

PAGA SETTLEMENT AGREEMENT

This “PAGA” (Private Attorneys General Act of 2004, California Labor Code section 2698 et seq.) Settlement Agreement (“Agreement”) is made by and between Plaintiff Aaron Champion (“Plaintiff”) and Defendant The Glen At Scripps Ranch CCRC, LLC (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as a “Party.”

1. **DEFINITIONS.**

- 1.1 “Action” means Plaintiff’s PAGA lawsuit entitled *Aaron Champion vs. The Glen At Scripps Ranch CCRC, LLC*, filed in the Superior Court of California, County of San Diego, case number 37-2023-00024138-CU-OE-CTL.
- 1.2 “Aggrieved Employee” means any and all persons who are or were employed by Defendant in California as a non-exempt employee during the PAGA Period.
- 1.3 “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendant’s possession including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.
- 1.4 “Aggrieved Employee Address Search” means the Settlement Administrator’s investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Settlement Administrator with Aggrieved Employees.
- 1.5 “Approval Order” means the Court’s order granting approval of the Settlement.
- 1.6 “Attorneys’ Costs” or “Litigation Costs” means the amount to be reimbursed to PAGA Counsel for their litigation costs and expenses incurred to prosecute the Action. Attorneys’ Costs shall not exceed \$25,000.00.
- 1.7 “Attorneys’ Fees” means the amount to be awarded to PAGA Counsel for the work they have performed in furtherance of the Action. Attorneys’ Fees shall not exceed \$31,666.67, which represents one-third of the Gross Settlement Amount.
- 1.8 “Court” means the Superior Court of California, County of San Diego.
- 1.9 “Defense Counsel” means Pettit Kohn Ingrassia Lutz & Dolin, PC, the attorneys representing Defendant in the Action.
- 1.10 “Effective Date” means the date an order or judgment approving the PAGA settlement in the Action is entered by the court. The occurrence of the Effective Date is a prerequisite to any obligation of Defendant to pay the Gross Settlement Amount.
- 1.11 “Gross Settlement Amount” means \$95,000.00 which is the maximum total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, Attorneys’ Fees, Attorneys’ Costs, the Settlement

Administration Costs, Plaintiff's Individual Settlement, and any employer side payroll taxes (if any).

- 1.12 "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of the 25% of the Net Settlement Amount calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.
- 1.13 "Judgment" means the judgment entered by the Court based upon the Approval Order.
- 1.14 "LWDA PAGA Payment" means the 75% of the Net Settlement Amount paid to the Labor and Workforce Development Agency's ("LWDA") under Labor Code section 2699, subd. (i).
- 1.15 "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Attorneys' Fees, Attorneys' Costs, the Settlement Administration Costs, and Plaintiff's Individual Settlement. The remainder is the total amount of PAGA civil penalties to be paid under the Settlement, which will be allocated 75% to the LWDA and 25% to the Aggrieved Employees in settlement of PAGA claims.
- 1.16 "PAGA Counsel" means Moon Law Group, PC, the attorneys representing Plaintiff in the Action.
- 1.17 "Pay Period" means any pay period during which an Aggrieved Employee was employed by Defendant for at least one day during the PAGA Period.
- 1.18 "PAGA Notice" means Plaintiff's April 4, 2023 letter to Defendant and the LWDA providing notice pursuant to Labor Code § 2699.3(a).
- 1.19 "PAGA Period" means the period from June 8, 2022 through the date of the Court's Order approving the Settlement, or at an earlier date pursuant to Paragraph 10 of this Agreement.
- 1.20 "Released Claims" means the claims being released by Plaintiff as described in Section 5.
- 1.21 "Released Parties" means The Glen At Scripps Ranch CCRC, LLC, and its respective past, present, or future affiliates, related entities, parents, subsidiaries, owners, members, partners, officers, directors, board members, managers, supervisors, employees, coemployers, predecessors, successors, assigns, agents, shareholders, investors, insurers, legal representatives, representatives, independent contractors, franchisors, and franchisees.
- 1.22 "Plaintiff's Individual Settlement" means \$5,000.00 paid to Plaintiff in consideration of the covenants undertaken and the releases contained in this Agreement and for his service as PAGA plaintiff.
- 1.23 "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

- 1.24 “Settlement Administrator” means Simpluris, Inc., a neutral, third-party administrator the Parties have agreed to appoint to administer the Settlement.
- 1.25 “Settlement Administration Costs” means the amount the Settlement Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in administering the Settlement in accordance with this Agreement.

