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

STEPHANIE BROWN, individually, and on
behalf of all others similarly situated,

Plaintiff,

vs.

L.A. DOWNTOWN MEDICAL CENTER,
LLC, a limited liability company; L.A.
DOWNTOWN MEDICAL CENTER, INC., a
California corporation; and DOES 1 through
10, inclusive,

Defendants.

Case No.: 22STCV30484

[Honorable Lawrence P. Riff, Department 7]

**PRIVATE ATTORNEYS GENERAL ACT
SETTLEMENT AGREEMENT**

Complaint Filed: September 19, 2022

Trial Date: Not Set

1 **PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT AGREEMENT**

2 This Private Attorneys General Act Settlement Agreement (“Settlement” or “Agreement”) is made
3 by and between Plaintiff Stephanie Brown (“Plaintiff”) and Defendant L.A. Downtown Medical Center,
4 LLC (“Defendant”) (Plaintiff with Defendant, the “Parties”).

5 **1. DEFINITIONS**

6 1.1. “Action” means *Stephanie Brown v. L.A. Downtown Medical Center, LLC, et al.*, Superior
7 Court of the State of California for the County of Los Angeles, Case Number 22STCV30484.

8 1.2. “Administrator” means Simpluris, Inc., the neutral entity the Parties have agreed to appoint to
9 administer the Settlement.

10 1.3. “Administration Expenses Payment” means \$6,000.00, the amount allocated to the
11 Administrator from the Gross Settlement Amount for reimbursement of its reasonable fees and expenses,
12 in accordance with the “not to exceed” bid submitted to the Court in connection with the approval of this
13 Settlement.

14 1.4. “Aggrieved Employee” means all persons who worked for Defendant in California as an
15 hourly paid or non-exempt employee during the PAGA Period.

16 1.5. “Aggrieved Employee Data” means the Aggrieved Employee identifying information in
17 Defendant’s possession, including the name, last-known mailing address, and Social Security number of
18 the Aggrieved Employee and the number of PAGA Pay Periods that the Aggrieved Employee worked
19 during the PAGA Period.

20 1.6. “Aggrieved Employee Address Search” means the Administrator’s investigation and search
21 for current Aggrieved Employee mailing addresses using all reasonably available sources, methods, and
22 means, including, but not limited to, the National Change of Address database, skip traces, and direct
23 contact with Aggrieved Employees.

24 1.7. “Approval Order” means the Court’s Order Granting Approval of the Settlement.

25 1.8. “Court” means the Superior Court of the State of California for the County of Los Angeles.

26 1.9. “Defense Counsel” means Frank A. Magnanimo and Eric J. Palmer of Tharpe & Howell,
27 LLP.

28 1.10. “Defendant” means L.A. Downtown Medical Center, LLC.

1.11. "Effective Date" means the date by when both of the following have occurred: (a) the Court enters Judgment on its Approval Order and (b) the Judgment is final. The Judgment is final as of the day the Court enters the Judgment.

1.12. "Gross Settlement Amount" means \$537,500.00, the total amount Defendant agrees to pay under the Settlement, except as provided in Section 7 herein. The Gross Settlement Amount will be used to pay the Individual PAGA Payments, LWDA PAGA Payment, PAGA Counsel Expenses Payment, PAGA Counsel Fees Payment, PAGA Representative Enhancement Payment, and Administration Expenses Payment.

1.13. "Individual PAGA Payment" means an Aggrieved Employee's *pro rata* share of 25% of the PAGA Penalties, calculated according to the number of PAGA Pay Periods of the Aggrieved Employee and pursuant to Labor Code section 2699, subd. (i).

1.14. "Judgment" means the Judgment entered by the Court based on its Approval Order.

1.15. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled under Labor Code section 2699, subd. (i).

1.16. "LWDA PAGA Payment" means the LWDA's 75% share of the PAGA Penalties, pursuant to Labor Code section 2699, subd. (i).

