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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE

JEFFREY ADAM KILGORE and HALEY
MOORE, individually, on behalf of
themselves and all other aggrieved
employees,

Plaintiffs,

v.

BQ OPERATIONS HOLDINGS, LLC, a
limited liability company; 991 CLYDE
AVENUE OPCO, LLC; NEWGEN
ADMINISTRATIVE SERVICES, LLC;
SAPPHIRE OPERATIONS, LLC; NEWGEN,
LLC; SUNBRIDGE BRASWELL
ENTERPRISES, LLC; 6740 WILBUR
AVENUE OPCO LLC; 320 NORTH
CRAWFORD AVENUE OPERATIONS
LLC; ANAHEIM TERRACE CARE
CENTER LLC; BAY CREST CARE
CENTER LLC; DEVONSHIRE CARE
CENTER LLC; FOUNTAIN VIEW
SUBACUTE & NRSNG CTR LLC;
MONTEBELLO CARE CENTER LLC; RIO
HONDO SUBACUTE & NURSING
CENTER LLC; SUNBRIDGE BRITTANY
REHABILITATION CENTER;
SUNBRIDGE CARE ENTERPRISES WEST
LLC; SUNBRIDGE HALLMARK HEALTH
SERVICES LLC; SUNBRIDGE
MEADOWBROOK REHABILITATION

Case No.: 23STCV10311

[Assigned for all purposes to the Hon. David S.
Cunningham III, Dept. 11]

**AMENDED PAGA SETTLEMENT
AGREEMENT**

Complaint filed: May 8, 2023
Trial date: Not set

CENTER LLC; SUNBRIDGE SHANDIN
HILLS REHABILITATION CENTER LLC;
SUNBRIDGE STOCKTON
REHABILITATION CENTER;
WOODLAND CARE CENTER LLC; 1030
WARNER AVENUE I OPCO LLC; 23228
MADERO OPCO LLC; WINDSOR
MONTEREY CARE CENTER LLC; 14766
WASHINGTON AVENUE OPERATIONS
LLC; S&F HOME HEALTH OPCO I LLC;
S&F HOSPICE OPCO I LLC; S&F
MARKET STREET HEALTHCARE LLC;
WINDSOR CARE CENTER NATIONAL
CITY INC.; WINDSOR CHEVIOT HILLS
LLC; WINDSOR COUNTRY DRIVE CARE
CENTER; WINDSOR COURT ASSISTED
LIVING LLC; WINDSOR CYPRESS
GARDENS HEALTHCARE LLC;
WINDSOR EL CAMINO CARE CENTER
LLC; WINDSOR ELK GROVE CARE AND
REHAB LLC; WINDSOR ELMHAVEN
CARE CENTER LLC; WINDSOR
HAMPTON CARE CENTER LLC;
WINDSOR HAYWARD ESTATES LLC;
WINDSOR ROSEWOOD CARE CENTER
LLC; WINDSOR SACRAMENTO ESTATES
LLC; WINDSOR SKYLINE CARE CENTER
LLC; WINDSOR TERRACE
HEALTHCARE LLC; WINDSOR THE
RIDGE REHABILITATION CENTER;
WINDSOR VALLEJO CARE CENTER
LLC; WINDSOR GARDENS
CONVALESCENT HOSPITAL INC.;
SPRING SENIOR ASSISTED LIVING LLC;
THE EARLWOOD LLC; BOLD QUAIL 2,
LLC; MESHUGA OPERATIONS
HOLDINGS, LLC; MESHUGA 2
OPERATIONS HOLDINGS, LLC; BOLD
QUAIL 3 OPERATIONS HOLDINGS, LLC;
and DOES 1-10, inclusive,

Defendants

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14 *Attorneys for Defendants*

15 *Sunbridge Braswell Enterprises, LLC; 991 Clyde Avenue Opco, LLC; 6740 Wilbur Avenue Opco*
16 *LLC; 320 North Crawford Avenue Operations LLC; Anaheim Terrace Care Center LLC; Bay Crest*
17 *Care Center LLC; Devonshire Care Center LLC; Fountain View Subacute & Nrsng Ctr LLC;*
18 *Montebello Care Center LLC; Rio Hondo Subacute & Nursing Center LLC; SunBridge Brittany*
19 *Rehabilitation Center; Sunbridge Care Enterprises West LLC; Sunbridge Hallmark Health Services*
20 *LLC; Sunbridge Meadowbrook Rehabilitation Center LLC; SunBridge Shandin Hills Rehabilitation*
21 *Center LLC; Sunbridge Stockton Rehabilitation Center; Woodland Care Center LLC; 1030 Warner*
22 *Avenue I Opco LLC (South Coast Post Acute and Santa Ana Royale TRC); 23228 Madero Opco LLC;*
23 *Windsor Monterey Care Center LLC; 14766 Washington Avenue Operations LLC; S&F Home Health*
24 *Opco I LLC; S&F Hospice OPCO I LLC; S&F Market Street Healthcare LLC; Windsor Care Center*
25 *National City Inc.; Windsor Cheviot Hills LLC; Windsor Country Drive Care Center; Windsor Court*
26 *Assisted Living LLC; Windsor Cypress Gardens Healthcare LLC; Windsor El Camino Care Center*
27 *LLC; Windsor Elk Grove Care and Rehab LLC; Windsor Elmhaven Care Center LLC; Windsor*
28 *Hampton Care Center LLC; Windsor Hayward Estates LLC; Windsor Rosewood Care Center LLC;*
Windsor Sacramento Estates LLC; Windsor Skyline Care Center LLC; Windsor Terrace Healthcare
LLC; Windsor The Ridge Rehabilitation Center; Windsor Vallejo Care Center LLC; Windsor Gardens
Convalescent Hospital Inc.; Spring Senior Assisted Living LLC; The Earlwood LLC; NewGen
Administrative Services, LLC; Sapphire Operations, LLC; BQ Operations Holdings, LLC; NewGen,
LLC; Bold Quail 2, LLC; Meshuga Operations Holdings, LLC; Meshuga 2 Operations Holdings, LLC
(aka Sapphire 2 Operations Holdings, LLC); and Bold Quail 3 Operations Holdings, LLC

AMENDED PAGA SETTLEMENT AGREEMENT

This Amended PAGA Settlement Agreement (“Agreement” or “Settlement”) is made by and between Plaintiff Jeffrey Adam Kilgore (“Plaintiff Kilgore”) and Plaintiff Haley Moore (“Plaintiff Moore”) (together, “Plaintiffs”), on the one part, and Defendants Sunbridge Braswell Enterprises, LLC, 991 Clyde Avenue Opco, LLC, 6740 Wilbur Avenue Opco LLC, 320 North Crawford Avenue Operations LLC, Anaheim Terrace Care Center LLC, Bay Crest Care Center LLC, Devonshire Care Center LLC, Fountain View Subacute & Nrsng Ctr LLC, Montebello Care Center LLC, Rio Hondo Subacute & Nursing Center LLC, SunBridge Brittany Rehabilitation Center, Sunbridge Care Enterprises West LLC, Sunbridge Hallmark Health Services LLC, Sunbridge Meadowbrook Rehabilitation Center LLC, SunBridge Shandin Hills Rehabilitation Center LLC, Sunbridge Stockton Rehabilitation Center, Woodland Care Center LLC, 1030 Warner Avenue I Opco LLC (South Coast Post Acute and Santa Ana Royale TRC), 23228 Madero Opco LLC, Windsor Monterey Care Center LLC, 14766 Washington Avenue Operations LLC, S&F Home Health Opco I LLC, S&F Hospice OPCO I LLC, S&F Market Street Healthcare LLC, Windsor Care Center National City Inc., Windsor Cheviot Hills LLC, Windsor Country Drive Care Center, Windsor Court Assisted Living LLC, Windsor Cypress Gardens Healthcare LLC, Windsor El Camino Care Center LLC, Windsor Elk Grove Care and Rehab LLC, Windsor Elmhaven Care Center LLC, Windsor Hampton Care Center LLC, Windsor Hayward Estates LLC, Windsor Rosewood Care Center LLC, Windsor Sacramento Estates LLC, Windsor Skyline Care Center LLC, Windsor Terrace Healthcare LLC, Windsor The Ridge Rehabilitation Center, Windsor Vallejo Care Center LLC, Windsor Gardens Convalescent Hospital Inc., Spring Senior Assisted Living LLC, The Earlwood LLC, NewGen Administrative Services, LLC, Sapphire Operations, LLC, BQ Operations Holdings, LLC, NewGen, LLC, Bold Quail 2, LLC, Meshuga Operations Holdings, LLC, Meshuga 2 Operations Holdings, LLC (aka Sapphire 2 Operations Holdings, LLC), and Bold Quail 3 Operations Holdings, LLC (collectively, “Defendants”), on the other. The Agreement refers to Plaintiffs and Defendants collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

