PAGA SETTLEMENT AGREEMENT

This Settlement and Release (hereinafter "Settlement" or "Agreement") is made and entered into by and between Plaintiffs Beverly W. Cooley ("Plaintiff Cooley") and Willie J. Florence ("Plaintiff Florence") (hereinafter "Plaintiffs") as a private attorney general on behalf of the State of California pursuant to Labor Code section 2698 *et seq*., the Private Attorney's General Act ("PAGA") on the one hand, and Defendant Sonora Community Hospital ("Defendant") on the other hand (collectively referred to herein as "the Parties").

This Settlement shall be binding on Plaintiffs and the State of California to the extent permitted under PAGA and on Defendant subject to the terms and conditions hereof and the approval of the Court.

I. RECITALS

1. On October 5, 2023, Plaintiff Cooley sent notice to the Labor and Workforce Development Agency ("LWDA") giving notice of her intent to pursue a representative PAGA action on behalf of the State of California as well as on behalf of other aggrieved employees. On October 6, 2023, Plaintiff Cooley commenced this Action by filing a Complaint in the Tuolumne County Superior Court, Case No. CV65628, alleging causes of action against Defendant for (1) Failure to Pay Minimum Wages; (2) Failure to Pay Wages and Overtime Under Labor Code § 510; (3) Meal Period Liability Under Labor Code § 226.7 and §512; (4) Rest-Break Liability Under Labor Code § 226.7; (5) Violation of Labor Code § 226; (6) Violation of Labor Code § 221; (7) Violation of Labor Code § 204; (8) Violation of Labor Code § 203; (9) Failure to Maintain Records Required Under Labor Code §§ 1174, 1174.5; (10) Failure to Reimburse Necessary Business Expenses Under Labor Code § 2802; and (11) Violation of Business & Professions Code § 17200 *et seq*.

2. On December 12, 2023, Plaintiff Cooley filed a First Amended Complaint alleging causes of action against Defendant for Representative PAGA claims.

3. On November 13, 2024, Plaintiff Cooley filed a Second Amended Complaint to add Plaintiff Florence as a named plaintiff and omit Defendant Adventist Health System/West in the Action. The Second Amended Complaint is the operative complaint in the Action ("Operative Complaint").

4. Prior to mediation, Plaintiffs obtained, through informal discovery, time records, pay records, and information relating to the size and scope of the Aggrieved Employees, as well as data permitting Plaintiffs to fully understand the nature and scope of the allegations in the Action, including a statistically relevant sampling of time and wage records through the date of mediation and relevant policy documents which were analyzed by Plaintiffs' Counsel.

5. On June 4, 2025, the Parties mediated this case before mediator Dan Turner and, though an agreement was not obtained, the parties continued to work together with the assistance of the mediator to engage in further negotiations. On June 18, 2025, the Parties reached a settlement in principle as to Plaintiffs' PAGA claims. As part of the Settlement, the Parties agreed

that Plaintiffs' class claims shall be dismissed without prejudice pursuant to California Rules of Court Rule 3.770 given that the great majority of proposed class members had signed arbitration agreements with class action waivers.

II. DEFINITIONS

2.1. "Action" means the Plaintiffs' PAGA lawsuit alleging wage and hour violations against Defendant captioned *Beverly W. Cooley v. Sonora Community Hospital* initiated on October 6, 2023, and pending in Superior Court of the State of California, County of Tuolumne, Case No. CV65628.

2.2. "Administrator" means Apex Class Action Administration, the neutral entity the Parties have agreed to appoint to administer the Settlement.

2.3. "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.

2.4. "Aggrieved Employee" means all non-exempt employees who were employed by Sonora Community Hospital in California at any point from August 5, 2022, to August 18, 2025.

2.5. "Aggrieved Employee Data" means Aggrieved Employee identifying information in Defendant's possession including the Aggrieved Employee's name, last-known mailing address and telephone number, Social Security number, and number of PAGA Pay Periods.

2.6. "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.

2.7. "Court" means the Superior Court of California, County of Tuolumne.

