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 14 GRANITE HILLS HEALTHCARE &
 WELLNESS CENTER, LLC and B-SAN DIEGO, LLC
 15

16
 17 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
 18 **FOR THE COUNTY OF SAN DIEGO**

19 CHERYL ELLISON, individually, and on
 20 behalf of all others similarly situated,

21 Plaintiff,

22 v.

23 GRANITE HILLS HEALTHCARE &
 WELLNESS CENTRE, LLC, a limited liability
 24 company; B-SAN DIEGO, LLC, a limited
 liability company dba BRIGHTON PLACE
 25 SAN DIEGO; and DOES 1 through 10,
 inclusive,

26 Defendants
 27
 28

CASE NO.: 37-2021-00032864-CU-OE-CTL
 [Unlimited Jurisdiction]

*Assigned for all purposes to the
 Honorable Hon. Richard E.L. Strauss,
 Dept. C-75*

**SETTLEMENT AGREEMENT AND
 RELEASE OF CLAIMS**

Complaint filed: August 2, 2021
 Trial date: Not Set

1 **SETTLEMENT AGREEMENT AND RELEASE OF PAGA CLAIMS**

2 Plaintiff CHERYL ELLISON (“Plaintiff”), individually and in her capacity as a representative
3 of the State of California on behalf of other allegedly aggrieved employees, and Defendants GRANITE
4 HILLS HEALTHCARE & WELLNESS CENTRE, LLC and B-SAN DIEGO, LLC (“Defendants”,
5 Plaintiff and Defendants are the “Parties”), hereby enter into this Settlement Agreement and Release of
6 Private Attorneys General Act of 2004 Claims (“Settlement”) as follows:

7 **DEFINITIONS**

8 1. **“Action”** means and refers to *Ellison v. Granite Hills Healthcare & Wellness Centre,*
9 *LLC, et al.* Case No. 37-2021-00032864-CU-OE-CTL, which is currently pending in the San Diego
10 County Superior Court of the State of California.

11 2. **“PAGA Settlement Members”** The PAGA Settlement Members (also referred to
12 herein as the “aggrieved employees”) included in the Settlement shall be all past and present non-
13 exempt hourly employees of Defendants in California at any time from July 31, 2020 through
14 August 15, 2022 (“Covered Period”).

15 3. The terms **“Agreement,” “Settlement,”** and **“Settlement Agreement”** mean this
16 Agreement for PAGA Representative Action Settlement, which the Parties acknowledge sets forth
17 all material terms and conditions of the Settlement between them, and which is subject to Court
18 approval pursuant to Section 2699(1) of the California Labor Code Private Attorneys General Act
19 of 2004, Labor Code §§ 2698, *et seq.*

20 4. **“Court”** means the California Superior Court, County of San Diego.

21 5. **“Defendants”** means GRANITE HILLS HEALTHCARE & WELLNESS CENTRE,
22 LLC and B-SAN DIEGO, LLC.

23 6. **“Effective Date”** The Effective Date of this Agreement shall be the date the Court
24 enters an order approving this Agreement.

25 7. **“PAGA Period”** shall mean July 31, 2020 to August 15, 2022.

26 8. **“Gross Settlement Amount”** means a maximum total of \$130,000.00, which
27 includes all payments owing as a result of this Agreement and includes: the Net Settlement Amount;
28 Settlement Administration Costs; Plaintiff’s service payment; and PAGA Counsel Attorneys’ Fees

1 and Costs as awarded by the Court.

2 9. **“LWDA Payment”** means a payment to the California Labor Workforce and
3 Development Agency in an amount equal to 75% of the Net Settlement Amount.

4 10. **“Net Settlement Amount”** is the Gross Settlement Amount less (1) PAGA
5 Counsel’s Attorneys’ Fees and Costs, (2) Settlement Administration Costs, and (3) Plaintiff’s
6 service payment.

7 11. **“PAGA Aggrieved Employee Payment”** means a payment of 25% of the Net
8 Settlement Amount, which the Parties have agreed to pay the Aggrieved Employees in connection
9 with the settlement of the PAGA Claim.

10 12. **“PAGA Claim”** means the claim for civil penalties under the California Labor Code
11 Private Attorneys General Act of 2004 (Cal. Lab. Code sections 2698 *et seq.*, “PAGA”) alleged in
12 the Action and stated in Plaintiff’s July 31, 2021 notice letter to the LWDA.