1.1. “Actions” means: (i) Plaintiff Kilgore’s lawsuit alleging claims for civil penalties for Labor Code violations captioned *Kilgore v. BQ Operations Holdings, LLC*, Case No. 23STCV10311, filed on May 8, 2023 and pending in the California Superior Court, County

of Los Angeles; and (ii) Plaintiff Moore’s lawsuit alleging claims for civil penalties for Labor Code violations captioned *Moore v. 991 Clyde Avenue Opco, LLC et al.*, Case No. 23STCV21439, filed on September 6, 2023 in the California Superior Court, County of Los Angeles, which Plaintiff Moore agrees to dismiss upon the filing of a second amended complaint in the above-caption *Kilgore* matter. For purposes of this Settlement, the Parties stipulate that the Actions will be consolidated under the above-captioned *Kilgore* matter by way of a second amended complaint that Plaintiffs agree to file upon the Parties’ full execution of the Settlement Agreement.

1.2. “Administrator” means Simpluris, the neutral entity the Parties have jointly appointed to administer the Settlement following a competitive bidding process.

1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount, and in accordance with the Administrator’s bid submitted to the Court in connection with approval of the Settlement, for the Administrator’s fees and costs, including, without limitation, issuance of checks and mailing.

1.4. “Aggrieved Employee” means all current and former employees who worked for Defendants at any facility in California and were classified as a non-exempt employee during the PAGA Release Period.

1.5. “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendants’ possession, including name, last-known mailing and e-mail address, Social Security number, and number of PAGA Pay Periods.

1.6. “Aggrieved Employee Address Search” means the Administrator’s investigation and search for Aggrieved Employees’ current 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 Administrator with Aggrieved Employees.

1.7. “Approval Order” means the Court’s order granting approval of PAGA Settlement.

1.8. “Court” means the Superior Court of California, County of Los Angeles.

1.9. “Defense Counsel” means the attorneys of Ogletree, Deakins, Nash, Smoak & Stewart, P.C.

1.10. “Effective Date” means the date by when both of the following have occurred: (a) the Court

enters a Judgment on its Approval Order; and (b) the Judgment is final. The Judgment is final as of the day the Court enters Judgment.

1.11. “Employee Notice” means the Court-approved *Notice of PAGA Settlement*, substantively in the form attached hereto as “Exhibit A,” without material variation, with a Spanish translation by the Administrator, which will be mailed to Aggrieved Employees with their Individual PAGA Payments.

1.12. “Individual PAGA Payment” means an Aggrieved Employee’s pro-rata share of twenty-five percent (25%) of the PAGA Penalties, as calculated by the Administrator according to the number of PAGA Pay Periods the individual worked as an Aggrieved Employee during the PAGA Release Period.

1.13. “Judgment” means the judgment entered by the Court based upon the Approval Order.

1.14. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled under California Labor Code § 2699(i).

1.15. “LWDA PAGA Payment” means seventy-five percent (75%) of the PAGA Penalties payable to the LWDA pursuant to California Labor Code § 2699(i).

1.16. “Gross Settlement Amount” means \$1,100,000.00, which is the total amount Defendants agree to pay under the Settlement, except as provided under the Escalator Clause at Paragraph 8 of this Agreement. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, the PAGA Counsel Attorneys’ Fees Payment, the PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment.

1.17. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments, in amounts as approved by the Court and stated in the Approval Order: the LWDA PAGA Payment, the PAGA Counsel Attorneys’ Fees Payment, the PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Aggrieved Employees through Individual PAGA Payments.

1.18. “Operative Complaint” means Plaintiffs’ Second Amended Representative Action Complaint filed in this Court.

- 1.19. “PAGA” means the California Private Attorneys General Act, California Labor Code §§ 2698, *et seq.*
- 1.20. “PAGA Counsel” means Plaintiff Kilgore’s attorneys of Moon Law Group, PC, including Kane Moon, Allen Feghali, and Charlotte Mikat-Stevens, as well as Plaintiff Moore’s attorneys of Manahan O’Dell LLP, including Amanda E. Manahan and Shaheen Anthony Etemadi.
- 1.21. “PAGA Counsel Attorneys’ Fees Payment” and “PAGA Counsel Litigation Expenses Payment” mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees and actual litigation costs, respectively, incurred to prosecute the Actions.
- 1.22. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendants in California as a non-exempt employee for at least one day during the PAGA Release Period.
- 1.23. “PAGA Notice,” for purposes of the Released PAGA Claims, means Plaintiffs’ consolidated letter pursuant to California Labor Code § 2699.3(a), which Plaintiffs agree to submit online to the LWDA, with certified mail service on Defendants, upon the Parties’ full execution of the Settlement Agreement.
- 1.24. “PAGA Penalties” means the total amount to be paid from the Gross Settlement Amount and distributed as twenty-five percent (25%) to the Aggrieved Employees and seventy-five percent (75%) to the LWDA, as consideration for the Released PAGA Claims.
- 1.25. “PAGA Release Period” means:
- 1.25.1. May 8, 2022 through April 30, 2024, as to any of the following Defendant entities: Sunbridge Braswell Enterprises, LLC; 991 Clyde Avenue Opco, LLC; 6740 Wilbur Avenue Opco LLC; NewGen Administrative Services, LLC; Sapphire Operations, LLC; BQ Operations Holdings, LLC; NewGen, LLC; Bold Quail 2, LLC; Meshuga Operations Holdings, LLC; and Bold Quail 3 Operations Holdings, LLC.
- 1.25.2. The later of February 21, 2023 or the date that the named Defendant entity began operating the entity in question, through April 30, 2024, as to any of the following Defendant entities: 320 North Crawford Avenue Operations LLC; Anaheim Terrace

Care Center LLC; Bay Crest Care Center LLC; Devonshire Care Center LLC; Fountain View Subacute & Nrsng Ctr LLC; Montebello Care Center LLC; Rio Hondo Subacute & Nursing Center LLC; SunBridge Brittany Rehabilitation Center; Sunbridge Care Enterprises West LLC; Sunbridge Hallmark Health Services LLC; Sunbridge Meadowbrook Rehabilitation Center LLC; SunBridge Shandin Hills Rehabilitation Center LLC; Sunbridge Stockton Rehabilitation Center; Woodland Care Center LLC; 1030 Warner Avenue I Opco LLC (South Coast Post Acute and Santa Ana Royale TRC); 23228 Madero Opco LLC; Windsor Monterey Care Center LLC; 14766 Washington Avenue Operations LLC; S&F Home Health Opco I LLC; S&F Hospice OPCO I LLC; S&F Market Street Healthcare LLC; Windsor Care Center National City Inc.; Windsor Cheviot Hills LLC; Windsor Country Drive Care Center; Windsor Court Assisted Living LLC; Windsor Cypress Gardens Healthcare LLC; Windsor El Camino Care Center LLC; Windsor Elk Grove Care and Rehab LLC; Windsor Elmhaven Care Center LLC; Windsor Hampton Care Center LLC; Windsor Hayward Estates LLC; Windsor Rosewood Care Center LLC; Windsor Sacramento Estates LLC; Windsor Skyline Care Center LLC; Windsor Terrace Healthcare LLC; Windsor The Ridge Rehabilitation Center; Windsor Vallejo Care Center LLC; Windsor Gardens Convalescent Hospital Inc.; Spring Senior Assisted Living LLC; The Earlwood LLC; and Meshuga 2 Operations Holdings, LLC (aka Sapphire 2 Operations Holdings, LLC).

