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Attorneys for Defendants
PALM SPRINGS OPERATING COMPANY, LP;
and MARINER HEALTH CENTRAL, INC.

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF RIVERSIDE**

ANA MARIA FLORES, on behalf of herself
and other aggrieved employees,

Plaintiff,

vs.

MARINER HEALTH CENTRAL, INC.; PALM
SPRINGS OPERATING COMPANY, LP; and
DOES 1 to 100, inclusive,

Defendants.

Case No.: CVPS2104890

PAGA ACTION

*[ASSIGNED FOR ALL PURPOSES TO THE
HON. HAROLD W. HOPP, DEPT. 10]*

**REPRESENTATIVE ACTION
SETTLEMENT AGREEMENT AND
RELEASE**

Action Filed: September 22, 2021

1 This Representative Action Settlement Agreement and Release (“Settlement” or
2 “Agreement”) is made and entered into by and between Defendant PALM SPRINGS
3 OPERATING COMPANY, LP AND MARINER HEALTH CENTRAL, INC.
4 (“Defendants”) and Plaintiff Ana Maria Flores (“Plaintiff”), on behalf of the State of
5 California and other Aggrieved Employees as defined below (collectively with
6 Defendant, the “Parties”). By executing this Agreement, the Parties intend to settle the
7 lawsuit entitled *Flores v. Mariner Health Central, Inc., et al*, Case No. CVPS2104890,
8 filed in the Riverside County Superior Court on July 13, 2021 (“the PAGA Action”).

9 **1. DEFINITIONS**

10 As used herein, for the purposes of this Agreement only, the following terms shall
11 be defined as set forth below:

12 1.1 “**Aggrieved Employees**” means all current and former hourly paid or non-
13 exempt employees who worked for Defendant Palm Springs Operating Company, LP
14 (“Defendant”) within the State of California at any time during the PAGA Period.

15 1.2 “**Aggrieved Employee Settlement Amount**” means 25% of the PAGA
16 Payment (as defined below).

17 1.3 “**Approval Order**” means the approval order issued and entered by the
18 Court following a Motion For Approval Of The PAGA Settlement.

19 1.4 “**Attorneys’ Fees and Costs**” means the payment, as approved by the Court,
20 to be made to Plaintiff’s Counsel (as defined below) in full satisfaction of all claims
21 Plaintiff may have for reasonable attorneys’ fees, litigation costs, and expenses incurred
22 in this Action. Attorneys’ Fees and Costs are to be taken from the Gross Settlement
23 Amount (as defined below). The amount of attorneys’ fees awarded to Plaintiff’s
24 Counsel may not exceed 30% of the Gross Settlement Amount, or \$77,250. Defendant
25 agrees not to contest the amount of Attorneys’ Fees and Costs, provided that they are
26 consistent with the terms of this Agreement.

27 1.5 “**Court**” refers to the Superior Court of California for the County of
28 Riverside presiding over the Action.

1 1.6 **“Data List”** means a complete list of all Aggrieved Employees that
2 Defendant will diligently and in good faith compile from its records and provide to the
3 Settlement Administrator (as defined below) within 30 calendar days after the date of the
4 Approval Order. The Data List will be formatted in Microsoft Office Excel and will
5 include each individual’s full name, last known mailing address and telephone number (if
6 available), Social Security number, number of bi-weekly pay periods in the PAGA
7 Period, and all necessary information to prepare and calculate Individual Settlement
8 Payments (as defined below) to Aggrieved Employees. For purposes of this Agreement,
9 the Data List provided by Defendant shall be considered the official information to be
10 used for this Settlement.

11 1.7 **“Defense Counsel”** refers to Jon D. Meer and Bethany A. Pelliconi of
12 Seyfarth Shaw LLP.

13 1.8 **“Effective Date”** means the date upon which the Court’s Judgment
14 approving the Settlement becomes Final. “Final” shall mean the latest of: (i) if there is an
15 appeal of the Court’s Judgment, the date on which the Judgment is affirmed on appeal,
16 the date of dismissal of such appeal, or the expiration of the time to file a petition for
17 review to the California Supreme Court and/or petition for writ of certiorari to the U.S.
18 Supreme Court, or (ii) if a petition for writ of certiorari is filed, the date of denial of the
19 petition for writ of certiorari, or the date the Judgment is affirmed pursuant to such
20 petition; or (iii) if no appeal is filed, the expiration date of the time for filing or noticing
21 any appeal of the Judgment.

22 1.9 **“Individual Settlement Payments to Aggrieved Employees”** means the
23 individual payments that shall be made to each Aggrieved Employee, which in the
24 aggregate total the Aggrieved Employee Settlement Amount. Individual Settlement
25 Payments to Aggrieved Employees are taken from the Net Settlement Amount (as
26 defined below).
27
28

1 1.10 **“Judgment”** means a judgment entered by the Court that approves this
2 Settlement, incorporates by reference the terms and conditions of this Agreement, and
3 dismisses the Action with prejudice.

4 1.11 **“LWDA”** refers to the California Labor and Workforce Development
5 Agency.

6 1.12 **“LWDA Payment”** means 75% of the Net Settlement Amount (as defined
7 below), made to the LWDA.

