

WILKER V. SAN RAFAEL OPERATING COMPANY, LP, ET AL.,
MARIN COUNTY CASE NO. CV0001580
PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Mary Wilker (“Plaintiff”) and Defendants, San Rafael Operating Company, LP (“SROC”) and Mariner Health Central, Inc. (“MHCI”) (“Defendants”) (collectively referred to hereinafter, the “Parties”). The Parties agree to a PAGA settlement of the lawsuit entitled *Wilker v. San Rafael Operating Company, LP, et al.*, Marin County Superior Court Case No. CV0001580.

1. DEFINITIONS.

1.1 “Action” means the Plaintiff’s PAGA lawsuit alleging wage and hour violations against SROC & MHCI, captioned *Wilker v. San Rafael Operating Company, LP, et al.*, Case No. CV0001580, initiated on December 14, 2023, and pending in Superior Court of the State of California, County of Marin.

1.2 “Administrator” means ILYM Group, Inc. (“ILYM”), the neutral entity the Parties agreed 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:

All hourly non-exempt employees of SROC employed in California at the Pine Ridge facility, during the relevant time period of December 14, 2022, through January 31, 2025, or the date of Court approval of the Settlement, whichever comes first.

1.5 “Aggrieved Employee Data” means Aggrieved Employee identifying information in possession of SROC including the Aggrieved Employee’s name, last-known mailing address, Social Security number and number of PAGA pay periods.

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

1.8 “Defense Counsel” means O’Hagan Meyer LLP.

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1.9 “Effective Date” means the date by which the last of the following has occurred: 1) the Court has issued the Approval Order, dismissed Plaintiff’s PAGA claims with prejudice, and entered Judgment in accordance with the terms described herein; and 2) if the State of California, acting through the LWDA or any other administrative agency or official, or any third party timely intervenes in the Action: (i) if the intervenor then appeals the Judgment, the date the Judgment is affirmed on appeal, or the date of dismissal of the appeal, (ii) if no intervention then entry of Judgment is the Effective Date.

1.10 “Gross Settlement Amount” means Two Hundred Five Thousand Dollars and Zero Cents (\$205,000.00) (“PAGA Gross Settlement Amount”), which is the total amount SROC agrees to pay under the Settlement. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, the Representative Service Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses and the Administrator’s Expenses.

1.11 “Individual PAGA Payments” means the Aggrieved Employees’ 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 the Approval Order.

1.13 “LWDA” means the Labor and Workforce Development Agency, the agency designated 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 (m).

1.15 “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: the LWDA PAGA Payment, PAGA Counsel Fees, PAGA Counsel Litigation Expenses, the Representative Service Payment, and the Administration Expenses. 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, not to exceed 35% of the Gross Settlement Amount (for attorney fees)

1.18 “PAGA Pay Period” means any pay period during which an Aggrieved Employee worked SROC for at least one day during the PAGA Period.

1.19 “PAGA Period” means the period from December 14, 2022 through January 31, 2025, or the date the court approves the Settlement, whichever is first.

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

1.21 “PAGA Notice” means Plaintiff’s November 16, 2023, letter to SROC 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 \$28,475.00) and the 75% to LWDA (currently estimated to be \$84,425.00) in settlement of PAGA claims.

1.23 “Plaintiff” means Mary Wilker, the named plaintiff in the Action.

1.24 “Approval Order” means the Court Order Granting Approval of PAGA Settlement.

1.25 “Released PAGA Claims” means the claims being released by the Plaintiff and PAGA Counsel and as described in Paragraph 5 below.

1.26 “Released Parties” means SROC, MHCI, and its owners, agents, attorneys, insurers, past, present, and future divisions, predecessors, successors, shareholders, officers, directors, managers, employees, trustees, representatives, administrators, fiduciaries, assigns, subrogees, executors, partners, parents, subsidiaries.

1.27 "Representative Service Payment" means the \$1,000 payment to the Plaintiff for initiating the Action and providing services in support of the Action.