1.17. "Net Settlement Amount" means the Gross Settlement Amount less the following payments in the amounts approved by the Court: the LWDA PAGA Payment, PAGA Counsel Expenses Payment, PAGA Counsel Fees Payment, PAGA Representative Enhancement Payment, and Administration Expenses Payment. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments.

1.18. "PAGA Counsel" means Kane Moon, Allen Feghali, and Jacquelyne VanEmmerik of Moon Law Group, P.C.

1.19. "PAGA Counsel Expenses Payment" means \$14,000.00, the amount allocated to PAGA Counsel for reimbursement of their reasonable expenses incurred to prosecute the Action.

1.20. "PAGA Counsel Fees Payment" means one third of the Gross Settlement Amount, the amount allocated to PAGA Counsel for their reasonable fees incurred to prosecute the Action.

1.21. "PAGA Pay Period" means any Pay Period in which an Aggrieved Employee engaged in any productive work activity for which they were paid as an hourly paid or non-exempt employee, not including paid time off or leaves of absence.

1.22. "PAGA Period" means the period of time that starts on September 27, 2021, and ends on the earlier of June 10, 2024, or the date the Court issues the Approval Order.

1.23. "PAGA Notice" means the written notice Plaintiff submitted to the LWDA and sent via certified mail to Defendant on September 17, 2022, pursuant to Labor Code section 2699.3, subd.(a).

1.24. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount. The PAGA Penalties will be allocated 75% to the LWDA and 25% to the Aggrieved Employees, pursuant to Labor Code section 2699, subd.(i).

1.25. "PAGA Representative" or "Plaintiff" means Stephanie Brown, the named Plaintiff in the Action.

1.26. "PAGA Representative Enhancement Payment" means \$10,000.00, the amount allocated to Plaintiff for her role, service, and risks undertaken as the PAGA Representative and for her general release, as described in Paragraph 5.1 herein.

1.27. "Released Claims" means the claims being released by the Aggrieved Employees, as described in Paragraph 5.2 herein.

1.28. "Released Parties" means Defendant and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.

2. RECITALS

2.1. On September 17, 2022, Plaintiff submitted to the LWDA, and sent via certified mail to Defendant, a written notice that he intended to pursue a representative action against Defendant for civil penalties under PAGA, pursuant to Labor Code section 2699.3, subd.(a).

2.2. On September 19, 2022, Plaintiff filed a Class Action Complaint against Defendant, which alleged eight individual and class causes of action under the California Labor Code ("Labor Code") and Business and Professions Code.

2.3. On December 12, 2022, Plaintiff filed a First Amended Class and Representative Action Complaint (the “Operative Complaint”), which alleged a ninth cause of action for civil penalties pursuant to PAGA. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint, and denies any and all liability for the causes of action alleged in the Operative Complaint.

2.4. On January 12, 2023, Defendant filed a Motion to Compel Arbitration of Plaintiff’s Individual PAGA Claims and to Dismiss Plaintiff’s Representative PAGA Claim; and on April 11, 2023, the Court granted Defendant’s request to compel Plaintiff’s individual PAGA claims to arbitration but denied its request to dismiss her representative PAGA claim.

2.5. Before Plaintiff initiated arbitration for her individual claims, the Parties met and conferred about the feasibility of informal dispute resolution. The Parties ultimately agreed to attempt to resolve the Action through private mediation, subsequent to an informal exchange of data and documents.

2.6. On April 10, 2024, the Parties participated in a successful private mediation with experienced wage-and-hour mediator, Kevin Barnes, Esq., which led to the Settlement.

2.7. The Parties, PAGA Counsel, and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS

3.1. *Gross Settlement Amount.* The Gross Settlement of \$537,500.00 is the total amount Defendant agrees to pay under the Settlement, except as provided in Section 7 herein. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.2 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit a claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in its Approval Order:

3.1.1. *To PAGA Counsel:* A PAGA Counsel Expenses Payment of not more than \$14,000.00 for reimbursement of their reasonable expenses incurred to prosecute the Action; and a PAGA Counsel Fees Payment of not more than one third of the Gross Settlement Amount, or \$179,166.67, for their reasonable fees incurred to prosecute the Action. Defendant will not oppose requests for Court

