees who received a payment.

22 4.9 Within 20 days of distributing the settlement funds, the Settlement Administrator
23 shall provide to the Parties, for filing with the Court by Plaintiff, a declaration verifying, under
24 oath, that the Settlement Administrator has affected disbursement of the Settlement Fund pursuant
25 to the terms of this Agreement.

26 4.10. Tax Treatment and Tax Indemnification. Plaintiff and each of the Aggrieved
27 Employees will assume any tax obligations or consequences which may arise from the payments
28 they receive under this PAGA Settlement. If any state or federal taxing authority contacts,

1 investigates, or pursues any action against Plaintiff for his individual share of taxes related to any
2 payments made under this Agreement, Plaintiff will be responsible for his own defense of and
3 payment for any claim of unpaid taxes, interest, or penalties brought by any state or federal taxing
4 authority for his share of any state or federal tax obligation related to any payments made under
5 this PAGA Settlement. Neither Plaintiff's Counsel nor counsel for Defendant intend anything
6 contained herein to constitute advice regarding the taxability of any amount paid hereunder, nor
7 shall it be relied upon as such. The tax issues for each Aggrieved Employee are unique, and each
8 Aggrieved Employee is advised to obtain tax advice from his or her own advisor with respect to
9 any payments resulting from this Settlement. The Parties will bear their own fees, costs, and
10 respective tax obligations, except as otherwise provided for in this PAGA Settlement.

11 **5. PROCESS FOR SEEKING COURT APPROVAL**

12 5.1. Plaintiff's Counsel will prepare and file a Joint Motion for Approval of the PAGA
13 Settlement, which they will provide to Defense Counsel before filing in order to provide
14 Defendant an opportunity to review and comment. Defendant will not oppose the Motion for
15 Approval of the PAGA Settlement consistent with the terms of this PAGA Settlement, but if the
16 Parties are unable to reach agreement on language in the Motion for Approval of the PAGA
17 Settlement, Defendant will be permitted to submit supplemental briefing to the Court.

18 **6. RELEASED CLAIMS**

19 6.1. Upon the approval by the Court of the PAGA Settlement, Plaintiff, individually and
20 as the representative acting as a proxy or agent of the LWDA, a State of California Executive
21 Branch Agency, in this Action, agrees to release Employer, its past, present, or future affiliates,
22 related entities, parents, subsidiaries, owners, members, partners, officers, directors, board
23 members, managers, supervisors, employees, agents, co-employers, predecessors, successors,
24 assigns, agents, shareholders, investors, insurers, and legal representatives, and representatives of
25 the Defendant ("Released Parties") for penalties under the California Private Attorneys' General
26 Act (Labor Code section 2698, et seq.) that could have been sought by the Labor Commissioner
27 for the violations identified in Plaintiff's pre-filing letter to the LWDA attached as Exhibit B that
28 accrued at any time between March 30, 2020 to the date of approval of this PAGA Settlement

1 (“Released Claims”). Aggrieved Employees retain their rights to pursue claims for wages,
2 statutory penalties and any other damages.

3 The express purpose of this Agreement and the Judgment to be entered by the Court
4 following approval of this settlement is to forever bar Plaintiff, the LWDA, and any other
5 individual or entity acting on behalf of or purporting to act on behalf of the LWDA (including all
6 Aggrieved Employees) from asserting any of the Released Claims in any future litigation. It is the
7 intent of the Parties that, to the greatest extent provided by law, including under the holding of
8 *Arias v. Superior Court*, 46 Cal. 4th 969, 986 (2009), the ability of Plaintiff, the State of California
9 or any Aggrieved Employee to bring a PAGA claim on behalf of the LWDA is completely and
10 forever foreclosed. Any Party to this Agreement may use the Agreement to assert that this
11 settlement and the judgment to be entered by the Court following approval by this settlement bars
12 any later-filed action asserting any of the Released Claims against any of the Released Parties at
13 any time between March 30, 2020 to the date of approval of this Agreement.

