

John G. Yslas (SBN 187324)
john.yslas@wilshirelawfirm.com
Samantha A. Smith (SBN 233331)
Samantha.smith@wilshirelawfirm.com
Jeffrey C. Bills (SBN 301629)
jbills@wilshirelawfirm.com
Aram Boyadjian (SBN 334009)
aboyadjian@wilshirelawfirm.com
Andrew Sandoval (SBN 346996)
andrew.sandoval@wilshirelawfirm.com

WILSHIRE LAW FIRM
3055 Wilshire Blvd., 12th Floor
Los Angeles, California 90010
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

Attorneys for Plaintiffs Thadnisha Clark and Jenaia Richmond

Tim L. Johnson, CA Bar No. 265794
tim.johnson@ogletree.com
Jesse C. Ferrantella, CA Bar No. 279131
jesse.ferrantella@ogletree.com
Christopher A. Moore, CA Bar No. 342089
Christopher.A.Moore@ogletree.com
OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.
4660 La Jolla Village Drive, Suite 900
San Diego, CA 92122
Telephone: 858-652-3100
Facsimile: 858-652-3101

Attorneys for Defendant Yucha HC, LLC dba Yucaipa Hills Post Acute

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO

THADNISHA CLARK and JENAIA
RICHMOND, individually, and on behalf of
the State of California and other aggrieved
persons,

Plaintiffs,

vs.

YUCHA HC LLC DBA YUCAIPA HILLS
POST ACUTE, a California limited liability
company; and DOES 1 through 10, inclusive,

Defendants.

Case No. CIVSB2320649

*Assigned for all purposes to: Hon. Jessica
Morgan, Dept. S26*

PAGA SETTLEMENT AGREEMENT

1 This binding Settlement Agreement (“Agreement”) is made by and between plaintiffs
2 Thadnisha Clark and Jenaia Richmond (“Plaintiffs”) and defendant Yucha HC LLC dba Yucaipa
3 Hills Post Acute (“Defendant”) under the California Labor Code Private Attorneys General Act
4 of 2004 (Cal. Lab. Code §§ 2698, *et seq.*, “PAGA”). The Agreement refers to Plaintiffs and
5 Defendant collectively as “Parties,” or individually as “Party.”

6 **1. DEFINITIONS.**

7 1.1. “Administrator” means, the neutral entity the Parties have agreed to appoint to
8 administer the Settlement.

9 1.2. “Administration Expenses Payment” means the amount the Administrator will be paid
10 from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance
11 with the Administrator’s “not to exceed” bid submitted to the Court in connection with the
12 approval of the Settlement.

13 1.3. “Aggrieved Employee” means “All non-exempt, hourly individuals who worked for
14 Defendant in California as an employee at any time during the period beginning August 25, 2022
15 through December 14, 2024, or an earlier date of Defendant’s choosing, as set forth in Paragraph
16 9 below.

17 1.4. “Aggrieved Employee Data” means Aggrieved Employee identifying information in
18 Defendant’s possession including the Aggrieved Employee’s name, last-known mailing address,
19 Social Security number, and number of PAGA Pay Periods.

20 1.5. “Aggrieved Employee Address Search” means the Administrator’s investigation and
21 search for current Aggrieved Employee mailing addresses using all reasonably available sources,
22 methods and means including, but not limited to, the National Change of Address database, skip
23 traces, and direct contact by the Administrator with Aggrieved Employees.

24 1.6. “Court” means the Superior Court of the State of California, County of San Bernardino.

25 1.7. “Defendant” means named Defendant Yucha HC LLC dba Yucaipa Hills Post Acute.

26 1.8. “Defense Counsel” means Ogletree, Deakins, Nash, Smoak & Stewart, P.C.

27 1.9. “Effective Date” shall be the date when all of the following occurs: (1) the Agreement is
28 fully executed; and (2) the Court approves this Agreement through entry of an Order and

Judgment. No money will be distributed unless and until the Effective Date occurs.

1.10. “Final Judgment” means the Judgment entered by the Court upon granting approval of the Settlement.

1.11. “Gross Settlement Amount” means \$115,000.00, which is the total amount Defendant agrees to pay under the Settlement. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees, PAGA Counsel Expenses, the PAGA Representative Service Payments and the Administrator’s Expenses.

1.12. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.

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

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

1.15. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subdivision (i).

1.16. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Representative Service Payments, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment.

1.17. “PAGA” means the Labor Code Private Attorneys General Act of 2004 (Lab. Code, § 2698 et seq.).

1.18. “PAGA Action” means the Plaintiffs’ lawsuits alleging wage-and-hour violations against Defendant captioned *Thadnisha Clark, et al. v. Yuhca HC LLC dba Yucaipa Hills Post Acute*, Case No. CIVSB2320649 initiated on August 30, 2023, with the Superior Court of the State of California, County of San Bernardino.

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

1.20. “PAGA Counsel” means John G. Yslas, Samantha A. Smith, Jeffrey C. Bills, Aram Boyadjian and Andrew Sandoval of the Wilshire Law Firm, P.L.C.