2.8. "Defense Counsel" means Daniel Whang and Kerry Friedrichs of Seyfarth Shaw LLP.

2.9. "Effective Date" means the later of: (i) sixty-one (61) days following the date the Court enters an order granting approval, assuming no appeal is filed; or (ii) if an Aggrieved Employee objects and either timely intervenes or timely files a motion to vacate the Judgment despite the prohibition against such actions recognized in *Turrieta v. Lyft, Inc*., 16 Cal. 5th 664, 675 (2024) and nevertheless files a timely appeal, then the date of final resolution of that appeal (including any requests for rehearing and/or petitions for certiorari), resulting in final and complete judicial approval of the Settlement in its entirety, with no further challenge to the Settlement being possible.

2.10. "Gross Settlement Amount" or "GSA" means $710,000.00 which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 6.7 below.

The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Costs Payment, and the Administrator's Costs Payment.

2.11. "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.

2.12. "Judgment" means the judgment entered by the Court based upon the Final Approval.

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

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

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

2.16. "PAGA Counsel" means Emil Davtyan, David Yeremian, Alvin B. Lindsay, Enoch J. Kim, and Antonia McKee of D.Law, Inc.

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

2.18. "PAGA Pay Period" means any pay period during which an Aggrieved Employee worked for Defendant during the PAGA Period.

2.19. "PAGA Period" means the period from August 5, 2022, to August 18, 2025.

2.20. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

2.21. "PAGA Notice" means Plaintiff Cooley's October 5, 2023, letter to Defendant and the LWDA and Plaintiffs' March 6, 2024, amended letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a)., LWDA Case No. LWDA-CM-985901-23.

2.22. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees ($105,625.00) and the 75% to LWDA ($316,875.00) in settlement of PAGA claims.

2.23. "Plaintiffs" means Beverly W. Cooley, and Willie J. Florence, the named plaintiffs in the Action.

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

2.25. "Released PAGA Claims" means any and all claims for civil penalties under PAGA that were alleged or reasonably could have been alleged based on the facts stated in the PAGA Notice, including PAGA claims based on alleged violations of Labor Code sections 201, 202, 203, 204, 206.5, 210, 218, 218.5, 218.6, 221, 226, 226.3, 226.4, 226.7, 246-248.5, 256, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.1, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2802, 2810.5, and any applicable IWC Wage Orders. Released PAGA Claims are limited to those claims arising during the PAGA Period. Released PAGA Claims do not include any Aggrieved Employees' non-PAGA individual claims.

2.26. "Released Parties" means: Defendant and all of Defendant's former and present officers, directors, subsidiaries, affiliates, customers, shareholders, members, employees, representatives, agents, attorneys, insurers, predecessors, successors, owners, and assigns.

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

2.28. "Defendant" means named Defendant Sonora Community Hospital.

III. REPRESENTATIONS

3.1. Plaintiffs alleged on behalf of the State of California that Defendant failed to pay the aggrieved employees all minimum wages, all overtime wages, failed to provide lawful meal periods and pay meal period premiums at the proper rate, failed to provide lawful paid rest periods and pay rest period premiums at the proper rate, failed to provide complete or accurate itemized wage statements (pay stubs), failed to timely pay all wages owed during and after employment, failed to maintain accurate time records, failed to reimburse business expenses, and otherwise failed to follow all provisions of the California Labor Code. Plaintiffs allege that this underlying conduct gives rise to a claim pursuant to Labor Code Section 2698, *et seq*.

3.2. Defendant denies any liability or wrongdoing of any kind associated with the claims alleged in the Action and denies any liability or intentional wrongdoing. Nothing contained herein nor is the consummation of this Settlement to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant or any of the Released Parties. Each of the Parties hereto has entered into this Settlement with the intention to avoid further disputes and litigation with the attendant inconvenience and expense. Defendant denies that it has engaged in any unlawful activity, that it failed to comply with the law in any material respect, or that it has any liability to anyone under the claims asserted in the Action. This Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Agreement is intended or shall be construed as an admission of liability or wrongdoing by Defendant. Nevertheless, Defendant is willing to resolve this matter in accordance with the terms set forth herein.

