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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF ORANGE

LETICIA SANCHEZ, as an individual and
on behalf of other similarly situated
employees,

Plaintiff,

vs.

12232 CHAPMAN AVE, INC. DBA
CHAPMAN CARE CENTER, a California
corporation, CHAPMAN CARE
CENTER, a California corporation, and
DOES 1-50, inclusive,

Defendants

CASE NO: 30-2021-01195342-CU-OE-CXC

Assigned for all purposes to:
Judge William Claster
Dept. CX104

PAGA SETTLEMENT AGREEMENT

1 This Stipulation of Settlement (“PAGA Settlement Agreement”) is made by and between
2 Plaintiff Leticia Sanchez (“Plaintiff”), on her own behalf and on behalf of all members of the
3 PAGA Group, as defined below, and Defendant 12232 Chapman Avenue, Inc. dba Chapman Care
4 Center and Chapman Care Center. (“Defendant”), in the lawsuit entitled *Sanchez v. 12232*
5 *Chapman Ave, Inc. et al*, the Orange County Superior Court, Case No. 30-2021-01195342-CU-
6 OE-CXC (the “Litigation”). The term “Party” or “Parties” as used herein shall refer to Plaintiff,
7 Defendant, or both, as may be appropriate. This PAGA Settlement Agreement resolves all claims
8 that were asserted or could have been asserted against 12232 Chapman Avenue, Inc. dba Chapman
9 Care Center and Chapman Care Center pertaining to the claims in the Litigation.

10 **I. DEFINITIONS**

11 **A. Administrative Costs.** All administrative costs of settlement, including cost of
12 notice to the Settlement Group, administration, and any fees and costs incurred or charged by the
13 Settlement Administrator in connection with the execution of its duties under this Stipulation of
14 Settlement.

15 **B. Agreement.** The terms “Agreement” or “Settlement Agreement” are used
16 synonymously herein to mean this PAGA Settlement Agreement for purposes of Resolution.

17 **C. Court.** The term “Court” as used herein means the Superior Court of the State of
18 California for the County of Alameda.

19 **D. Date of Approval.** The terms “Date of Approval” or “Approval” as used herein
20 mean the date of the PAGA Settlement Approval Hearing.

21 **E. Defendant.** The term “Defendants” as used herein means: 12232 Chapman
22 Avenue, Inc. dba Chapman Care Center and Chapman Care Center.

23 **F. Litigation.** The term “Litigation” as used herein means the action entitled filed in
24 Orange County Superior Court, Case No. 30-2021-01195342-CU-OE-CXC.

25 **G. Plaintiff.** The term “Plaintiff” as used herein means Leticia Sanchez. The term
26 Plaintiff shall be used synonymously with the term PAGA Representative.

27 **H. Net Settlement Amount.** The term “Net Settlement Amount” as used herein
28 means the Settlement Amount minus any award of attorneys’ fees and Litigation costs,

Administrative Costs, and PAGA Enhancement Payment, and Plaintiff's Individual Settlement Payment. The remaining Net Settlement amount will be disbursed as follows: seventy-five percent (75%) of penalties payable to the LWDA ("LWDA Payment"), twenty-five percent (25%) to the PAGA employees ("PAGA GROUP PAYMENT") pursuant to California's Private Attorney General Act ("PAGA"), and as provided in Sections VI and X, respectively.

I. Net Settlement Payments. The term "Net Settlement Payment(s)" shall include payments made to the Settlement Group as part of the Resolution.

J. LWDA Payment. The term "LWDA Payment" as used herein means seventy-five percent (75%) of the remainder of the Settlement Amount after the deduction of any award of attorneys' fees, Litigation costs, and Administrative Costs and the PAGA Enhancement Payment, to be paid to Labor and Workforce Development Agency ("LWDA"). This amount shall be calculated as follows: Settlement Amount minus (Court approved amounts for attorneys' fees, Litigation costs, and Administrative Costs) times 75%.

K. PAGA GROUP PAYMENT. The term "PAGA GROUP PAYMENT" as used herein means Twenty-five percent (25%) of the remainder of the Settlement Amount after the deduction of any award of attorneys' fees, Litigation costs, and Administrative Costs, PAGA Enhancement Payment, and Plaintiff's Individual Settlement Payment. This amount shall be calculated as follows: Settlement Amount minus (Court approved amounts for attorneys' fees, Litigation costs, and Administrative Costs) times 25%.