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

1.29 “SROC” means named Defendant San Rafael Operating Company, LP.

1.30 “MHCI” means named Defendant Mariner Health Central Inc.

2. RECITALS.

2.1 On December 14, 2023, Wilker filed a Class Action Complaint against SROC and MHCI in the Marin County Superior Court (Case No. CV00015806) which alleged causes of action for: 1) Violation of Unfair Competition Law; 2. Failure to Pay All Wages; 3) Meal Period Violations; 4) Waiting Time Penalty; 5) Wage Statement Penalty; 6) Rest Period Violations.

2.2 On January 25, 2024, Wilker filed a First Amended Complaint (the “FAC”) which added a claim for PAGA penalties to the Class Action based on the following theories: 1) Violation of Unfair Competition Law; 2. Failure to Pay All Wages; 3) Meal Period Violations; 4) Waiting Time Penalty; 5) Wage Statement Penalty; 6) Rest Period Violations;

2.3 The parties met and conferred regarding a potential motion to compel arbitration and agreed to dismiss the class claims pursuant to a Stipulated Order that was entered on August 15, 2024.

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

2.5 On December 3, 2024, the parties participated in an all-day mediation presided over by Jeff Winikow, which led to this agreement to settle the action after significant pre-mediation discussions and an informal exchange of data (including time and pay data for the Aggrieved Employees during the PAGA Period).

2.6 The Parties, PAGA Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, SROC promises to pay Two Hundred Five Thousand Dollars and Zero Cents (\$205,000.00) and no more as the Gross Settlement Amount. SROC has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to SROC.

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 Approval Order:

3.2.1 To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 35%, which is currently estimated to be \$71,750.00, and PAGA Counsel Litigation Expenses Payment of not more than \$15,000.00. SROC 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 reallocate the balance to the Net Settlement Amount. However, if the Court awards a lesser amount, it shall not affect the Gross 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 Fees 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 SROC harmless, and indemnifies SROC, 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 \$3,350.00 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 less than \$3,350.00, the Administrator will distribute the remainder in the Net Settlement Amount. If the Administration Expenses exceed the amount approved by the Court, SROC 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 \$113,900.00 to be paid from the Gross Settlement Amount, with 75% (\$85,425.00) allocated to the LWDA PAGA Payment and 25% (\$28,475.00) 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 (\$28,475.00) by the total number of PAGA Period pay periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the quotient by each Aggrieved Employee's PAGA Period pay periods worked. 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.

3.2.4 Payment to the Named Plaintiff. Representative Service Payment to Plaintiff of not more than \$1,000.00 (in addition to any Individual PAGA Payment). SROC will not oppose Plaintiff's request for a Representative Service Payment that does not exceed this amount. However, any portion of the requested enhancement award that is not approved by the Court shall become part of the Net Settlement Amount. The Administrator will pay the Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Representative Service Payment.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Aggrieved Employee Pay Periods. Based on a review of its records, SROC estimates there are 231 Aggrieved Employees who worked a total of 7,794 PAGA Pay Periods from January 25, 2023, through December 3, 2024.

4.2 Aggrieved Employee Data. Within 30 days of the Approval Order, SROC 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. SROC 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 SROC 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. SROC shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator in four (4) equal installment payments. SROC shall transmit the first installment payment to the Administrator no later than 10 days after the Effective Date. Each subsequent installment payment will be due at

thirty (30) day intervals from the first installment payment until the Settlement is fully funded.

4.4 Payments from the Gross Settlement Amount. Within 14 days after SROC 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, the PAGA Counsel Fees Payment, and the Representative Service Payment. Disbursement of the PAGA Counsel Litigation Expenses Payment and PAGA Counsel Fees Payment shall not precede disbursement of Individual PAGA Payments. The Administrator may transmit payment for the PAGA Counsel Expenses Payment, PAGA Counsel Fees Payment, and the Administration Expenses Payment by wire or bank transfer at the option of the payments' recipients.