8 1.13 **“Notice to Aggrieved Employees With Distribution of PAGA Payment”**
9 refers to the statement the Settlement Administrator (as defined below) will include with
10 the distribution of the Individual Settlement Payments to Aggrieved Employees. The
11 Notice to Aggrieved Employees With Distribution of PAGA Payment will state as
12 follows: “Palm Springs Operating Company, LP has entered into a compromise and
13 settlement with the State of California in connection with claims brought under the
14 Private Attorneys General Act. As part of this compromise and settlement, the Court has
15 ordered the enclosed settlement check.”

16 1.14 **“PAGA”** refers to the Private Attorneys General Act of 2004.

17 1.15 **“Gross Settlement Amount”** (“GSA”) means the amount that the Parties
18 negotiated and agreed upon for the resolution of the PAGA Action and Released PAGA
19 Claims, in an amount not to exceed \$257,500.00. The GSA shall be inclusive of (i) the
20 Attorneys’ Fees and Costs; (ii) the Net Settlement Amount, and (iii) the Settlement
21 Administrator’s Expenses (as defined below). The GSA is a material term of this
22 Agreement and Defendant shall not be required to pay more than the GSA.

23 1.16 **“Net Settlement Amount”** (“NSA”) shall be the GSA minus the Attorneys’
24 Fees and Costs and the Settlement Administrator’s Expenses. The Net Settlement
25 Amount shall be allocated as follows: 75% of the NSA (i.e., the LWDA Payment) will be
26 paid to the LWDA, and 25% of the NSA (i.e., the Aggrieved Employee Settlement
27 Amount) will be paid to the Aggrieved Employees based on the number of bi-weekly pay
28 periods worked during the PAGA Period (as defined below).

1 1.17 **“PAGA Period”** shall mean the time period from July 15, 2020 through the
2 date on which the joint motion for court approval is filed.

3 1.18 **“Pay Periods”** refers to the number of bi-weekly periods that each
4 Aggrieved Employee worked for Defendant during the PAGA Period in California.
5 Defendant’s employment records will be determinative for purposes of calculating the
6 Pay Periods and any payments under the Settlement. If an individual worked during any
7 day of the Pay Period, the Pay Period shall be included in their pro rata share of the
8 Aggrieved Employee Settlement Amount.

9 1.19 **“Plaintiff’s Counsel”** means Lavi & Ebrahimian.

10 1.20 **“Qualified Settlement Fund”** means a fund established by the Settlement
11 Administrator pursuant to Section 468B(g) of the Internal Revenue Code.

12 1.21 **“Released PAGA Claims”** shall mean any and all claims that were asserted
13 or that could have been asserted based on the facts alleged in the operative Complaint in
14 the PAGA Action and PAGA Notice (including, claims arising under California Labor
15 Code §§ 201-203, , 204, 226, 226.7, 227.3, 510, 512, 513, 515, 558, 1194, 1197, 1198,
16 2698, 2699, 2699.3, and IWC Wage Orders.)

17 1.22 The Released PAGA Claims shall be released by Plaintiff, the State of
18 California, and the LWDA.

19 1.23 **“Released Parties”** shall mean Defendants and their former and present
20 officers, directors, employees, and agents.

21 1.24 **“Settlement Administrator”** refers to Phoenix Class Action Settlement
22 Solutions.

23 1.25 **“Settlement Administrator’s Expenses”** refers to the costs payable from
24 the GSA to the Settlement Administrator for administering this Settlement, including, but
25 not limited to, printing, distributing, and tracking documents for this Agreement,
26 distributing the GSA, establishing a separate employer identification number and creating
27 a Qualified Settlement Fund (as defined below), and providing necessary reports and
28 declarations, as requested by the Parties. The Settlement Administrator shall use its own

1 Tax Payer Identification Number to issue to Aggrieved Employees Form-1099s for all
2 amounts paid under this settlement. The Settlement Administrator shall establish a
3 Qualified Settlement Fund account pursuant to Section 468B(g) of the Internal Revenue
4 Code for the purpose of administering the settlement, into which the GSA will be
5 deposited and calculate all settlement checks required under law based on information
6 that will be confidentially furnished by Defendant.

7 **2. RECITALS**

8 2.1.1 On July 15, 2021, Plaintiff submitted a PAGA Notice to the LWDA,
9 alleging various violations of the California Labor Code and applicable Industrial
10 Welfare Commission Wage Order.

11 2.1.2 As part of the informal discovery process, Defendant warrants and
12 represents that it provided Plaintiff with all of the relevant written policies and
13 procedures, an accurate list of all non-exempt hourly positions, descriptions of various
14 pay codes, and samples of time records and pay records of the Aggrieved Employees.

15 2.1.3 Defendant warrants and represents that it also furnished Plaintiff with
16 accurate data points for the PAGA Period, showing the number of Aggrieved Employees
17 and the number of pay periods worked by Aggrieved Employees.

18 2.1.4 All Parties have had ample opportunity to evaluate their respective
19 positions on the merits of the claims asserted.