1 approval of these payments provided they do not exceed these amounts. Plaintiff and/or PAGA Counsel
2 will file a Motion for Court approval of the PAGA Counsel Expenses Payment and PAGA Counsel Fees
3 Payment. If the Court approves a PAGA Counsel Expenses Payment and/or a PAGA Counsel Fees
4 Payment less than the amounts requested, the Administrator will allocate the remainder to the Net
5 Settlement Amount. Released Parties shall have no liability to PAGA Counsel arising from any claim to
6 any portion of any PAGA Counsel Expenses Payment or PAGA Counsel Fees Payment. The
7 Administrator will pay the PAGA Counsel Expenses Payment and PAGA Counsel Fees Payment using
8 one or more IRS 1099 Forms. PAGA Counsel assume full responsibility and liability for taxes owed on
9 the PAGA Counsel Expenses Payment and PAGA Counsel Fees Payment, and hold Defendant harmless,
10 and indemnify Defendant, from any dispute or controversy regarding any division of any of these
11 Payments.

12 3.1.2. *To the PAGA Representative:* A PAGA Representative Enhancement Payment of
13 not more than \$10,000.00 for Plaintiff's role, service, and risks undertaken as the PAGA Representative of
14 the State of California and for her general release of claims, as described in Paragraph 5.1 herein. If the
15 Court approves a PAGA Representative Enhancement Payment less than the amount requested, the
16 Administrator will allocate the remainder to the Net Settlement Amount. Plaintiff assumes full
17 responsibility and liability for taxes owed on the PAGA Representative Enhancement Payment.

18 3.1.3. *To the Administrator:* An Administration Expenses Payment of not more than
19 \$6,000.00 for reimbursement of the Administrator's reasonable fees and expenses. To the extent the
20 Administration Expenses Payment is less or the Court approves payment less than \$6,000.00, the
21 Administrator will allocate the remainder to the Net Settlement Amount. Simpluris, Inc. has been mutually
22 selected as the Administrator.

23 3.1.4. *To the LWDA and Aggrieved Employees:* PAGA Penalties to be paid from the Gross
24 Settlement Amount equal to the Gross Settlement Amount less the PAGA Counsel Fees Payment, PAGA
25 Counsel Expenses Payment, PAGA Representative Enhancement Payment, and Administration Expenses
26 Payment. PAGA Penalties will be allocated 75% to the LWDA ("LWDA PAGA Payment") and 25% to
27 the Aggrieved Employees ("Individual PAGA Payments"), pursuant to Labor Code section 2699, subd.(i).
28

3.1.4.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (i.e., the Net Settlement Amount) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms. The Individual PAGA Payments shall be allocated 100% to penalties and interest.

4. SETTLEMENT FUNDING AND PAYMENTS

4.1. *Aggrieved Employee Data.* No later than thirty (30) calendar days after the complete execution of this Agreement, Defendant shall deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employees' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of the Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.2. *Funding of Gross Settlement Amount.* No later than fourteen (14) calendar days after the Effective Date, Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator.

4.3. *Payments from the Gross Settlement Amount.* No later than fourteen (14) calendar days after Defendant fully funds the Gross Settlement Amount, the Administrator shall mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the PAGA Counsel Expenses Payment, the PAGA Counsel Fees Payment, the PAGA Representative Enhancement Payment, and the Administration

1 Expenses Payment. Disbursement of the PAGA Counsel Expenses Payment and PAGA Counsel Fees
2 Payment shall not precede disbursement of Individual PAGA Payments.

3 4.3.1. The Administrator will issue checks for the Individual PAGA Payments and send
4 them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid, along with the Notice of
5 PAGA Representative Action Settlement attached hereto as **Exhibit A**. The face of each check shall
6 prominently state the date (180 days after the date of mailing) when the check will be voided. The
7 Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the
8 Settlement Administrator must update the recipients' mailing addresses using the National Change of
9 Address Database.