14 6.2. The Aggrieved Employees waive any rights provided by California Civil Code
15 Section 1542 as to the Released Claims only, which states: A GENERAL RELEASE DOES NOT
16 EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW
17 OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE
18 RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY
19 AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

20 6.3 Effective Date. The “Effective Date” of this Agreement is the date this Agreement
21 is approved as provided herein and the Court’s order granting Settlement Approval and entry of
22 Final Judgment becomes final and is no longer appealable. For purposes of this Agreement,
23 “becomes final and is no longer appealable” shall mean the later of: (a) the day after the last date
24 by which a notice of appeal to the applicable Court of Appeal of the order and judgment approving
25 this Agreement may be timely filed and none is filed (*i.e.*, 61 days from notice of entry of
26 judgment); (b) if an appeal is filed, and the appeal is finally disposed of by ruling, dismissal,
27 denial, or in a any other manner that confirms the validity of the order and judgment, the day after
28 the last date for filing a request for further review of the order and judgment approving this

1 Agreement passes, and no further review is requested; or (c) if an appeal is filed and the order
2 approving this Agreement is affirmed and further review of the order is requested, the day after the
3 review is finally resolved and the order and judgment approving this Agreement is affirmed.

4 **7. MISCELLANEOUS PROVISIONS**

5 7.1. Mutual Full Cooperation. Plaintiff, Defendant, Plaintiff's Counsel, and Defense
6 Counsel agree to fully cooperate with each other to accomplish the terms and approval of this
7 PAGA settlement, including, but not limited to, execution of such documents and to take such
8 other action as may reasonably be necessary to implement the terms of this PAGA Settlement. The
9 Parties agree to use their best efforts and any other efforts that may become necessary by Order of
10 the Court, or otherwise, to effectuate this PAGA Settlement.

11 7.2. No Admission. Nothing in this PAGA Settlement constitutes an admission by
12 Defendant of any wrongdoing or liability or of the truth of any allegation in the Action. In
13 addition, nothing in this PAGA Settlement constitutes an admission by Defendant that the Action
14 is/was properly brought on a representative basis other than for settlement purposes only.

15 7.3. Consultation With Counsel. Plaintiff and Defendant represent that they have
16 carefully read and fully understand all of the provisions and effects of this PAGA Settlement, that
17 they have consulted with counsel of his/their choice with respect to this PAGA Settlement, and
18 that they are voluntarily entering into this PAGA Settlement.

19 7.4. Binding Nature of the PAGA Settlement; Entire Agreement. This PAGA
20 Settlement may be amended or modified only by a written instrument signed by Plaintiff and
21 Defendant. No rights under this PAGA Settlement may be waived except in writing. This PAGA
22 Settlement and any attached Exhibits constitute the entire agreement between the Parties relating
23 to the terms of settlement of this Action. All prior or contemporaneous agreements,
24 understandings and statements, whether oral or written, whether express or implied, and whether
25 by a party or its counsel, are merged in this PAGA Settlement. No oral or written representations,
26 warranties or inducements have been made to any party concerning this PAGA Settlement or its
27 Exhibits other than the representations, warranties and covenants contained and memorialized in
28 such documents.

1 7.5. Headings, Titles, and/or Captions. All headings, titles, or captions contained in this
2 PAGA Settlement are inserted as a matter of convenience and for reference, and in no way define,
3 limit, extend, or describe the scope of this PAGA Settlement or any of its provisions.

4 7.6. Joint Drafting of Settlement Documents. Plaintiff's Counsel and Defense Counsel
5 have arrived at this PAGA Settlement as a result of an arm's-length negotiations. This PAGA
6 Settlement has been drafted jointly by Plaintiff's Counsel and Defense Counsel and, therefore, any
7 construction or interpretation of this PAGA Settlement will not be construed against any of the
8 Parties.

9 7.7. No Press. The Parties, Plaintiff's Counsel, and Defense Counsel agree that none of
10 them will issue any press release, social media post, internet or website announcement or
11 otherwise initiate any contact with the press regarding the existence or terms of this settlement,
12 unless ordered by the Court.

13 7.8. Governing Law and Venue. This PAGA Settlement is made under the laws of the
14 State of California, without regard to otherwise applicable principles of conflicts of laws, whether
15 of the State of California or any other jurisdiction. In addition, any action brought to enforce the
16 provisions of this Agreement shall be commenced, prosecuted, and defended exclusively in the
17 Superior Court of the State of California, County of Los Angeles.