20 **2.2 Private Mediation**

21 2.2.1 On April 11, 2024, the Parties attended a full-day mediation with Mr.
22 Joel Grossman, Esq., a highly-respected and experienced mediator in employment
23 representative action cases.

24 2.2.2 After a full-day mediation, the Parties reached a negotiated settlement.

25 2.2.3 The Parties have agreed to settle the Action for an amount not to
26 exceed \$257,500 (i.e., the Gross Settlement Amount). The entire Gross Settlement
27 Amount will be disbursed pursuant to the terms and conditions of this Agreement, and
28 none of it will revert to Defendant.

1 **2.3 The Parties' Intent.** It is the desire of the Parties to fully, finally, and
2 forever settle, compromise, and discharge any and all claims, rights, demands, charges,
3 complaints, obligations or liability of any and every kind that were or could have been
4 pled based on the factual allegations under PAGA in the operative complaint in the
5 Action arising during the PAGA Period, including, but not limited to, the Released
6 PAGA Claims. The Parties also intend to effectuate the full scope of the Released PAGA
7 Claims in this Agreement.

8 **3. NON-ADMISSIONS OF LIABILITY**

9 **3.1** Defendants deny and continue to deny all of the allegations made by
10 Plaintiff in the Action, and deny and continue to deny that they are liable or owe any
11 damages, penalties or other compensation or remedies to anyone with respect to the
12 alleged facts or claims asserted in the Action. Defendants deny any liability or
13 wrongdoing of any kind in connection with Plaintiff's claims, and contend that, during all
14 relevant times, they complied with all applicable California and federal law. Nonetheless,
15 without admitting or conceding any liability or damages whatsoever, and without
16 admitting that a representative action is appropriate except for settlement purposes alone,
17 Defendants have agreed to settle the Action on the terms and conditions set forth in this
18 Agreement, to avoid the burden, expense, and uncertainty of continuing with litigation.

19 **3.2** The Parties understand and agree this Agreement and any exhibits thereto
20 are settlement documents and shall be inadmissible for the purpose of showing liability
21 against Defendants or the Released Parties. However, the Parties agree that, to the extent
22 permitted by law, this Agreement may be pleaded as a full and complete defense to, and
23 may be used as the basis for an injunction against any action, suit, or other proceeding
24 that may be instituted, prosecuted, or attempted in breach of this Agreement.

25 **4. FINANCIAL TERMS OF THE SETTLEMENT**

26 **4.1 Gross Settlement Amount.** Subject to the terms and conditions of this
27 Agreement, Defendant shall pay the gross settlement amount not to exceed \$257,500,
28 which includes Attorneys' Fees and Costs, Net Settlement Amount, and Settlement

1 Administrator's Expenses to Settlement Administrator. The Gross Settlement Amount is
2 a material term of the Agreement and shall not be increased for any reason.

3 **4.2 Attorneys' Fees And Costs.** Plaintiff shall and hereby does directs her
4 counsel to apply to the Court for an award of Attorneys' Fees not to exceed 30% of the
5 Gross Settlement Amount, or \$77,250, and reasonable documented costs directly incurred
6 for purposes of the Action, as supported by declarations, to be paid out of the Gross
7 Settlement Amount. Defendants shall have no liability for any other attorneys' fees, costs
8 or expenses in connection with the Action.

9 4.2.1 Plaintiff shall be responsible for submitting all documents to support
10 their request for attorneys' fees, costs, and expenses in connection with the Action.
11 Defendants agree not to oppose or object to Plaintiff's request for Attorneys' Fees and
12 Costs if they are made in accordance with the terms of this Agreement.

13 4.2.2 Subject to paragraph 4.2.3, if the Court does not approve or approves
14 only a lesser amount than that requested by Plaintiff for Attorneys' Fees and Costs, the
15 other terms of the Agreement shall still apply. The Court's refusal to approve the
16 Attorneys' Fees and Costs requested by Plaintiff does not give the Plaintiff, Aggrieved
17 Employees, or Plaintiff's Counsel any basis to abrogate the Agreement. Subject to
18 paragraph 4.2.3, any amount of Attorneys' Fees and Costs requested by Plaintiff but
19 unapproved by the Court shall become part of the Net Settlement Amount.

20 4.2.3 To the extent the Court approves any award for attorneys' fees that
21 does not equal 30% of the Gross Settlement Amount, Plaintiff retains the right to appeal
22 the Court's award. Should Plaintiff appeal the Court's award, the difference between the
23 amount awarded and the amount disputed on appeal shall be retained by the Settlement
24 Administrator pending Plaintiff's appeal. After resolution of any appeal, any funds not
25 awarded to Plaintiff's Counsel then in possession of the Settlement Administrator will be
26 added to the Net Settlement Amount to be distributed in accordance with the terms of the
27 Agreement, and Plaintiff's shall pay any additional costs incurred by the Settlement
28

1 Administrator for this purpose. If the Court reduces the amount of Attorneys' Fees and
2 Costs, all other terms of this Agreement shall remain in effect.