1 1.21. "PAGA Notice" mean Plaintiffs Thadnisha Clark and Jenaia Richmond's August
2 25, 2023, letter to Defendant and the LWDA providing notice pursuant to Labor Code section
3 2699.3, subdivision (a) (LWDA-CM-977810-23).

4 1.22. "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses
5 Payment" mean the amounts allocated to PAGA Counsel for reimbursement of reasonable
6 attorneys' fees and expenses, respectively, incurred to prosecute the PAGA Action.

7 1.23. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee
8 worked for Defendant for at least one day during the PAGA Period.

9 1.24. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from
10 the Net Settlement Amount, allocated 25% to the Aggrieved Employees and the 75% to LWDA
11 in settlement of PAGA claims.

12 1.25. "PAGA Period" means the period from August 25, 2022 through December 14,
13 2024, or an earlier date of Defendant's choosing, as set forth in Paragraph 9 below.

14 1.26. "PAGA Representatives" or "Plaintiffs" means plaintiffs Thadnisha Clark and
15 Jenaia Richmond.

16 1.27. "PAGA Representative Service Payment" means the payment to the PAGA
17 Representative for initiating the PAGA Action and providing services in support of the PAGA
18 Action.

19 1.28. "PAGA Settlement Notice" means the COURT APPROVED NOTICE OF PAGA
20 SETTLEMENT, to be mailed to Aggrieved Employees in English without material variation,
21 attached as Exhibit A and incorporated by reference into this Agreement.

22 1.29. "Released PAGA Claims" means the claims being released as described in
23 Paragraph 5.3 below.

24 1.30. "Released Parties" means Defendant and each of its insurers, brands, affiliates,
25 subsidiaries, parent companies, predecessors, successors, assigns, employees, officers, directors,
26 agents, attorneys, administrators, representatives, heirs, estates, powers-of-attorney, and any
27 individual or entity which could be jointly liable with Defendant.

28 1.31. "Settlement" means the disposition of the PAGA Action effected by this Agreement

and the Judgment.

2. RECITALS.

2.1. On August 30, 2023, Plaintiffs Thadnisha Clark and Jenaia Richmond filed a complaint for civil penalties under PAGA, alleging Defendant: (1) failed to pay for all hours worked, including minimum, straight time, and overtime wages; (2) failed to provide meal periods; (3) failed to authorize and permit rest periods; (4) failed to pay all earned wages twice per month; (5) failed to maintain accurate records of hours worked and meal periods; (6) failed to timely pay all wages at termination; (7) failed to furnish accurate itemized wage statements; (8) failed to indemnify for necessary expenditures; and (9) failed to produce requested employment records. Pursuant to Labor Code section 2699.3, subdivision (a), Plaintiffs gave timely written notice to Defendant and the LWDA by sending the PAGA Notice on August 25, 2023 (LWDA-CM-977810-23).

2.2. Defendant denies the allegations in the complaint, denies any failure to comply with the laws identified in the complaint and denies any liability for the cause of action alleged.

2.3. On October 15, 2024, the Parties engaged in arms-length negotiations where they participated in a full-day mediation presided over by respected mediator Kevin Barnes, Esq. With the help of Mr. Barnes, the Parties were able to reach an agreement on general settlement terms at mediation.

2.4. In advance of mediation, PAGA Counsel conducted a thorough investigation into the facts of, and applicable law to, the PAGA Action. Prior to mediation, Plaintiffs obtained through informal discovery a representative sampling of time and payroll data for Aggrieved Employees and the necessary policy documents to properly evaluate the strengths and weakness of the claims and engage in meaningful settlement discussions.

2.5. 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,

1 Defendant promises to pay \$115,000.00 and no more as the Gross Settlement Amount. Defendant
2 has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph
3 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount
4 without asking or requiring Aggrieved Employees to submit any claim as a condition of payment.
5 None of the Gross Settlement Amount will revert to Defendant. Because the payments made
6 under this Agreement will be made with respect to only the PAGA claims for all Aggrieved
7 Employees, this Agreement is not subject to the rules governing the settlement of class or
8 collective actions. Accordingly, the settlement payments shall be distributed without a claims
9 process or an opportunity to object or opt out.

10 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct
11 the following payments from the Gross Settlement Amount, in the amounts specified by the Court
12 in the PAGA Approval:

13 3.2.1 To Plaintiffs: PAGA Representative Service Payment to the PAGA Representatives
14 of not more than \$7,500.00 each (in addition to any Individual PAGA Payment) the PAGA
15 Representative is entitled to receive as an Aggrieved Employee. Defendant will not oppose
16 Plaintiff's request for a PAGA Representative Service Payment that does not exceed this amount.
17 If the Court approves a PAGA Representative Service Payment less than the amount requested,
18 the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will
19 pay the PAGA Representative Service Payments using IRS Form 1099. Plaintiffs assume full
20 responsibility and liability for employee taxes owed on the PAGA Representative Service
21 Payment.