3.3. The Parties recognize that the issues presented in the Action are likely only to be resolved with extensive and costly pretrial and trial proceedings, and that further litigation will cause inconvenience, distraction, disruption, delay, and expense disproportionate to the potential benefits of litigation. The Parties have taken into account the risk and uncertainty of the outcome inherent in any litigation and the claims in this Action.

3.4. Plaintiffs and PAGA Counsel contend that they have diligently pursued an investigation of the state of California's claims under PAGA against Defendant.

3.5. Based on their own independent investigations and evaluations and after attending mediation, Plaintiffs and PAGA Counsel are of the opinion that the settlement for the consideration and on the terms set forth in this Settlement is fair, reasonable, and adequate and that it is in the best interests of the Plaintiffs, the Aggrieved Employees, and the State of California in light of all known facts and circumstances and the risks inherent in litigation.

3.6. In order to comply with the requirements of Labor Code Section 2699(*l*), Plaintiffs shall submit a Motion for Approval of Representative PAGA Settlement to the Court identifying the key terms of this Settlement and Release agreement and requesting that the Court approve the Settlement ("Approval Motion"). The Settlement is contingent upon the approval by the Court. If the Court denies a Motion for Approval of Representative PAGA Settlement due to concerns that the Parties cannot address through non-material modifications of this Agreement and/or will not agree to the dismissal of the class claims contained in the Separate PAGA Only Complaints, (i) this Settlement shall be considered null and void; (ii) neither this Settlement Agreement nor any of the related negotiations or proceedings shall be of any force or effect; and (iii) all Parties to this Settlement Agreement shall stand in the same position, without prejudice, as if this Settlement had been neither entered into, nor filed with the Court. Invalidation of any material portion of this Settlement, except for the amount of attorneys' fees and costs, shall not invalidate this Settlement in its entirety and the remaining provisions shall remain in full force and effect unless the Parties subsequently agree in writing otherwise. The Parties agree to abide by all of the terms of the Settlement in good faith and to support the Settlement fully and to use their best efforts to defend this Settlement from any legal challenge, whether by appeal or collateral attack. The Parties shall make all possible good faith efforts to resolve any issues raised by the Court during the approval process.

3.7. In the event that the Court does not grant a Motion for Approval of Representative PAGA Settlement after several attempts and after exhausting all good faith efforts to address any concern raised by the Court, the Parties will be restored to their positions prior to the execution of this Settlement Agreement and the Settlement Agreement shall be null and void and all materials related to seeking approval of the Settlement shall be inadmissible.

IV. TERMS OF SETTLEMENT

4.1. In consideration of the mutual covenants, promises and representations set forth in this Settlement, Plaintiffs, on behalf of the State of California as a Private Attorney General, and Defendant agree to settle and compromise the Action, subject to the terms and conditions set forth in this Settlement.

4.2. Consideration for Settlement. As consideration for the settlement described herein and the release contained in this Settlement, Defendant agrees to pay the Gross Settlement Amount of $710,000.00. The Gross Settlement Amount shall consist of and will be allocated as follows:

(a) PAGA Counsel's attorney fee request of 35% of the Gross Settlement Amount ($248,500.00);

(b) PAGA Counsel's request for reimbursement of reasonable expenses and costs incurred in the Action;

(c) Administration costs of up to $14,000.00 to be paid to the Settlement Administrator; and

(d) the remainder of the Settlement Payment after deducting the items (a), (b) and (c) above shall be designated as PAGA Penalties ("Net Settlement Amount") and will be allocated between the LWDA and the Aggrieved Employees pursuant to Labor Code section 2699(i) with 75% paid to the LWDA and 25% paid to the Aggrieved Employees on a pro-rata basis based upon the number of pay periods worked during the PAGA Period.