3 **4.3 Settlement Administration Cost.** The Settlement Administrator's
4 Expenses shall be paid from the GSA. Any reduction by the Court or any unused amount
5 shall revert to the Net Settlement Amount. The Settlement Administrator shall assist in
6 all aspects of the settlement process for the Action, including, but not limited to:

7 4.4.1 Establishing a separate employer identification number and a
8 Qualified Settlement Fund, tax reporting, and providing required tax forms;

9 4.4.2 Calculating and distributing Attorneys' Fees and Costs and Net
10 Settlement Amount, including Aggrieved Employee Settlement Amount and LWDA
11 Payment, and Settlement Administration Cost;

12 4.4.3 Printing, distributing, tracking, sending, and resending of Notice to
13 Aggrieved Employees With Distribution of PAGA Payment pursuant to the terms of this
14 Agreement; and

15 4.4.4 Tracking and distributing any unclaimed Qualified Settlement Funds
16 to the California State Controller's Office pursuant to California's Unclaimed Property
17 Law.

18 **4.4 Net Settlement Amount.** After deducting (i) the court-approved Attorneys'
19 Fees and Costs, and (ii) the court-approved Settlement Administrator's Expenses, the
20 remainder of the Gross Settlement Amount is the Net Settlement Amount, which consists
21 of the LWDA Payment and the Aggrieved Employee Settlement Amount. For tax
22 purposes, the Parties agree that the PAGA Payment allocated to the Aggrieved
23 Employees shall be considered penalties, for which a Form 1099 will be issued to reflect
24 these payments. Aggrieved Employees will be responsible for paying any personal
25 income taxes owed on the amounts they receive. Funds contained in the settlement
26 checks that are returned as undeliverable and in settlement checks uncashed for more
27 than 180 days after issuance will be tendered to the California State Controller's Office -
28 Unclaimed Property Fund, to be held in the name of the Aggrieved Employee.

1 **4.5 No Impact On Employee Benefit Plans.** None of the payments made
2 pursuant to the Agreement shall be considered for purposes of determining eligibility for,
3 vesting or participation in, or contributions to any benefit plan, including, without
4 limitation, all plans subject to the Employee Retirement and Income Security Act of 1974
5 (“ERISA”). Any distribution of payments to Plaintiff and Aggrieved Employees shall
6 not be considered as a payment of wages or compensation under the terms of any
7 applicable benefit plan and shall not affect participation in, eligibility for, vesting in, the
8 amount of any past or future contribution to, or level of benefits under any applicable
9 benefit plan. Any amounts paid will not impact or modify any previously credited hours
10 of service or compensation taken into account under any benefit plan sponsored or
11 contributed to by Defendant or any jointly-trusted benefit plan. For purposes of this
12 Agreement, “benefit plan” means each and every “employee benefit plan,” as defined in
13 29 U.S.C. § 1002(3), and, even if not thereby included, any 401(k) plan, bonus, pension,
14 stock option, stock purchase, stock appreciation, welfare, profit sharing, retirement,
15 disability, vacation, sick time or pay, severance, hospitalization, insurance, incentive,
16 deferred compensation, or any other similar benefit plan, practice, program, or policy.

17 **5. RELEASES**

18 **5.1 Release By Plaintiff, The State Of California, And The Aggrieved**
19 **Employees.** Plaintiff, on behalf of herself and the State of California fully and finally
20 release and forever discharge the Released Parties from any and all Released PAGA
21 Claims during the PAGA Period. As a result of this release, Plaintiff, the State of
22 California, and the Aggrieved Employees will not be able to bring a claim or seek civil
23 penalties based on Released PAGA Claims arising during the PAGA Period.

24 **5.2 Injunction From Pursuing Released Claims.** Plaintiff, and the Aggrieved
25 Employees shall be enjoined from filing, initiating, or continuing to prosecute any
26 actions, claims, complaints, or proceedings in any court, or with the Division of Labor
27 Standards Enforcement (“DLSE”), or with the LWDA, or the United States Department
28 of Labor (“DOL”), or with any other entity regarding the claims released in the

1 Agreement. This Settlement is conditioned upon the release by Plaintiff, and Aggrieved
2 Employees as described herein, and upon covenants by these individuals that they will
3 not participate in any actions, lawsuits, proceedings, complaints, or charges brought by
4 the DLSE, LWDA, DOL, or by any other agency, persons, or entity in any court or
5 before any administrative body related to the claims released in this Agreement. In the
6 event that any court or administrative agency does not order injunctive relief, Defendants
7 shall have the right to file a motion for summary judgment or any other pleading or paper
8 to enforce the terms of this Agreement. Plaintiff's Counsel will not oppose, contest or
9 interfere with efforts by Defendants to oppose any attempt to bring such released claims
10 against Defendants.

11 **6. COMPUTATION OF SETTLEMENT PAYMENTS TO AGGRIEVED**
12 **EMPLOYEES**

13 **6.1 Payments Based On Pay Periods.** The Net Settlement Amount will be
14 distributed to Aggrieved Employees based on their number of Pay Periods worked during
15 the PAGA Period. Defendant shall provide records (i.e., the Data List) to the Settlement
16 Administrator, showing the total Pay Periods of Aggrieved Employees during the PAGA
17 Period. Defendant's records shall be determinative for purposes of calculating the number
18 of Pay Periods worked and any payments to the Aggrieved Employees.