22 3.2.2 To PAGA Counsel: A Class Counsel Fees Payment of not more than 1/3 of the
23 GSA, which is currently estimated to be \$38,333.33, and a Class Counsel Litigation Expenses
24 Payment for actual costs not to exceed \$20,000.00. Defendant will not oppose requests for these
25 payments provided that they do not exceed these amounts. If the Court approves a Class Counsel
26 Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts
27 requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released
28 Parties shall have no liability to PAGA Counsel arising from any claim to any portion any PAGA

1 Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator
2 will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or
3 more IRS 1099 Forms.

4 3.2.3 To the Administrator: An Administrator Expenses Payment not to exceed \$6,995.00
5 except for a showing of good cause and as approved by the Court. If the Court approves
6 Administrator Expenses Payment of less than the amount requested, the Administrator will
7 allocate the remainder to the Net Settlement Amount.

8 3.2.4 Payments from the Net Settlement Amount ("NSA"). The NSA will be distributed
9 as PAGA Penalties with 75% of the NSA allocated to the LWDA PAGA Payment and 25% of
10 the NSA allocated to the Individual PAGA Payments.

11 Individual PAGA Payments: The Administrator will calculate each Individual PAGA
12 Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA
13 Penalties by the total number of PAGA Period Pay Periods worked by all Aggrieved
14 Employees during the PAGA Period and (b) multiplying the result by each Aggrieved
15 Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility
16 and liability for any taxes owed on their Individual PAGA Payment. The Administrator
will report the Individual PAGA Payments on IRS 1099 Forms.

17 **4. SETTLEMENT FUNDING AND PAYMENTS.**

18 4.1. Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendant
19 estimates there are 395 Aggrieved Employees who worked a total of 5,988 PAGA Pay Periods.

20 4.2. Aggrieved Employee Data. Not later than fourteen (14) calendar days after the Court
21 grants PAGA Approval, Defendant will deliver the Aggrieved Employee Data to the
22 Administrator, in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employees'
23 privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use
24 the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and
25 restrict access to the Aggrieved Employee Data to Administrator employees who need access to
26 the Aggrieved Employee Data to effect and perform under this Agreement. The Administrator
27 shall not share the Aggrieved Employee Data with either Plaintiffs or PAGA Counsel unless
28

1 expressly approved by Defendant and Defense Counsel, or if an Aggrieved Employee requests
2 that their personal data be shared with PAGA Counsel. Defendant has a continuing duty to
3 immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted
4 Aggrieved Employee identifying information and to provide corrected or updated Aggrieved
5 Employee Data as soon as reasonably feasible. The Parties and their counsel will expeditiously
6 use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or
7 omitted Aggrieved Employee Data.

8 4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement
9 Amount by transmitting the funds to the Administrator no later than twenty-one (21) calendar
10 days after the Effective Date.

11 4.4. Payments from the Gross Settlement Amount. Within fourteen (14) calendar days after
12 Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all
13 Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment,
14 the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, and the
15 PAGA Representative Service Payments. Disbursement of the PAGA Counsel Fees Payment, the
16 PAGA Counsel Litigation Expenses Payment and the PAGA Representative Service Payments
shall not precede disbursement of Individual PAGA Payments.

17 4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send
18 them to Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check
19 shall prominently state the date (not less than 180 days after the date of mailing) when the check
20 will be voided. The Individual PAGA payments will expire one hundred eighty (180) calendar
21 days from the date they are issued by the Administrator. The Administrator will cancel all checks
22 not cashed by the void date. The Administrator will send checks for Individual PAGA Payments
23 to all Aggrieved Employees along with the PAGA Settlement Notice. Before mailing any checks,
24 the Settlement Administrator must update the recipients' mailing addresses using the National
25 Change of Address Database.

26 4.4.2 The Administrator must conduct an Aggrieved Employee Address Search for all
27 other Aggrieved Employees whose checks are returned undelivered without United States Postal
28

1 Service (“USPS”) forwarding address. Within seven (7) calendar days of receiving a returned
2 check the Administrator must re-mail checks to the USPS forwarding address provided or to an
3 address ascertained through the Aggrieved Employee Address Search. The Administrator need
4 not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are
5 returned as undelivered. The Administrator shall promptly send a replacement check to any
6 Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved
7 Employee prior to the void date.

8 4.4.3 For any Aggrieved Employee who’s Individual PAGA Payment check is uncashed
9 and cancelled after the void date, the Administrator shall transmit the funds represented by such
10 checks to the California Controller’s Unclaimed Property Fund in the name of the Aggrieved
11 Employee.

12 4.4.4 Payments to Aggrieved Employees, including Plaintiffs, as referenced herein will
13 not be utilized to calculate any additional benefits under any benefit plans to which any Aggrieved
14 Employee may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401 (k)
15 or 403(b) plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather,
16 it is the Parties’ intention that this Agreement will not affect any rights, contributions, or amounts
17 to which any Aggrieved Employee may be entitled under any benefit plans.