13 13. **“PAGA Counsel”** means Moon & Yang, APC.

14 14. **“Released Claims”** means all claims for relief under PAGA arising during the
15 Covered Period based on the facts alleged by Plaintiff in the Action and Plaintiff’s notice letter to
16 the LWDA including, but not limited to, claims for civil penalties based on alleged violations of
17 Labor Code sections 201, 201.3, 202, 203, 204, 205.5, 218, 218.6, 226, 226.3, 226.7, 246, 256, 510,
18 511, 512, 558, 558.1, 1174, 1174.5, 1175, 1193.6, 1194, 1194.2, 1197, 1197.1, 1198, 2699, and the
19 applicable IWC Wage Orders, and any resulting claim for attorneys’ fees and costs under.

20 15. **“Released Parties”** shall mean Defendants, and each of its respective current and
21 former, direct and indirect owners, parents, subsidiaries, brother-sister companies, and all other
22 affiliates and related entities, and their current and former partners, officers, directors, employees,
23 attorneys, agents, and other related parties.

24 16. **“Representative Plaintiff”** means Plaintiff Cheryl Ellison.

25 17. **“Settlement Administrator”** shall mean ILYM Group, Inc., a neutral third-party
26 administrator chosen by the Parties, subject to approval by the Court.

27 **RECITALS**

28 18. On July 31, 2021, Plaintiff sent a PAGA Notice to the Labor Workforce and

1 Development Agency ("LWDA"), with a copy to Defendants. On August 2, 2021, Plaintiff filed a
2 class action complaint in the Superior Court of the State of California, County of San Diego styled
3 *Ellison v. Granite Hills Healthcare & Wellness Centre, LLC, et al.* Case No. 37-2021-00032864-
4 CU-OE-CTL.

5 19. On or about October 8, 2021, Plaintiff filed a first amended complaint in the Action
6 to the add the PAGA Claim.

7 20. The PAGA Claims seek civil penalties and an award of reasonable attorneys' fees
8 and costs.

9 21. The Parties have conducted a thorough investigation into the facts of the Action.
10 This included exchanging data and information as well as documents relating to the underlying
11 alleged violations. After attending a mediation with Steve Rottman, Esq. on July 7, 2022, the Parties
12 entered into an agreement, formalized herein, which they believe is fair, reasonable, and adequate.
13 The Parties understand, acknowledge, and agree that this Settlement Agreement constitutes a
14 compromise of Representative Plaintiff's and the Aggrieved Employees' PAGA Claim, and that it
15 is the desire and intention of the Parties to effect a final and complete resolution of the PAGA Claim
16 that the Representative Plaintiff and the Aggrieved Employees have against Defendants or any
17 persons or companies affiliated with Defendants.

18 22. The Parties enter into this Settlement Agreement on a conditional basis. In the event
19 the Court does not enter a Final Order and Judgment, this Settlement Agreement will be deemed
20 null and void *ab initio* and will be of no force or effect whatsoever, and will not be referred to or
21 utilized for any purpose whatsoever.

22 23. Defendants deny all of the claims in the Action, and do not waive, but rather
23 expressly reserve, all rights to challenge all such claims and allegations upon all legal, procedural
24 and factual grounds should this Settlement Agreement not become final. This Settlement
25 Agreement reflects a compromise reached to end litigation.

26 24. The Parties stipulate and agree to the following terms of this Settlement Agreement
27 with the intent that this Agreement finally disposes of the Action with prejudice.
28

TERMS AND CONDITIONS

25. **Settlement Payments and Calculation of Claims.** The following table summarizes the allocation of the Gross Settlement Amount:

Gross Settlement Amount of \$130,000.00 Is Broken Down As Follows:

- PAGA Counsel Attorneys' Fees not to exceed **35% (or \$45,500).**
- PAGA Counsel Costs not to exceed \$18,000.00.
- Settlement Administration Costs not to exceed \$15,000.00.
- Payment to the Plaintiff for \$7,500.00 in exchange for a general release
- Approximately \$44,000.00 for the Net Settlement Amount:
 - 25% of the Net Settlement Amount for the PAGA Aggrieved Employee Payment (approximately \$11,000.00)
 - 75% of the Net Settlement Amount for the LWDA Payment (approximately \$33,000.00)

26. Subject to final Court approval and the conditions specified in this Agreement, and in consideration of the mutual covenants and promises set forth in this Agreement, Defendants agree to pay the Gross Settlement Amount of \$130,000.00. The Gross Settlement Amount includes payments to be made to PAGA Counsel's attorneys' fees and costs, LWDA Payment, Payment to Plaintiff for the resolution of her individual claims, and Settlement Administration Costs.