2. RECITALS

- 2.1 On June 8, 2023, Plaintiff commenced this Action by filing a complaint alleging a cause of action for Civil Penalties Under PAGA [Cal. Lab. Code § 2699, et seq.] (the “Operative Complaint”). The Action consists solely of Plaintiff’s cause of action for civil penalties under PAGA.
- 2.2 Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint, and denies any and all liability for the causes of action alleged. This Agreement shall not be construed as an admission of fault or wrongdoing by the Released Parties, or any of them.
- 2.3 Pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave timely written notice to Defendants and the LWDA by sending a PAGA notice letter on April 4, 2023. Plaintiff’s PAGA case number is LWDA-CM-946358-23.
- 2.4 On August 23, 2024, the Parties participated in mediation presided over by mediator Tagore Subramaniam, Esq. The Parties engaged in subsequent discussions with the mediator, which led to this Agreement to settle the Action. The Parties agree that the terms and conditions of this Agreement are the result of lengthy, intensive arms-length negotiations between the Parties supervised by an experienced employment law mediator.
- 2.5 Prior to mediation and negotiating the Settlement, Plaintiff obtained, through informal discovery, a sample of the time and payroll records for the Aggrieved Employees, the number of Pay Periods and Aggrieved Employees in the PAGA Period, relevant excerpts of Defendant’s employment policies and handbook, and other relevant documents. Plaintiff retained an expert to analyze the records produced by Defendant.
- 2.6 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. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay \$95,000.00 and no more as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.3 of this Agreement. The Settlement Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

3.2 Payments from the Gross Settlement Amount. The Settlement Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Approval Order:

3.2.1 To PAGA Counsel: Attorneys' Fees of not more than one-third (1/3) of the Gross Settlement Amount, which is currently estimated to be \$31,666.67, and Litigation Costs of not more than \$25,000.00. Defendant will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file a motion for approval of the Settlement, which will include a request for PAGA Counsel's Attorneys' Fees and Litigation Costs. If the Court approves Attorneys' Fees and/or Litigation Costs less than the amounts requested, the Settlement Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other plaintiff's counsel arising from any claim to any portion of the Attorneys' Fees and/or Litigation Costs. The Settlement Administrator will pay the Attorneys' Fees and Litigation Costs using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the Attorneys' Fees and Litigation Costs and holds Released Parties harmless, and indemnifies Released Parties, from any dispute or controversy regarding any division or sharing of any of these payments.

3.2.2 To the Settlement Administrator: Settlement Administration Costs not to exceed \$4,500.00 except for a showing of good cause and as approved by the Court. To the extent the Settlement Administration Costs are less or the Court approves payment less than \$4,500.00, the Settlement Administrator will retain the remainder in the Net Settlement Amount.

3.2.3 To Plaintiff: Payment of \$5,000.00 to Plaintiff in exchange for the Release (defined below) and for his service as a PAGA plaintiff.

3.2.4 To the LWDA and Aggrieved Employees: The Net Settlement Amount will be distributed amongst Aggrieved Employees and the LWDA, with 75% allocated to the LWDA PAGA Payment and 25% allocated to the Individual PAGA Payments.

3.2.4.1 The Settlement Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of the Net Settlement Amount by the total number of Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's Pay Periods. Defendant shall not bear any responsibility and liability for any taxes owed on the Individual PAGA Payments.