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 must be cashed. The Administrator will cancel all checks not cashed by the void date. To the extent any settlement checks are not cashed within one hundred and eighty (180) days of issuance, such funds will be distributed to the California State Controller to be deposited in the Unclaimed Property Fund in the name of the Aggrieved Employee. 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 returned 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 SROC 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 SROC fully funds the entire Gross Settlement Amount, Plaintiff, all Aggrieved Employees, the State of California, the LWDA, and PAGA Counsel will release claims against all Released Parties as follows:

5.1 Plaintiff's Release. Upon approval of the settlement by the Court, all Aggrieved Employees (including Plaintiff), the state of California, and the LWDA shall release all claims pled or that could have been pled in the First Amended Complaint for Marin County Superior Court Case No. CV0001580 ("Complaint") pursuant to the Labor Code Private Attorneys' General Act ("PAGA"), California Labor Code §§ 2698, et seq., deriving from and/or based on the facts alleged in the Complaint and Plaintiff's PAGA letter, arising out of or related to work performed for SROC and/or MHCI during the PAGA Period upon approval of the settlement, including claims for penalties, interest, attorneys' fees and/or costs. The release shall encompass all claims, causes of action or liability pursuant to the PAGA, including but not limited to any penalties based on alleged violations of the IWC Wage Orders or California Labor Code sections §§ 201, 202, 203, 204, 226, 226.7, 510, 512, 558, and 2698, et seq. The settlement shall be effective to adjudicate and release the claims and/or rights of the LWDA to recover civil penalties against SROC for the released Labor Code and/or Wage Order violations suffered by any of the Aggrieved Employees (i.e., entry of Judgment shall have res judicata effect as to those claims of the LWDA, whether pursued directly by the LWDA or by a representative pursuant to PAGA). The release shall include SROC, and its owners, agents, attorneys, insurers, past, present, and future divisions, DBAs (if any), predecessors, successors, shareholders, officers, directors, managers, employees, trustees, representatives, administrators, fiduciaries, assigns, subrogees, executors, partners, parents, subsidiaries.

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

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.

5.2 Release by Aggrieved Employees and the LWDA:

All Aggrieved Employees, the state of California, and the LWDA 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 claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Complaint and the PAGA Notice, and alleged in the Action, including but not limited to claims for all alleged Labor Code and Wage Order violations specified therein. The settlement shall be effective to adjudicate and release the claims and/or rights of the LWDA to recover civil penalties against SROC

for the released Labor Code and/or Wage Order violations suffered by any of the Aggrieved Employees (i.e., entry of Judgment shall have res judicata effect as to those claims of the LWDA, whether pursued directly by the LWDA or by a representative pursuant to PAGA).

5.3 Release by 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 Counsel Fees and PAGA Counsel Expenses incurred in connection with the Complaint and the PAGA Period facts stated in the Complaint, the PAGA Notice, and alleged in the Action, including but not limited to claims for all alleged Labor Code and Wage Order violations specified therein.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT. The Parties agree to jointly prepare and file an application or motion for approval of this Settlement.

6.2 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 stipulation and/or notice, and memorandum in support of the Motion for Approval; (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 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)), the Complaint filed in the Action (Lab. Code, §2699, subd. (1)(1)); and (vii) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator. 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.

6.3 Responsibilities of PAGA Counsel. PAGA Counsel is responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement so that it can be filed. PAGA Counsel is responsible for delivering the Court's Approval Order to the Administrator. PAGA Counsel will provide Defense Counsel at least ten (10) business days to review and comment on the application or

motion for approval before filing. The Parties will work in good faith to resolve any disagreements regarding the application or motion for approval.

6.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or 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 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 to 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 a review of its records for the period of January 25, 2023 through December 3, 2024, SROC estimates that, as of December 3, 2024, there are 231 Aggrieved Employees who worked 7,794 pay periods.