4.3. Allocation and Calculation of the PAGA Penalties. Seventy-five percent of the PAGA Penalties will be paid to the LWDA as required by Labor Code section 2699(i). The remaining 25% of the PAGA Penalties will be distributed to Aggrieved Employees on a pro-rata basis based upon the number of pay periods worked during the PAGA Period. The allocation amongst the Aggrieved Employees shall be determined by dividing the PAGA Penalties allocated to the Aggrieved Employees by the number of pay periods in the PAGA Period. The resulting amount shall be the Pay Period Amount. Each Aggrieved Employee, including Plaintiffs, shall receive a pro-rata value equal to the number of pay periods worked during the PAGA Period multiplied by the Pay Period amount (the "Individual PAGA Payments"). All Individual PAGA Payments made to Aggrieved Employees will be reported on an IRS Form 1099-MISC to the extent required by law.

4.4. PAGA Counsel's Fees and Costs. As part of the request for approval of this Settlement, PAGA Counsel will request court approval of 35% of the Gross Settlement Amount, which is $248,500.00. PAGA Counsel will also request reimbursement of reasonable expenses and costs incurred in the Action. Should PAGA Counsel request a lesser amount of attorneys' fees and costs and/or the Court approve a lesser amount, the difference shall be allocated to the PAGA Penalties and distributed accordingly. Any attorneys' fees and costs awarded to PAGA Counsel shall fully compensate and reimburse PAGA Counsel for any and all of the work already performed in connection with the Lawsuit and all work remaining to be performed in fully and finally resolving the Lawsuit, including but not limited to securing Court approval of the settlement, appearing at any hearings, making sure that the settlement is fairly and properly administered, defending the settlement in any appeal or other post-approval matter, all other work that PAGA Counsel has performed or will perform, and all costs that PAGA Counsel has incurred or will incur. Defendant will not object to nor oppose a request for attorneys' fees in the amount of up to 35% of the Gross Settlement Amount nor any request for reimbursement of reasonable expenses and costs incurred in the Action.

4.5. Tax Treatment of Settlement Amounts. With regard to settlement payments to Aggrieved Employees reflecting each Aggrieved Employees' share of PAGA penalties, IRS Form 1099-MISCs will be issued if required by the Settlement Administrator. Nothing in this Settlement is intended to constitute legal advice regarding federal, state, and/or local tax obligations. Plaintiffs acknowledge that they have obtained no tax advice from Defendant and that neither Defendant nor its attorneys have made any representation concerning the tax consequences, if any, of the Settlement Amount in this Agreement or any payment to be made pursuant to this Agreement. To the extent that this Settlement or any of its attachments is interpreted to contain or constitute advice regarding any state or federal tax issue, such advice is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding penalties under the Internal Revenue Code. Defendant is not responsible for any Aggrieved Employees' tax obligations regarding the allocation of the settlement payments. Payment of PAGA Counsel Fees & Costs will be reflected in a Form 1099 to PAGA Counsel who shall assume full responsibility and liability for the payment of taxes due on such payments.

V. RELEASE

5.1. Release By All Aggrieved Employees. Upon the approval by the Court of this Settlement and Defendant's full funding of the Gross Settlement Amount, Plaintiffs, the State of California and all Aggrieved Employees shall fully release and forever discharge the Released Parties from the Released PAGA Claims.

VI. APPROVAL AND ADMINISTRATION OF THE SETTLEMENT

6.1. In order to comply with the requirements of Labor Code Section 2699(*l*), Plaintiffs shall file a Motion for Approval of Representative PAGA Settlement identifying the key terms of this Settlement and requesting that the Court approve the Settlement ("Approval Motion").

6.2. Within fifteen (15) calendar days after the Effective Date, Defendant will compile and transmit to the Settlement Administrator the Aggrieved Employee Data containing: 1) the Aggrieved Employee's name; 2) last-known mailing address and telephone number; 3) the number of pay periods worked by an Aggrieved Employee during the PAGA Period; and 4) Social Security number.

6.3. Defendant shall pay to the Settlement Administrator the Gross Settlement Amount within thirty (30) calendar days of the Effective Date. The Settlement Administrator shall distribute the Individual PAGA Payments to the Aggrieved Employees, the LWDA PAGA payment to the LWDA, and the attorneys' fees and costs awarded by the Court within fifteen (15) days of Defendant's fully funding of the Gross Settlement Amount.