3.2.4.2 All payments to Aggrieved Employees under this Settlement shall be characterized as non-wage penalties, and the Settlement Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1 PAGA Period Pay Periods. Based on a review of its records to date, Defendant estimates there are approximately 310 Aggrieved Employees approximately who worked a total of 9,471 pay periods in the PAGA Period.
- 4.2 Aggrieved Employee Data. Within fourteen (14) calendar days of the later of the Effective Date or the date the Settlement Administrator provides Defendant with instructions for securely transferring the Aggrieved Employee Data to the Settlement Administrator, Defendant will deliver the Aggrieved Employee Data to the Settlement Administrator, in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employees' privacy rights, the Settlement Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to the Settlement 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 Aggrieved 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 Settlement 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. PAGA Counsel agrees that it shall not view the Aggrieved Employee Data, and that if it obtains the Aggrieved Employee Data, it will immediately delete the data and inform the Settlement Administrator and Defense Counsel of the disclosure and the steps it took to delete the Aggrieved Employee Data.
- 4.3 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Settlement Administrator no later than fourteen (14) calendar days after the Effective Date.
- 4.4 Payments from the Gross Settlement Amount. Within fourteen (14) calendar days after Defendant fully funds the Gross Settlement Amount, the Settlement Administrator shall mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, Attorneys' Fees, Litigation Costs, and Plaintiff's Individual Settlement. Disbursement of PAGA Counsel Attorneys' Fees and Litigation Costs shall not precede disbursement of Individual PAGA Payments.
- 4.4.1 The Settlement Administrator will issue checks for the Individual PAGA Payments and send them to Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Settlement Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the "National Change of Address Database".
- 4.4.2 The Settlement Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within seven (7) calendar days of receiving a returned check,

the Settlement Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Settlement Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.

4.4.3 For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Settlement Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee, thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

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

5. **RELEASES OF CLAIMS.**

Effective on the date when Defendant fully funds the entire Gross Settlement Amount, Plaintiff and the State of California with respect to Aggrieved Employees will release claims against all Released Parties as follows (the "Release"):

- 5.1 **PAGA Release.** Plaintiff, on behalf of himself and his respective former and present representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns, and the State of California with respect to Aggrieved Employees are deemed to release the Released Parties from all claims for penalties under the California Private Attorneys' General Act (Labor Code section 2698, et seq.) that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in, and that could have been sought by, the Labor Commissioner for the violations identified in the Operative Complaint and/or Plaintiff's PAGA Notice to the LWDA that accrued at any time during the PAGA Period including, but not limited to, failure to pay employees for all hours worked, failure to provide compliant meal periods and associated premiums, failure to provide compliant rest periods and associated premiums, failure to reimburse for business expenses, failure to maintain accurate records of hours worked, failure to pay all wages due, and failure to provide accurate, itemized wage statements in violation of California Labor Code sections 201, 202, 203, 204, 210, 226, 226.7, 510, 512, 516, 1174, 1174.5, 1194, 1197, 1197.1, 1198, and 2802.
- 5.2 **General Release.** Except as to such rights or claims as may be created by this Agreement, Plaintiff, on behalf of himself and his respective former and present representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns, releases the Released Parties from any and all claims, demands, and causes of action heretofore or hereafter arising out of, connected with, or incidental to Plaintiff's employment by Defendant, including without limitation on the generality of the foregoing, any and all claims, demands, or threatened causes of action described in the Operative Complaint. Plaintiff also specifically waives any and all claims or actions Plaintiff may have for wrongful termination, breach of any implied, written or

oral contract, constructive discharge, breach of any implied covenant of good faith and fair dealing, retaliation, breach of any oral or written promise, defamation, intentional or negligent infliction of emotional distress, and for any claim, right, or action arising under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the California Fair Employment and Housing Act, the Americans With Disabilities Act, California Labor Code section 2802, any claim or right arising from any other federal, state or municipal statute, or any claim for severance pay, bonus, sick leave, holiday pay, vacation pay, life insurance, health or medical insurance or any other monetary compensation, reimbursement, or other benefits. Plaintiff does not, however, waive any claims or actions to enforce this Agreement or any claims Plaintiff has or may have for unemployment, social security benefits, disability benefits, or workers' compensation benefits (with the exception of any claims for increased benefits under Labor Code sections 132a and 4553). Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that the Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.2.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For purposes of the Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

5.3 Release by PAGA Counsel: PAGA Counsel releases on behalf of their present and former attorneys, employees, agents, successors and assigns the Released Parties from all claims for Attorneys' Fees and/or Litigation Costs incurred in connection with the Operative Complaint and the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

6. MOTION FOR APPROVAL OF SETTLEMENT.

6.1 Plaintiff's Responsibilities. Plaintiff will prepare all documents necessary to obtain the Court's approval of the Settlement. Plaintiff shall also submit this Settlement Agreement to the LWDA at the same time it is submitted to the Court.

6.2 Responsibilities of Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the motion for approval of the Settlement ("Approval Motion") and obtaining a prompt hearing date for the Approval Motion and appearing in Court to advocate in favor of the Motion. PAGA Counsel is responsible for delivering the Court's Approval Order to the Settlement Administrator.