19 **6.2 Distribution Of Net Settlement Amount.** Individual Settlement Payments
20 to Aggrieved Employees will be determined by dividing the Aggrieved Employee
21 Settlement Amount (25% of the Net Settlement Amount, which is allocated to Aggrieved
22 Employees) by the total number of Pay Periods, and then multiplying the resulting figure
23 by the number of Pay Periods of each Aggrieved Employee during the PAGA Period. The
24 Settlement Administrator will issue appropriate tax forms for all payments issued under
25 this Agreement. The payments made under this Agreement will be made with respect to
26 the PAGA claims for all Aggrieved Employees; accordingly, the payments shall be
27 distributed without a claims process or an opportunity to object or opt out.
28

1 6.3 PAGA Pay Periods. Based on its records, Defendant represented that, at the
2 time of the mediation on April 11, 2024, there were 354 Aggrieved Employees who
3 worked 16,469 Pay Periods during the PAGA Period.

4 **7. SETTLEMENT APPROVAL PROCEDURE**

5 7.1 **Approval Of Settlement Terms.** Upon execution of this Agreement, The
6 Parties will promptly prepare the Joint Motion For Approval of PAGA Settlement to be
7 filed in the Action. The Motion For Approval of PAGA Settlement shall seek an order to
8 approve the proposed settlement according to the terms in this Agreement. The Motion
9 For Approval of PAGA Settlement also shall seek an order that provides for the Notice to
10 be sent to Aggrieved Employees as specified in this Agreement. The Motion For
11 Approval of PAGA Settlement shall include the bases for the GSA and why the amount
12 is reasonable in light of the facts and controlling authorities pertaining to the claims
13 alleged in the Action.

14 7.2 **Entry Of Judgment.** The Parties shall request that the Court issue Judgment
15 in accordance with this Agreement and without further fees or costs to any party except
16 as expressly set forth in this Agreement. In the event either the Court fails to enter final
17 judgment in accordance with this Agreement, or such final judgment is vacated or
18 reversed, the Parties shall revert to their respective position before the Settlement was
19 reached, as if no settlement had been attempted, unless the Parties jointly agree,
20 following good faith efforts, to seek reconsideration or appellate review of the ruling or
21 approval of a renegotiated settlement.

22 7.3 **Notice To The LWDA.** Plaintiff shall give written notice of the PAGA
23 Settlement to the LWDA simultaneously with the filing of the Motion For Approval of
24 PAGA Settlement in the Action pursuant to Labor Code section 2699(1)(2).

25 **8. NOTICE TO AGGRIEVED EMPLOYEES**

26 8.1 **Data List.** Defendant shall provide the Settlement Administrator with the
27 Data List within 30 calendar days after the Court grants approval of the proposed
28 Settlement. The Data List is to be provided confidentially to the Settlement

1 Administrator only, and the Settlement Administrator shall treat the information as
2 private and confidential and take all necessary precautions to maintain the confidentiality
3 of Data List. This information is to be used only to carry out the Settlement
4 Administrator's duties as specified in this Settlement.

5 **8.2 Mailing Of Notice To Aggrieved Employees With Distribution of PAGA**
6 **Payment.** The Settlement Administrator shall use First Class U.S. Mail to mail the
7 Notice to Aggrieved Employees With Distribution of PAGA Payments within 15
8 calendar days of the receipt of the Data List, using the most current, known mailing
9 address for each Aggrieved Employee based on information provided by Defendant. The
10 Notice to Aggrieved Employees With Distribution of PAGA Payment will state as
11 follows: "Palm Springs Operating Company, LP and Mariner Health Central, Inc. have
12 entered into a compromise and settlement with the State of California in connection with
13 claims brought under the Private Attorneys General Act. As part of this compromise and
14 settlement, the Court has ordered the enclosed settlement check."

15 **8.3 Non-Delivered Notices Or Checks.** Any mailing returned to the Settlement
16 Administrator as undeliverable shall be re-mailed within five calendar days via First
17 Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is
18 provided, the Settlement Administrator shall attempt to determine the correct address
19 using the National Change of Address Data-base maintained by the United States Postal
20 Service for a single re-mailing via First Class U.S. Mail within five calendar days. If the
21 National Change of Address Database does not provide a correct address, the Settlement
22 Administrator shall attempt to determine the correct address using the Class Member's
23 Social Security number and/or any available information provided by Defendant.

24 **9. FUNDING AND DISTRIBUTING OF THE GROSS SETTLEMENT** 25 **AMOUNT**

26 **9.1 Funding Of Gross Settlement Amount.** The Settlement Administrator
27 shall establish a Qualified Settlement Fund pursuant to Section 468B(g) of the Internal
28 Revenue Code for purposes of administering the Settlement. The Settlement

1 Administrator shall furnish the Qualified Settlement Fund with its own Employer ID
2 Number and calculate all settlement checks and withholdings required under law based
3 on information that will be confidentially furnished by Defendant. Within 30 calendar
4 days after the Effective Date, Defendant shall deposit the entire Gross Settlement
5 Amount into an interest bearing escrow account with the Settlement Administrator,
6 provided that the Settlement Administrator timely and promptly provides funding
7 instructions to Defendant.