10 4.3.2. The Administrator must conduct an Aggrieved Employee Address Search for all
11 Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. The
12 Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained
13 through the Aggrieved Employee Address Search within seven (7) business days of receiving a returned
14 check. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-
15 mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to
16 any Aggrieved Employee whose original check was lost, misplaced, or requested by the Aggrieved
17 Employee prior to the void date.

18 4.3.3. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed
19 and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to
20 the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

21 4.3.4. The payment of Individual PAGA Payments shall not obligate Defendant to confer
22 any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k)
23 contributions or bonuses) beyond those specified in this Agreement.

24 **5. RELEASE OF CLAIMS**

25 Pursuant to the requirements of Labor Code sections 2698, et seq., Plaintiff is the designated agent
26 of the LWDA and is proceeding as a private attorney general by bringing this enforcement action to
27 recover civil penalties on behalf of the LWDA and Aggrieved Employees. The Parties agree, and Plaintiff
28 agrees, that effective on the date Defendant fully funds the entire Gross Settlement Amount, the LWDA

1 shall release the Released Parties from any claim for civil penalties arising out of the Released Claims. As
2 consideration for this release, the LWDA shall receive 75% of the PAGA Penalties, consistent with the
3 requirements of the Labor Code sections 2698, et seq.; and the Aggrieved Employees shall receive 25% of
4 the PAGA Penalties consistent with the requirements of the Labor Code sections 2698, et seq.

5 5.1. *Plaintiff's Release*. Effective on the date Defendant fully funds the Gross Settlement Amount,
6 Plaintiff and her respective former and present spouses, representatives, agents, attorneys, heirs,
7 administrators, successors, and assigns, will be deemed to release the Released Parties from all claims,
8 transactions, or occurrences that occurred during her employment with Defendant, including, but not
9 limited to all claims that were, or reasonably could have been, alleged based on the facts contained in the
10 operative Complaint and PAGA Notice ("Plaintiff's Release").

11 5.1.1. Plaintiff's Release does not extend to any claims or actions to enforce this
12 Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security
13 benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the
14 PAGA Period. Plaintiff acknowledges that she may discover facts or law different from, or in addition to,
15 the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's
16 Release shall be and remain effective in all respects, notwithstanding such different or additional facts or
17 Plaintiff's discovery of them.

18 5.1.2. Plaintiff specifically stipulates and agrees that, upon the date on which the Approval
19 Order becomes "Final," she shall be deemed to have expressly waived and relinquished, to the fullest
20 extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code, or
21 any other similar provision under federal or state law, which provides:

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

26 5.2. *Release by Aggrieved Employees*. Effective on the date Defendant fully funds the Gross
27 Settlement Amount, the Aggrieved Employees and their respective former and present representatives,
28 agents, attorneys, heirs, administrators, successors, and assigns, will be deemed to release the Released

Parties from (i) all PAGA claims asserted in the Operative Complaint and PAGA Notice, (ii) all PAGA claims that could reasonably have been asserted in the Operative Complaint and PAGA Notice, and (iii) all PAGA claims arising out of the same operative facts, including claims for civil penalties under PAGA for violations of the California Labor Code based on Defendant's failure to pay all wages due (including minimum wages, straight time wages, regular rate wages, and overtime wages), failure to provide compliant meal periods, failure to authorize and permit compliant rest periods, failure to provide accurate itemized wage statements, failure to timely pay all wages due during employment and at the time of termination, failure to reimburse employees for all business-related expenses, and all damages, interest, penalties, attorneys' fees, costs, and other amounts recoverable under said representative causes of action under California law, to the extent permissible ("Released Claims").

5.3. *Release by PAGA Counsel.* Effective on the date Defendant fully funds the Gross Settlement Amount, PAGA Counsel and their present and former attorneys, employees, agents, successors, and assigns, will be deemed to release the Released Parties from all claims for fees or expenses incurred in connection with the claims alleged in the Operative Complaint and the facts stated in the Operative Complaint and the PAGA Notice.