6.3 Duty to Cooperate. If the Court does not grant the Approval Motion or the Court conditions its approval on any material change to this Agreement, PAGA Counsel and

Defense Counsel will expeditiously work together on behalf of the Parties by meeting in good faith to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Settlement Administrator. The Parties have jointly selected Simpluris, Inc. ("Simpluris") to serve as the Settlement Administrator and verified that, as a condition of appointment, Simpluris agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Settlement Administration Costs. The Parties, PAGA Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the Settlement Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2 Employer Identification Number. The Settlement 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.
- 7.3 Qualified Settlement Fund. The Settlement Administrator shall establish a settlement fund that meets the requirements of a qualified settlement fund ("QSF") under US Treasury Regulation section 468B-1.
- 7.4 Instructions to Defendant. The Settlement Administrator shall provide Defendant with instructions for securely transferring the Aggrieved Employee Data to the Settlement Administrator after receiving the Approval Order from PAGA Counsel and by no later than the Effective Date. The Settlement Administrator shall also provide Defendant with wire instructions for depositing the Gross Settlement Amount after receiving the Approval Order from PAGA Counsel and by no later than the Effective Date.
- 7.5 Notice to Aggrieved Employees. All checks for the Individual PAGA Payment mailed to each Aggrieved Employee shall be accompanied by a notice letter from the Settlement Administrator, substantially in the form attached to this Agreement as **Exhibit A**.
- 7.6 Final Accounting and Declaration. Within ten (10) days after the Settlement Administrator disburses all funds in the Gross Settlement Amount, the Settlement Administrator shall provide PAGA Counsel and Defense Counsel with a final accounting, detailing its disbursements of all payments made under this Agreement. If requested by the Parties and/or the Court, at least fourteen (14) days before any deadline set by the Court, the Settlement Administrator shall prepare and provide PAGA Counsel and Defense Counsel, a signed declaration attesting to its due diligence and compliance with all of its obligations under this Agreement. The Settlement Administrator shall supplement its declaration as needed or requested by the Parties and/or the Court. PAGA Counsel is responsible for filing the Settlement Administrator's declaration in Court.
- 7.7 Administrator Duties. The Settlement Administrator has a duty to perform or observe all tasks to be performed or observed by the Settlement Administrator contained in this Agreement or otherwise.

8. **ESCALATOR CLAUSE.** Based on its records, Defendant estimates that, as of the date of this Agreement, there are approximately 9,471 Pay Periods in the PAGA Period. If the number of Pay Periods in the PAGA Period exceeds 9,471 by more than 10%, meaning if the number of total Pay Periods is 10,418 or more, the Gross Settlement Amount shall be increased by the percentage that the actual number of Pay Periods exceeds 10,418. Alternatively, Defendant may elect to end the PAGA Period applicable to the Released Claims on the date that the total number of Pay Periods reaches 10,418, so that the escalator clause is not triggered.

9. **CONTINUING JURISDICTION AND WAIVER OF RIGHT TO APPEAL.**

- 9.1 **Continuing Jurisdiction of the Court.** The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.
- 9.2 **Waiver of Right to Appeal.** Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Attorneys' Fees and Attorneys' Costs, the Parties, 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.

10. **ADDITIONAL PROVISIONS.**

- 10.1 **No Admission of Liability or Representative Manageability for Other Purposes.** This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve the Settlement, Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendant's defenses. The Settlement, this Agreement, and the Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).
- 10.2 **Publicity.** PAGA Counsel agrees to discuss the terms of this Settlement only in declarations submitted to the Court to establish PAGA Counsel's adequacy to serve as counsel, in declarations submitted to the Court in support of the Approval Motion, and any other pleading filed with the Court in conjunction with the Settlement. PAGA Counsel and Plaintiff agree that they will not publish any press releases or press statements regarding the Settlement, identify Defendant or Defense Counsel by name in any media including PAGA Counsel's website, or have any communications with the

press or media about the Action or the Settlement. Plaintiff, in response to inquiries, will state that that “the Action was resolved.” This provision will not impede PAGA Counsel’s ability to discharge fiduciary duties, including effectuating the terms of this Settlement.