L. PAGA Enhancement Payment. The amount the Court awards to Plaintiff, which will not exceed a monetary amount of up to Five Thousand Dollars (\$5,000.00) for the Plaintiff, subject to Court approval, in recognition of her actions in conferring a benefit upon the State of California and her effort and work in prosecuting the Litigation on behalf of the PAGA Group.

M. Plaintiff's Counsel. The term "Plaintiff's Counsel" as used herein means: Jackson, APC who is counsel for and acting on behalf of Plaintiff.

N. PAGA Group. The PAGA Group is defined as: All persons within the State of California who are or were employed by Defendant or provided services to Defendant in the State of California that were classified as non-exempt, paid by hourly rate or by commission, at any time

1 within the PAGA Period.

2 **O. PAGA Period.** The term “PAGA Period” or “Settlement Period” shall refer to the
3 time period from March 4, 2020 to May 9, 2022.

4 **P. Resolution.** The term “Resolution” as used herein means this Agreement to
5 resolve the Litigation.

6 **Q. Settlement Administrator.** The term “Settlement Administrator” as used herein
7 means Simpluris, which will be responsible for the administration of the Settlement Payment, as
8 defined below, and all related matters.

9 **R. Settlement Agreement.** The terms “Settlement Agreement” or “Agreement” are
10 used synonymously herein to means this PAGA Settlement Agreement.

11 **S. Settlement Amount.** The terms “Settlement Amount” and “Gross Settlement
12 Fund” as used herein mean a fund in the sum of On-Hundred Twenty-Five Thousand Dollars
13 (\$125,000) which shall be paid by Defendant, and from which all Net Settlement Payments, PAGA
14 Enhancement Payment, Plaintiff’s Individual Settlement Payment, Court approved attorneys’ fees
15 and Litigation costs pursuant to Section XIII, Administrative Costs pursuant to Section VIII, and
16 distribution to the LWDA pursuant to Section XVI shall be paid, except as provided herein.

17 **II. BACKGROUND**

18 A. On March 4, 2021, Plaintiff sent a letter to LWDA alleging Defendant’s violation
19 of California Labor Code §§ 226(a) 1-2, 4-5, 8, 9, 226(a)(b), 226.3, 226.7, 510, 512, 1194, 1198,
20 2802, Wage Order 5, Sections 3, 7 and 11, 2698, *et seq.*, any applicable IWC Wage Order(s)
21 (“PAGA Letter”).

22 B. On March 30, 2021, Plaintiff sent and amended letter to LWDA alleging
23 Defendant’s violation of California Labor Code §§ 201, 202, 203, 226, 226.3, 226.7, 510, 512,
24 558, 1194, 1198, 2609, *et seq.*, 2699.3, *et seq.*, 2802, any applicable IWC Wage Order(s) (“Second
25 Amended PAGA Letter”).

26 C. On April 13, 2021, Plaintiff filed her Complaint alleging class claims including
27 claims for alleged violations under California Labor Code §§ 201, 202, 203, 226, 226.3, 226.7,
28 510, 512, 558, 1194, 1198, 2698, *et seq.*, 2699.3, *et seq.*, 2802, any applicable IWC Wage Order(s),

1 any applicable IWC Wage Order(s). After this filing, Plaintiff became aware of an arbitration
2 agreement with a class action waiver causing Plaintiff to amend her complaint.

3 D. On August 25, 2021, Plaintiff filed her First Amended Complaint alleging a single
4 case of action for penalties pursuant to Labor Code § 2699(f) for alleged violations and penalties
5 under California Labor Code §§ 201, 202, 203, 226, 226.3, 226.7, 510, 512, 558, 1194, 1198, 2698,
6 et seq., 2699.3, et seq., 2802, any applicable IWC Wage Order(s), and any other claims asserted
7 in the PAGA Letter (“Complaint”). In the Litigation, Plaintiff alleges that Defendant failed to pay
8 their employees all wages in full and on a timely basis for all hours worked, including hours that
9 were not properly paid as overtime and minimum wages, and failed to provide meal and rest
10 periods. Plaintiff alleges that the aforementioned conduct resulted in the employees receiving
11 inaccurate wage statements and failed to reimburse for business expenses.