8 **9.2 Timing Of Disbursement Of Gross Settlement Amount.**

9 **9.2.1 Attorneys' Fees And Costs.** Subject to the terms of the Agreement,
10 the Settlement Administrator shall distribute payment of any approved Attorneys' Fees
11 And Costs within 15 calendar days after the funding of the Gross Settlement Amount.
12 This is the same date that the Net Settlement Amount will be distributed to Aggrieved
13 Employees. The Settlement Administrator shall issue an Internal Revenue Service Form
14 1099 to Plaintiff's Counsel for any Attorneys' Fees and Costs payment, based on the
15 allocation communicated by Plaintiff. In no event shall Defendants or any of the Released
16 Parties have any liability or responsibility for paying any of Plaintiff's Attorneys' Fees
17 and Costs. Plaintiff's Counsel will be solely responsible for paying all applicable taxes
18 on any Attorneys' Fees and Costs and shall indemnify and hold harmless Defendants
19 from any claim or liability for taxes, penalties, or interest arising as a result of the
20 payment of the Attorneys' Fees and Costs

21 **9.2.2 Settlement Administrator's Expenses.** The Settlement
22 Administrator shall pay itself any approved Settlement Administrator's Expenses within
23 15 calendar days after the funding of the Gross Settlement Amount. The Settlement
24 Administrator shall be solely and legally responsible for paying all applicable taxes on
25 any Settlement Administrator's Expenses and shall indemnify and hold harmless
26 Defendants from any claim or liability for taxes, penalties, or interest arising as a result of
27 the payment.
28

1 **9.2.3 Distribution Of Net Settlement Amount.** The Settlement
2 Administrator shall distribute LWDA Payment (75% of the Net Settlement Amount) to
3 the LWDA and all Individual Settlement Payments (25% of the Net Settlement Amount)
4 to Aggrieved Employees within 15 calendar days after the funding of the Gross
5 Settlement Amount. The Settlement Administrator shall issue any necessary IRS Form
6 1099 statements to Aggrieved Employees for their respective share of the Net Settlement
7 Amount. In no event shall Defendants or any of the Released Parties have any liability or
8 be responsible for paying taxes on Aggrieved Employees' shares of the Net Settlement
9 Amount and Aggrieved Employees shall indemnify and hold harmless Defendants from
10 any claim or liability for taxes, penalties, or interest arising as a result of the payments.

11 **9.3 Undeliverable Or Uncashed Checks.**

12 9.3.1 The Settlement Administrator shall maintain a list of the postmark
13 date for the original mailing of the Individual Settlement Payments to Aggrieved
14 Employees checks, if any, to the Aggrieved Employees, the postmark date of any
15 subsequent mailing to any Aggrieved Employees, and a list of any individuals who did
16 not receive the settlement checks due to the inability to locate a valid address using the
17 procedures described herein above, or who otherwise could not be located within two
18 attempts at mailing.

19 9.3.2 All Individual Settlement Payments to Aggrieved Employees checks
20 will remain valid and negotiable for 180 days from the date of their mailing by the
21 Settlement Administrator. After 180 calendar days from the date of mailing, the checks
22 shall become null and void, and any monies remaining in the distribution account shall be
23 distributed by the Settlement Administrator to the California State Controller's Office
24 pursuant to California's Unclaimed Property Law. The settlement is non-reversionary
25 and is the maximum amount that Defendant will pay under this agreement. No part of the
26 Gross Settlement Amount shall be returned to Defendant.

27 9.3.3 For any Aggrieved Employees for whom the settlement checks were
28 deemed undeliverable, the funds associated with the settlement payment will be

distributed to the California State Controller's Office pursuant to California's Unclaimed Property Law.

10. MISCELLANEOUS PROVISIONS

10.1 Interim Stay Of Proceedings. The Parties agree to refrain from further litigation in the Action, except such proceedings necessary to implement and to obtain approval of the terms of the Agreement. If the Settlement is not finally approved, the Parties agree that they will revert to their positions in the lawsuit before the time the Agreement was reached, and no terms set forth in this Agreement will be admissible in any future proceedings in this case or any other action.

10.2 Stipulation To Representative Action For Settlement Purposes Only. The Parties agree to stipulate that the representative action is appropriate for purposes of the settlement only. If, for any reason, the settlement is not approved, the stipulation will be void, and Defendants shall have the full opportunity to file any motion to challenge liability for the PAGA claims or to challenge the manageability of PAGA claims. The Parties further agree that the stipulation is not an admission or waiver by Defendants to challenge the propriety of the PAGA claims, including whether PAGA claims are appropriate for adjudication on a representative basis.

10.3 Mutual Cooperation. Plaintiff and Defendants, by and through their respective counsel, agree to fully cooperate with each other to accomplish the terms of this Agreement, including, but not limited to, execution of such documents and taking such other action as may reasonably be necessary to implement the terms herein. The Parties agree to use their good faith efforts and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Agreement.