18 7.9. Execution of the PAGA Settlement Agreement. This PAGA Settlement may be
19 executed in one or more counterparts and by facsimile or electronic signature. All executed copies
20 of this PAGA Settlement (and photocopies) will have the same force and effect and will be as
21 legally binding and enforceable as the original.

22 7.10. Continuing Jurisdiction of the Court. Under California Code of Civil Procedure
23 Section 664.6 ("Section 664.6"), the Parties agree the Court will retain jurisdiction over the Parties
24 and over this PAGA Settlement, in order to: (a) monitor and enforce compliance of PAGA
25 Settlement, and/or (b) resolve any disputes over this PAGA Settlement or the administration of the
26 benefits of this PAGA Settlement. Pursuant to Section 664.6, the Parties intend that the terms of
27 this PAGA Settlement will be fully enforceable and binding upon all Parties as the settlement of
28 the Action, and that this PAGA Settlement will be admissible and subject to disclosure in any

1 proceeding to enforce its terms, notwithstanding any confidentiality provisions that otherwise
2 might apply.

3 7.11. LWDA Notice. Pursuant to California Labor Code section 2699(l), Plaintiff will
4 provide a copy of this Agreement to the LWDA concurrently with the filing of the motion for
5 settlement approval. Plaintiff will also file a declaration in support of their Motion for Settlement
6 Approval confirming that they have submitted the Agreement to the LWDA in compliance with
7 Labor Code section 2699(l). In addition, Plaintiff shall submit to the LWDA a copy of the Court's
8 judgment and order approving the Agreement within ten (10) days after entry of the judgment or
9 Order.

10 7.12. Successors. This Agreement shall be binding upon, and inure to the benefit of, the
11 Parties, and their heirs, representatives, executors, administrators, successors, insurers, and
12 assigns, and shall inure to the benefit of each and all of the Releasees, and to their heirs,
13 representatives, executors, administrators, successors, and assignees.

14 7.13. Breach by Parties. In addition to any other rights the Parties have or may have
15 under this Agreement, in the event of a breach by either party of any of the terms of this
16 Agreement, the non-breaching Party shall be entitled, if it shall so elect, to institute legal
17 proceedings to obtain damages for any such breach, or to enforce the specific performance of this
18 Agreement by either party and to enjoin the other party from any further violation of this
19 Agreement and to exercise such remedies cumulatively or in conjunction with all other rights and
20 remedies provided by law. The Parties acknowledge, however, that the remedies at law for any
21 breach by either party may be inadequate and that the non-breaching party shall be entitled to
22 injunctive relief against the breaching party in the event of any breach. If the non-breaching party
23 prevails in a proceeding for damages or injunctive relief, the breaching party agrees that the non-
24 breaching party, in addition to other relief, shall be entitled to reasonable attorney fees, costs, and
25 the expenses of litigation incurred by the non-breaching party in securing the relief granted by the
26 Court.

27 7.14. No Attorneys' Fees and Costs. Except as otherwise set forth in this Agreement, the
28 Parties agree that they shall bear their own respective costs and fees, including attorneys' fees, in

1 connection with the negotiation and execution of this Agreement.

2 7.15. No Representations. The Parties acknowledge that, except as expressly set forth
3 herein, no representation of any kind or character has been made to induce the execution of this
4 Agreement.

5 7.16. Ownership of Claims. The Parties represent that they have not transferred or
6 assigned, or purported to transfer or assign, to any person or entity, any claim described in this
7 Agreement. The Parties further agree to indemnify and hold harmless one another, and all of their
8 present partners, officers, directors, employees against any and all claims based upon, arising out
9 of, or in any way connected with any such actual or purported transfer or assignment.

10 7.17. Severability. Should any provision in this Agreement be declared or determined to
11 be illegal or invalid, the validity of the remaining parts, terms, or provisions shall not be affected
12 thereby, and the illegal or invalid part, term, or provision shall be deemed not to be part of this
13 Agreement, and all remaining provisions shall remain valid and enforceable.