12 E. Following the filing of the Litigation, counsel for the Parties met and conferred
13 with respect to the potential settlement of the Litigation. Pursuant to these discussions, the Parties
14 agreed to exchange informal discovery and engage in private mediation. The Parties subsequently
15 exchanged informal discovery, including: information and documentation concerning the claims
16 set forth in the Litigation, such as documentation regarding Plaintiff’s employment and sample
17 time records and pay records for the PAGA Group; information regarding the number of putative
18 PAGA Group members and the number of current versus former employees; and the total pay
19 periods worked by the PAGA Group.

20 F. Plaintiff and Plaintiff’s Counsel have engaged in good faith, arms-length
21 negotiations. On March 8, 2022 the Parties participated in a mediation with the Hon. Carl J. West,
22 which resulted in a settlement. The Parties settled the case, subject to the Approval of the Court
23 and finalization of a formal Settlement Agreement. The Parties have now entered into a more
24 detailed, formalized Settlement Agreement for submission to the Court for Approval.

25 G. Plaintiff’s Counsel has conducted an investigation of the law and facts relating to
26 the claims asserted in the Litigation and has concluded, taking into account the sharply contested
27 issues involved, the expense and time necessary to pursue the Litigation through trial and any
28 appeals, the risks and costs of further prosecution of the Litigation, the risk of an adverse outcome,

1 the uncertainties of complex litigation, and the substantial benefits to be received by the Plaintiff
2 and the members of the PAGA Group pursuant to this Agreement, that a settlement with Defendant
3 on the terms and conditions set forth herein is fair, reasonable, adequate, and in the best interests
4 of the PAGA Group. Plaintiff, on her own behalf and as a representative pursuant to PAGA, has
5 agreed to settle the Litigation with Defendant on the terms set forth herein.

6 H. Defendant has concluded that, because of the substantial expense of defending
7 against the Litigation, the length of time necessary to resolve the issues presented herein, the
8 inconvenience involved, and the concomitant disruption to their business operations, it is in its
9 best interests to accept the terms of this Agreement. Defendant deny each of the allegations and
10 claims asserted against it in the Litigation. However, Defendant nevertheless desire to settle the
11 Litigation for the purpose of avoiding the burden, expense, and uncertainty of continuing litigation
12 and for the purpose of putting to rest the controversies engendered by the Litigation.

13 I. This Agreement is intended to and does effectuate the full, final, and complete
14 resolution of all allegations and claims that were asserted, or could have been asserted, in the
15 Litigation by Plaintiff.

16 **III. JURISDICTION**

17 The Parties agree that the Court has jurisdiction over the Parties and the subject matter of
18 this Litigation. The Litigation includes claims that, while Defendant deny them in their entirety,
19 would, if proven, authorize the Court to grant relief pursuant to the applicable statutes. After the
20 Court has granted Approval of the Resolution, pursuant to California Code of Civil Procedure
21 Section 664.6 the Parties agree that the Court shall retain jurisdiction of this action solely for the
22 purpose of interpreting, implementing, and enforcing this Resolution consistent with the terms set
23 forth herein, and the Parties and their counsel submit to the jurisdiction of the Court for purposes
24 of interpreting, implementing, and enforcing this Agreement and all orders and judgments entered
25 in connection therewith.

26 **IV. STATEMENT OF NO ADMISSION**

27 A. Defendant denies liability to Plaintiff and to the PAGA Group upon any claim or
28 cause of action. This Agreement does not constitute, and is not intended to constitute, an admission

1 by Defendant as to the merits, validity, or accuracy of any of the allegations or claims made against
2 it in the Litigation.

3 B. Nothing in this Agreement, nor any action taken in implementation thereof, nor
4 any statements, discussions, or communications, nor any materials prepared, exchanged, issued,
5 or used during the course of the negotiations leading to this Agreement or the Resolution, is
6 intended by the Parties to constitute, nor will any of the foregoing constitute, be introduced, be
7 used, or be admissible in any way in this case or any other judicial, arbitral, administrative,
8 investigative, or other forum or proceeding as evidence of any violation of any federal, state, or
9 local law, statute, ordinance, regulation, rule, or executive order, or any obligation or duty at law
10 or in equity. The Parties themselves agree not to introduce, use, or admit this Agreement, directly
11 or indirectly, in this case or any other judicial, arbitral, administrative, investigative, or other forum
12 or proceeding, as purported evidence of any violation of any federal, state, or local law, statute,
13 ordinance, regulation, rule, or executive order, or any obligation or duty at law or in equity, or for
14 any other purpose. Notwithstanding the foregoing, this Agreement may be used in any proceeding
15 before the Court that has as its purpose the interpretation, implementation, or enforcement of this
16 Agreement or any orders or judgments of the Court entered in connection with the Resolution.