27. Escalator Clause: If the number of pay periods covered by this Settlement exceeds the original estimate of 16,578 by more than 10%, the Gross Settlement Amount will increase proportionally for any increase over 10%. Specifically, the number of pay periods exceeds the original estimate by 11%, the Gross Settlement Amount shall increase by 1%. In the alternative, Defendants, in their sole discretion, may elect to adjust the release period end date so as not to exceed 16,578 pay periods.

28. The Parties agree, subject to Court approval, that the Gross Settlement Amount shall be apportioned as follows:

a. **Settlement Administration Fees And Costs:** The fees and costs associated with settlement administration (*e.g.*, preparing and mailing payments to the Aggrieved Employees, tax documentation, etc.) (the "**Settlement Administration Costs**") will be paid from the Gross Settlement Amount and are estimated not to exceed \$15,000.00. The Parties agree to use ILYM

1 Group, Inc. as the Settlement Administrator. Any unused portion of the settlement administration
2 fees shall be distributed to the aggrieved employees and LWDA on a pro-rata basis.

3 b. PAGA Counsel's Attorneys' Fees and Costs: The Parties agree that, subject
4 to the Court's review and approval, PAGA Counsel will be paid from the Gross Settlement Amount
5 an amount that is up to 35% of the Gross Settlement Amount for attorneys' fees (\$44,500), plus
6 actual litigation costs not to exceed \$18,000.00. Any unused portion of the attorneys' costs shall be
7 distributed to the aggrieved employees and LWDA on a pro-rata basis.

8 c. Settlement Payment To Named Plaintiff: Subject to Court approval,
9 Defendants agree to pay Plaintiff Seven Thousand Five-Hundred Dollars (\$7,500.00) to be paid
10 from the Gross Settlement Amount, for her service as the PAGA representative and for the release
11 of her individual claims. Upon receipt of the service award, Plaintiff will be deemed to have fully
12 released and discharged Defendants and the Released Parties from any and all claims, demands,
13 obligations, causes of action, rights, or liabilities of any kind which have been or could have been
14 asserted against Defendants and the Released Parties arising out of, or relating to, Plaintiff's
15 employment with Defendants or termination thereof. This release is intended to have the broadest
16 possible effect under the law, and specifically includes any and all claims, demands, obligations
17 and/or causes of action for wages, damages, liquidated damages, benefits, fringes, equitable relief,
18 restitution, penalties, interest, and attorneys' fees and costs (except provided by the Settlement)
19 relating to or in any way connected with the matters referred to herein, whether or not known or
20 suspected to exist, and whether or not specifically or particularly described herein. Specifically,
21 Plaintiff will be deemed to have waived all rights and benefits afforded by California Civil Code
22 Section 1542, which provides:

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

1 Plaintiff will be responsible for correctly characterizing this compensation for tax purposes
2 and for paying any taxes owing on said amount. The Parties agree that a reduction by the Court of
3 the requested Service Award is not a basis for rendering the entire Settlement voidable or
4 unenforceable.