6. SETTLEMENT ADMINISTRATION

6.1. *Selection of Administrator.* The Parties have jointly selected Simpluris, Inc. to serve as the Administrator and verified that, as a condition of appointment, Simpluris, Inc. agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

6.2. *Employer Identification Number.* The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

6.3. *Qualified Settlement Fund.* The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under U.S. Treasury Regulation section 468B-1.

6.4. *Administrator Duties.* The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

7. AGGRIEVED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUSE

Defendant represents that there were a total of 38,144 biweekly pay periods worked by an estimated 1,420 Aggrieved Employees from September 27, 2021, to April 10, 2024. If the number of biweekly pay periods during the PAGA Period is more than 10% greater than this figure (*i.e.*, if there are approximately 41,959 or more biweekly pay periods worked by Aggrieved Employees (as evidenced by a pay period with payment for time worked, excluding vacation, sick time, and/or other personal leaves of absences), Defendant agrees to increase the Gross Settlement Amount proportionately by one percent (1%); or in the alternative, elect to end the PAGA Period at an earlier date, so as to have an earlier end to the PAGA Period to limit the covered pay periods to 41,959 or less, in lieu of paying an increase to the Gross Settlement Amount.

8. CONTINUING JURISDICTION OF THE COURT

8.1. *Continuing Jurisdiction.* The Parties agree that, after entry of Judgment, the Court shall retain jurisdiction over the Parties, Action, and Settlement for purposes of (i) enforcing this Agreement and/or the Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law. This Agreement shall be binding and enforceable pursuant to California Code of Civil Procedure section 664.6.

8.2. *Waiver of Right to Appeal.* Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Expenses Payment and PAGA Counsel Fees Payment, the Parties and their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs, or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

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1 **9. ADDITIONAL PROVISIONS**

2 9.1. *Duty to Cooperate.* If the Parties disagree on any aspect of the proposed stipulation or motion
3 for approval of the Settlement, PAGA Counsel, and Defense Counsel will expeditiously work together on
4 behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement.
5 If the Court does not grant the motion for approval of the Settlement or conditions its approval on any
6 material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together
7 on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement
8 and otherwise satisfy the Court's concerns.

9 9.2. *No Admission of Liability or Representative Manageability for Other Purposes.* This
10 Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement
11 is intended or should be construed as an admission by Defendant that any of the allegations in the
12 Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it
13 be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit.
14 The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the
15 Court does not approve the Settlement, Defendant reserves all available defenses to the claims in the
16 Action, and Plaintiff reserves the right to contest Defendant's defenses. The Settlement, this Agreement,
17 and the Parties' willingness to settle the Action will have no bearing on, and will not be admissible in
18 connection with, any litigation, except for proceedings to enforce or effectuate the Settlement and this
19 Agreement.

20 9.3. *Integrated Agreement.* Upon execution by all Parties and their counsel, this Agreement,
21 together with its attached Exhibits, shall constitute the entire agreement between the Parties relating to the
22 Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or
23 by any Party.

24 9.4. *Attorney Authorization.* PAGA Counsel and Defense Counsel separately warrant and
25 represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action
26 required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to
27 execute any other documents reasonably required to effectuate the terms of this Agreement including any
28 amendments to this Agreement.

1 9.5. *Cooperation.* The Parties and their counsel will cooperate with each other and use their best
2 efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement
3 Agreement, submitting supplemental evidence and supplementing points and authorities as requested by
4 the Court. In the event the Parties are unable to agree upon the form or content of any document necessary
5 to implement the Settlement, or on any modification of this Agreement that may become necessary to
6 implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

7 9.6. *No Prior Assignments.* The Parties separately represent and warrant that they have not directly
8 or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person
9 or entity and portion of any liability, claim, demand, action, cause of action, or right released and
10 discharged by the Party in this Settlement.

11 9.7. *No Tax Advice.* Neither Plaintiff, PAGA Counsel, Defendant nor Defense Counsel are
12 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as
13 such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as
14 amended) or otherwise.

15 9.8. *Modification of Agreement.* This Agreement, and all parts of it, may be amended, modified,
16 changed, or waived only by an express written instrument signed by all Parties or their representatives, and
17 approved by the Court.