6.4. The Settlement Payment checks for each Aggrieved Employee's Share shall be sent to each Aggrieved Employee by U.S. First Class mail to the Aggrieved Employee's address with directions to the Postmaster to forward the payment checks and return all undeliverable payment checks to the Settlement Administrator. If the Settlement Administrator receives undeliverable payment checks, the Settlement Administrator shall conduct an Aggrieved Employee Address Search and remail the payment check to the most current address obtained. A Notice Letter approved by the Parties, in advance of filing the Approval Stipulation, explaining this Settlement will be included in the mailing of each Aggrieved Employee's check and submitted to the Court for its review and approval. The date of the initial mailing of the payment check shall be conclusively determined according to the records of the Settlement Administrator.

6.5. The Settlement Administrator shall ensure that 75% of the PAGA Penalties is paid to the LWDA.

6.6. Individual PAGA Payment checks shall remain valid and negotiable for one hundred eighty (180) calendar days from the date of their issuance or reissuance. Any funds associated with checks for the Aggrieved Employees' pro rata share of PAGA Penalties that have not been cashed within 180 days, will become void. For any Aggrieved Employee whose Aggrieved Employee Share check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California State Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

6.7. <u>Escalator Clause</u>. Defendant represents that there were approximately 1,896 Aggrieved Employees and approximately 76,209 pay periods as of June 4, 2025. If the total number of pay periods during the PAGA Period exceeds the estimate of 76,209 pay periods by more than 10% (*e.g.* if there are more than 83,829 pay periods), Defendant shall have the option of either: (i) increasing the GSA on a pro-rata basis equal to the percentage increase in the number of pay periods worked by the Aggrieved Employees above 10% (for example, if the number of pay periods increases by 11%, the GSA will increase by 1%), or (ii) shorten the release period to an earlier date at which only 76,209 pay periods plus an additional 10% are covered by the PAGA Period. Defendant must exercise this option prior to the Hearing on Plaintiffs' Motion for Approval of Representative PAGA Settlement.

VII. DUTIES OF THE PARTIES PRIOR TO APPROVAL

7.1. Promptly upon execution of this Settlement, Plaintiffs shall file a Motion for Approval of Representative PAGA Settlement. The Parties shall apply to the Court for the entry of an order and final judgment approving this Settlement as required by Labor Code section 2699(*l*). Plaintiffs shall prepare and file a Motion for Approval of Representative PAGA Settlement. The Approval Motion will request Court approval of the following:

a. Approving the terms of this Settlement and Release Agreement;

b. Approving the amount of PAGA Counsel Fees & Costs;

c. Appointing Apex Class Action Administration as the Settlement Administrator and approving the amount of Settlement Administration Costs;

d. Dismissal of the class claims if not separately handled prior Court approval; and

e. Entering of Final Judgment.

VIII. MUTUAL FULL COOPERATION

8.1. The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement, including, but not limited to, execution of such documents and to take such other action as may reasonably be necessary to implement the terms of this Settlement. The Parties to this Settlement shall use their best efforts, including all efforts contemplated by this Settlement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Settlement and the terms set forth herein.

IX. NO ADMISSION

9.1. Nothing contained herein nor is the consummation of this Settlement to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant or any of the Releasees. Each of the Parties hereto has entered into this Settlement with the intention to avoid further disputes and litigation with the attendant inconvenience and expense. Defendant denies that it has engaged in any unlawful activity, that it failed to comply with the law in any material respect, or that it has any liability to anyone under the claims asserted in the Lawsuit. This Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Agreement is intended or shall be construed as an admission of liability or wrongdoing by Defendant.

X. NON-EVIDENTIARY USE

10.1. Whether or not the Effective Date occurs, neither this Agreement nor any of its terms, nor the Settlement itself shall be: (a) construed as, offered, or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to Defendant or any other of the Released Parties, including but not limited to, evidence of a presumption, concession, indication, or admission by any of the Released Parties of any liability, fault, wrongdoing, omission, concession, or damage, or (b) disclosed, referred to, or offered in evidence against any of the Released Parties in any further proceeding in the Lawsuit, or any other civil, criminal, or administrative action or proceeding except for the purposes of effectuating the Settlement pursuant to this Agreement or for Defendant to establish that an Aggrieved Employee has resolved any of his/her claims released through this Agreement nor against Plaintiff in this Action.