17 C. None of the documents produced or created by Plaintiff or the PAGA Group in
18 connection with the claims procedures or claims resolution procedures constitute, and they are not
19 intended to constitute, an admission by Defendant of any violation of any federal, state, or local
20 law, statute, ordinance, regulation, rule, or executive order, or any obligation or duty at law or in
21 equity.

22 D. Nothing in this Agreement will be construed as an admission or acknowledgement
23 of any kind that any group should or would be given collective treatment in the Litigation or in
24 any other action or proceeding. Further, neither this Agreement nor the Court's actions with regard
25 to this Agreement will be admissible in any court or other tribunal regarding the propriety of
26 collective treatment. In the event that this Agreement is not approved by the Court or any appellate
27 court, is terminated, or otherwise fails to be enforceable, Plaintiff will not be deemed to have
28 waived, limited, or affected in any way any claims, rights, or remedies in the Litigation, and

1 Defendant will not be deemed to have waived, limited, or affected in any way any of their
2 objections or defenses in the Litigation.

3 **V. RELEASE, DISMISSAL, AND CONFIDENTIALITY**

4 **A. Release of Claims for PAGA Penalties**

5 Upon Approval by the Court of this Settlement, Plaintiff and all members of the PAGA
6 Group, and the State of California, will be deemed to have released all claims, rights, or cause of
7 action seeking civil penalties available to LWDA or any agency acting under the authority of the
8 LWDA under the California Labor Code predicated on the claims, allegations, contentions, and
9 representations asserted in the Litigation, during the Settlement Period, against Defendant and all
10 of its current or former parent companies, subsidiary companies and/or related companies,
11 partnerships, joint ventures, and/or staffing agencies, all of its related entities' predecessors and
12 successors, all of its employees, officers, principals, directors, stockholders, owners
13 representatives, assigns, attorneys, agents, insurers, employee benefit programs, and any other
14 persons acting by, through, under, or in concert with any of the persons or entities listed in this
15 subsection and their successors ("Released Parties").

16 **VI. SETTLEMENT ADMINISTRATOR**

17 Plaintiff and Defendant, through their respective counsel, have selected Simpluris as the
18 Settlement Administrator to administer this Settlement, which includes but is not limited to
19 distributing and responding to inquiries about the Settlement and calculating all amounts to be paid
20 from the Net Settlement Fund. Charges and expenses of the Settlement Administrator, estimated
21 to be no more than Seven-Thousand Five Hundred Dollars (\$7,500) will be paid from the
22 Settlement Amount. Any Court-approved charges and expenses of the Settlement Administrator
23 greater than the allocated Seven Thousand Five Hundred Dollars (\$7,500) will come from the
24 Settlement Amount. If the actual Settlement Administrator fees approved by the Court are less
25 than the Parties' estimation, the difference between the actual and estimated Settlement
26 Administrator fees will be included in the Net Settlement Amount.

27 **VII. NOTICE**

28 Plaintiff and Defendant, through their respective attorneys, have jointly prepared a Notice

1 of PAGA Settlement (the “Notice”), which in substance will be provided to the members of the
2 PAGA Group as follows:

3 As soon as practicable following Approval of the Resolution, but no later than twenty-one
4 (21) calendar days after the Court’s Approval, Defendant will provide to the Settlement
5 Administrator the following information about each PAGA Group member: (1) name; (2) last
6 known address; (3) number of pay periods as a PAGA Group member during the PAGA period;
7 and (4) social security number (“PAGA List”).

8 The Settlement Administrator shall run all the addresses provided through the United States
9 Postal Service NCOA database (which provides updated addresses for any individual who has
10 moved in the previous four years who has notified the U.S. Postal Service of a forwarding address)
11 to obtain current address information. Within Fourteen (14) days after the Settlement
12 Administrator’s receipt of the PAGA List, the Settlement Administrator will mail the Notice
13 together with a settlement payment to all PAGA Group members by first-class United States mail,
14 postage prepaid, with directions to the Postmaster to forward the Notice and return all
15 undeliverable Notices to the Settlement Administrator. For each Notice of PAGA Settlement and
16 settlement payment that is returned as undeliverable, the Settlement Administrator shall promptly
17 attempt to locate the PAGA Group member by performing an additional skip trace and shall re-
18 mail the Notice and settlement check no later than ten (10) calendar days following receipt of the
19 undeliverable Notice. The Notice will be provided in English.