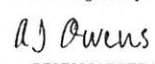
14 7.18. Interpretation. This Agreement, and any ambiguities or uncertainties herein, shall
15 be equally and fairly interpreted, and construed, without reference to the identity of the Party
16 drafting this document, upon the express understanding and agreement that the Parties participated
17 equally in the negotiation and preparation of this Agreement, or have had equal opportunity to do
18 so. Accordingly, the Parties, and each of them, expressly waive the benefits of California Civil
19 Code section 1654, and any successor or amended statute.

20
21 **PLEASE READ CAREFULLY. THIS AGREEMENT INCLUDES THE RELEASE OF**
22 **ALL KNOWN AND UNKNOWN CLAIMS.**

23
24 ***[SIGNATURES ON NEXT PAGE]***

4/5/2022

DATED: April __, 2022

DocuSigned by:
By: 
BF2E032A30ED462
ARMON JASPER OWENS

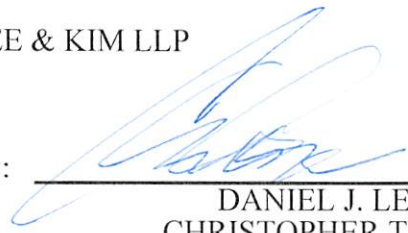
DATED: April __, 2022

By: _____
MATTHEW DOWGIN
Associate General Counsel
BHI Residential Long Term Corporation

APPROVED AS TO FORM:

DATED: April 6, 2022

LEE & KIM LLP

By: 
DANIEL J. LEE
CHRISTOPHER T. KIM
Attorneys for Plaintiff
Armon Jasper Owens

DATED: April __, 2022

LITTLER MENDELSON

By: _____
RACHAEL LAVI
Attorneys for Defendant
BHI Residential Long Term Corporation

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

DATED: April __, 2022

By: _____
ARMON JASPER OWENS

DATED: April 5, 2022

By: Matthew Dowgin
MATTHEW DOWGIN
Associate General Counsel
BHI Residential Long Term Corporation

APPROVED AS TO FORM:

DATED: April __, 2022

LEE & KIM LLP

By: _____
DANIEL J. LEE
CHRISTOPHER T. KIM
Attorneys for Plaintiff
Armon Jasper Owens

DATED: April 6, 2022

LITTLER MENDELSON

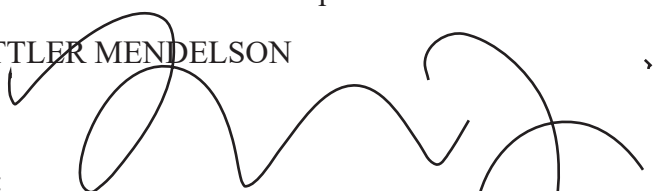
By: 
RACHAEL LAVI
Attorneys for Defendant
BHI Residential Long Term Corporation

Exhibit A

Armon Jasper Owens v. BHI Residential Long Term Corporation
Los Angeles Superior Court Case No.: 21STCV21078
NOTICE OF PAGA SETTLEMENT

<<Name>>

<<Address>>

<<City>>, <<State>> <<Zip Code>>

XX - XX - ____

This notice relates to the settlement of a Private Attorneys General Act (“PAGA”) action titled *Armon Jasper Owens v. BHI Residential Long Term Corporation*, Los Angeles Superior Court, Case No. 21STCV21078 (the “Action”). A PAGA action is an action for civil penalties in which the State of California receives 75% of certain penalties collected and the allegedly aggrieved employees receive 25%.

Armon Jasper Owens (“Plaintiff”), a former employee of BHI Residential Long Term Corporation (“Defendant”), brought this lawsuit on an individual and as a representative action under PAGA, on behalf of the State of California and certain other current and former non-exempt employees who worked for Defendant within the State of California at any time between March 30, 2020, through [DATE OF COURT APPROVAL OF SETTLEMENT] (“PAGA Period”). You have been identified as one of the employees on whose behalf the case was brought.

Plaintiff alleges that Defendant failed to comply with the California Labor Code by failing to (1) pay for all hours worked; (2) pay all overtime wages owed; (3) provide complete and accurate itemized wage statements; (4) reimburse for all necessary expenditures; (5) pay all wages upon separation of employment; (6) provide rest breaks or premium pay in lieu of; and (7) provide meal breaks or premium pay in lieu of. Defendant strongly denies the claims in the Action and asserts that it complied with California law at all times and that no penalties are due to Plaintiff or other allegedly “aggrieved employees”. The Court has not made a determination on the merits of the Action, but the parties have decided to resolve this case through settlement, with the approval of the Court, in order to avoid the cost and risk of further litigation.