5 d. Plaintiff's Release of Claims. Except as otherwise provided herein, in
6 exchange for the consideration described herein, Plaintiff, on her own behalf and on behalf of her
7 descendants, dependents, heirs, executors, administrators, agents, assigns, and successors
8 (collectively, "Plaintiff's Releasers"), hereby covenants not to sue and fully and unconditionally
9 forever release and discharge Defendants, their past, present, and future representatives, directors,
10 officers, employees, agents, attorneys, affiliates, members, and shareholders, as well as all parent
11 companies, affiliated companies, subsidiary companies, affiliates, clients, client facilities,
12 consultants, agents, attorneys, predecessors, assignors, and/or assigns (collectively, "Defendants'
13 Released Parties"), from and against any and all claims, causes of action, judgments, liens, demands,
14 damages, obligations, suits, contracts, liabilities, losses, costs, and expenses, including, but not
15 limited to, attorneys' fees and disbursements, or offsets of any nature whatsoever (collectively,
16 "Claims") that Plaintiff's Releasers now have, have had, or may hereafter have against Defendants'
17 Released Parties arising out of the Parties' relationship, the cessation of this relationship, including
18 but not limited to those claims arising out of or relating to (i) Plaintiff's performance and reputation,
19 (ii) harassment, (iii) discrimination, (iv) retaliation, and (v) any Claims arising under the Title VII
20 of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Americans with Disabilities Act,
21 the Age Discrimination in Employment Act, the Federal Rehabilitation Act, the Employee
22 Retirement Income Security Act, the Family and Medical Leave Act, the Fair Labor Standards Act,
23 the California Fair Employment and Housing Act, the California Family Rights Act, the California
24 Labor Code, and any other applicable state or federal law which took place prior to the Effective
25 Date. Except for any rights created by this agreement, this General Release is intended to be
26 interpreted as broadly as possible and to apply to any and all claims available to Plaintiff in any
27 forum, including, but not limited to, any claims for unpaid wages, expense reimbursement, unpaid
28 penalties or premiums, liquidated damages, class or representative actions governing employment

(to the fullest extent allowed by applicable law), constructive termination, negligent or intentional infliction of emotional distress, harassment, discrimination, wrongful termination, negligence, breach of contract, breach of the covenant of good faith and fair dealing, promissory estoppel, fraud, negligent or intentional misrepresentation, negligent or intentional interference with contract or prospective economic advantage, unfair business practices, defamation, libel, slander, personal injury; assault, battery, invasion of privacy, false imprisonment, conversion, disability benefits, claims under Labor Code section 132(a), violation of any provision of federal or state law governing employment, and any claim for attorneys' fees or costs. All such claims are forever barred by this Agreement. However, this release shall not apply to claims for workers' compensation benefits or unemployment insurance benefits or any other claims that Plaintiff cannot, by statute, lawfully waive by this Agreement.

e. Net Settlement Amount: After deducting PAGA Counsel's Attorneys' Fees and Costs, Plaintiff's Service Award, and Settlement Administration Costs from the Gross Settlement Amount, the remaining amount will comprise the Net Settlement Amount. The Net Settlement Amount is comprised of the LWDA Payment and the PAGA Aggrieved Employee Payment. The Net Settlement Amount of approximately \$44,000 shall be allocated 75% to the LWDA Payment, which is estimated to total \$33,000.00. The remaining 25% of the Net Settlement Amount, estimated to total \$11,000.00, shall be allocated to the PAGA Aggrieved Employee Payment to be paid to the Aggrieved Employees on a *pro rata* basis as noted below, which shall be referred to as the Aggrieved Employee's "**Individual PAGA Payment.**"

f. Taxes and Reporting: The Individual PAGA Payments will be treated as non-wage income to the Aggrieved Employees and reported by the Settlement Administrator on IRS Form 1099.

29. **Release By PAGA Members**

a. PAGA Members Limited Release. Each PAGA Member (including Plaintiff) shall, for the Covered Period, fully release and forever discharge Defendants from any and all claims for PAGA penalties that were asserted pursuant to Labor Code Section 2699 for civil penalties (excluding wages) in Plaintiff's PAGA Notice, submitted on July 31, 2021.

b. No Claims Based On Agreement. No Aggrieved Employee will have any claim against any of the Released Parties, Defendants' counsel, the Representative Plaintiff, or PAGA Counsel, based on errors in administering claims or performing the mailing and skip-tracing requirements of the Settlement Administrator under this Agreement.

30. **Settlement Funding**

Subject to Court approval of the Settlement, payment shall be made within 14 days of the Court's approval of the Settlement.

31. **PAGA List.**

Within 20 days after the Effective Date, Defendants will compile a PAGA Member list containing: (1) name; (2) last known home address and telephone number; (3) number of pay periods as a PAGA Member during the Covered Period; and (4) social security number. The PAGA Members shall receive a pro rata share of the 25 percent of the PAGA Penalties Payment allocated to PAGA Members, which will be calculated using a ratio of (a) the number of pay periods worked by the PAGA Member during the Covered Period to (b) the total number of pay periods worked by all PAGA Members during the Covered Period.