20 **VIII. COMPUTATION AND DISTRIBUTION OF PAYMENTS**

21 **A. Distribution Formula.**

22 Members of the PAGA Group will receive a lump sum payment as good and valuable
23 consideration for the waiver and release of claims set forth in Section V(A), above, in an amount
24 determined by the Settlement Administrator in accordance with the provisions of this Agreement.

25 The lump sum payment to each member of the PAGA Group will be determined by
26 dividing the Net Settlement Amount by the total number of pay periods worked by all members of
27 the PAGA Group during the Settlement Period (the “Pay Period Amount”) and then multiplying
28 the Pay Period Amount by the number of pay periods worked by the individual PAGA member.

1 **B. Funding of Settlement.**

2 The funding of the Settlement Amount will be completed at one time with funds provided
3 to and escrowed by the Settlement Administrator. The funds used for the Settlement Amount shall
4 be paid to the Claims Administrator by Defendant within thirty (30) days of the date the Court's
5 Approval order become final and any time-filed appeal therefrom is exhausted.

6 If a PAGA Group member is deceased at the time of distribution, the Settlement
7 Administrator shall distribute the deceased PAGA Group Member's Net Settlement Payment to
8 the deceased PAGA Group member's legal heir(s). In the event of a dispute as to the legal heir(s),
9 the Settlement Administrator shall notify the executor of the deceased PAGA Group member's
10 estate and attempt to place the deceased PAGA Group member's payment in escrow or similar
11 disposition such that any competing heirs may take whatever action they wish to resolve ultimate
12 disposition of such money and the Settlement Administrator and the Parties hereto may disclaim
13 any further interest in or obligation in relation to such money.

14 If a check is returned to the Settlement Administrator as undeliverable, the Settlement
15 Administrator shall promptly attempt to obtain a valid mailing address by performing a skip trace
16 search and, if another address is identified, shall mail the check to the newly identified address. If
17 the Settlement Administrator is unable to obtain a valid mailing address through this process, the
18 monies represented by the check shall be turned over according to the below procedures.

19 Settlement checks will specifically indicate that they are void if not negotiated within one
20 hundred eighty 180 days of their issuance. Any settlement checks that remain uncashed one
21 hundred eighty (180) or more calendar days after issuance by the Settlement Administrator shall
22 be voided. The Settlement Administrator will remit the entire amount of each PAGA Group
23 member's uncashed Individual Settlement Payment to the California State Controller for deposit
24 in the Unclaimed Property Fund in the name of the PAGA Group member to whom the uncashed
25 Individual Settlement Payment was drafted.

26 **C. PAGA Enhancement Payment.**

27 Subject to Court approval, the Plaintiff shall receive an Enhancement Award of up to Five
28 Thousand Dollars (\$5,000.00) for services as the PAGA representative. The PAGA Enhancement

1 Payment will be paid from the Gross Settlement Fund and Settlement Amount and shall not
2 constitute payment to any other PAGA Group members other than Plaintiff. To the extent that the
3 Court approves less than the amount of PAGA Enhancement Award that Plaintiff's Counsel
4 requests, the difference between the requested and awarded amounts will be reallocated to the Net
5 Settlement Amount, and Plaintiff shall not have the right to revoke this Settlement, and it will
6 remain binding.

7 Because it is the intent of the Parties that the PAGA Enhancement Payment represent
8 payment to Plaintiff for service to the PAGA Group, and not wages, the Settlement Administrator
9 will not withhold any taxes from the PAGA Enhancement Payment. The PAGA Enhancement
10 Payment will be reported on the IRS Form 1099, which the Settlement Administrator will provide
11 to Plaintiff and to the pertinent taxing authorities as required by law.

12 **D. Time for Distribution of the Attorney Fees, Costs, and LWDA Payment.**

13 The Settlement Administrator shall cause the Court approved attorney's fees and Litigation
14 costs and LWDA Payment to be paid at the same time and manner as the Settlement Payments to
15 the PAGA Group.