- 10.3 Confidentiality Prior to Approval. Plaintiff, PAGA Counsel, Defendant, and Defense Counsel separately agree that, until the Approval Motion is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties’ attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency.
- 10.4 Communication by PAGA Counsel. PAGA Counsel will not initiate contact or communicate with the Aggrieved Employees during the approval process. However, nothing in this paragraph shall be construed to prevent PAGA Counsel from responding to inquiries from Aggrieved Employees.
- 10.5 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 10.6 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 10.7 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of the Action’s mediator, Tagore Subramaniam, Esq., and/or the Court for resolution.
- 10.8 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Parties in this Settlement.
- 10.9 No Tax or Legal Advice. The Parties understand and agree that the Parties are neither providing tax or legal advice, nor making representations regarding tax obligations or

consequences, if any, related to this Agreement, and that Defendant will not assume any such tax obligations or consequences that may arise from this Agreement. Neither Plaintiff, PAGA Counsel, Defendant, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

- 10.10 Invalidity of Any Provision. Before declaring any provision of this Agreement invalid, the Parties request that the Court first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents, so as to define all provisions of this Agreement valid and enforceable.
- 10.11 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties, and approved by the Court.
- 10.12 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 10.13 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the State of California, without regard to conflict of law principles.
- 10.14 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 10.15 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court.
- 10.16 Headings. The descriptive headings contained in this Agreement are inserted for convenience and reference only and in no way define, limit, extend or describe the scope of this Settlement or any provision hereof. Each term of this Settlement is contractual and not merely a recital.
- 10.17 Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 10.18 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Kane Moon
Allen Feghali
Julie Sohyun Oh
MOON LAW GROUP, PC
725 S Figueroa Street, 31st Floor
Los Angeles, CA 90017
Telephone: (213) 232-3128
Facsimile: (213) 232-3125
kmoon@moonlawgroup.com
afeghali@moonlawgroup.com
joh@moonlawgroup.com

To Defendant:

Thomas S. Ingrassia
Michelle Perez-Yanez
Ethan D. Anderson
**PETTIT KOHN INGRASSIA
LUTZ & DOLIN PC**
11622 El Camino Real, Suite 300
San Diego, California 92130
Telephone: (858) 755-8500
Facsimile: (858) 755-8504
tingrassia@pettitkohn.com
mperezyanez@pettitkohn.com
eanderson@pettitkohn.com

- 10.19 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 10.20 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement, until the Court approves the Settlement or, if the Court refuses to approve the Settlement, until the Parties declare in writing that the Agreement cannot be modified and that the Settlement is void. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 the date to bring a case to trial under CCP section 583.310 shall be tolled until Final Approval.
- 10.21 Plaintiff represents that he has complied with any and all prefiling requirements for his PAGA claim against Defendant, including but not limited to providing notice to the California Labor and Workforce Development Agency as required by California Labor Code section 2699.3. Plaintiff further agrees to provide any and all notices to the California Labor and Workforce Development Agency required to effectuate the Settlement, including the notice required by California Labor Code section 2699 subdivision (l)(2).

[Signatures on the following page]

Date: 11/5/2024

DocuSigned by:
Aaron Champion
EEC861E3BE5146B
Plaintiff Aaron Champion

Date: 11/13/2024

W E Spieker
Defendant The Glen At Scripps Ranch CCRC, LLC

By: Warren E. Spieker III

Its: Managing Partner

Approved as to form by:

Date: 11/05/2024

MOON LAW GROUP, PC

Kane Moon
Allen Feghali
Julie Sohyun Oh
Counsel for Plaintiff

Date: 11/14/2024

PETTIT KOHN INGRASSIA LUTZ & DOLIN PC

Thomas S. Ingrassia
Thomas S. Ingrassia
Michelle Perez-Yanez
Ethan D. Anderson
Counsel for Defendant

Exhibit A

<<DATE>>

<<FIRST_NAME>> <<LAST_NAME>>

<<ADDRESS 1>>

<<ADDRESS 2>>

NOTICE OF PAGA SETTLEMENT

Aaron Champion v. The Glen At Scripps Ranch CCRC, LLC

Superior Court of California, County of San Diego, Case No. 37-2023-00024138-CU-OE-CTL

PLEASE READ THIS NOTICE

Enclosed is your payment from the settlement of the lawsuit entitled *Aaron Champion v. The Glen At Scripps Ranch CCRC, LLC* (San Diego County Superior Court, Case No. 37-2023-00024138-CU-OE-CTL) (the “Settlement”). The lawsuit was filed by a former employee, Aaron Champion (“Plaintiff”), against The Glen At Scripps Ranch CCRC, LLC (“Defendant”), pursuant to the California Private Attorneys General Act of 2004, codified at California Labor Code § 2698, *et seq.* (called “PAGA”). The lawsuit was brought on behalf of the State of California and relates to all persons who worked for Defendant in California as a non-exempt employee at any time between June 8, 2022 to [DATE], 2024 (“PAGA Period”). You have been identified as one of these Aggrieved Employees (as defined below).