1.25.2.1. However, due to a petition in bankruptcy, *In re: Windsor Terrace Healthcare, LLC, et al.*, United States Bankruptcy Court, Central District of California, Case No. 1:23-bk-11200-VK:

1.25.2.1.1 The PAGA Release Period shall not start prior to August 23, 2023 for each of the following entities: Windsor Terrace Healthcare, LLC; S&F Home Health Opco I, LLC; S&F Hospice Opco I, LLC; S&F Market Street Healthcare, LLC; Windsor Care Center National City, Inc.; Windsor Cheviot Hills, LLC; Windsor Country Drive

Care Center, LLC; Windsor Court Assisted Living, LLC; Windsor Cypress Gardens Healthcare, LLC; Windsor El Camino Care Center, LLC; Windsor Elk Grove and Rehabilitation, LLC; Windsor Elmhaven Care Center, LLC; Windsor Gardens Convalescent Hospital, Inc.; Windsor Hampton Care Center, LLC; Windsor Monterey Care Center, LLC; Windsor Rosewood Care Center, LLC; Windsor Skyline Care Center, LLC; Windsor The Ridge Rehabilitation Center, LLC; and Windsor Vallejo Care Center, LLC; and

1.25.2.1.2 The PAGA Release Period shall not start prior to September 29, 2023 for each of the following entities: Windsor Sacramento Estates, LLC; and Windsor Hayward Estates, LLC.

1.26. “Released PAGA Claims” means the claims being released as described below under Paragraph 5 of this Agreement.

1.27. “Released Parties” means Defendants and each of their insurers, affiliates, subsidiaries, parent companies, predecessors, successors, assigns, employees, officers, directors, agents, attorneys, administrators, representatives, and powers-of-attorney.

1.28. “Settlement” means the disposition of the Actions effected by this Agreement and the Judgment.

2. RECITALS.

2.1. On May 8, 2023, Plaintiff Kilgore commenced his suit by filing a Class Action Complaint against Defendant BQ Operations Holdings, LLC and DOES 1-10, inclusive, alleging the following: (1) Failure to Pay Minimum Wages; (2) Failure to Pay Overtime Compensation; (3) Failure to Provide Meal Periods; (4) Failure to Authorize and Permit Rest Breaks; (5) Failure to Indemnify Necessary Business Expenses; (6) Failure to Timely Pay Final Wages at Termination; (7) Failure to Provide Accurate Itemized Wage Statements; and (8) Unfair Business Practices. Also on May 8, 2023, pursuant to California Labor Code § 2699.3, subd. (a), Plaintiff Kilgore submitted a PAGA notice to the LWDA of the alleged Labor Code violations,

1 with certified mail service on Defendant BQ Operations Holdings, LLC, and paid the required
2 filing fee. The LWDA did not provide notice of intent to investigation the allegations. On August
3 17, 2023, Plaintiff Kilgore filed a First Amended Class and Representative Action Complaint to
4 allege a ninth cause of action for civil penalties under PAGA. On October 17, 2023, the Court
5 entered an order dismissing Plaintiff's individual and class allegations, in light of a putative
6 arbitration agreement signed by Plaintiff Kilgore.

7 2.2. On June 12, 2023, pursuant to California Labor Code § 2699.3, subd. (a), Plaintiff Moore
8 submitted a PAGA notice to the LWDA of alleged Labor Code violations, with certified mail
9 service on Defendants 991 Clyde Avenue Opco, LLC, NewGen Administrative Services,
10 LLC, Sapphire Operations, LLC, and NewGen, LLC, and paid the required filing fee. The
11 LWDA did not provide notice of intent to investigation the allegations. On September 6, 2023,
12 Plaintiff Moore commenced her suit by filing a Complaint against Defendants 991 Clyde
13 Avenue Opco, LLC, NewGen Administrative Services, LLC, Sapphire Operations, LLC,
14 NewGen, LLC, and DOES 1-10, inclusive, alleging the following: (1) Discrimination in
15 Violation of Government Code § 12940(a); (2) Harassment in Violation of Government
16 Code § 12940(j)(1); (3) Retaliation in Violation of Government Code § 12940(h) and Labor
17 Code §§ 98.6, 232.5, 246.5, and 1102.5; (4) Failure to Prevent Discrimination, Harassment,
18 and/or Retaliation in Violation of Government Code § 12940(k); (5) Failure to Provide
19 Reasonable Accommodation in Violation of Government Code § 12940(a), (i), (m), (n); (6)
20 Failure to Engage in the Interactive Process in Violation of Government Code §§ 12940(a),
21 (i), (m), (n); (7) CFRA Leave Retaliation in Violation of Government Code §§ 12900, *et*
22 *seq.*; (8) Interference With CFRA Leave in Violation of Government Code §§ 12945.2(t);
23 (9) Intentional Infliction of Emotional Distress; (10) Wrongful Termination of Employment
24 in Violation of Public Policy; (11) Failure to Pay All Wages; (12) Meal Period Violations;
25 (13) Rest Period Violations; (14) Failure to Reimburse Business Expenses; (15) Wage
26 Statement Violations; (16) Waiting Time Penalties; (17) Failure to Permit Inspection or
27 Copying of Records; (18) Unfair Business Practices; and (19) PAGA Civil Penalties.

28 2.3. On November 21, 2024, Plaintiffs submitted the (amended) PAGA Notice to the LWDA,

with certified mail service on Defendants, which provided notice of Plaintiffs' consolidated claims, and further filed a Second Amended Representative Action Complaint in the above-captioned *Kilgore* matter, which consolidated Plaintiffs' Actions. Additionally, Plaintiff Moore agrees to seek dismissal of her suit (Case No. 23STCV21439).

2.4. Defendants expressly deny all allegations, deny any failure to comply with the laws identified in the Actions, and deny any and all liability for the causes of action alleged in the Actions. Plaintiffs maintain their allegations have merit. Nonetheless, the Parties have agreed to settle, in recognition of the substantial risks, duration, and costs associated with continued litigation.

2.5. Pursuant to California Labor Code § 2699.3(a), Plaintiffs gave timely written notice of their allegations against Defendants by online submission of their respective PAGA notices to the LWDA and paying the required filing fee. To date, the LWDA has not sought to investigate the claims or intervene in the Actions.

2.6. On February 21, 2024, the Parties participated in a private mediation presided over by Steven Rottman, Esq., which led to this Agreement to settle the Actions. Although the Parties did not reach a Settlement at mediation, continued negotiations resulted in the Parties executing a Memorandum of Understanding, the material terms of which regarding the Released PAGA Claims are reiterated under this Agreement.

2.7. Prior to mediation, Plaintiffs obtained, through informal, but extensive, discovery, including information sufficient to meaningfully evaluate the claims at issue in the Actions. The discovery included Plaintiffs' personnel file, employee handbooks regarding Defendants' wage and hour policies and practices in effect during the PAGA Release Period, estimated numbers of Aggrieved Employees and PAGA Pay Periods, and a randomized sampling of time and corresponding payroll records for Aggrieved Employees.

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Except as otherwise provided by the Escalator Clause stated in Paragraph 8 of this Agreement, Defendants agree to pay \$1,100,000.00 and no more as the Gross Settlement Amount. Defendants have no obligation to pay the Gross Settlement

Amount prior to the deadline stated below in Paragraph 4.3 of this Agreement. The 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 Defendants.

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

3.2.1. To PAGA Counsel. A PAGA Counsel Attorneys' Fees Payment of not more than one-third of the Gross Settlement Amount (which is currently estimated to be \$366,666.67) and a PAGA Counsel Litigation Expenses Payment of not more than \$22,000. Defendants will not oppose requests for these payments, as supported by declarations from PAGA Counsel, and provided that the requests do not exceed these amounts. As part of the motion for approval of this Settlement, Plaintiffs and/or PAGA Counsel will file a motion for PAGA Counsel Attorneys' Fees Payment and PAGA Litigation Expenses Payment. If the Court approves a PAGA Counsel Attorneys' Fees Payment and/or a PAGA Counsel Litigation Expenses Payment in amounts that are less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Released Parties shall have no liability to PAGA Counsel, or any other Plaintiffs' Counsel, arising from any claim to any portion of any PAGA Counsel Attorneys' Fees Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Attorneys' Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assume full responsibility and liability for taxes owed on the PAGA Counsel Attorneys' Fees Payment and the PAGA Counsel Litigation Expenses Payment, and hold Defendants harmless and indemnify Defendants from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.2. To the Administrator. An Administration Expenses Payment not to exceed \$20,000,

except for a showing of good cause and as approved by the Court. To the extent the actual amount of Administration Expenses is less or the Court approves payment of less than \$20,000, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.3. To the LWDA and Aggrieved Employees. PAGA Penalties are to be paid from the Gross Settlement Amount, after deducting the PAGA Counsel Attorneys' Fees Payment, the PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. PAGA Penalties shall be allocated as: (i) 75% (estimated to be no less than \$518,500) to the LWDA PAGA Payment; and (ii) 25% (estimated to be no less than \$172,833.33) to Individual PAGA Payments.