16 **IX. NO CONTRIBUTIONS TO EMPLOYEE BENEFIT PLAN**

17 The amounts paid under this Agreement do not represent a modification of any previously
18 credited hours of service under any employee benefit plan, policy, or bonus program sponsored by
19 Defendant. Such amounts will not form the basis for additional contributions to, benefits under,
20 or any other monetary entitlement under, benefit plans (self-insured or not) sponsored by
21 Defendant, policies, or bonus programs. Any payments made under the terms of this Resolution
22 shall not be applied retroactively, currently, or on a going forward basis as salary, earnings, wages,
23 or any other form of compensation for the purposes of Defendant's benefit plan, policy, or bonus
24 program. Defendant retain the right to modify the language of their benefit plans, policies, and
25 bonus programs to effect this intent and to make clear that any amounts paid pursuant to this
26 Resolution are not for "hours worked," "hours paid," "hours of service," or any similar measuring
27 term as defined by applicable plans, policies, and bonus programs for purpose of eligibility,
28 vesting, benefit accrual, or any other purpose, and that additional contributions or benefits are not

required by this Resolution.

X. PLAINTIFF'S COUNSEL'S ATTORNEYS' FEES AND LITIGATION COSTS

Defendant shall not oppose an application by Plaintiff's Counsel for, and Plaintiff's Counsel shall not seek or receive an amount in excess of 33.33% of the Settlement Amount for all past and future attorneys' fees necessary to prosecute, settle, and administer the Litigation and this Resolution. In addition, Plaintiff seeks a maximum of \$12,500 to reimburse litigation costs. Any attorneys' fees or Litigation costs awarded to Plaintiff's Counsel by the Court shall be deducted from the Settlement Amount for the purpose of determining the Net Settlement Amount. This amount shall include all attorneys' fees, Litigation costs, and expenses for which Plaintiff and Plaintiff's Counsel could claim under any legal theory whatsoever. Should the Court approve a lesser percentage or amount of fees and/or Litigation costs than the amount that Plaintiff's Counsel ultimately seeks, then the unapproved portion or portions shall revert to the Net Settlement Amount and Plaintiff shall not have the right to revoke this Settlement, and it will remain binding.

XI. TAXATION AND ALLOCATION

For withholding tax characterization purposes and payment of taxes, the Net Settlement Amount shall be deemed and is allocated by the Parties as follows ("Net Settlement Allocation"): 100% as penalties.

All PAGA Group members who cash their settlement check may receive an IRS Form 1099 for their portion of the settlement, if deemed required by the Settlement Administrator (in compliance with IRS guidelines). The Settlement Administrator shall be responsible for preparing and distributing any such IRS Forms 1099.

XII. COURT APPROVAL

This Agreement and the Resolution is contingent upon Approval by the Court. Plaintiff and Defendant agree to take all steps as may be reasonably necessary to secure Approval of the Resolution, to the extent not inconsistent with the terms of this Agreement, and will not take any action adverse to each other in obtaining Court Approval of the Resolution in all respects.

XIII. APPRAISAL AND CERTIFICATION BY THE SETTLEMENT ADMINISTRATOR.

1 The Settlement Administrator shall keep Plaintiff's Counsel and Defendant's Counsel
2 apprised of all distributions from the Settlement Amount. Upon completion of administration of
3 the Settlement, the Settlement Administrator shall provide written certification of such completion
4 to Plaintiff's Counsel and Defendant's Counsel. The Settlement Administrator shall also provide
5 Defendant will a final accounting, including the names of payees and Net Settlement Payments.

6 **XIV. MISCELLANEOUS PROVISIONS**

7 **A. Stay of Litigation.**

8 Plaintiff and Defendant agree to the stay of all discovery in the Litigation, pending
9 Approval of the Resolution by the Court.

10 **B. Interpretation of the Agreement.**

11 This Agreement constitutes the entire agreement between Plaintiff and Defendant. Except
12 as expressly provided herein, this Agreement has not been executed in reliance upon any other
13 written or oral representations or terms, and no such extrinsic oral or written representations or
14 terms shall modify, vary, or contradict its terms. In entering into this Agreement, the Parties agree
15 that this Agreement is to be construed according to its terms and may not be varied or contradicted
16 by extrinsic evidence. The Agreement will be interpreted and enforced under the laws of the State
17 of California, both in its procedural and substantive aspects, without regard to its conflict of laws
18 provisions. Any claim arising out of or relating to the Agreement, or the subject matter hereof,
19 will be resolved solely and exclusively in the Superior Court of the State of California for the
20 County of Los Angeles and Plaintiff and Defendant hereby consent to the personal jurisdiction of
21 the Court over them solely in connection therewith. The foregoing is only limited to disputes
22 concerning this Agreement and in no way limits or negates the enforceability and effect of any
23 other agreements signed by employees of Defendant. Plaintiff, on his own behalf and on behalf
24 of the PAGA Group, and Defendant participated in the negotiation and drafting of this Agreement
25 and had available to them the advice and assistance of independent counsel. As such, neither
26 Plaintiff nor Defendant may claim that any ambiguity in this Agreement should be construed
27 against the other.