XI. NULLIFICATION

11.1. If (a) the Court should for any reason fail to approve this Settlement in the form agreed to by the Parties (except for the amount of attorneys' fees, costs, or the settlement administration costs), or (b) the Court's approval of this Settlement is reversed, modified, or declared or rendered void, then (i) this Agreement shall be considered null and void; (ii) neither this Agreement nor any of the related negotiations or proceedings shall be of any force or effect; and (iii) all Parties to this Agreement shall stand in the same position, without prejudice, as if the Agreement had been neither entered into nor filed with the Court. Invalidation of any material portion of this Agreement, except for the amount of attorneys' fees and costs, or the settlement administration expenses, shall invalidate this Agreement in its entirety unless the Parties shall subsequently agree in writing that the remaining provisions shall remain in full force and effect.

XII. ATTORNEYS' FEES, COSTS AND EXPENSES

12.1. Except as specifically set forth herein, each party shall bear their own attorneys' fees, costs, and expenses, taxable or otherwise, incurred by them arising out of the Action, and shall not seek reimbursement thereof from any other party to this Agreement. However, to the extent that any party must enforce the terms of this agreement, the prevailing party in such enforcement action will be entitled to their attorneys' fees and costs.

XIII. CONSTRUCTION

13.1. The Parties hereto agree that the terms and conditions of this Settlement are the result of lengthy, intensive, arms-length negotiations between the Parties and that this Agreement constitutes the entire agreement between Plaintiffs (on behalf of themselves and the State of California) and Defendant regarding actual or potential claims asserted by Plaintiffs against Releasees. Excluding the arbitration agreement entered into by the Parties prior to the commencement of this lawsuit and any individual settlement agreements that covers Plaintiffs' individual claims, this Agreement supersedes all prior agreements, written or oral, between or among the Parties regarding those claims or potential claims and the resolution of those claims. Consequently, no other agreement, statement, or promise made by one Party to another as to any matter addressed in this Agreement shall be binding or valid.

XIV. CAPTIONS AND INTERPRETATIONS

14.1. Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Settlement or any provision hereof. Each term of this Settlement is contractual and not merely a recital.

XV. MODIFICATION

15.1. This Settlement may not be amended, changed, altered, or modified, except in writing and signed by the Parties (or their successors-in-interest) or their Counsel hereto. This Settlement may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties hereto.

XVI. MISCELLANEOUS

16.1. Limited Waiver of Right to Appeal. Provided that the Judgment ultimately entered in this Action is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel's Fees and PAGA Counsel's Costs reimbursement, the Parties and their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. PAGA Counsel retains the right to appeal a reduction in attorney's fees but any such reduction shall not constitute a material change to the Settlement. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals or to oppose and/or appeal any adverse rulings related to any third parties attempts to intervene or object to the Parties' proposed settlement or any of its terms.

16.2. Use and Return of PAGA Data. Documents provided to PAGA Counsel under the Mediation Privilege shall be deleted one (1) year and thirty (30) days after the entry of any amended judgment under Code of Civil Procedure section 384.

16.3. This Settlement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors, and assigns.

16.4. This Settlement may be executed in counterparts either via a wet written signature or an electronic signature (such as via Dropbox Sign or DocuSign). When each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one Settlement, which shall be binding upon and effective as to all Parties. The counterparts may be executed and/or transmitted electronically or by facsimile.

16.5. This Agreement shall be governed, construed, and interpreted, and the rights of the Parties shall be determined, in accordance with the laws of the State of California, irrespective of the State of California's choice of law principles.

16.6. The Parties have cooperated in the negotiation and preparation of this Agreement. This Agreement shall not be construed against any Party on the basis that the Party, or the Party's counsel, was the drafter or participated in the drafting of this Agreement. As such, both Parties agree that they bear the risk of mistake and that they each agree to bear such risks, including all potential risks associated with this Settlement, equally.

16.7. The Tuolumne County Superior Court shall retain jurisdiction to enforce this Agreement pursuant to California Code of Civil Procedure section 664.6. The Court shall retain continuing jurisdiction over this Lawsuit and over all Parties to the fullest extent to enforce and effectuate the terms and intent of this Agreement.

THE PARTIES HAVE READ THE FOREGOING AGREEMENT. THEY HAVE CONSULTED WITH LEGAL COUNSEL REGARDING THE FOREGOING AGREEMENT AND KNOW THE CONTENTS THEREOF AND SIGN THE SAME AS THEIR FREE, KNOWING, AND VOLUNTARY ACT AND DEED, BEING FULLY AWARE OF ITS CONSEQUENCES AND ITS FINAL AND BINDING EFFECT.

APPROVED:

DocuSigned by:

DATED: 1/26______________, 2026 Beverly Walls Cooley

ECF4659D48614EE...

BEVERLY W. COOLEY
as PAGA Representative

DATED: ______________, 2026 ____________________________________

WILLIE J. FLORENCE
as PAGA Representative

16.2. Use and Return of PAGA Data. Documents provided to PAGA Counsel under the Mediation Privilege shall be deleted one (1) year and thirty (30) days after the entry of any amended judgment under Code of Civil Procedure section 384.

16.3. This Settlement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors, and assigns.

16.4. This Settlement may be executed in counterparts either via a wet written signature or an electronic signature (such as via Dropbox Sign or DocuSign). When each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one Settlement, which shall be binding upon and effective as to all Parties. The counterparts may be executed and/or transmitted electronically or by facsimile.

16.5. This Agreement shall be governed, construed, and interpreted, and the rights of the Parties shall be determined, in accordance with the laws of the State of California, irrespective of the State of California's choice of law principles.

16.6. The Parties have cooperated in the negotiation and preparation of this Agreement. This Agreement shall not be construed against any Party on the basis that the Party, or the Party's counsel, was the drafter or participated in the drafting of this Agreement. As such, both Parties agree that they bear the risk of mistake and that they each agree to bear such risks, including all potential risks associated with this Settlement, equally.

16.7. The Tuolumne County Superior Court shall retain jurisdiction to enforce this Agreement pursuant to California Code of Civil Procedure section 664.6. The Court shall retain continuing jurisdiction over this Lawsuit and over all Parties to the fullest extent to enforce and effectuate the terms and intent of this Agreement.

THE PARTIES HAVE READ THE FOREGOING AGREEMENT. THEY HAVE CONSULTED WITH LEGAL COUNSEL REGARDING THE FOREGOING AGREEMENT AND KNOW THE CONTENTS THEREOF AND SIGN THE SAME AS THEIR FREE, KNOWING, AND VOLUNTARY ACT AND DEED, BEING FULLY AWARE OF ITS CONSEQUENCES AND ITS FINAL AND BINDING EFFECT.

APPROVED:

DATED: ______________, 2026

____
BEVERLY W. COOLEY
as PAGA Representative

Signed by:
73ACDD818D014B1...

DATED: January, 26, 2026

____
WILLIE J. FLORENCE
as PAGA Representative

DATED: 01/28/2026, 2026

Jeff Shultz

For SONORA COMMUNITY HOSPITAL
Name: Jeff Shultz
Title: Treasurer

APPROVED AS TO FORM AND CONTENT:

DATED: 01/28, 2026

David Yeremian, Esq.
Alvin B. Lindsay, Esq.
Enoch J. Kim, Esq.
Antonia McKee, Esq.
D.LAW, INC.
Counsel for Plaintiffs, Beverly W. Cooley and Willie J. Florence

DATED: 01/28/2026, 2026

Daniel Whang

Daniel Whang, Esq.
Kerry Friedrichs, Esq.
SEYFARTH SHAW LLP
Counsel for Defendant, SONORA COMMUNITY HOSPITAL