10.4 Parties' Representation. The Parties agree and represent that they will not engage in any conduct to undermine the terms of the Agreement. The Parties agree that verifiable electronic signatures are sufficient. However, if the Court orders wet signatures, the Parties will follow the Court's Order.

1 **10.5 Parties' Authority.** The signatories hereto represent that they are fully
2 authorized to enter into this Agreement and are fully authorized to bind the Parties to all
3 terms stated herein. It is agreed this Agreement may be executed on behalf of the State of
4 California and the Aggrieved Employees and by Plaintiff and Plaintiff's Counsel.

5 **10.6 Binding Effect Of Settlement.** Although some Aggrieved Employees
6 might not receive the notice as provided under this Agreement, due to inability to locate
7 their current address following the procedures set forth in this Agreement, such
8 individuals shall nonetheless be bound by all of the terms of this Agreement and the order
9 approving the Settlement.

10 **10.7 Entire Agreement.** This Agreement constitutes the entire agreement
11 between the Parties with regard to the subject matter contained herein, and all prior and
12 contemporaneous negotiations and understandings between the Parties shall be deemed
13 merged into this Agreement. The Parties agree that the Riverside County Superior Court
14 shall have continuing jurisdiction. If the Parties are unable to agree to the terms of a long-
15 form settlement agreement, then the MOU shall become the sole governing agreement
16 regarding settlement, and either of the Parties may seek approval of the settlement based
17 on the terms set forth in the MOU.

18 **10.8 Arms' Length Transaction; Materiality Of Terms.** The Parties have
19 arrived at this Agreement as a result of arm's length negotiations. Except as otherwise
20 stated in this Agreement, all terms and conditions of this Agreement in the exact form set
21 forth in this Agreement are material to this Agreement and have been relied upon by the
22 Parties in entering into this Agreement.

23 **10.9 Counterparts.** This Agreement may be executed in counterparts, and when
24 each party has signed and delivered at least one such counterpart, each counterpart shall
25 be deemed an original, and when taken together with other signed counterparts, shall
26 constitute one signed Agreement, which shall be binding upon and effective as to all
27 Parties.
28

1 **10.10 E-Signature Or Scanned Signatures.** Any party may sign and deliver this
2 Agreement by signing on the designated signature block and transmitting that signature
3 page via Docusign, Vinesign or similar service, or as an imaged attachment. Any
4 signature made and transmitted by Docusign or as an imaged attachment for the purpose
5 of executing this Agreement shall be deemed an original signature for purposes of this
6 Agreement and shall be binding upon the party who transmits the signature page.

7 **10.11 Binding Effect.** This Agreement shall be binding upon the Parties,
8 including Plaintiff, the State of California, and the LWDA.

9 **10.12 Construction.** The determination of the terms and conditions of this
10 Agreement has been by mutual agreement of the Parties. Each party participated jointly
11 in the drafting of this Agreement, and the terms and conditions of this Agreement are not
12 intended to be, and shall not be, construed against any party by virtue of draftsmanship.

13 **10.13 Severability Clause For Invalidity Of Any Provision.** Before declaring
14 any provision of this Agreement invalid, the Court shall first attempt to construe the
15 provisions valid to the fullest extent possible consistent with applicable precedents so as
16 to render all provisions of this Agreement valid and enforceable.

17 **10.14 No Prior Assignments Or Undisclosed Liens.** Plaintiff represents and
18 warrants that he has not assigned, transferred, conveyed, or otherwise disposed of, or
19 purported to assign, transfer, convey, or otherwise dispose of, any Released PAGA
20 Claims or the attorneys' fees and costs to be paid pursuant to this Agreement. Plaintiff
21 further represents and warrants that there are not any liens or claims against any of the
22 amounts to be paid by Defendant pursuant to this Agreement. Plaintiff agrees to defend,
23 to indemnify, and to hold Defendants harmless from any liability, losses, claims,
24 damages, costs, or expenses, including reasonable attorneys' fees, resulting from a breach
25 of these representations, or from any lien or assignment arising out of or related to any
26 such prior or purported assignment or transfer of any Released PAGA Claims or other
27 matters released herein.
28

1 **10.15 No Initiated Publicity.** Plaintiff and Plaintiff's Counsel shall not publicize,
2 or cause to be publicized, directly or indirectly, the discussions resulting in or the
3 existence of this settlement or its terms, in any type of mass media, including, but not
4 limited to, speeches, press conferences, press releases, interviews, television or radio
5 broadcasts, blogs, websites, newspapers, Internet posting, Facebook, Instagram, X or any
6 other social media, or information furnished to legal news media, including but not
7 limited to Bloomberg Law, Law 360, and the Daily Journal. Plaintiff and Plaintiff's
8 Counsel shall not refer to Defendants by name in its public marketing materials, law firm
9 websites, or posting with any other organizations, such as the California Employment
10 Lawyers Association ("CELA"). Plaintiff and Plaintiff's Counsel' further agree and
11 warrant that if they are contacted by media outlets regarding this case, they will simply
12 state that the lawsuit exists and has been resolved.

13 **10.16 Continuing Jurisdiction.** The Court shall retain jurisdiction over the
14 implementation of this Agreement as well as any and all matters arising out of, or related
15 to, the implementation of this Agreement and settlement, including but not limited to
16 jurisdiction pursuant to CCP § 664.6. The Court shall not have jurisdiction to modify the
17 terms of the Agreement without the consent of all of the Parties.

18 **10.17 Modification.** The Agreement may not be changed, altered, or modified,
19 except in writing and signed by the Parties hereto or their counsel of record. After
20 approval of the Settlement has been granted, the Settlement may not be modified except
21 by a writing signed by the Parties hereto or their counsel of record, and approved by the
22 Court.

23 **10.18 Disputes.** If the Parties have a dispute with regard to the language of this
24 Agreement, they agree to first attempt to resolve the dispute informally through good
25 faith negotiations, but if those efforts are unsuccessful, they agree to mediate any such
26 dispute, with Joel Grossman, the mediator that helped the Parties reach the Settlement.
27 The Parties will split the costs of the mediator, and all parties will bear their own fees and
28 costs.

1 **10.19 Governing Law.** This Agreement was made and entered into in the State of
2 California. All terms of this Agreement shall be governed by and interpreted according to
3 the substantive laws of the State of California.

4 **10.20 Compliance with PAGA's Procedural Requirements.** Plaintiff agrees to
5 notify the LWDA of the Settlement and perform any and all statutory tasks as required by
6 law necessary to effectuate consummation and approval of this Settlement. Plaintiff will
7 promptly submit this Agreement to the LWDA and before the filing of the Motion For
8 Approval Of The PAGA Settlement.

9 **10.21 Papers To Be Filed With The Court.** All papers to be filed with the Court
10 by any Party or their counsel in connection with this Agreement shall be submitted to the
11 other party at least three business days before filing. The other party shall have no right
12 to object to the papers unless they do not conform to the terms and conditions of this
13 Agreement.

14 **10.22 Settlement of Individual Actions By Named PAGA Representative**
15 **Plaintiff, Ana Maria Flores.** The Parties have separately settled the individual claims of
16 the named Plaintiff, Ana Maria Flores, which were asserted in separate civil actions, one
17 of which was also submitted to arbitration.

1
2 **SO AGREED AND STIPULATED.**

3 DATED: April __, 2025

4 By: _____
5 ANA MARIA FLORES
6 Plaintiff

7 DATED: April __, 2025

8
9 By: _____
10 PALM SPRINGS OPERATING
11 COMPANY, LP

12 DATED: April 22, 2025

13 By:  _____
14 MARINER HEALTH CENTRAL,
15 INC.

1 DATED: April __, 2025

2 SEYFARTH SHAW LLP

3
4 By: _____

5 Jon D. Meer
6 Bethany Pelliconi
7 Attorneys for Defendants

8 **APPROVED AS TO FORM ONLY:**

9
10 LAVI & EBRAHIMIAN, LLP

11 DATED: April __, 2025

12 By: _____

13 Joseph Lavi
14 Vincent C. Granberry
15 Malcolm E. Clayton
16 Joanna E. Meneses
17 Attorneys for Plaintiff

1
2 **SO AGREED AND STIPULATED.**

3 DATED: April __, 2025

4 By: _____

5 ANA MARIA FLORES
6 Plaintiff

7 *May*
8 DATED: April *23*, 2025

9 By: _____

10 *Linda W. Taylor*
11 PALM SPRINGS OPERATING
12 COMPANY, LP

13 DATED: April __, 2025

14 By: _____

15 MARINER HEALTH CENTRAL,
16 INC.

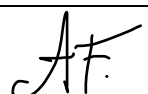
1
2 **SO AGREED AND STIPULATED.**

3 DATED: April 17, 2025

4 By: 
5 ANA MARIA FLORES
6 Plaintiff

7 DATED: April __, 2025

8
9 By: _____
10 PALM SPRINGS OPERATING
11 COMPANY, LP AND MARINER
12 HEALTH CENTRAL, INC.
13 Defendants
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1 DATED: May 29, 2025
2
3

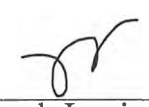
SEYFARTH SHAW LLP

4 By: 
5 Jon D. Meer
6 Bethany Pelliconi
7 Attorneys for Defendants

8 **APPROVED AS TO FORM ONLY:**
9

10 LAVI & EBRAHIMIAN, LLP

11 DATED: April 17, 2025
12

13 By: 
14 Joseph Lavi
15 Vincent C. Granberry
16 Malcolm E. Clayton
17 Joanna E. Meneses
18 Attorneys for Plaintiff
19
20
21
22
23
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25
26
27
28

1 DATED: April____, 2025

2 SEYFARTH SHAW LLP

3
4 By: _____

5 Jon D. Meer
6 Bethany Pelliconi
7 Attorneys for Defendants

8 **APPROVED AS TO FORM ONLY:**

9
10 LAVI & EBRAHIMIAN, LLP

11 DATED: April 17, 2025

12 By: _____

13 
14 Joseph Lavi
15 Vincent C. Granberry
16 Malcolm E. Clayton
17 Joanna E. Meneses
18 Attorneys for Plaintiff