3.2.3.1. Individual PAGA Payments. 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 Release 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. Individual PAGA Payments shall be allocated 100% as penalties for tax purposes. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms, which will be issued to Aggrieved Employees with distribution of their Individual PAGA Payments.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Aggrieved Employee Pay Periods. Based on a review of their records, Defendants estimate that as of April 8, 2024, there are 7,424 Aggrieved Employees who worked a cumulative total of 120,810 PAGA Pay Periods during the PAGA Release Period.

4.2. Aggrieved Employee Data. Within twenty-one (21) calendar days of the Approval Order, Defendants will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employee' privacy rights, the

1 Administrator must maintain the Aggrieved Employee Data in confidence, use the
2 Aggrieved Employee Data only for purposes of this Settlement and for no other purpose,
3 and restrict access to the Aggrieved Employee Data to Administrator employees who need
4 access to the Aggrieved Employee Data to effect and perform under this Agreement. The
5 Aggrieved Employee Data shall not be shared with either Plaintiffs or PAGA Counsel unless
6 expressly approved by Defendants and Defense Counsel, or if a Settlement Group Member
7 requests that their personal data be shared with PAGA Counsel. Defendants have a
8 continuing duty to immediately notify PAGA Counsel if they discover the Aggrieved
9 Employee Data omitted employee identifying information, and to provide corrected or
10 updated Aggrieved Employee Data to the Administrator as soon as reasonably feasible.
11 Without any extension of the deadline by which Defendants must send the Aggrieved
12 Employee Data to the Administrator, the Parties and their respective counsel will
13 expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues
14 related to missing or omitted Aggrieved Employee Data.

15 4.3. Funding of Gross Settlement Amount. Defendants shall fully fund the Gross Settlement
16 Amount, and any increase owed pursuant to the Escalator Clause provided in Paragraph 8
17 of the Agreement, by transmitting the funds to the Administrator no later than thirty (30)
18 calendar days after the Effective Date.

19 4.4. Payments from the Gross Settlement Amount. Within fourteen (14) calendar days after
20 Defendants fully fund the Gross Settlement Amount, the Administrator will mail checks for
21 all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses
22 Payment, the PAGA Counsel Attorneys' Fees Payment, and the PAGA Counsel Litigation
23 Expenses Payment. Disbursement of the PAGA Counsel Attorneys' Fees Payment, and the
24 PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual
25 PAGA Payments or the LWDA PAGA Payment. Disbursement of Individual PAGA
26 Payments shall be accompanied by the Employee Notice.

27 4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send
28 them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The

1 face of each check shall prominently state the date (not less than 180 days after the
2 date of mailing) when the check will be voided (the “Void Date”). The
3 Administrator will cancel all checks not cashed by the Void Date. Before mailing
4 any checks, the Administrator must update each Aggrieved Employee’s mailing
5 address using the National Change of Address Database.

6 4.4.2. The Administrator must conduct an Aggrieved Employee Address Search for all
7 Aggrieved Employees whose checks are returned undelivered without a USPS
8 forwarding address. Within seven (7) calendar days of receiving a returned check,
9 the Administrator must re-mail checks to the USPS forwarding address provided or
10 otherwise to an address ascertained through the Aggrieved Employee Address
11 Search. The Administrator need not take further steps to deliver checks to Aggrieved
12 Employees whose re-mailed checks are returned as undelivered. If requested by an
13 Aggrieved Employee prior to the Void Date, the Administrator shall promptly send
14 a replacement check to any Aggrieved Employee whose original check was lost or
15 misplaced.

16 4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed
17 and cancelled after the Void Date, the Administrator shall transmit the funds
18 represented by such checks to the California State Controller’s Unclaimed Property
19 Fund in the name of the Aggrieved Employee who failed to cash their check prior to
20 the Void Date.

21 4.4.4. The payment of Individual PAGA Payments shall not obligate Defendants to confer
22 any additional benefits or make any additional payments to Aggrieved Employees
23 (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

24 **5. RELEASES OF CLAIMS.**

25 Upon the Court’s Approval Order and Defendants’ full funding of the Gross Settlement Amount,
26 and any increase owed pursuant to the Escalator Clause provided in Paragraph 8 of the Agreement, the
27 Settlement shall be effective as a full and final accord and satisfaction and settlement of, and as a bar to, the
28 Released PAGA Claims against the Released Parties by Plaintiffs, on behalf of themselves and their respective

former and present representatives, agents, attorneys, administrators, successors, and assigns, the Aggrieved Employees they seek to represent, the LWDA, and the State of California.

5.1. Released PAGA Claims. All PAGA claims alleged, or that could have reasonably been alleged arising out of the facts stated, in Plaintiffs' letter to the LWDA and Plaintiffs' Operative Complaint, including PAGA claims that occurred during the relevant PAGA Release Period for: (1) failure to provide accurate itemized wage statements; (2) failure to properly record and provide legally required meal periods; (3) failure to properly record and provide legally required rest periods; (4) failure to pay all wages owed, including minimum wages; (5) failure to pay overtime wages (including failing to pay overtime at the correct regular rate of pay); (6) failure to provide or properly calculate paid sick leave; (7) failure to reimburse employees for all required expenses; (8) failure to pay all wages when due during employment and upon termination; and (9) failure to maintain proper records, including time and payroll records.

5.2. No Opt Out. There is no statutory right for any Aggrieved Employee to object, opt out, or otherwise exclude himself or herself from the Settlement. Further, there is no right or opportunity for any Aggrieved Employee, with the exception of Plaintiffs, to appeal the approval of the Settlement by the Court.

6. MOTION FOR APPROVAL OF SETTLEMENT.

The Parties will jointly prepare and file a motion for approval of this Settlement.

6.1. Plaintiffs' Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under California Labor Code § 2699, subd. (l)(2), including: (i) a draft [proposed] Approval Order; (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve, competency, operative procedures for protecting the security of Aggrieved Employee Data, amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance, all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA, and the nature and extent of any financial relationship with the Parties, PAGA Counsel, or Defense Counsel; and (iii) a signed

1 declaration from PAGA Counsel attesting to timely transmission to the LWDA of all
2 necessary PAGA documents (i.e., the PAGA Notice and Plaintiffs' initial PAGA notices
3 [Cal. Lab. Code § 2699.3(a)], Plaintiffs' respective first complaints alleging a PAGA cause
4 of action [Cal. Lab. Code § 2699(l)(1)], and this Agreement [Cal. Lab. Code § 2699(l)(2)]),
5 and attesting to all facts relevant to any actual or potential conflict of interest with Aggrieved
6 Employees and/or the Administrator.

7 6.2. Responsibilities of PAGA Counsel. PAGA Counsel is responsible for expeditiously
8 finalizing and filing the application or motion for approval of this Settlement and, if
9 necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate
10 in favor of the motion. PAGA Counsel is responsible for delivering the Court's Approval
11 Order to the Administrator.

12 6.3. Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or
13 motion for approval of this Settlement and/or the supporting declarations and documents,
14 PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the
15 Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement.
16 If the Court does not grant the motion for approval of this Settlement or conditions its
17 approval on any material change to this Agreement, PAGA Counsel and Defense Counsel
18 will expeditiously work together on behalf of the Parties by meeting in person or by
19 telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's
20 concerns.

21 6.4. Confidentiality of Settlement. The Parties agree to keep the Settlement and this Agreement
22 confidential until an application or motion for approval of this Settlement is filed. This
23 Paragraph shall not restrict PAGA Counsel's communications with Aggrieved Employees
24 in accordance with any ethical obligations PAGA Counsel owe to Aggrieved Employees.

25 **7. SETTLEMENT ADMINISTRATION.**

26 7.1. Selection of Administrator. The Parties have jointly selected Simpluris to serve as the
27 Administrator and verified that, as a condition of appointment, Simpluris agrees to be bound
28 by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in

exchange for payment of the Administration Expenses Payment. The Parties and their respective 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.

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

7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation § 468B-1.

7.4. 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.