8.1.1: Escalator Clause: SROC has represented that there are approximately 7,794 pay periods from January 25, 2023, through December 3, 2024. This is a material representation for Plaintiff to enter into this agreement. Should the actual number of pay periods during the PAGA Period increase beyond 10%, SROC shall have the option of (a) increasing the Gross Settlement Amount (i.e. \$205,000.00) by the percentage increase in

the number of PAGA Pay Periods above 10% (e.g. if the number of PAGA Pay Periods increases by 11%, the Gross Settlement Amount apportioned to PAGA will increase by 1%), or (b) rolling back the PAGA Period to the date in which 7,794 pay periods is met.

9. CONTINUING JURISDICTION OF THE COURT. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, the 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 pursuant to Code of Civil Procedure section 664.6.

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, 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. 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 SROC that any of the allegations in the Complaint, the Action, or the PAGA Notice have merit or that SROC has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that SROC's defenses in the Action have merit. SROC denies that it has engaged in any unlawful activity, that it failed to comply with the law in any respect, that it has any liability to anyone under the claims asserted in the Action, and that, but for this Settlement, non-exempt employees should not be deemed Aggrieved Employees in this lawsuit. The Parties agree that representative treatment is for purposes of this Settlement only. If for any reason the Court does not approve this Settlement, SROC reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest SROC's defenses. The Settlement, this Agreement and the Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

10.2 Confidentiality Prior to Preliminary Approval. Plaintiff and PAGA Counsel agree that, until the motion or application 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. Plaintiff and PAGA Counsel agree to immediately notify SROC of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff and PAGA Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the motion or application 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. If PAGA Counsel describes or lists this Settlement on their website, other online media, or marketing materials, they may not mention SROC or MHCI by name. This paragraph does not restrict PAGA Counsel's communications with Aggrieved Employees in accordance with any ethical obligations owed to Aggrieved Employees by PAGA Counsel.

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 SROC, 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 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 any 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, SROC, 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 SROC 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. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data received from SROC unless, prior to the Administrator's payment of all Settlement Funds, SROC makes a written request to PAGA Counsel for the return, rather than the destruction, of Aggrieved Employee Data.

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 are 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 SROC: 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.

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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 and Judgment, including but not limited to any judicial findings included therein, Plaintiff or SROC 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 SROC'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 SROC, 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 SROC each will be responsible for paying fifty percent (50%) of any Administration Costs.

Signed by:

 6A1270C9387C438...

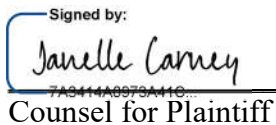
Plaintiff

For San Rafael Operating Company, LP

Its _____

Date: 4/1/2025

Date:

Signed by:

 7A3414A8979A416...

Counsel for Plaintiff

For Mariner Health Central, Inc.

Its _____

Date: 4/1/2025

Date:

Counsel for Defendants

Date:

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Linda W. Taetz

Linda W. Taetz (Apr 7, 2025 13:44 PDT)

Plaintiff

For San Rafael Operating Company, LP

Vice President
Its _____

Date: _____

Date: Apr 7, 2025

Counsel for Plaintiff

For Mariner Health Central, Inc.

Its _____

Date: _____

Date: _____

Counsel for Defendants

Date: _____

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Plaintiff

For San Rafael Operating Company, LP

Its _____

Date: _____

Date: _____

Counsel for Plaintiff

Devin M Ehrlich
Devin M Ehrlich (Apr 7, 2025 17:32 EDT)

For Mariner Health Central, Inc.

Date: _____

Its Vice President _____

Date: Apr 7, 2025

Counsel for Defendants

Date: _____

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Plaintiff

For San Rafael Operating Company, LP

Its _____

Date: _____

Date: _____

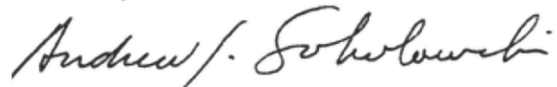
Counsel for Plaintiff

For Mariner Health Central, Inc.

Its _____

Date: _____

Date: _____



Counsel for Defendants

Date: _____

April 7, 2025