18 **5. RELEASES OF CLAIMS.** Effective on the date when Defendant fully funds the entire
19 Gross Settlement Amount, Plaintiffs, Aggrieved Employees, LWDA and PAGA Counsel will
20 release claims against all Released Parties as follows:

21 5.1 Plaintiffs’ Release. Plaintiffs and Plaintiffs’ respective former and present spouses,
22 representatives, agents, attorneys, heirs, administrators, successors and assigns generally, release
23 and discharge Released Parties from all claims, transactions or occurrences, including all claims
24 that were, or reasonably could have been, alleged, based on the facts contained in the PAGA
25 Action (“Plaintiffs’ Release”). Plaintiffs’ Release does not extend to any claims or actions to
26 enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability
27 benefits, social security benefits, workers’ compensation benefits that arose at any time. Plaintiffs
28 acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts

1 or law that Plaintiffs now know or believe to be true but agree, nonetheless, that Plaintiffs' Release
2 shall be and remain effective in all respects, notwithstanding such different or additional facts or
3 Plaintiffs' discovery of them. Expressly excluded from this release are any and all possible claims
4 concerning Plaintiffs' individual claims (including individual wage and hour claims) that are
5 outside the scope of this Agreement, which are part of separate individual settlement agreements
6 and general releases entered into between Plaintiffs and Defendant (the "Individual Settlements").

7 This is not a general release. Plaintiffs have concurrently agreed to a general release in favor
8 of the Released Parties in connection with the resolution of the Individual Settlements with
9 Defendant. All claims other than wage and hour related claims are preserved and not affected in
10 any way by this Agreement.

11 5.2 Release by Aggrieved Employees: All Aggrieved Employees, the State of California and
12 the LWDA are deemed to release, on behalf of themselves and their respective former and present
13 representatives, agents, attorneys, heirs, administrators, successors and assigns, the Released
14 Parties from all claims for PAGA penalties that were alleged, or reasonably could have been
15 alleged, based on the facts and theories alleged in the PAGA Action and the PAGA Notice,
16 including but not limited to, claims for PAGA civil penalties for: (1) failure to pay for all hours
17 worked, including minimum, straight time, and overtime wages (including failing to pay overtime
18 and the correct regular rate of pay); (2) failure to provide meal periods; (3) failure to authorize
19 and permit rest periods; (4) failure to pay all earned wages twice per month; (5) failure to maintain
20 accurate records of hours worked, payroll records, and meal periods; (6) failure to timely pay all
21 wages at termination; (7) failure to furnish accurate itemized wage statements; (8) failed to
22 indemnify for necessary expenditures; and (9) failure to produce requested employment records
23 (Lab. Code §§ 1198.5, 432, 226). Aggrieved Employees, other than Plaintiffs, will not be deemed
24 to have released any non-PAGA individual claims by virtue of this Agreement. This release
25 applies only to PAGA penalty claims that accrued during the PAGA Period. There shall be no
26 right to opt-out of the settlement by Aggrieved Employees, consistent with California law.

27 5.3 Release by PAGA Counsel: PAGA Counsel release on behalf of their present and former
28 attorneys, employees, agents, successors and assigns the Released Parties from all claims for

PAGA Fees incurred in connection with the Operative Complaint and the PAGA Period facts stated in the Operative Complaint and the PAGA Notices.

6. MOTION FOR PAGA APPROVAL. The Parties agree to jointly prepare and file a motion for PAGA approval (“Motion for PAGA Approval”) that complies with the Court’s current rules.

6.1. Plaintiffs’ Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel within a reasonable time prior to filing all documents necessary for obtaining approval of the Settlement, including: (i) a draft of the notice, and memorandum in support, of the Motion for PAGA Approval that includes an analysis of the underlying Labor Code violations giving rise to PAGA civil penalties that is the subject of this Settlement including request for approval of the PAGA Settlement under Labor Code section 2699, subdivision (f)(2); (ii) a draft proposed Order Granting Approval of PAGA Settlement; (iii) a draft proposed PAGA Settlement Notice; (iv) a signed declaration from Plaintiffs confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees, [and/or] the Administrator; (v) a signed declaration from PAGA Counsel firm attesting to its competency to represent the Aggrieved Employees; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Lab. Code, § 2699.3, subd. (a))), complaint (Lab. Code, § 2699, subd. (l)(1)), this Agreement (Lab. Code, § 2699, subd. (l)(2)); (vi) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees, and/or the Administrator, if any.

6.2. Responsibilities of Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for PAGA Approval in a timely fashion; obtaining a prompt hearing date for the Motion for PAGA Approval; and for appearing in Court to advocate in favor of the Motion for PAGA Approval. PAGA Counsel is responsible for delivering the Court’s PAGA Approval to the Administrator.

6.3. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for PAGA Approval and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by

1 telephone, and in good faith, to resolve the disagreement. If the Court does not grant PAGA
2 Approval or conditions PAGA Approval on any material change to this Agreement, PAGA
3 Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by
4 meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise
5 satisfy the Court's concerns. The Court's decision to award less than the amounts requested for
6 the PAGA Representative Service Payments, PAGA Counsel Fees payment, PAGA Counsel
7 Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a
8 material modification to the Agreement within the meaning of this paragraph.