8. AGGRIEVED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUSE.

Based on a review of their records, Defendants estimate that, as of April 8, 2024, there is a cumulative total of approximately 120,810 PAGA Pay Periods during the PAGA Release Periods. If the number of PAGA Pay Periods exceeds 120,810 by more than 10% (i.e., more than 132,891), Defendants shall increase the Gross Settlement Amount by a proportionate percentage (i.e., if the PAGA Pay Periods increased by 12%, the Gross Settlement Amount would increase by 2%).

9. CONTINUING JURISDICTION AND WAIVER OF RIGHT TO APPEAL.

9.1. Continuing Jurisdiction of the Court. The Parties agree that pursuant to California Code of Civil Procedure § 664.6, following the Approval Order and entry of Judgment, the Court shall retain jurisdiction over the Parties, Actions, and the Settlement solely for purposes of (i) enforcing the Settlement 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 PAGA Counsel Attorneys’ Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties and their respective counsel waive all rights to appeal from Judgment, including all rights to post-Judgment and

1 appellate proceedings, the right to file motions to vacate Judgment, motions for new trial,
2 extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the
3 right to oppose such motions, writs, or appeals. If a third party appeals from Judgment, the
4 Parties' obligations to perform under this Agreement will be suspended until such time as
5 the appeal is finally resolved and Judgment becomes final, except as to matters that do not
6 affect the amount of the Net Settlement Amount.

7 **10. ADDITIONAL PROVISIONS.**

8 10.1. No Admission of Liability or Representative Manageability for Other Purposes. This
9 Agreement represents a compromise and settlement of highly disputed claims. Nothing in
10 this Agreement is intended or should be construed as an admission by Defendants that any
11 of the allegations in the Actions have merit or that Defendants have any liability for any
12 claims asserted; nor should it be intended or construed as an admission by Plaintiffs that
13 Defendants' defenses in the Actions have merit. The Parties agree that representative
14 treatment is for purposes of this Settlement only. If, for any reason the Court does not
15 approve the Settlement, Defendants reserve all available defenses to the claims in the
16 Actions, and Plaintiffs reserve the right to contest Defendants' defenses. The Settlement, this
17 Agreement, and Parties' willingness to settle the Actions will have no bearing on, and will
18 not be admissible in connection with, any litigation (except for proceedings to enforce or
19 effectuate the Settlement and this Agreement).

20 10.2. Integrated Agreement. Upon execution by all Parties and their respective counsel, this
21 Agreement, together with its Exhibit A, shall constitute the entire agreement between the
22 Parties relating to the PAGA Settlement, superseding any and all oral representations,
23 warranties, covenants, or inducements made to or by any Party pertaining to the PAGA
24 Settlement.

25 10.3. Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and
26 represent that they are authorized by Plaintiffs and Defendants, respectively, to take all
27 appropriate action required or permitted to be taken by such Parties pursuant to this
28 Agreement and the Settlement 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.

10.4. Cooperation. The Parties and their respective counsel will cooperate with each other and use their best efforts, expeditiously and in good faith, to implement the Settlement by, among other things, modifying this Agreement and/or submitting supplemental evidence and supplemental 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 mediator Steven Rottman and/or the Court for resolution.

10.5. 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 any portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

10.6. No Tax Advice. Neither Plaintiffs, PAGA Counsel, Defendants, 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.

10.7. 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 or their representatives, and approved by the Court.

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

10.9. Applicable Law. All terms and conditions of this Agreement, together with its Exhibit A, will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

10.10. 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

1 Party was the drafter or participated in the drafting.

2 10.11. Confidentiality. Plaintiffs and PAGA Counsel agree not to issue any press or other media
3 releases or talk to the press or media regarding the Settlement, and Plaintiffs' attorneys agree
4 not to publicize or post any information identifying Defendants by name about the
5 Settlement on social media or their firms' websites (PAGA Counsel may report the result
6 using generic language such as "Nursing Facilities"). To the extent permitted by law, all
7 agreements made, and orders entered during the Actions and in this Agreement relating to
8 the confidentiality of information shall survive the execution of this Agreement.

9 10.12. Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel
10 pursuant to California Evidence Code § 1152, and all copies and summaries of the Aggrieved
11 Employee Data provided to PAGA Counsel by Defense Counsel in connection with the
12 mediation, other settlement negotiations, or in connection with the Settlement, may be used
13 only with respect to this Settlement, and no other purpose, and may not be used in any way
14 that violates any existing contractual agreement, statute, or rule of court. Not later than 90
15 days after the Administrator discharges its obligation to distribute all Settlement funds, but
16 only following the Administrator's payment of all funds owed under the Settlement,
17 Plaintiffs and PAGA Counsel shall destroy all paper and electronic versions of Aggrieved
18 Employee Data received from Defense Counsel.

19 10.13. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted
20 for convenience of reference only and does not constitute a part of this Agreement.

21 10.14. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be
22 to calendar days. In the event any date or deadline set forth in this Agreement falls on a
23 weekend or federal legal holiday, such date or deadline shall be on the first business day
24 thereafter.

25 10.15. Notice. All notices, demands, or other communications between the Parties in connection
26 with this Agreement will be in writing and deemed to have been duly given as of the third
27 business day after mailing by USPS mail, or the day sent by email or messenger, addressed
28 as follows:

To Plaintiffs:

Kane Moon (E-mail: kmoon@moonlawgroup.com)
Allen Feghali (E-mail: afeghali@moonlawgroup.com)
Charlotte Mikat-Stevens (E-mail: cmikat-stevens@moonlawgroup.com)
MOON LAW GROUP, PC
725 S. Figueroa St., 31st Floor
Los Angeles, California 90017

Amanda E. Manahan (E-mail: amanahan@manahanodell.com)
Shaheen Anthony Etemadi (E-mail: setemadi@manahanodell.com)
MANAHAN O'DELL LLP
4600 La Jolla Village Dr., Suite 100
San Diego, California 92122

To Defendants:

Tim L. Johnson (E-mail: tim.johnson@ogletree.com)
Jesse C. Ferrantella (E-mail: jesse.ferrantella@ogletree.com)
OGLETREE, DEAKINS, NASH, SMOAK & STREWART, P.C.
4660 La Jolla Village Drive, Suite 900
San Diego, California 92122

10.16. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., AdobeSign, 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.

10.17. Stay of Litigation. The Parties agree that upon the execution of this Agreement, the litigation shall be stayed, except to effectuate the terms of Settlement. The Parties further agree that upon the signing of this Agreement, pursuant to California Code of Civil Procedure § 583.330, to extend the date to bring a case to trial under California Code of Civil Procedure § 583.310 for the entire period of this settlement process.

IT IS AGREED AND UNDERSTOOD BY:

Plaintiffs:

Dated: 02/13/25

By: 
Jeffrey Adam Kilgore

1 Dated: Feb 14, 2025

By: 
Haley Moore (Feb 14, 2025 15:53 PST)
Haley Moore

2
3 **Defendants:**

4 Dated: DEFENDANT Sunbridge Braswell Enterprises, LLC

5 By: _____

6 Name: _____

7 Title: _____

8
9 Dated: DEFENDANT 991 Clyde Avenue Opco, LLC

10 By: _____

11 Name: _____

12 Title: _____

13
14 Dated: DEFENDANT 6740 Wilbur Avenue Opco LLC

15 By: _____

16 Name: _____

17 Title: _____

18
19 Dated: DEFENDANT 320 North Crawford Avenue Operations LLC

20 By: _____

21 Name: _____

22 Title: _____

23
24 Dated: DEFENDANT Anaheim Terrace Care Center LLC

25 By: _____

26 Name: _____

27 Title: _____

1 Dated: By: _____
2 Haley Moore

3 **Defendants:**

4 Dated: February 17, 2025 DEFENDANT Sunbridge Braswell Enterprises, LLC

5 By:  _____

6 Name: Daniel S. Klein, Esq. _____

7 Title: General Counsel _____

9 Dated: February 17, 2025 DEFENDANT 991 Clyde Avenue Opco, LLC

10 By:  _____

11 Name: Daniel S. Klein, Esq. _____

12 Title: General Counsel _____

13 Dated: February 17, 2025 DEFENDANT 6740 Wilbur Avenue Opco LLC

14 By:  _____

15 Name: Daniel S. Klein, Esq. _____

16 Title: General Counsel _____

17 Dated: February 17, 2025 DEFENDANT 320 North Crawford Avenue Operations LLC

18 By:  _____

19 Name: Daniel S. Klein, Esq. _____

20 Title: General Counsel _____

21 Dated: February 17, 2025 DEFENDANT Anaheim Terrace Care Center LLC

22 By:  _____

23 Name: Daniel S. Klein, Esq. _____

24 Title: General Counsel _____

1
2 Dated: February 17, 2025

DEFENDANT Bay Crest Care Center LLC

3
4 By: _____

5 Name: Daniel S. Klein, Esq.

6 Title: General Counsel

7 Dated: February 17, 2025

DEFENDANT Devonshire Care Center LLC

8
9 By: _____

10 Name: Daniel S. Klein, Esq.

11 Title: General Counsel

12 Dated: February 17, 2025

DEFENDANT Fountain View Subacute & Nrsng Ctr LLC

13
14 By: _____

15 Name: Daniel S. Klein, Esq.

16 Title: General Counsel

17 Dated: February 17, 2025

DEFENDANT Montebello Care Center LLC

18
19 By: _____

20 Name: Daniel S. Klein, Esq.

21 Title: General Counsel

22
23 Dated: February 17, 2025

DEFENDANT Rio Hondo Subacute & Nursing Center LLC

24
25 By: _____

26 Name: Daniel S. Klein, Esq.

27 Title: General Counsel

28 Dated: February 17, 2025

DEFENDANT SunBridge Brittany Rehabilitation Center

By: _____

Name: Daniel S. Klein, Esq.

Title: General Counsel

Dated: February 17, 2025

DEFENDANT Sunbridge Care Enterprises West LLC

By: _____

Name: Daniel S. Klein, Esq.

Title: General Counsel

Dated: February 17, 2025

DEFENDANT Sunbridge Hallmark Health Services LLC

By: _____

Name: Daniel S. Klein, Esq.

Title: General Counsel

Dated: February 17, 2025

DEFENDANT Sunbridge Meadowbrook Rehabilitation Center LLC

By: _____

Name: Daniel S. Klein, Esq.

Title: General Counsel

Dated: February 17, 2025

DEFENDANT SunBridge Shandin Hills Rehabilitation Center LLC

By: _____

Name: Daniel S. Klein, Esq.

Title: General Counsel

Dated: February 17, 2025

DEFENDANT Sunbridge Stockton Rehabilitation Center

By: _____

Name: Daniel S. Klein, Esq.

Title: General Counsel

Dated: February 17, 2025

DEFENDANT Woodland Care Center LLC

By: _____

Name: Daniel S. Klein, Esq.

Title: General Counsel

Dated: February 17, 2025

DEFENDANT 1030 Warner Avenue I Opco LLC (South Coast Post Acute and Santa Ana Royale TRC)

By: _____

Name: Daniel S. Klein, Esq.

Title: General Counsel

Dated: February 17, 2025

DEFENDANT 23228 Madero Opco LLC

By: _____

Name: Daniel S. Klein, Esq.

Title: General Counsel

Dated: February 17, 2025

DEFENDANT Windsor Monterey Care Center LLC

By: _____

Name: Daniel S. Klein, Esq.

Title: General Counsel

Dated: February 17, 2025

DEFENDANT 14766 Washington Avenue Operations LLC

By: _____

Name: Daniel S. Klein, Esq.

1 Title: General Counsel

2
3 Dated: February 17, 2025

DEFENDANT S&F Home Health Opco I LLC

4 By: 
5

6 Name: Daniel S. Klein, Esq.

7 Title: General Counsel

8 Dated: February 17, 2025

DEFENDANT S&F Hospice OPCO I LLC

9 By: 
10

11 Name: Daniel S. Klein, Esq.

12 Title: General Counsel

13 Dated: February 17, 2025

DEFENDANT S&F Market Street Healthcare LLC

14 By: 
15

16 Name: Daniel S. Klein, Esq.

17 Title: General Counsel

18 Dated: February 17, 2025

DEFENDANT Windsor Care Center National City Inc.

19 By: 
20

21 Name: Daniel S. Klein, Esq.

22 Title: General Counsel

23 Dated: February 17, 2025

DEFENDANT Windsor Cheviot Hills LLC

24 By: 
25

26 Name: Daniel S. Klein, Esq.

27 Title: General Counsel

1 Dated: February 17, 2025

DEFENDANT Windsor Country Drive Care Center

2 By: 
3 _____

4 Name: Daniel S. Klein, Esq. _____

5 Title: General Counsel _____

6 Dated: February 17, 2025

DEFENDANT Windsor Court Assisted Living LLC

7 By: 
8 _____

9 Name: Daniel S. Klein, Esq. _____

10 Title: General Counsel _____

11 Dated: February 17, 2025

DEFENDANT Windsor Cypress Gardens Healthcare LLC

12 By: 
13 _____

14 Name: Daniel S. Klein, Esq. _____

15 Title: General Counsel _____

16 Dated: February 17, 2025

DEFENDANT Windsor El Camino Care Center LLC

17 By: 
18 _____

19 Name: Daniel S. Klein, Esq. _____

20 Title: General Counsel _____

21 Dated: February 17, 2025

DEFENDANT Windsor Elk Grove Care and Rehab LLC

22 By: 
23 _____

24 Name: Daniel S. Klein, Esq. _____

25 Title: General Counsel _____

26 Dated: February 17, 2025

DEFENDANT Windsor Elmhaven Care Center LLC

27 By: 
28 _____

Name: Daniel S. Klein, Esq.

Title: General Counsel

Dated: February 17, 2025

DEFENDANT Windsor Hampton Care Center LLC

By:

Name: Daniel S. Klein, Esq.

Title: General Counsel

Dated: February 17, 2025

DEFENDANT Windsor Hayward Estates LLC

By:

Name: Daniel S. Klein, Esq.

Title: General Counsel

Dated: February 17, 2025

DEFENDANT Windsor Rosewood Care Center LLC

By:

Name: Daniel S. Klein, Esq.

Title: General Counsel

Dated: February 17, 2025

DEFENDANT Windsor Sacramento Estates LLC

By:

Name: Daniel S. Klein, Esq.

Title: General Counsel

Dated: February 17, 2025

DEFENDANT Windsor Skyline Care Center LLC

By:

Name: Daniel S. Klein, Esq.

Title: General Counsel

1
2 Dated: February 17, 2025

DEFENDANT Windsor Terrace Healthcare LLC

3
4 By: 

5 Name: Daniel S. Klein, Esq.

6 Title: General Counsel

7 Dated: February 17, 2025

DEFENDANT Windsor The Ridge Rehabilitation Center

8
9 By: 

10 Name: Daniel S. Klein, Esq.

11 Title: General Counsel

12 Dated: February 17, 2025

DEFENDANT Windsor Vallejo Care Center LLC

13
14 By: 

15 Name: Daniel S. Klein, Esq.

16 Title: General Counsel

17 Dated: February 17, 2025

DEFENDANT Windsor Gardens Convalescent Hospital Inc.

18
19 By: 

20 Name: Daniel S. Klein, Esq.

21 Title: General Counsel

22 Dated: February 17, 2025

DEFENDANT Spring Senior Assisted Living LLC

23
24 By: 

25 Name: Daniel S. Klein, Esq.

26 Title: General Counsel

1 Dated: February 17, 2025

DEFENDANT The Earlwood LLC

2 By:  _____

3 Name: Daniel S. Klein, Esq. _____

4 Title: General Counsel _____

5
6 Dated: February 17, 2025

DEFENDANT NewGen Administrative Services, LLC

7 By:  _____

8 Name: Daniel S. Klein, Esq. _____

9 Title: General Counsel _____

10
11 Dated: February 17, 2025

DEFENDANT Sapphire Operations, LLC

12 By:  _____

13 Name: Daniel S. Klein, Esq. _____

14 Title: General Counsel _____

15
16 Dated: February 17, 2025

DEFENDANT BQ Operations Holdings LLC

17 By:  _____

18 Name: Daniel S. Klein, Esq. _____

19 Title: General Counsel _____

20
21 Dated: February 17, 2025

DEFENDANT NewGen, LLC

22 By:  _____

23 Name: Daniel S. Klein, Esq. _____

24 Title: General Counsel _____

25
26 Dated: February 17, 2025

DEFENDANT Bold Quail 2, LLC

27 By:  _____

Name: Daniel S. Klein, Esq.

