LLAMAS v. SAN DIEGO SUNRISE MANAGEMENT CO.
SAN DIEGO COUNTY SUPERIOR COURT, CASE NO. 37-2023-00044344-CU-OE-CTL
PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement ("Agreement") is made by and between plaintiff David Llamas ("Plaintiff") and San Diego Sunrise Management Company, Inc., ("Sunrise" or "Defendant") (collectively referred to hereinafter, the "Parties"). The Parties agree to a PAGA settlement of the lawsuit entitled *Llamas v. San Diego Sunrise Management Company, Inc.,* San Diego Superior Court Case No. 37-2023-00044344-CU-OE-CTL.

1. DEFINITIONS.

1.1 "Action" means the Plaintiff's PAGA lawsuit alleging wage and hour violations against San Diego Sunrise Management Company, Inc., captioned *Llamas v. San Diego Sunrise Management Company, Inc., San Diego Superior Court Case No. 37-2023-00044344-CU-OE-CTL* initiated on October 12, 2023, and pending in Superior Court of the State of California, County of San Diego.

1.2 "Administrator" means ILYM, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3 "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with approval of this Settlement.

1.4 "Aggrieved Employee" means in the context of this settlement agreement only, the "PAGA Settlement Members" shall be defined as follows:

a. All current and former non-exempt employees who have worked for Defendant in California as an hourly employee during the period of October 12, 2022, through approval of the settlement by the Superior Court, or August 31, 2025, whichever occurs first;

1.5 "Aggrieved Employee Data" means Aggrieved Employee identifying information in possession of Sunrise, including the Aggrieved Employee's name, last-known mailing address, Social Security number and number of PAGA Pay Periods (or dates from which the Administrator can calculate the PAGA Pay Periods).

1.6 "Aggrieved Employee Address Search" means the Administrator's investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces and direct contact by the Administrator with Aggrieved Employees.

1.7 "Court" means the Superior Court of California, County of San Diego.

1.8 "Defense Counsel" means O'Hagan Meyer

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

1.10 "Gross Settlement Amount" means One Hundred Forty Thousand Dollars and Zero Cents ($140,000.00) ("PAGA Gross Settlement Amount"), which is the total amount Sunrise agrees to pay under the Settlement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment and the Administrator's Expenses Payment.

1.11 "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.

1.12 "Judgment" means the judgment entered by the Court based upon approval of the settlement.

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

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

1.15 "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses

Payment and the Administration Expenses Payment. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments.

1.16 "PAGA Counsel" means the attorneys representing the Plaintiff in the Action:

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

1.18 "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for as stated above or at least one day during the PAGA Period.

1.19 "PAGA Period" means the period from October 12, 2022, to the date the court approves the settlement, or August 31, 2025, whichever occurs first.

1.20 "PAGA" means the Private Attorneys General Act (Lab. Code, § 2698. et seq.).

1.21 "PAGA Notice" means Plaintiff's letter to Sunrise and the LWDA providing notice pursuant to Labor Code section 2699.3, subdivision (a).

1.22 "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees currently estimated to be: ($18,762.50) and the 75% to LWDA ($56,287.50) in settlement of PAGA claims.

1.23 "Plaintiff" means David Llamas, the named plaintiff in the Action.

1.24 "Approval Order" means the proposed Court Order Granting Approval of PAGA Settlement.

1.25 "Released PAGA Claims" means the claims being released by the Plaintiff and aggrieved employees as described in Paragraph 5 below.

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

1.27 "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

1.28 "Sunrise" means named Defendant San Diego Sunrise Management Company, Inc.

2. RECITALS.

2.1 On October 12, 2023, Plaintiff commenced this Action by filing a Complaint alleging PAGA cause of action against Sunrise for failure to provide meal and rest periods, failure to reimburse for out-of-pocket expenses, paystub violations, and waiting time penalties. Sunrise denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint and denies any and all liability for the causes of action alleged.

2.2 Pursuant to Labor Code section 2699.3, subdivision (a), Plaintiff gave timely written notice to Sunrise and the LWDA by sending the PAGA Notice.

2.3 On June 20, 2025, the parties participated in an all-day mediation presided over by Barbara Reeves, Esq., which led to this agreement to settle the action after significant pre-mediation and post mediation discussions and an informal exchange of data (including time and pay data for Aggrieved Employees during the PAGA Period).

2.4 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 9 below, Sunrise promises to pay $140,000.00 and no more as the Gross Settlement Amount. Sunrise has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 6.1 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 Sunrise.

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 specified by the Court in the Final Approval:

3.2.1 To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 35%, which is currently estimated to be $49,000.00, and PAGA Counsel Litigation Expenses Payment of not more than $12,000.00. Sunrise will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application or motion for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Sunrise harmless, and indemnifies Sunrise, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.2 To the Administrator: An Administrator Expenses Payment not to exceed $3,950.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than $3,950.00, the Administrator will retain the remainder in the Net Settlement Amount. If the Administration Expenses exceed the amount approved by the Court, Sunrise will have no obligation to pay any money in addition to the Gross Settlement Amount to account for the excess administration costs.

3.2.3 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of $75,050.00 to be paid from the Gross Settlement Amount, with 75% ($56,287.50) allocated to the LWDA PAGA Payment and 25% ($18,762.50) allocated to the Individual PAGA Payments.

3.2.3.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties ($18,762.50) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.3.2 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Aggrieved Employee Pay Periods. Based on a review of its records, Sunrise estimates there are 400 Aggrieved Employees who worked a total 14,362 PAGA Pay Periods through June 1, 2025.

4.2 Aggrieved Employee Data. Within 15 days after the Court grants Approval of the Settlement, Sunrise will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employees' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Sunrise has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Sunrise must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.3 Funding of Gross Settlement Amount. Sunrise shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 30 days after the Effective Date as follows: (a) 30 days after entry of approval of the settlement by the Court if no appeals are filed; or (b) 30 days after exhaustion of all appeals, if any are filed. If no party intervenes in the action to object to the settlement, then the judgment is final as of the date the court enters such as no party would have a right to object and thus appeal. In this case payment will be made 30 days after the judgment is entered.

4.4 Payments from the Gross Settlement Amount. Within 10 days after Sunrise funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Expenses Payment. Disbursement of the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.

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

The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2 The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are retuned undelivered without USPS forwarding address. Within 7 days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re- mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.

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

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

5. RELEASES OF CLAIMS. Effective on the date when Sunrise fully funds the entire Gross Settlement Amount Plaintiff and PAGA Counsel will release claims against all Released Parties as follows:

5.2 Release by the Aggrieved Employees:

All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notice during the PAGA Period.

5.3 Release by Plaintiff and PAGA Counsel:

PAGA Counsel release on behalf of their present and former 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 Notice.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT. The Parties agree to jointly prepare and file Motion for Approval of this Settlement, and/or a stipulation for court approval of the settlement.

6.1 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code section 2699, subdivision (f)(2)) including (i) a draft of the notice, and memorandum in support, of the Motion for Approval and/or a stipulation requesting approval of the settlement(ii) a draft proposed Order Granting Approval of PAGA Settlement; (iii) 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 Plaintiff, PAGA Counsel or Defense Counsel; (iv) a signed declaration from Plaintiff 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 (Labor Code section 2699.3, subd. (a)). In their Declarations, Plaintiff and PAGA Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 Responsibilities of PAGA Counsel. PAGA Counsel is responsible for expeditiously finalizing and filing the Motion for Approval of this Settlement so that it can be filed quickly upon signing. PAGA Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator. PAGA Counsel will provide Defense Counsel five (5) business days to review and comment on the Motion for Approval before filing. The Parties will work in good faith to resolve any disagreements regarding the Motion for Approval.

6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Approval of this Settlement 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 telephone, and in good faith, to resolve the disagreement. If the Court does not grant Approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

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

7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports 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 section 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

8.1 Based on its records, Sunrise estimates that, as of June 20, 2025, there are 400 Aggrieved Employees who worked 14,362 Pay Periods.

8.1.1: Escalator Clause: Defendant understands and believes there were no more than 14,362 pay periods through June 20, 2025. If it is determined that the actual number of pay periods through June 20, 2025 exceeds 14,362 by more than ten percent (10%) (i.e., exceeds 15,798), then, Defendant shall have the option to either a) increase the PAGA Gross Settlement by the percentage difference beyond the ten percent (10%) between the certified amount of 14,362 and the actual number of pay periods, or b) the PAGA settlement period will be adjusted to reflect a terminal date on which the pay periods equal 15,798.

9. CONTINUING JURISDICTION OF THE COURT. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters and (iii) addressing such post-Judgment matters as are permitted by law.

9.1 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees

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

10. ADDITIONAL PROVISIONS.

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

10.2 Confidentiality Prior to Preliminary Approval. Plaintiff, PAGA Counsel, Sunrise and Defense Counsel separately agree that, until the Motion for Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency or other entity except: (1) to the Parties' attorneys, accountants or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a matter determined by a court to be "related" within the meaning of California Rule of Court 3.300 or similar federal or state law; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, PAGA Counsel, Sunrise and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect.

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

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

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

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

10.7 No Tax Advice. Neither Plaintiff, PAGA Counsel, Sunrise 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.

10.8 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.

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

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

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

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

10.13 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Evidence Code section 1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Sunrise in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute or California Rules of Court rule.

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

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

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

To Plaintiff: Via counsel listed above.

To Sunrise: Via counsel listed above.

10.17 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.

10.18 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. The Parties further agree that upon the signing of this Agreement that pursuant to Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this settlement process.

10.19 Rights of Termination. Except as set forth above, if the Court or, in the event of an appeal, any appellate court refuses to approve, or modifies, any material aspect of this Agreement or the proposed Approval Order or Judgment, including but not limited to any judicial findings included therein, Plaintiff or Sunrise may terminate this Agreement and the Settlement as set forth below. The Parties acknowledge and agree that any modification to the terms of this Agreement relating to the scope of the release, or to Sunrise's financial obligations, shall be deemed a material modification constituting grounds for cancellation or termination of the Agreement and the Settlement. Within fifteen (15) days of the Settlement Administrator receiving notice from any Party of such termination, (i) the Settlement Administrator shall return the balance of the settlement fund, including any interest, to Sunrise, and (ii) the Settlement Administrator shall provide the Parties with a report of all Administration Costs incurred. The Party terminating the Agreement will be responsible for paying any Administration Costs. If the Parties mutually terminate the Agreement, Plaintiff and Sunrise each will be responsible for paying fifty percent (50%) of any Administration Costs.

Date: 8/8/2025

DocuSigned by:
David Llamas
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David Llamas, Plaintiff

Date: 08/14/2025

Randy Polcyn
Randy Polcyn (Aug 14, 2025 15:34:58 PDT)

By: Randy Polcyn,
Its: Chief Legal Officer for
Defendant, San Diego Sunrise Management Company, Inc.