9 6.4. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the
10 Court will retain jurisdiction over the Parties, PAGA Action, and the Settlement solely for
11 purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement
12 administration matters and (iii) addressing such post-Judgment matters as are permitted by law.

13 6.5. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
14 conditions of this Agreement, specifically excluding the PAGA Representative Service Payments,
15 PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment and/or
16 Administrator Expenses Payment set forth in this Settlement, the Parties, their respective counsel,
17 waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate
18 proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary
19 writs and appeals. The waiver of appeal does not include any waiver of the right to oppose such
20 motions, writs or appeals. In the event of a timely appeal of the Judgment, the Parties' obligations
21 to perform under this Agreement will be suspended until such time as the appeal is finally resolved
22 and the Judgment becomes final, except as to matters that do not affect the amount of the Net
23 Settlement Amount.

24 Appellate Court Orders to Vacate, Reverse or Materially Modify Judgment. If the reviewing
25 Court vacates, reverses or modifies the Judgment in a manner that requires a material modification
26 of this Agreement (including, but not limited to, the scope of release to be granted by Aggrieved
27 Employees), this Agreement shall be null and void. The Parties shall nevertheless expeditiously
28 work together in good faith to address the appellate court's concerns and to obtain PAGA

1 Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration
2 Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse or modify
3 the Court's award of the PAGA Representative Service Payments or any payments to PAGA
4 Counsel shall not constitute a material modification of the Judgment within the meaning of this
5 paragraph, as long as the Gross Settlement Amount remains unchanged.

6 **7. AMENDED JUDGMENT.** If any amended judgment is required by the Court, the Parties
7 will work together in good faith to jointly submit and a proposed amended judgement.

8 **8. SETTLEMENT ADMINISTRATION.**

9 8.1. Selection of Administrator. The Parties have jointly selected Apex Class Action
10 Administration ("Apex") to serve as the Administrator and verified that, as a condition of
11 appointment, Apex agrees to be bound by this Agreement and to perform, as a fiduciary, all duties
12 specified in this Agreement in exchange for payment of Administration Expenses. The Parties
13 and their Counsel represent that they have no interest or relationship, financial or otherwise, with
14 the Administrator other than a professional relationship arising out of prior experiences
15 administering settlements.

16 8.2. Employer Identification Number. The Administrator shall have and use its own
17 Employer Identification Number for purposes of calculating payroll tax withholdings and
18 providing reports to state and federal tax authorities.

19 8.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that
20 meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation
21 section 468B-1.

22 8.4. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be
23 performed or observed by the Administrator contained in this Agreement or otherwise.

24 8.4.1 Final Report by Settlement Administrator. Within ten (10) calendar days after the
25 Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide
26 PAGA Counsel and Defense Counsel with a final report detailing its disbursements by employee
27 identification number only of all payments made under this Agreement. At least 14 days before
28 any deadline set by the Court, the Administrator will prepare, and submit to PAGA Counsel and

1 Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of
2 all payments required under this Agreement, the number of checks and total amount that remains
3 uncashed, and the date (or expected date) when the total amount that remains uncashed is remitted
4 to the California State Controller's Office in the name of the Aggrieved Employee. PAGA
5 Counsel is responsible for filing the Administrator's declaration in Court.

6 **9. AGGRIEVED EMPLOYEES SIZE ESTIMATE and ESCALATOR CLAUSE.**

7 Defendant estimates that there are a total of 395 Aggrieved Employees that worked a total of
8 5,988 PAGA Pay Periods. If the number of unique pay-periods at issue for the Aggrieved
9 Employees is more than 110%, i.e., an increase of more than 598 pay-periods, Defendant shall
10 pay a proportional amount in addition to the Gross Fund Value for each additional unique pay-
11 period over 6,586. For example, if the final number of total pay periods increases by 15% over
12 5,988 pay periods, the GSA will increase by 5%. If this provision is triggered, the Parties agree
13 that the portion of the GSA allocated to attorneys' fees will increase proportionally such that the
14 total amount of attorneys' fees remains one-third of the GSA after the upward adjustment required
15 by this provision is implemented. In the alternative, Defendant may elect to shorten the PAGA
16 Period end date in order to stay within the 10% cushion.

17 **10. ADDITIONAL PROVISIONS.**

18 **10.1. No Admission of Liability or Representative Manageability for Other Purposes.**

19 This Agreement represents a compromise and settlement of highly disputed claims. Nothing in
20 this Agreement is intended or should be construed as an admission by Defendant that any of the
21 allegations in the complaint has merit or that Defendant has any liability for any claims asserted;
22 nor should it be intended or construed as an admission by Plaintiffs that Defendant's defenses in
23 the PAGA Action have merit. The Parties agree that representative treatment is for purposes of
24 this Settlement only. If, for any reason the Court does grant approval of the Settlement, or enter
25 Judgment, Defendant reserves all available defenses to the claims in the PAGA Action, and
26 Plaintiffs reserve the right to contest Defendant's defenses. The Settlement, this Agreement and
27 Parties' willingness to settle the PAGA Action will have no bearing on, and will not be admissible
28 in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement

1 and this Agreement).

2 10.2. Confidentiality Prior to PAGA Approval. Plaintiffs, PAGA Counsel, Defendant and
3 Defense Counsel separately agree that, until the Motion for PAGA Approval of Settlement is
4 filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit
5 another person to disclose, disseminate or publicize, any of the terms of the Agreement directly
6 or indirectly, specifically or generally, to any person, corporation, association, government
7 agency or other entity except: (1) to the Parties' attorneys, accountants or spouses, all of whom
8 will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the
9 extent necessary to report income to appropriate taxing authorities; (4) in response to a court order
10 or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government
11 agency. Each Party agrees to immediately notify each other Party of any judicial or agency order,
12 inquiry, or subpoena seeking such information. Plaintiffs, PAGA Counsel, Defendant and
13 Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other
14 communication, before the filing of the Motion for PAGA Approval, with any third party
15 regarding this Agreement or the matters giving rise to this Agreement except to respond only that
16 "the matter was resolved," or words to that effect. This paragraph does not restrict PAGA
17 Counsel's communications with Aggrieved Employees in accordance with PAGA Counsel's
18 ethical obligations owed to Aggrieved Employees. Even after a Motion for PAGA Approval is
19 filed, Plaintiff and PAGA Counsel will not contact the media about the Agreement or respond to
20 any inquiries by the media regarding the Agreement, other than to state that the matter was
21 amicably settled and referring them to Court-filed public documents about the case. Plaintiff and
22 PAGA Counsel also will not post any information about the Settlement identifying Defendant on
23 social media or the firm's websites. However, Plaintiff may report the result using generic
24 language such as "Nursing Facility ").

25 10.3. No Solicitation. The Parties separately agree that they and their respective counsel
26 and employees will not solicit any Aggrieved Employee to appeal from the Judgment. Nothing in
27 this paragraph shall be construed to restrict PAGA Counsel's ability to communicate with
28 Aggrieved Employees in accordance with PAGA Counsel's ethical obligations owed to

1 Aggrieved Employees.

2 10.4. Integrated Agreement. Upon execution by all Parties and their counsel, this
3 Agreement together with its attached exhibits shall constitute the entire agreement between the
4 Parties relating to the Settlement, superseding any and all oral representations, warranties,
5 covenants or inducements made to or by any Party.

6 10.5. Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant
7 and represent that they are authorized by Plaintiffs and Defendant, respectively, to take all
8 appropriate action required or permitted to be taken by such Parties pursuant to this Agreement
9 to effectuate its terms, and to execute any other documents reasonably required to effectuate the
10 terms of this Agreement including any amendments to this Agreement.

11 10.6. Cooperation. The Parties and their counsel will cooperate with each other and use
12 their best efforts, in good faith, to implement the Settlement by, among other things, modifying
13 the Settlement Agreement, submitting supplemental evidence and supplementing points and
14 authorities as requested by the Court. In the event the Parties are unable to agree upon the form
15 or content of any document necessary to implement the Settlement, or on any modification of the
16 Agreement that may become necessary to implement the Settlement, the Parties will seek the
assistance of a mediator and/or the Court for resolution.

17 10.7. No Prior Assignments. The Parties separately represent and warrant that they have
18 not directly or indirectly assigned, transferred, encumbered or purported to assign, transfer or
19 encumber to any person or entity and portion of any liability, claim, demand, action, cause of
20 action or right released and discharged by the Party in this Settlement.

21 10.8. No Tax Advice. Neither Plaintiffs, PAGA Counsel, Defendant nor Defense Counsel
22 are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be
23 relied upon as such within the meaning of United States Treasury Department Circular 230 (31
24 CFR Part 10, as amended) or otherwise.

25 10.9. Modification of Agreement. This Agreement, and all parts of it, may be amended,
26 modified, changed or waived only by an express written instrument signed by all Parties or their
27 representatives and approved by the Court.
28

1 10.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure
2 to the benefit of, the successors of each of the Parties.

3 10.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will be
4 governed by and interpreted according to the internal laws of the State of California, without
5 regard to conflict of law principles.

6 10.12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation
7 of this Agreement. This Agreement will not be construed against any Party on the basis that the
8 Party was the drafter or participated in the drafting.

9 10.13. Headings. The descriptive heading of any section or paragraph of this Agreement is
10 inserted for convenience of reference only and does not constitute a part of this Agreement.

11 10.14. Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement
12 shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a
13 weekend or federal legal holiday, such date or deadline shall be on the first business day
thereafter.

14 10.15. Invalidity of any Provision. Before declaring any provision of this Settlement
15 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest
16 extent possible consistent with applicable precedents so as to define all provisions of this
17 Settlement Agreement valid and enforceable.

18 10.16. Waiver. No waiver of any condition or covenant contained in this Agreement or
19 failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or
20 constitute a further waiver by such party of the same or any other condition, covenant, right or
21 remedy.

22 10.17. Notice. All notices, demands or other communications between the Parties in
23 connection with this Agreement will be in writing and deemed to have been duly given as of the
24 third business day after mailing by United States mail, or the day sent by email or messenger,
25 addressed as follows:
26
27
28

To Plaintiffs: John G. Yslas
jyslas@wilshirelawfirm.com
Samantha A. Smith
samantha.smith@wilshirelawfirm.com
Jeffrey C. Bills
jbils@wilshirelawfirm.com
Aram Boyadjian
aboyadjian@wilshirelawfirm.com
Andrew Sandoval
andrew.sandoval@wilshirelawfirm.com
Wilshire Law Firm, PLC
3055 Wilshire Boulevard, 5th Fl
Los Angeles, California 90010

To Defendant: Tim L. Johnson
tim.johnson@ogletree.com
Jesse C. Ferrantella
jesse.ferrantella@ogletree.com
Christopher A. Moore
Christopher.A.Moore@ogletree.com
OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.
4660 La Jolla Village Drive, Suite 900
San Diego, CA 92122

10.18. 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.

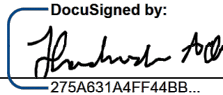
10.19. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this settlement, and further intended that this Agreement will be fully enforceable and binding on all Parties and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

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.

10.21. 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 PAGA Action, may be used only with respect to this Agreement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Upon written request by Defendant to PAGA Counsel, and not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiffs and PAGA Counsel shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendant unless, prior to the Administrator's payment of all Settlement Funds, Defendant makes a written request to PAGA Counsel for the return, rather than the destruction, of Aggrieved Employee Data.

By the Parties:

DATED: 5/9/2025

DocuSigned by:

 275A631A4FF44BB...

Plaintiff Thadnisha Clark

DATED: _____

Plaintiff Jenaia Richmond

DATED: _____

Defendant Yucha HC LLC dba Yucaipa Hills Post Acute

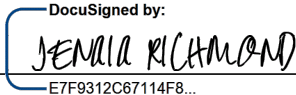
By: _____

Position: _____

10.21. 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 PAGA Action, may be used only with respect to this Agreement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Upon written request by Defendant to PAGA Counsel, and not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiffs and PAGA Counsel shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendant unless, prior to the Administrator's payment of all Settlement Funds, Defendant makes a written request to PAGA Counsel for the return, rather than the destruction, of Aggrieved Employee Data.

By the Parties:

DATED: _____
Plaintiff Thadnisha Clark

DATED: 5/9/2025

 E7F9312C67114F8...
 Plaintiff Jenaia Richmond

DATED: _____
 Defendant Yucha HC LLC dba Yucaipa Hills Post Acute
 By: _____
 Position: _____

1 10.21. Use and Return of Aggrieved Employee Data. Information provided to PAGA
2 Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data
3 provided to PAGA Counsel by Defendant in connection with the mediation, other settlement
4 negotiations, or in connection with the PAGA Action, may be used only with respect to this
5 Agreement, and no other purpose, and may not be used in any way that violates any existing
6 contractual agreement, statute, or rule of court. Upon written request by Defendant to PAGA
7 Counsel, and not later than 90 days after the Administrator discharges its obligation to pay out of
8 all Settlement funds, Plaintiffs and PAGA Counsel shall destroy all paper and electronic versions
9 of Aggrieved Employee Data received from Defendant unless, prior to the Administrator's
10 payment of all Settlement Funds, Defendant makes a written request to PAGA Counsel for the
11 return, rather than the destruction, of Aggrieved Employee Data.

12
13 By the Parties:

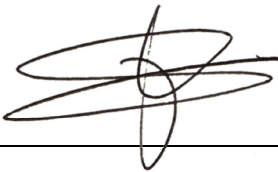
14
15 DATED: _____

Plaintiff Thadnisha Clark

17
18 DATED: _____

Plaintiff Jenaia Richmond

19
20
21 DATED: 05/19/2025



Defendant Yucha HC LLC dba Yucaipa Hills Post Acute

By: Jill Anne Lora

Position: Administrator

Approved as to form and substance:

DATED: 5/9/2025

WILSHIRE LAW FIRM, PLC

BY: _____

John G. Yslas

Counsel for Plaintiffs Thadnisha Clark and Jenaia
Richmond

DATED:
STEWART, P.C.

OGLETREE, DEAKINS, NASH, SMOAK &

BY: _____

Tim L. Johnson

Jesse C. Ferrantella

Christopher A. Moore

Counsel for Defendant Yucha HC LLC dba Yucaipa
Hills Post Acute

1 Approved as to form and substance:

2
3 DATED:

WILSHIRE LAW FIRM, PLC

4
5 BY: _____
6 John G. Yslas
7 Counsel for Plaintiffs Thadnisha Clark and Jenaia
8 Richmond

9 DATED: May 22, 2025
10 STEWART, P.C.

OGLETREE, DEAKINS, NASH, SMOAK &

11
12 BY:  _____
13 Tim L. Johnson
14 Jesse C. Ferrantella
15 Christopher A. Moore
16 Counsel for Defendant Yucha HC LLC dba Yucaipa
17 Hills Post Acute
18
19
20
21
22
23
24
25
26
27
28

Exhibit A

COURT APPROVED NOTICE OF PAGA SETTLEMENT

Thadnisha Clark, et al. v. Yuhca HC LLC dba Yucaipa Hills Post Acute

Superior Court of the State of California, County of San Bernardino

Case No. CIVSB2320649

<<EmployeeName>>

<<Address1>>

<<Address2>>

<<City>>, <<State>> <<Zip Code>>

XX - XX - <<W9SSN>>

I. NOTICE OF PAGA SETTLEMENT

The Superior Court of the State of California, County of San Bernardino (the “Court”) has approved a settlement in the above-captioned action filed by Thadnisha Clark and Jenaia Richmond (“Plaintiffs”) on behalf of themselves and all other aggrieved employees.

In this lawsuit, Plaintiffs claim defendant Yucha HC LLC dba Yucaipa Hills Post Acute (“Defendant”) violated California’s wage and hour laws and is therefore liable for penalties under the Private Attorneys General Act (“PAGA”). Specifically, Plaintiffs allege that Defendant: (1) failed to pay for all hours worked, including minimum, straight time, and overtime wages; (2) failed to provide meal periods; (3) failed to authorize and permit rest periods; (4) failed to pay all earned wages twice per month; (5) failed to maintain accurate records of hours worked and meal periods; (6) failed to timely pay all wages at termination; (7) failed to furnish accurate itemized wage statements; (8) failed to indemnify for necessary expenditures; and (9) failed to produce requested employment records. Plaintiffs are solely seeking civil penalties on behalf of the California Labor and Workforce Development Agency (“LWDA”) and other Aggrieved Employees under PAGA.

The Court has not made a determination about Plaintiffs’ claims. This Notice is not to be understood as an expression of any opinion by the Court as to the merits of the claim.

Defendant maintains that they were in compliance with the California Labor Code at all times and enters into this Settlement with no admission of liability and solely for the purposes of compromising and settling the action to avoid the cost and operational burden of continued litigation.

You are receiving this Notice because you are in the group of employees referred to as “Aggrieved Employees,” which is defined as:

“All non-exempt, hourly individuals who worked for Defendant in California as an employee at any time during the period beginning August 25, 2022 through December 14, 2024.”

The “PAGA Period” is defined as August 25, 2022 through December 14, 2024.

1 **II. CALCULATION OF INDIVIDUAL PAGA PAYMENT**

2 You worked <<PayPeriods>> pay periods during the PAGA Period. The total amount of pay
3 periods worked by all Aggrieved Employees during the PAGA Period is _____.

4 Your individual PAGA payment is estimated to be <<CheckAmount>>.

5 Each individual PAGA payment was calculated on a pro rata basis (i.e., proportional) based on
6 the number of pay periods worked by each Aggrieved Employee in the PAGA Period divided by
7 the total number of pay periods worked by all Aggrieved Employees.

8 **III. RELEASE**

9 “Released Parties” means Defendant and each of its insurers, brands, affiliates, subsidiaries,
10 parent companies, predecessors, successors, assigns, employees, officers, directors, agents,
11 attorneys, administrators, representatives, heirs, estates, powers-of-attorney, and any individual
or entity which could be jointly liable with Defendant.

12 The Court has approved the Parties’ Settlement Agreement (“Settlement”). By operation of the
13 Settlement’s terms, all Aggrieved Employees, the State of California, and the LWDA will release
14 the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could
15 have been alleged, based on the facts and theories alleged in the PAGA Action and the PAGA
16 Notices, including but not limited to, claims for PAGA civil penalties for: (1) failure to pay for
17 all hours worked, including minimum, straight time, and overtime wages (including failing to pay
18 overtime and the correct regular rate of pay); (2) failure to provide meal periods; (3) failure to
19 authorize and permit rest periods; (4) failure to pay all earned wages twice per month; (5) failure
20 to maintain accurate records of hours worked, payroll records, and meal periods; (6) failure to
timely pay all wages at termination; (7) failure to furnish accurate itemized wage statements; (8)
failed to indemnify for necessary expenditures; and (9) failure to produce requested employment
records (Lab. Code §§ 1198.5, 432, 226). Aggrieved Employees, other than Plaintiffs, will not be
deemed to have released any non-PAGA individual claims by virtue of this Agreement (“PAGA
Released Claims”). This release applies only to PAGA penalty claims that accrued during the
PAGA Period. There shall be no right to opt-out of the settlement by Aggrieved Employees,
consistent with California law.

21 **IV. SETTLEMENT ADMINISTRATOR**

22 **PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.**

23
24 You may call the Settlement Administrator, Apex Class Action Administration (“Apex”) toll free
25 at 1(____) _____ with any questions. You must inform the Settlement Administrator of any
change of address to ensure receipt of your settlement payment.

26 Settlement checks will be null and void 180 days after issuance if not deposited or cashed. In such
27 event, the Settlement Administrator shall direct all unclaimed funds to the California State
28 Controller’s Office in the name of the Aggrieved Employee to whom the check was issued. If

your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.