Title: General Counsel

Dated: February 17, 2025

DEFENDANT Meshuga Operations Holdings, LLC

By:

Name: Daniel S. Klein, Esq.

Title: General Counsel

Dated: February 17, 2025

DEFENDANT Meshuga 2 Operations Holdings, LLC (aka
Sapphire 2 Operations Holdings, LLC)

By:

Name: Daniel S. Klein, Esq.

Title: General Counsel

Dated: February 17, 2025

DEFENDANT Bold Quail 3 Operations Holdings, LLC

By:

Name: Daniel S. Klein, Esq.

Title: General Counsel

APPROVED AS TO FORM BY:

Plaintiffs' Counsel:

Dated:

MOON LAW GROUP, PC

By:

Kane Moon
Allen Feghali
Charlotte Mikat-Stevens

Attorneys for Plaintiff Jeffrey Adam Kilgore

Dated:

MANAHAN O'DELL LLP

Name: _____

Title: _____

Dated: DEFENDANT Meshuga Operations Holdings, LLC

By: _____

Name: _____

Title: _____

Dated: DEFENDANT Meshuga 2 Operations Holdings, LLC (aka
Sapphire 2 Operations Holdings, LLC)

By: _____

Name: _____

Title: _____

Dated: DEFENDANT Bold Quail 3 Operations Holdings, LLC

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM BY:

Plaintiffs' Counsel:

Dated: February 14th, 2025

MOON LAW GROUP, PC

By: _____

Kane Moon
Allen Feghali
Charlotte Mikat-Stevens

Attorneys for Plaintiff Jeffrey Adam Kilgore

Dated: MANAHAN O'DELL LLP

Name: _____

Title: _____

Dated: DEFENDANT Meshuga Operations Holdings, LLC

By: _____

Name: _____

Title: _____

Dated: DEFENDANT Meshuga 2 Operations Holdings, LLC (aka
Sapphire 2 Operations Holdings, LLC)

By: _____

Name: _____

Title: _____

Dated: DEFENDANT Bold Quail 3 Operations Holdings, LLC

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM BY:

Plaintiffs' Counsel:

Dated: MOON LAW GROUP, PC

By: _____

Kane Moon
Allen Feghali
Charlotte Mikat-Stevens

Attorneys for Plaintiff Jeffrey Adam Kilgore

Dated: February 14, 2025 MANAHAN O'DELL LLP

1 By: Shaheen A. Etemadi

2 Amanda E. Manahan
3 Shaheen Anthony Etemadi

4 *Attorneys for Plaintiff Haley Moore*

5 **Defense Counsel:**

6 Dated:

7
8 OGLETREE, DEAKINS, NASH, SMOAK &
9 STREWARD, P.C.

10 By: _____
11 Tim L. Johnson

12 Jesse C. Ferrantella

13
14 *Attorneys for Defendants*
15
16
17
18
19
20
21
22
23
24
25
26
27
28

1 By: _____

2 Amanda E. Manahan
3 Shaheen Anthony Etemadi

4 *Attorneys for Plaintiff Haley Moore*

5 **Defense Counsel:**

6 Dated: February 17, 2025

7 OGLETREE, DEAKINS, NASH, SMOAK &
8 STREWARD, P.C.

9 By: _____

10 Tim L. Johnson
11 Jesse C. Ferrantella

12 *Attorneys for Defendants*

EXHIBIT A

NOTICE OF PAGA SETTLEMENT

Kilgore et al. v. BQ Operations Holdings, LLC et al., Los Angeles County California Superior Court
Case No. 23STCV10311

Read this Notice carefully. This is not a solicitation by a lawyer. You are not being sued.

TO: THOSE WHO WORKED FOR ANY OF THE BELOW DEFENDANTS AT ANY FACILITY IN CALIFORNIA AS A NON-EXEMPT EMPLOYEE AT ANY TIME DURING THE RELEVANT PAGA RELEASE PERIOD

A settlement (the “PAGA Settlement”) has been reached in a lawsuit for civil penalties under the California Private Attorneys General Act of 2004, Labor Code sections 2698, *et seq.* (“PAGA”), as a result of Defendants’ alleged Labor Code violations.

The purpose of this Notice is to advise you as to why you are receiving a portion of the PAGA Settlement proceeds. This Notice also explains how your rights are being affected by the PAGA Settlement.

Who is affected by this PAGA Settlement?

The Court has designated, for settlement purposes only, the following persons as “Aggrieved Employees”:

All current and former employees who worked for Defendants at any facility in California and were classified as a non-exempt employee during the PAGA Release Period.

The “Defendants” are all of the following 51 entities:

(1) Sunbridge Braswell Enterprises, LLC; (2) 991 Clyde Avenue Opco, LLC; (3) 6740 Wilbur Avenue Opco LLC; (4) 320 North Crawford Avenue Operations LLC; (5) Anaheim Terrace Care Center LLC; (6) Bay Crest Care Center LLC; (7) Devonshire Care Center LLC; (8) Fountain View Subacute & Nrsng Ctr LLC; (9) Montebello Care Center LLC; (10) Rio Hondo Subacute & Nursing Center LLC; (11) SunBridge Brittany Rehabilitation Center; (12) Sunbridge Care Enterprises West LLC; (13) Sunbridge Hallmark Health Services LLC; (14) Sunbridge Meadowbrook Rehabilitation Center LLC; (15) SunBridge Shandin Hills Rehabilitation Center LLC; (16) Sunbridge Stockton Rehabilitation Center; (17) Woodland Care Center LLC; (18) 1030 Warner Avenue I Opco LLC (South Coast Post Acute and Santa Ana Royale TRC); (19) 23228 Madero Opco LLC; (20) Windsor Monterey Care Center LLC; (21) 14766 Washington Avenue Operations LLC; (22) S&F Home Health Opco I LLC; (23) S&F Hospice OPCO I LLC; (24) S&F Market Street Healthcare LLC; (25) Windsor Care Center National City Inc.; (26) Windsor Cheviot Hills LLC; (27) Windsor Country Drive Care Center; (28) Windsor Court Assisted Living LLC; (29) Windsor Cypress Gardens Healthcare LLC; (30) Windsor El Camino Care Center LLC; (31) Windsor Elk Grove Care and Rehab LLC; (32) Windsor Elmhaven Care Center LLC; (33) Windsor Hampton Care Center LLC; (34) Windsor Hayward Estates LLC; (35) Windsor Rosewood Care Center LLC; (36) Windsor Sacramento Estates LLC; (37) Windsor Skyline Care Center LLC; (38) Windsor Terrace Healthcare LLC; (39) Windsor The Ridge Rehabilitation Center; (40) Windsor Vallejo Care Center LLC; (41) Windsor Gardens Convalescent Hospital Inc.; (42) Spring Senior Assisted Living LLC; (43) The Earlwood LLC; (44) NewGen Administrative Services, LLC; (45) Sapphire Operations, LLC; (46) BQ Operations Holdings, LLC; (47) NewGen, LLC; (48) Bold Quail 2, LLC; (49) Meshuga Operations Holdings, LLC; (50) Meshuga 2 Operations Holdings, LLC (aka Sapphire 2 Operations Holdings, LLC); and (51) Bold Quail 3 Operations Holdings, LLC.

The “PAGA Release Period” is **May 8, 2022 through April 30, 2024** *if you worked for any of the following Defendants:*

Sunbridge Braswell Enterprises, LLC; 991 Clyde Avenue Opco, LLC; 6740 Wilbur Avenue Opco LLC; NewGen Administrative Services, LLC; Sapphire Operations, LLC; BQ Operations Holdings, LLC; NewGen, LLC; Bold Quail 2, LLC; Meshuga Operations Holdings, LLC; and Bold Quail 3 Operations Holdings, LLC.