28 The terms and conditions of this Agreement constitute the exclusive and final

1 understanding and expression of all agreements between Plaintiff and Defendant with respect to
2 the Resolution of the Litigation. The Agreement may be modified only by a writing signed by
3 counsel for all Parties or their successors-in-interest.

4 **C. Further Cooperation.**

5 Plaintiff and Defendant and their respective attorneys shall proceed diligently to prepare
6 and execute all documents, to seek Approval from the Court, and to do all things reasonably
7 necessary or convenient to consummate the Agreement as expeditiously as possible.

8 **D. Confidentiality of Documents.**

9 Plaintiff, the Settlement Administrator, and Plaintiff's Counsel shall maintain the
10 confidentiality of all documents, deposition transcripts, declarations, and other information
11 obtained in the Litigation, unless necessary for appeal or such documents are ordered to be
12 disclosed by the Judge or by a subpoena.

13 **E. Counterparts.**

14 The Agreement may be executed in one or more actual or non-original counterparts, all of
15 which will be considered one and the same instrument and all of which will be considered duplicate
16 originals.

17 **F. Authority.**

18 Each individual signing below warrants that he or she has the authority to execute this
19 Agreement on behalf of the party for whom or which that individual signs.

20 **G. No Third-Party Beneficiaries.**

21 Plaintiff, members of the PAGA Group, Defendant, and Released Entities are direct
22 beneficiaries of this Agreement, but there are no third-party beneficiaries.

23 **H. Force Majeure.**

24 The failure of any party to perform any of its obligations hereunder shall not subject such
25 party to any liability or remedy for damages, or otherwise, where such failure is occasioned in
26 whole or in part by acts of God, fires, accidents, earthquakes, other natural disasters, explosions,
27 floods, wars, interruptions or delays in transportation, power outages, labor disputes or shortages,
28 shortages of material or supplies, governmental laws, restrictions, rules or regulations, sabotage,

1 terrorist acts, acts or failures to act of any third parties, or any other similar or different
2 circumstances or causes beyond the reasonable control of such party.

3 **I. Deadlines Falling on Weekends or Holidays.**

4 To the extent that any deadline set forth in this Agreement falls on a Saturday, Sunday, or
5 legal holiday, that deadline shall be continued until the following business day.

6 **J. Severability.**

7 In the event that any one or more of the provisions contained in this Agreement shall for
8 any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or
9 unenforceability shall in no way effect any other provision if Defense Counsel and Plaintiff's
10 Counsel, on behalf of the Parties and the PAGA Group, mutually elect in writing to proceed as if
11 such invalid, illegal, or unenforceable provision had never been included in this Agreement.

12 **K. Fees and Costs.**

13 Notwithstanding attorneys' fees and costs awarded to Plaintiff by the Court as set forth in
14 this Agreement, all of Defendant's and Plaintiff's own legal fees, costs, and expenses incurred in
15 this Litigation shall be borne by Defendant.

16 [Signatures to follow on next page]
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1 Dated: May 19, 2022

Leticia Sanchez
LETICIA SANCHEZ, *Plaintiff*

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3
4 Dated: May 24, 2022


By:
12232 CHAPMAN AVE., INC. DBA
CHAPMAN CARE CENTER, *Defendant*

5
6
7 **APPROVED AS TO FORM ONLY:**

8
9 Dated: May 19, 2022

JACKSON, APC

10
11 Armond Jackson
Armond M. Jackson, Esq.
Attorneys for Plaintiff
LETICIA SANCHEZ

12
13
14
15 Dated: May 24, 2022

DE CASTRO LAW GROUP

16 
Jose-Manuel A. De Castro, Esq.
Attorney for Defendant
12232 CHAPMAN AVE., INC. DBA
CHAPMAN CARE CENTER

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