32. **List Of Individual Settlement Amounts.**

Within 10 days after the Settlement Administrator receives the PAGA List, the Settlement Administrator will provide to PAGA Counsel and Defendants' counsel a Proceeds List reflecting the Individual PAGA Payment for each Aggrieved Employee ("**Proceeds List**"). The Proceeds List provided to PAGA Counsel will not include the Aggrieved Employees' names, social security numbers or contact information.

33. **PAGA Payments to Aggrieved Employees.**

a. No later than 20 days after receipt of the Proceeds List, the Settlement Administrator will mail to each Aggrieved Employee, via first-class United States Mail, the following: (a) the PAGA Settlement Notice in English and Spanish, attached as Exhibit A to this Agreement and (b) their Individual PAGA Payment (collectively, the "**PAGA Packet**").

b. Prior to mailing, the Settlement Administrator will update all addresses using the National Change of Address System (NCOA). In the event that a PAGA Packet is returned to

1 the Settlement Administrator with a forwarding address, the Settlement Administrator will re-send
2 the PAGA Packet to the forwarding address identified. If no forwarding address is provided, then
3 the Settlement Administrator will promptly conduct a “standard search,” sometimes called, “Skip
4 Trace” or “Credit Header” searches, to locate a better address. If a better address is found, the
5 Settlement Administrator will promptly re-send the PAGA Packet. If a better address is not found
6 or the PAGA Packet is ultimately returned without a forwarding address, neither the Settlement
7 Administrator, Defendants, or PAGA Counsel shall be required to take further action.

8 c. Aggrieved Employees shall have 180 calendar days after the date the PAGA
9 Packet is mailed to them to cash their settlement payment checks. If any Aggrieved Employee’s
10 check is not cashed within that period, the settlement payment check will be voided and a stop-
11 payment will be issued. Neither Defendants, Defendants’ counsel, Plaintiff, nor PAGA Counsel
12 will have any liability for lost or stolen settlement payment checks, forged signatures on settlement
13 payment checks, unauthorized negotiation of settlement payment checks or failure to timely cash a
14 settlement payment check within the 180 day period.

15 d. Any unpaid cash residue or unclaimed Aggrieved Employee funds, plus any
16 accrued interest that has not otherwise been distributed pursuant to order of the Court, shall be
17 transmitted to California State Controller’s Office for Unclaimed Property in the name of each
18 Aggrieved Employee who failed to cash their Individual PAGA Payment prior to the void date.

19 34. **Payments Of Attorneys’ Fees And Costs, and the LWDA Settlement Payment.**

20 a. No later than 30 days after the Settlement is funded, the Settlement
21 Administrator will pay from the Gross Settlement Amount to PAGA Counsel its Court-approved
22 Attorneys’ Fees and Costs.

23 b. No later than 30 days after the Settlement is funded, the Settlement
24 Administrator will pay the LWDA Payment from the Net Settlement Amount by issuing a check
25 payable to “California Labor Workforce and Development Agency.”

26 35. **Deadlines.**

27 If any deadline specified in this Agreement falls on a Saturday, Sunday, or Court holiday,
28 the deadline will be automatically extended to the next regular business day. Unless specified

otherwise, all references to “days” shall mean calendar days.

36. **Enforcement and Continuing Jurisdiction of the Court.**

Pursuant to the Parties agreement, this Settlement Agreement will be approved by the Court and will be enforceable by the Court pursuant to California Code of Civil Procedure section 664.6. Even after the entry of the Final Order and Judgment, this Court will have and retain continuing jurisdiction over the Action and over all Parties and the Aggrieved Employees, to the fullest extent necessary or convenient to enforce and effectuate the terms and intent of this Settlement Agreement and all matters provided for in it, and to interpret it.

37. **Mutual Full Cooperation.**

The Parties will fully cooperate with each other to accomplish the terms of this Settlement Agreement, including, but not limited to, execution of such documents and taking such other action as may be reasonably necessary or convenient to implement it.