You have received this notice because you are or were a non-exempt employee of BHI Residential Long Term Corporation within California during any time between March 30, 2020, through [DATE OF COURT APPROVAL OF SETTLEMENT]. The enclosed check represents your portion of the total settlement proceeds that the parties have agreed to be paid to the allegedly aggrieved employees. You may deposit or cash the check without any further obligation on your part and there is no need for you to contact the Settlement Administrator, the parties, or the Court. This check will remain valid for 180 days from the date of issuance. If you do not cash your check within 180 days of issuance, the funds will be deposited by the Settlement Administrator with the State of California Controller – Unpaid Wages Fund.

The Court has approved the Parties’ Settlement Agreement, and by its terms, releases all claims arising from March 30, 2020 through [DATE OF COURT APPROVAL OF SETTLEMENT]

seeking civil penalties under PAGA that could have been asserted in the Action based on the facts alleged, including but not limited to any and all claims for PAGA penalties for violations of the California Labor Code governing: regular and overtime hours worked; wage statement violations; rest breaks; meal breaks; wages due upon termination; and reimbursement of business expenses. If you have questions about this notice, please contact the Phoenix Settlement Administrators toll-free at (800) 523-5773.

THIS NOTICE IS NOT AN EXPRESSION OF ANY OPINION BY THE COURT AS TO THE MERITS OF THE CLAIMS OR DEFENSES BY EITHER SIDE IN THIS CASE.

PLEASE DO NOT CONTACT THE COURT REGARDING THIS CASE.

Exhibit B



LEE & KIM LLP
100 WEST BROADWAY, SUITE 3000
LONG BEACH, CALIFORNIA 90802
TEL: (213) 468-8840
FAX: (213) 468-8841
WWW.LEEKIMLLP.COM

March 30, 2021

VIA U.S. CERTIFIED MAIL

Labor & Workforce Development Agency
Attention: 2699 Claims
800 Capitol Mall, MIC-55
Sacramento, CA 95814

Labor & Workforce Development Agency
Attention: PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612

RE: Notice of Labor Code Violations and Demand Pursuant to California Labor Code § 2699 et. seq.

Dear Labor & Workforce Development Agency:

My office represents Armon Jasper Owens (hereinafter “Employee”), who intends to pursue a claim for unpaid wages and other Labor Code violations against BHI Residential Long Term Corporation (“Employer”) with the main address of 1550 Larimer Street, Suite 312, Denver, Colorado 80202. Under the Labor Code Private Attorneys General Act of 2004 (“PAGA”), the purpose of this letter is to satisfy the requirements of Labor Code section 2699.3 and all other applicable notice and exhaustion requirements.

Our investigation has revealed that the Employers have violated and/or are liable under numerous provisions of California law with respect to the Employees, including but not limited to the following sections of the California Labor Code, Wage Order 5-2001 of the Industrial Welfare Commission (“IWC”), and other minimum standards and conditions of employment as follows:

- Labor Code § 98.6 (prohibition against retaliating against an employee for complaining about Labor Code violations or for preemptively discharging or discriminating against an employee for such complaints)