Plaintiff alleges he and other non-exempt employees employed by Defendant in California during the PAGA Period were subjected to various Labor Code violations. Defendant denied and continues to deny all allegations and liability. However, to avoid further time and expense of protracted and uncertain litigation, Plaintiff and Defendant have agreed to settle the lawsuit for civil penalties under the Settlement.

The Court approved the Settlement on [DATE]. On the date the Court enters the Order approving the Settlement, and payment of all funds due under the Settlement are made, the Labor and Workforce Development Agency (“LWDA”) with respect to Aggrieved Employees and Plaintiff fully release and forever discharge the Released Parties (as defined below) from any and all claims identified in the PAGA Release (as defined below).

“Aggrieved Employee” means any and all persons who worked for Defendant in California as a non-exempt employee at any time between June 8, 2022 to [DATE].

“PAGA Release” means the release of PAGA claims effected by the Settlement. Specifically, the Settlement’s PAGA Release provides: Plaintiff, on behalf of himself and his respective former and present representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns, and the State of California with respect to Aggrieved Employees are deemed to release the Released Parties from all claims for penalties under the California Private Attorneys’ General Act (Labor Code section 2698, *et seq.*) that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in, and that could have been sought by,

the Labor Commissioner for the violations identified in the Operative Complaint and/or Plaintiff's PAGA Notice to the LWDA that accrued at any time during the PAGA Period including, but not limited to, failure to pay employees for all hours worked, failure to provide compliant meal periods and associated premiums, failure to provide compliant rest periods and associated premiums, failure to reimburse for business expenses, failure to maintain accurate records of hours worked, failure to pay all wages due, and failure to provide accurate, itemized wage statements in violation of California Labor Code sections 201, 202, 203, 204, 210, 226, 226.7, 510, 512, 516, 1174, 1174.5, 1194, 1197, 1197.1, 1198, and 2802..

"Released Parties" are Defendant The Glen At Scripps Ranch CCRC, LLC and its respective past, present, or future affiliates, related entities, parents, subsidiaries, owners, members, partners, officers, directors, board members, managers, supervisors, employees, coemployers, predecessors, successors, assigns, agents, shareholders, investors, insurers, legal representatives, representatives, independent contractors, franchisors, and franchisees.

The Gross Settlement Amount is the maximum total payment under the Settlement. The Gross Settlement Amount is \$95,000.00. This sum is comprised of PAGA Counsel Attorneys' Fees of \$31,666.67; reimbursement of PAGA Counsel's Litigation Costs of \$ [REDACTED]; Settlement Administration Costs of \$ [REDACTED]; Payment to Plaintiff in the amount of \$5,000.00 in exchange for his service as a PAGA plaintiff and to release all claims he has or may have against Defendant, and the remainder (the "Net Settlement Amount") as PAGA penalties. The Net Settlement Amount is comprised of the LWDA Payment and the Individual PAGA Payments to Aggrieved Employees. \$ [REDACTED], or 75% of the Net Settlement Amount, will be paid to the LWDA in accordance with the PAGA. \$ [REDACTED], or 25% of the Net Settlement Amount, will be paid to the Aggrieved Employees as Individual PAGA Payments, which will be calculated on a pro rata basis, based on the number of each Aggrieved Employee's pay periods worked during the PAGA Period.

Based on Defendant's records, you worked [NUMBER OF PAY PERIODS] pay periods during the PAGA Period. The total amount of pay periods worked by all Aggrieved Employees during the PAGA Period is [NUMBER OF PAY PERIODS].

The enclosed check represents your share based upon the number of pay periods you worked during the period from June 8, 2022 to the end of the 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.

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.

Do not call or write the Court, Office of the Clerk, Defendant, or Defendant's counsel to ask questions about the settlement or to ask tax-related questions. If you have such questions, you may contact [insert administrator information].