38. **Non-Admission Of Liability.**

The Parties enter into this Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense and risk of continued litigation. In entering into this Agreement, Defendants do not admit, and specifically deny, that it has violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations or legal requirements; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to the Action. Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an admission or concession by Defendants of any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this Agreement, this Agreement and its terms and provisions shall not be offered or received as evidence in any action or proceeding to establish any liability or admission on the part of Defendants or to establish the existence of any condition constituting a violation of, or a non-compliance with, federal, state, local or other applicable law.

39. **Effective Date Of Defendants’ Obligations Under This Agreement.**

Defendants’ obligations under this Settlement Agreement will become final and effective

1 only upon the occurrence of the Effective Date. In the event that any of the conditions specified in
2 this Settlement Agreement are not satisfied, or in the event that this Settlement does not obtain
3 approval of the Court for any reason, all matters covered by this Agreement will be null and void.
4 In such event, neither this Agreement nor any negotiations leading to this Settlement will be used
5 or construed by or against any Party as a determination, admission, or concession of any issue of
6 law or fact in the litigation; and the Parties do not waive, and instead expressly reserve, their
7 respective rights regarding the prosecution and defense of the Action, including all available
8 defenses and affirmative defenses, and to challenge any claim, as if this Settlement Agreement never
9 existed.

10 40. **Nullification.**

11 If: (1) the Court should for any reason fail to enter the Final Order and Judgment; or (2) the
12 Court's Final Order and Judgment is reversed or modified as to any material term as defined above,
13 or declared or rendered void as to any material term as defined above, then (a) the Settlement
14 Agreement shall become null and void; (b) the Parties will revert to their respective positions
15 immediately prior to reaching the settlement; and (c) Defendants will be responsible for any
16 Settlement Administration Costs.

17 41. **Invalidation.**

18 Invalidation of any material term of this Settlement Agreement will invalidate this
19 Agreement in its entirety unless the Parties subsequently agree in writing that the remaining
20 provisions will remain in full force and effect.

21 42. **Entire Agreement.**

22 This Settlement Agreement constitutes the entire integrated agreement between the Parties
23 relating to the Action, and no oral representations, warranties, or inducements have been made to
24 any party concerning this Settlement Agreement other than the representations, warranties, and
25 covenants contained and memorialized in this Settlement Agreement.

26 43. **Authorization To Act.**

27 PAGA Counsel warrants and represents that they are authorized by the Representative
28 Plaintiff, and counsel of record for Defendants warrant that it is authorized by Defendants, to take

1 all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement
2 Agreement to effectuate its terms, and to execute any other documents required to effectuate the
3 terms of this Settlement Agreement, except for any documents, including but not limited to this
4 Settlement Agreement, that are required to be executed by the Parties.

5 44. **Modification Only In Writing.**

6 This Settlement Agreement may be amended or modified only by a written instrument signed
7 by all Parties or their successors in interest.

8 45. **Binding On Successors.**

9 This Settlement Agreement is binding upon and will inure to the benefit of the Parties to this
10 Agreement, as well as their respective attorneys, past, present, and future predecessors, successors,
11 shareholders, officers, directors, employees, agents, trustees, representatives, administrators,
12 fiduciaries, assigns, insurers, executors, partners, parent corporations, subsidiaries, and related or
13 affiliated entities.

14 46. **No Prior Assignments.**

15 The Aggrieved Employees are deemed by operation of the Final Order and Judgment to
16 represent, covenant, and warrant that they have not directly or indirectly assigned, transferred,
17 encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any
18 liability, claim, demand, cause of action, or rights released and discharged by this Agreement.

19 47. **Governing Law.**

20 All terms of this Settlement Agreement will be governed by and interpreted according to the
21 laws of the State of California, without giving effect to conflicts of laws principles.

22 48. **Counterparts.**

23 This Settlement Agreement may be executed in one or more counterparts. All executed
24 counterparts and each of them will be deemed to be one and the same instrument. Counsel for the
25 Parties will exchange among themselves signed counterparts.

26 49. **Headings For Convenience Only.**

27 The descriptive headings of any paragraphs or sections of this Settlement Agreement are
28 inserted for convenience of reference only and do not constitute a part of this Settlement Agreement.

1 50. **Construction Of This Agreement.**

2 The Parties agree that the terms and conditions of this Settlement Agreement are the result
3 of arms-length negotiations between the Parties and that this Settlement Agreement will not be
4 construed in favor of or against any Party by reason of the extent to which any Party, or her or its
5 counsel participated in the drafting of this Agreement. This Settlement Agreement constitutes the
6 entire agreement between the Parties. Except as expressly provided in this Agreement, this
7 Settlement Agreement has not been executed in reliance upon any other oral or written
8 representations or terms and no such extrinsic oral or written representations or terms will modify,
9 vary or contradict the terms of this Settlement Agreement. In entering this Settlement Agreement,
10 the Parties explicitly recognize California Civil Code section 1625 and California Code of Civil
11 Procedure section 1856(a), which provide that a written agreement is to be construed according to
12 its terms and may not be varied or contradicted by extrinsic evidence. The Representative Plaintiff
13 and Defendants had available to it the advice and assistance of independent counsel. As such,
14 neither Representative Plaintiff nor Defendants may claim that any ambiguity in this Settlement
15 Agreement should be construed against the other.

16 51. **Corporate Signatories.**

17 Any person executing this Settlement Agreement or any related document on behalf of a
18 corporate signatory warrants and promises for the benefit of all Parties that such person has been
19 duly authorized by such corporation to execute this Settlement Agreement or any related document.

20 52. **Representation By Counsel.**

21 All of the Parties hereto acknowledge that they have been represented by counsel throughout
22 all negotiations which preceded the execution of this Settlement Agreement and that this Agreement
23 has been executed with the consent and advice of counsel.

24 53. **Attorneys' Fees And Costs.**

25 Except as otherwise provided in this Agreement, the Parties will bear responsibility for their
26 own attorneys' fees and costs, taxable or otherwise, incurred by them or arising out of this Action
27 and will not seek reimbursement thereof from any Party to this Settlement Agreement. In the event
28 of a proven breach of this Agreement, the breaching party will be required to pay the prevailing

1 Party's reasonable attorneys' fees and costs incurred in enforcing this Agreement.

2 **IT IS SO AGREED:**

3 Dated: 9/7/2022

PLAINTIFF CHERYL ELLISON

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Dated: _____

DEFENDANT GRANITE HILLS
HEALTHCARE & WELLNESS CENTRE,
LLC

By: _____
Its: _____

Dated: _____

DEFENDANT B-SAN DIEGO, LLC

By: _____
Its: _____

APPROVED AS TO FORM ONLY:

Dated: September 7, 2022

MOON & YANG, APC



Allen Feghali
Attorneys for Plaintiff

[signatures continue on following page]

1 Party's reasonable attorneys' fees and costs incurred in enforcing this Agreement.

2 **IT IS SO AGREED:**

3 Dated: _____

PLAINTIFF CHERYL ELLISON

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5

6

Cheryl Ellison

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8 Dated: 9/15/22

DEFENDANT GRANITE HILLS
HEALTHCARE & WELLNESS CENTRE,
LLC

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By: Dan S. Silvers
Its: ADMINISTRATOR

12

13

14 Dated: _____

DEFENDANT B-SAN DIEGO, LLC

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By: _____
Its: _____

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18 APPROVED AS TO FORM ONLY:

19 Dated: _____

MOON & YANG, APC

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21

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Allen Feghali
Attorneys for Plaintiff

23

24 *[signatures continue on following page]*

25

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1 Party's reasonable attorneys' fees and costs incurred in enforcing this Agreement.

2 **IT IS SO AGREED:**

3 Dated: _____

PLAINTIFF CHERYL ELLISON

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6

Cheryl Ellison

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8 Dated: _____

DEFENDANT GRANITE HILLS
HEALTHCARE & WELLNESS CENTRE,
LLC

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By: _____
Its: _____

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14 Dated: _____

DEFENDANT B-SAN DIEGO, LLC

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By:  _____
Its: ADMINISTRATOR

18 APPROVED AS TO FORM ONLY:

19 Dated: _____

MOON & YANG, APC

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Allen Feghali
Attorneys for Plaintiff

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24 *[signatures continue on following page]*

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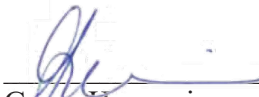
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1 APPROVED AS TO FORM ONLY:
2

3 Dated: 9/22/22

FISHER & PHILLIPS LLP

4 
5 _____
6 Grace Horoupian

Bret Martin

7 Attorneys for Defendants
8 GRANITE HILLS HEALTHCARE &
9 WELLNESS CENTER, LLC and B-SAN
10 DIEGO, LLC
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EXHIBIT A

[CLAIMS ADMINISTRATOR LETTERHEAD]

Mailing Date

NOTICE OF SETTLEMENT

Re: Ellison v. Granite Hills Healthcare & Wellness Centre, LLC, et al. Case No. 37-2021-00032864-CU-OE-CTL filed on August 2, 2021 (the "Lawsuit")

[claims admin info]

You have received the enclosed check in connection with the Settlement of the above-referenced lawsuit brought by a former employee Cheryl Ellison ("Plaintiff") against Granite Hills Healthcare & Wellness Centre, LLC and B-San Diego, LLC ("Defendants") for civil penalties pursuant to the Private Attorneys General Act, Labor Code § 2698 et seq. ("PAGA").

Plaintiff claimed she and other non-exempt employees of Defendants employed anytime from July 31, 2020 through August 15, 2022 were subjected to various Labor Code violations.

Defendants deny all allegations and liability, but to avoid further time and expense of protracted and uncertain litigation, Defendants and Plaintiff have agreed to settle the lawsuit for civil penalties. The settlement, approved by the Court on [DATE], resolves the alleged claims brought on behalf of all past and present non-exempt hourly employees of Defendants who worked in California at any time from July 31, 2020 and August 15, 2022 ("PAGA Group").

Pursuant to the Court's Order, a payment of \$130,000.00 was approved in settlement of this lawsuit. Upon the date of entry of that Order approving this Settlement, and payment of all funds due under this Settlement, the LWDA and PAGA Settlement Members, including Plaintiff, fully release and forever discharge the Released Parties from any and all Released Claims defined as all claims for relief under PAGA arising during the Covered Period based on the facts alleged by Plaintiff in the Action and Plaintiff's notice letter to the LWDA including, but not limited to, claims for civil penalties based on alleged violations of Labor Code sections 201, 201.3, 202, 203, 204, 205.5, 218, 218.6, 226, 226.3, 226.7, 246, 256, 510, 511, 512, 558, 558.1, 1174, 1174.5, 1175, 1193.6, 1194, 1194.2, 1197, 1197.1, 1198, 2699, and the applicable IWC Wage Orders, and any resulting claim for attorneys' fees and costs under. The release does not extend to any individual claims.

After accounting for Plaintiff's Counsel's attorneys' fees of \$44,500.00 and reimbursement of litigation costs of \$ [REDACTED], settlement administration costs of \$ [REDACTED], and \$7,500.00 as an individual settlement payment to Plaintiff, the remaining sum called the "PAGA Payment" will be divided pursuant to California law as follows: \$ [REDACTED] (75%) to the State of California Labor Workforce Development Agency and \$ [REDACTED] (25%) to all PAGA Group employees to be shared on a proportionate basis. The enclosed check represents your share based upon the number of Pay Periods you worked any time during the period from May 4, 2020 and [DATE] ("PAGA Period"). An IRS 1099 form is enclosed. You will be solely responsible for paying federal, state, or local taxes, if any, on the amount of your check.

Regardless of whether you negotiate the enclosed check, by way of this Settlement and the corresponding Final Order, for the PAGA Period, each PAGA Settlement Employee shall fully release Defendants for all claims for civil penalties under PAGA as alleged in the LWDA Letter and Plaintiff's Operative Complaint filed in this Action or reasonably could have been asserted under Labor Code § 2698 et seq. based upon the facts alleged in the LWDA Letter and Plaintiff's Complaint filed in this Matter.

Your enclosed check is valid for 180 days from the date of its issuance. ***It is strongly recommended that you cash or deposit this check immediately.*** After that date, you cannot cash the check and it will be null and void and the amount forwarded to the State of California Controller's Office Unclaimed Property Division for further handling. **Even if you fail to cash the enclosed check, you will still be deemed to have waived all claims arising from the Lawsuit, including all claims set forth in the release of claims described above.**

If the check is lost or misplaced, please contact the Administrator immediately, [xxx-xxx-xxxx] to have it reissued. If you have any questions about your check, please contact the [insert administrator information].