Labor & Workforce Development Agency

March 30, 2021

Page 2

- § 201 (duty to pay all wages earned at time of discharge)
- § 202 (duty to pay all wages earned within 72 hours of resignation)
- § 203 (liability for wages continues as penalty from date of violation of sections 201 or 202 (waiting-time penalty))
- § 204 (duty to pay wages earned within prescribed time limit)
- § 206 (duty to pay all wages concededly due regardless of wage dispute)
- § 208 (duty to pay final wages to discharged employee at place of discharge or resigning employee at office in county where employee performed labor)
- § 210 (civil penalty for violations of sections 201.3, 204, 204b, 204.1, 204.2, 205, 205.5, and 1197.5)
- § 226(a) (duty to provide accurate wage statements at time of each wage payment)
- § 226(b)-(c) (duty to allow inspection and copying of, or to provide to employee, payroll records within 21 calendar days of request)
- § 226.3 (civil penalty for violation of 226(a))
- § 226.6 (duty for employer and all officers, agents, employees, etc., to refrain from knowingly and intentionally violating any provision of section 226)
- § 226.7 (duty to provide meal and rest periods as mandated by the IWC, obligation to pay meal- and rest-period premium pay)
- § 351 (prohibition against employer receiving gratuities left for employee or crediting gratuities against minimum wage due to employee)
- § 353 (duty to keep accurate records of all gratuities)
- § 432 (duty to provide employee with copies of all signed documents and instruments upon request)
- § 558 (liability for violation of sections 500-556 or any provision of any IWC wage order)
- § 1102.5 (prohibition against retaliating against employee for complaining to a government agency or for preemptive retaliation for such complaints or for employee's refusal to engage in conduct violative of law)
- § 1174 (duty to keep payroll and time records)
- § 1174.5 (civil penalty for failure to keep and maintain accurate records)
- § 1182.12 (establishing minimum wage for all industries)
- § 1194 (duty to pay minimum wages for all hours worked notwithstanding any agreement to the contrary)
- § 1194.2 (employee entitled to liquidated damages for employer's failure to pay minimum wages)
- § 1197 (duty to pay minimum wages set by IWC)
- § 1197.1 (civil penalties and restitution against any employee or person who pays or causes to be paid less than minimum wage to an employee)
- § 1198 (duty to abide by standard conditions of labor fixed by the IWC)
- § 1198.5 (duty to allow employee to inspect and receive copy of personnel records within 30 days of written request)
- Wage Order 5-2001 § 3(A) (minimum standards and conditions of labor re hours and days of work, overtime pay, etc.)
- Wage Order 5-2001 § 4(A) (minimum wages)

Labor & Workforce Development Agency

March 30, 2021

Page 3

- Wage Order 5-2001 § 4(B) (duty to pay minimum wage each payday for all hours worked in the pay period)
- Wage Order 5-2001 § 4(C) (split shift premiums)
- Wage Order 5-2001 § 7(A) (duty to keep accurate employment information, including time records, wages paid, hours of work, etc.)
- Wage Order 5-2001, section 7(A) (duty to provide wage statements)
- Wage Order 5-2001, section 11(A) (duty to provide meal periods)
- Wage Order 5-2001, section 11(B) (duty to provide meal-period premium pay)
- Wage Order 5-2001, section 11(A) (duty to provide rest periods)
- Wage Order 5-2001, section 11(B) (duty to provide rest-period premium pay)
- Wage Order 5-2001, section 20(A) (civil penalties for violations of wage order)
- All related penalty provisions
- All related terms, conditions, and labor standards and conditions set forth in the California Labor Code and the relevant orders of the IWC, including but not limited to Wage Order 5-2001.

The following is the general factual basis giving rise to these violations:

Employee worked for Employer from April 2020 to March 2021 as a non-exempt leasing agent. Employer failed to pay its employees, including Employee, minimum wages and overtime premiums. Employer also does not keep and maintain accurate payroll records on behalf of its employees, including Employee. Additionally, Employer failed to provide its employees, including Employee, legally compliant rest breaks and meal breaks. As such, Employer failed to pay its employees, including Employee, all wages due and owing in a timely manner. Finally, employees, including Employee, were issued non-compliant paystubs that failed to provide an accounting for all hours worked, rate of pay, amount of pay, deductions and withholdings, overtime, etc. as required under section 226.

If LWDA chooses not to pursue this matter, please inform me of your intent not to investigate. On behalf of the aggrieved employees, this law office intends to vigorously prosecute the aforementioned Labor Code violations and vindicate the rights of all employees who have been subjected to these same Labor Code violations by Employer.

All rights are reserved on behalf of my client.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'D. Lee', with a stylized flourish at the end.

Daniel J. Lee
Lee & Kim LLP

Labor & Workforce Development Agency

March 30, 2021

Page 4

cc (via Certified Mail):

BHI Residential Long Term Corporation

1550 Larimer Street, Suite 312

Denver, Colorado 80202

CSC – Lawyers Incorporating Service

2710 Gateway Oaks Drive, Suite 150N

Sacramento, California 95833