18 9.9. *Agreement Binding on Successors.* This Agreement will be binding upon, and inure to the
19 benefit of, the successors of each of the Parties.

20 9.10. *Applicable Law.* All terms and conditions of this Agreement and its Exhibits will be
21 governed by and interpreted according to the internal laws of the State of California, without regard to
22 conflict of law principles.

23 9.11. *Cooperation in Drafting.* The Parties have cooperated in the drafting and preparation of this
24 Agreement. This Agreement will not be construed against any Party on the basis that the Party was the
25 drafter or participated in the drafting.

26 9.12. *Confidentiality.* To the extent permitted by law, all agreements made, and orders entered
27 during the Action and in this Agreement relating to the confidentiality of information shall survive the
28 execution of this Agreement.

1 9.13. *Use and Return of Aggrieved Employee Data.* Information provided to PAGA Counsel
 2 pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Aggrieved Employee Data
 3 provided to PAGA Counsel by Defendant in connection with the mediation, other settlement negotiations,
 4 or in connection with the Settlement, may be used only with respect to this Settlement, and no other
 5 purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule
 6 of court. No later than ninety (90) days after the Administrator discharges its obligation to pay out of all
 7 Settlement funds, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data
 8 received from Defendant unless, prior to the Administrator's payment of all Settlement funds, Defendant
 9 makes a written request to PAGA Counsel for the return, rather than the destruction, of Aggrieved
 10 Employee Data.

11 9.14. *Headings.* The descriptive heading of any section or paragraph of this Agreement is inserted
 12 for convenience of reference only and does not constitute a part of this Agreement.

13 9.15. *Calendar Days.* Unless otherwise noted, all reference to "days" in this Agreement shall be to
 14 calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal
 15 legal holiday, such date or deadline shall be on the first business day thereafter.

16 9.16. *Notice.* All notices, demands or other communications between the Parties in connection
 17 with this Agreement will be in writing and deemed to have been duly given as of the third business day
 18 after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

19 To Plaintiff:
 20 Kane Moon, Esq.
 21 Allen Feghali, Esq.
 22 Jacquelyne VanEmmerik, Esq.
 23 MOON LAW GROUP, PC
 24 1055 West Seventh Street, Suite 1880
 25 Los Angeles, California 90017
 26 Telephone: (213) 232-3128
 27 kmoon@moonlawgroup.com
 28 afeghali@moonlawgroup.com
 jvanemmerik@moonlawgroup.com

To Defendant:
 Frank A. Magnanimo (SBN 174570)
 Eric J. Palmer (SBN 231207)
 THARPE & HOWELL, LLP
 15250 Ventura Boulevard, Ninth Floor
 Sherman Oaks, California 91403
 Telephone: (818) 205-9955

1 fmagnanimo@tharpe-howell.com
2 epalmer@tharpe-howell.com

3 9.17. *Execution in Counterparts.* This Agreement may be executed in one or more counterparts by
4 facsimile, electronically (*i.e.*, DocuSign), or email which for purposes of this Agreement shall be accepted
5 as an original. All executed counterparts and each of them will be deemed to be one and the same
6 instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed
7 counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

8 9.18. *Stay of Litigation.* The Parties agree that upon the execution of this Agreement the litigation
9 shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree, upon the
10 signing of this Agreement and pursuant to CCP section 583.330, to extend the date to bring a case to trial
11 under CCP section 583.310 for the entire period of this settlement process.

12 The Parties hereby execute this Agreement.

13 *Signatures on following page.*
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1 Dated: 5/29/2024

DocuSigned by:
Stephanie Brown
AD9E0F658CDA465...
Stephanie Brown, Plaintiff

2
3 Dated:

06/03/2024
L.A. Downtown Medical Center, LLC, Defendant
William Nelson
Name William Nelson

Title CEO

8
9 Dated: 5/29/2024

MOON LAW GROUP, P.C.

10
11 By: 
Kane Moon
Allen Feghali
Jacquelyne VanEmmerik
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17 By: 
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Center, LLC, et al.