The “PAGA Release Period” is **the later of February 21, 2023 or the date that the named Defendant entity began operating the entity in question, through April 30, 2024** *if you worked for any of the following Defendants:*

320 North Crawford Avenue Operations LLC; Anaheim Terrace Care Center LLC; Bay Crest Care Center LLC; Devonshire Care Center LLC; Fountain View Subacute & Nrsng Ctr LLC; Montebello Care Center LLC; Rio Hondo Subacute & Nursing Center LLC; SunBridge Brittany Rehabilitation Center; Sunbridge Care Enterprises West LLC; Sunbridge Hallmark Health Services LLC; Sunbridge Meadowbrook Rehabilitation Center LLC; SunBridge Shandin Hills Rehabilitation Center LLC; Sunbridge Stockton Rehabilitation Center; Woodland Care Center LLC; 1030 Warner Avenue I Opco LLC (South Coast Post Acute and Santa Ana Royale TRC); 23228 Madero Opco LLC; Windsor Monterey Care Center LLC; 14766 Washington Avenue Operations LLC; S&F Home Health Opco I LLC; S&F Hospice OPCO I LLC; S&F Market Street Healthcare LLC; Windsor Care Center National City Inc.; Windsor Cheviot Hills LLC; Windsor Country Drive Care Center; Windsor Court Assisted Living LLC; Windsor Cypress Gardens Healthcare LLC; Windsor El Camino Care Center LLC; Windsor Elk Grove Care and Rehab LLC; Windsor Elmhaven Care Center LLC; Windsor Hampton Care Center LLC; Windsor Hayward Estates LLC; Windsor Rosewood Care Center LLC; Windsor Sacramento Estates LLC; Windsor Skyline Care Center LLC; Windsor Terrace Healthcare LLC; Windsor The Ridge Rehabilitation Center; Windsor Vallejo Care Center LLC; Windsor Gardens Convalescent Hospital Inc.; Spring Senior Assisted Living LLC; The Earlwood LLC; and Meshuga 2 Operations Holdings, LLC (aka Sapphire 2 Operations Holdings, LLC).

However, due to a petition in bankruptcy, *In re: Windsor Terrace Healthcare, LLC, et al.*, United States Bankruptcy Court, Central District of California, Case No. 1:23-bk-11200-VK:

The PAGA Release Period shall not start prior to August 23, 2023 for each of the following entities: Windsor Terrace Healthcare, LLC; S&F Home Health Opco I, LLC; S&F Hospice Opco I, LLC; S&F Market Street Healthcare, LLC; Windsor Care Center National City, Inc.; Windsor Cheviot Hills, LLC; Windsor Country Drive Care Center, LLC; Windsor Court Assisted Living, LLC; Windsor Cypress Gardens Healthcare, LLC; Windsor El Camino Care Center, LLC; Windsor Elk Grove and Rehabilitation, LLC; Windsor Elmhaven Care Center, LLC; Windsor Gardens Convalescent Hospital, Inc.; Windsor Hampton Care Center, LLC; Windsor Monterey Care Center, LLC; Windsor Rosewood Care Center, LLC; Windsor Skyline Care Center, LLC; Windsor The Ridge Rehabilitation Center, LLC; and Windsor Vallejo Care Center, LLC; and

The PAGA Release Period shall not start prior to September 29, 2023 for each of the following entities: Windsor Sacramento Estates, LLC; and Windsor Hayward Estates, LLC.

According to Defendants' records, you are an Aggrieved Employee. Therefore, you are entitled to the enclosed check (your "Individual PAGA Payment"¹), which constitutes your pro-rata share of the PAGA Penalties: <<**PAGAPaymentAmount**>>. Your share was calculated based on the number of Pay Periods you worked as an Aggrieved Employee during the PAGA Release Period, as determined by a review of Defendants' records.

What is this PAGA Settlement about?

Plaintiff Jeffrey Kilgore ("Plaintiff Kilgore") filed a lawsuit on May 8, 2023 in the California Superior Court, County of Los Angeles, entitled *Kilgore v. BQ Operations Holdings, LLC*, Case No. 23STCV10311. Plaintiff Haley Moore ("Plaintiff Moore") filed a separate lawsuit on September 6, 2023 in the California Superior Court, County of Los Angeles, entitled *Moore v. 991 Clyde Avenue Opco, LLC et al.*, Case No. 23STCV21439. On November 21, 2024, Plaintiff Kilgore filed a second amended complaint, which consolidated Plaintiff Moore's claims with his own. Plaintiff Moore then dismissed her separate lawsuit (Case No. 23STCV21439). Together, Plaintiff Kilgore and Plaintiff Moore are the "Plaintiffs."

On behalf of themselves, other Aggrieved Employees, and the State of California, Plaintiffs filed suit against Defendants seeking civil penalties under PAGA for Defendants' alleged violations of the California Labor Code.

Defendants expressly deny all allegations and deny any failure to comply with the laws identified in the Actions. Plaintiffs maintain their allegations have merit. Nonetheless, both sides have agreed to settle, in recognition of the

¹ One hundred percent (100%) of your Individual PAGA Payment will be considered penalties for tax reporting purposes. Your Individual PAGA Payment will be reported to the appropriate tax authorities on an IRS 1099 Form, and may be subject to local, state, or federal tax withholdings. You should discuss with your own tax advisors as to the tax consequences, if any, of your Individual PAGA Payment. Neither the Parties nor their attorneys have made any representations or warranties regarding the taxation of your Individual PAGA Payment.

substantial risks, duration, and costs associated with continued litigation. The PAGA Settlement is not an admission of liability on the part of Defendants, and neither is it an admission on the part of Plaintiffs that the claims do not have merit. The PAGA Settlement fully resolves Plaintiffs' alleged claims under PAGA.

The Los Angeles Superior County Court approved the PAGA Settlement.

What are the terms of the PAGA Settlement?

Following the Court's approval of the PAGA Settlement, Defendants paid **\$1,100,000.00** (the "Gross Settlement Amount") that will be used to pay: (a) payment to Plaintiffs' Counsel for Attorneys' Fees in the amount of \$ [REDACTED] (which is one-third of the Gross Settlement Amount), as reasonable consideration for litigation work performed; (b) payment to Plaintiffs' Counsel for Litigation Expenses in the amount of \$ [REDACTED], as reimbursement for actual costs of litigation; (c) payment to the Administrator for Administration Expenses in the amount of \$ [REDACTED], for its services in administering the PAGA Settlement; (d) payment of \$ [REDACTED] to the California Labor and Workforce Development Agency (the "LWDA"), as its 75% share of the PAGA Penalties allocation; and (e) a total amount of \$ [REDACTED] to be paid in Individual PAGA Payments to Aggrieved Employees, as their 25% share of the PAGA Penalties allocation.

Upon the Court's PAGA Settlement approval and Defendants' full funding of the Gross Settlement Amount, the PAGA Settlement shall be effective as a full and final accord and satisfaction and settlement of, and as a bar to, the Released PAGA Claims against the Released Parties by Plaintiffs, on behalf of themselves and their respective former and present representatives, agents, attorneys, administrators, successors and assigns, the Aggrieved Employees they seek to represent, the LWDA, and the State of California.

The "Released PAGA Claims" are: All PAGA claims alleged, or that could have reasonably been alleged arising out of the facts stated, in Plaintiffs' letter to the LWDA and Plaintiffs' Operative Complaint, including PAGA claims that occurred during the relevant PAGA Release Period for: (1) failure to provide accurate itemized wage statements; (2) failure to properly record and provide legally required meal periods; (3) failure to properly record and provide legally required rest periods; (4) failure to pay all wages owed, including minimum wages; (5) failure to pay overtime wages (including failing to pay overtime at the correct regular rate of pay); (6) failure to provide or properly calculate paid sick leave; (7) failure to reimburse employees for all required expenses; (8) failure to pay all wages when due during employment and upon termination; and (9) failure to maintain proper records, including time and payroll records.

The "Released Parties" are Defendants and each of their insurers, affiliates, subsidiaries, parent companies, predecessors, successors, assigns, employees, officers, directors, agents, attorneys, administrators, representatives, and powers-of-attorney.

The PAGA Settlement includes a release of PAGA Claims asserted by Plaintiffs. However, the PAGA Settlement does not release any other claims you may have against the Released Parties.

What if I lose my check?

Your Individual PAGA Payment check will remain valid and negotiable for one hundred eighty (180) days from the date of the check's issuance, as stated on your check (the "Void Date"). If you do not cash your check before the Void Date, the Administrator will cancel your check and transmit those funds to the California State Controller's Unclaimed Property Fund in your name. To obtain your funds from the Unclaimed Property Fund, please consult: https://www.sco.ca.gov/search_upd.html.

If your check is lost or misplaced, you should contact the Administrator to request a replacement. They can be contacted as follows: <<Administrator Name>>, <<Address>>, <<Tel. Number>>, <<Email>>

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