EXHIBIT A

NOTICE OF PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT

The purpose of this Notice is to advise you that (1) a settlement (the “Settlement”) has been reached in the lawsuit entitled, *Stephanie Brown v. L.A. Downtown Medical Center, LLC, et al.*, Superior Court of the State of California for the County of Los Angeles, Case Number 22STCV30484 (the “Action”), and (2) that if you are or were employed by Defendant L.A. Downtown Medical Center, LLC (“Defendant”) in California as an hourly paid or non-exempt employee from September 27, 2021 to [REDACTED], you are entitled to a portion of the Settlement and your rights are affected by the Settlement. **This is not a solicitation by a lawyer. You are not being sued.**

Who is affected by the Settlement?

The Court has designated, for settlement purposes only, the following persons as Aggrieved Employees: All persons who worked for Defendant in California as an hourly paid or non-exempt employee from September 27, 2021 to [REDACTED]. According to Defendant’s records, you are an Aggrieved Employee.

What is the Action about?

In the Action, Plaintiff Stephanie Brown (“Plaintiff”) asserted a claim for civil penalties under the California Private Attorneys General Act of 2004, California Labor Code sections 2699, et seq., based on alleged violations of the California Labor Code.

Defendant denies all liability based on legal and factual defenses to this claim but has nonetheless agreed to settle the Action in recognition of the risks, distractions, and costs associated with litigation.

Therefore, the Settlement is a compromise reached after good faith, arm’s length negotiations between Plaintiff and Defendant (the “Parties”), through their attorneys, and is not an admission of liability on the part of Defendant. Further, the Court has not ruled on the merits of Plaintiff’s claims or Defendant’s defenses but did approve the Settlement.

What are the Settlement terms?

Pursuant to the Settlement, Defendant will pay a total amount of **\$537,500.00** (the “Gross Settlement Amount”) for: (a) payment of \$[REDACTED] to the Labor and Workforce Development Agency (“LWDA”) as its 75% share of PAGA Penalties; (b) payment of \$[REDACTED] to Aggrieved Employees as their 25% share of PAGA Penalties; (c) payment of attorney’s fees of up to **\$179,166.67** and attorney’s costs of up to **\$14,000.00**; (d) payment of administration costs of up to **\$6,000.00**; and (e) payment of **\$10,000.00** to Plaintiff as an Enhancement Payment for her participation in the litigation and general release of claims.

By operation of the Settlement, all Aggrieved Employees will release Defendant and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates (collectively, the “Released Parties”) from (i) all PAGA claims asserted in the Operative Complaint and PAGA Notice, (ii) all PAGA claims that could reasonably have been asserted in the Operative Complaint and PAGA Notice, and (iii) all PAGA claims arising out of the same operative facts (the “Released Claims”).

Aggrieved Employees will receive an Individual PAGA Payment based on the number of pay periods they worked for Defendant from September 27, 2021, to [REDACTED]. Individual PAGA Payments are classified as other miscellaneous income and will be reported on IRS Form 1099-MISC, if required¹.

All checks will remain valid and negotiable for one hundred eighty (180) days from the date of issuance and shall thereafter automatically be void if not cashed within that time. Uncashed checks will be sent to the California State Controller’s Unclaimed Property division in the name of the Aggrieved Employee. If your check is lost or misplaced, you should contact the Administrator, [X] immediately at [xxx-xxx-xxxx] to request a replacement.

PLEASE DO NOT CONTACT THE COURT FOR INFORMATION REGARDING THIS SETTLEMENT.

¹ One hundred percent (100%) of your Individual PAGA Payment under the Settlement will be considered penalties and interest, may be subject to local, state, or federal tax withholdings, and will be reported to the IRS and state tax authorities. You should rely on your own tax advisors as to the tax consequences, if any, of your Individual PAGA Payment. Neither Plaintiff nor Defendant have made any representations or warranties regarding the taxation of your Individual PAGA Payment. Nothing within this Notice or any other communication shall constitute or be construed or relied upon as tax advice within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended).